

FUTURE GENERATION

INVESTMENT FUND

Future Generation Investment Fund Limited
ACN 063 935 553

Prospectus

An offer to raise up to \$200,000,000 through the issue of up to 181,818,182 Shares, each with an attaching Option

The Offer is not underwritten

Brokers to the Issue:

Morgans Financial Limited
ACN 010 669 726 AFSL 235410



Taylor Collison Limited
ACN 008 172 450 AFSL 247083



Directory

Directors

Jonathan Trollip
Geoffrey Wilson
Gabriel Radzynski
Paul Jensen

Registered Office

Level 11, 139 Macquarie Street
Sydney NSW 2000

Telephone: (02) 9247 9202

Share Registry

Computershare Investor
Services Pty Limited
GPO Box 52
Melbourne VIC 3001

Telephone: 1300 132 288

Company Secretary

Mark Licciardo – Mertons
Corporate Services Pty Limited

Kate Thorley – Wilson Asset
Management (International) Pty
Limited

Licensed Dealer to the Offer

Wilson Asset Management
(International) Pty Limited
Level 11, 139 Macquarie Street
Sydney NSW 2000
(AFSL 247333)

Telephone: (02) 9247 6755
Facsimile: (02) 9247 6855

Solicitors to the Offer

Watson Mangioni Lawyers Pty
Limited
Level 13, 50 Carrington Street
Sydney NSW 2000

Telephone: (02) 9262 6666
Facsimile: (02) 9262 2626

Investigating Accountant

Moore Stephens Sydney
Corporate Finance Pty Limited
Level 15, 135 King
Sydney NSW 2000

Telephone: (02) 8236 7700
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Broker to the Issue

Morgans Financial Limited
Level 29, 123 Eagle Street
Brisbane QLD 4000
(AFSL 235410)

Telephone: (07) 3334 4864

Broker to the Issue

Taylor Collison Limited
Level 16, 211 Victoria Square
Adelaide SA 5000
(AFSL 247083)

Telephone: 08 8217 3908

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Indicative Timetable

Date of Prospectus	7 July 2014
Offer to open	7 July 2014
<i>Record date for Buy-Back Offer</i>	<i>24 July 2014</i>
<i>Buy-Back Closes</i>	<i>15 August 2014</i>
<i>Placement to Wilson Foundation</i>	<i>19 August 2014</i>
<i>Share Consolidation Record Date</i>	<i>20 August 2014</i>
Priority Allocation offer closes	28 August 2014
Broker Firm Offer expected to close	1 September 2014
Offer expected to close	3 September 2014
<i>Share consolidation occurs</i>	<i>3 September 2014</i>
Date of allotment	5 September 2014
Expected date of despatch of holding statements	9 September 2014
Trading of Shares and Options expected to commence on ASX	14 September 2014
<i>Option Expiry Date</i>	<i>16 September 2016</i>

The above dates are indicative only and may vary. The Company reserves the right to amend this indicative timetable, including by closing the Offer early or extending the Closing Date, subject to the requirements of the Listing Rules and the Corporations Act.

Key Offer Statistics

Company	Future Generation Investment Fund Limited ACN 063 935 553
Proposed ASX codes	Shares: FGX Options: FGXO
Securities offered	Fully paid ordinary shares 1 Option for every Share issued
Application Price per Share	\$1.10
Exercise Price per Option	\$1.10
The minimum number Securities available under the Offer ¹	13,636,364 Shares and Options (\$15,000,000)
The number Securities issued under the Offer if it is fully subscribed ¹	181,818,182 Shares and Options (\$200,000,000)
Proforma Net Tangible Asset (NTA) backing per Share if the minimum subscription amount is raised	\$1.076 (based on proforma balance sheet set out in Section 6.3)
Proforma NTA backing per Share if the maximum subscription amount is raised	\$1.082 (based on proforma balance sheet set out in Section 6.3)

IMPORTANT NOTICES

This Prospectus is dated 7 July 2014 and was lodged with the Australian Securities & Investments Commission (**ASIC**) on that date. It is issued by Future Generation Investment Fund Limited (ACN 063 935 553) (**Company**) and is an invitation to apply for up to 181,818,182¹ Shares at an Application Price of \$1.10 per Share to raise up to \$200,000,000 together with an entitlement to 1 attaching Option for every 1 Share subscribed for, with each Option exercisable at \$1.10 on or before 16 September 2016. No responsibility for the contents of this Prospectus is taken by ASIC, ASX or any of their respective officers.

No Securities (other than Shares to be issued on the exercise of Options) will be issued on the basis of this Prospectus later than the expiry date of this Prospectus being 13 months after the date of this Prospectus.

No person is authorised to give any information or make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained or taken to be contained may not be relied on as having been authorised by the Company in connection with the Offer.

ASX Listing

The Company will apply to ASX within 7 days after the date of this Prospectus, for the Shares and Options to be issued pursuant to this Prospectus to be quoted on ASX.

No Shares or Options will be allotted until the minimum subscription has been received and permission has been granted by ASX for quotation of the Shares and Options unconditionally or on terms acceptable to the Directors.

The fact that ASX may list the Company is not to be taken as an indication of the merits of the Company or the Shares or Options.

Intermediary Authorisation

The Company does not hold an Australian Financial Services Licensee (**AFSL**). Accordingly, offers under this Prospectus will be made pursuant to an arrangement between the Company and holders of an AFSL (**AFSL Holders**) pursuant to Section 911A(2)(b) of the Corporations Act. The Company will only authorise AFSL Holders to make offers to people to arrange for the issue of Shares or Options by the Company under this Prospectus and the Company will only issue Shares and Options in accordance with such offers if they are accepted.

Wilson Asset Management (International) Pty Limited (AFSL 247333) is the licenced dealer to the Offer (**Licenced Dealer**).

The Company will forward all Application Forms that do not bear an AFSL Holder stamp to Wilson Asset Management (International) Pty Limited.

The Licenced Dealer function should not be considered as an endorsement of the Offer or a recommendation of the suitability of the Offer for any investor. The Licenced Dealer does not guarantee the success or performance

of the Company or the returns (if any) to be received by Shareholders. Neither the Licenced Dealer nor any AFSL Holder is responsible for or caused the issue of this Prospectus.

Risks and your Investment Decision

Applicants should read this Prospectus in its entirety before deciding to apply for Shares and Options. This Prospectus does not take into account your individual investment objectives, financial situation or any of your particular needs. You should seek independent legal, financial and taxation advice before making a decision whether to invest in the Company.

An investment in any listed entity carries risks. An outline of some of the risks that apply to an investment in the Company is set out in Section 5. Applicants are urged to consider this Section of the Prospectus carefully before deciding to apply for Shares and Options.

Forward Looking Statements

This Prospectus contains forward looking statements. Forward looking statements are not based on historical facts, but are based on current expectations of future results or events. These forward looking statements are subject to risks, uncertainties and assumptions which could cause actual results or events to differ materially from the expectations described in such forward looking statements. While the Company believes that the expectations reflected in the forward looking statements in this Prospectus are reasonable, no assurance can be given that such expectations will prove to be correct. The risk factors set out in Section 5, as well as other matters as yet not known to the Company or not currently considered material by the Company, may cause actual results or events to be materially different from those expressed, implied or projected in any forward looking statements. Any forward looking statement contained in this Prospectus is qualified by this cautionary statement.

Prospectus

An electronic version of this Prospectus (**Electronic Prospectus**) can be downloaded from the following website: www.futuregeninvest.com.au. The Offer or invitation to which the Electronic Prospectus relates is only available to persons receiving the Electronic Prospectus in Australia.

The Company will send to a person a copy of the paper Prospectus and paper Application Form free of charge if the person asks before the Closing Date.

If you download the Electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by a copy of the electronic Application Form. The Shares and Options to which the Electronic Prospectus relates will only be issued on receipt of a printed copy of the applicable Application Form.

How to Apply

An Application for Shares and Options under the General Offer can only be made by completing and lodging the General Offer Application Form attached at the back of this Prospectus. Participants in a Priority Allocations should complete the Priority Allocation Application Form.

¹ Calculated on the assumption that all Subscriptions are raised under the Priority Allocation and General Offers and that no amount is raised under the Broker Firm Offer.

Detailed instructions on completing the Application Form can be found on the back of the Application Form. See Section 1.1 for details.

Applicants under the Broker Firm Offer should contact their Broker. See Section 1.5 for details.

Applications must be for a minimum of 2,000 Shares and Options. A larger number of Shares may be applied for in multiples of 100 Shares. Applications must be accompanied by payment of the Application Price in Australian currency of \$1.10 per Share. No stamp duty is payable by Applicants.

Cheques should be made payable to "Future Generation Investment Fund Limited" and crossed "Not Negotiable".

Completed Application Forms, together with Application Monies, should be forwarded to the following address:

Future Generation Investment Fund Limited Share Offer
c/- Computershare Investor Services Pty Limited
GPO Box 52
Melbourne VIC 3001

Alternatively, Applicants can apply online and pay your Application Price by BPAY at:

www.futuregeninvest.com.au

When to Apply

Application Monies and completed Applications to participate in the General Offer or a Priority Allocation must be received by Computershare Investor Services Pty Limited prior to 5.00 pm (Sydney time) on the Closing Date.

To participate in the Broker Firm Offer, Broker Firm Application Forms must be returned to your Broker prior to 5.00 pm (Sydney time) on Broker Firm Closing Date (expected to be 1 September 2014). See Section 1.5 for details.

The Directors may close the Offer at any time without prior notice or extend the Offer period in accordance with the Corporations Act. **Early lodgement of your application is recommended as the Offer may be closed early.**

Priority and General Offer Allocation Policy

The Board has set aside:

- 50,000,000 Shares and Options as a Priority Allocation for Eligible Shareholders;
- 50,000,000 Shares and Options as a Priority Allocation for WAM Eligible Participants; and
- 5,000,000 Shares and Options as a Priority Allocation for SNC Eligible Participants.

See Section 1.2 for further details.

The Directors reserve the right to allocate any lesser number of Shares and Options than those for which the Applicant has applied.

Where the number of Shares and Options allotted is fewer than the number applied for, surplus Application Monies will be refunded without interest.

Allocation under the Broker Firm Offer

The allocation of Shares and Options to Brokers under the Broker Firm Offer will be determined by the Company.

The Company and the Share Registry take no responsibility for any acts or omissions by your Broker in connection with your Application, Application Form and Application Monies (including, without limitation, failure to submit Application Forms by the close of the Broker Firm Offer).

ASX BookBuild

The Company at its discretion may elect to use the ASX BookBuild facility as part of the Offer. See Section 1.3 for details about how the Company will announce its intention to use the facility, key parameters and additional information.

Glossary of Terms

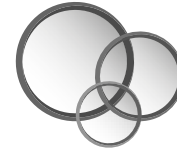
Defined terms and abbreviations included in the text of this Prospectus are set out in the Glossary in Section 11.

References to dollars or \$ are references to the lawful currency of Australia. Any discrepancies between the totals and the sum of all the individual components in the tables contained in this Prospectus are due to rounding.

Enquiries

Investors with questions or who require additional copies of the Prospectus should contact Geoffrey Wilson, Kate Thorley or Mary-Ann Baldock on (+612) 9247 6755 or info@futuregeninvest.com.au

Alternatively, you can contact the Share Registry, Computershare on 1300 132 288 (from within Australia) and (+613) 9415 4054 (outside Australia).



FUTURE GENERATION
INVESTMENT FUND

ACN 063 935 553
Level 11, 139 Macquarie Street, Sydney NSW 2000
Ph: (02) 9247 9202

7 July 2014

Dear Investor

On behalf of the Directors of the Company, I am pleased to present this Prospectus and offer you the opportunity to become a Shareholder in Future Generation Investment Fund Limited (**Company**) - Australia's first listed investment company (**LIC**) with the dual objectives of providing you with diversified exposure to selected Australian Fund Managers and supporting Australian Charities.

The Company is seeking to raise up to \$200,000,000 under the Offer (before the exercise of Options) and to be reinstated on the Australian Securities Exchange (**ASX**), under the code FGX.

Investment objectives

The Company's investment objectives are: to provide a stream of fully franked dividends; to achieve capital growth; and preserve Shareholder capital. The Company will seek to provide Shareholders with exposure to a diversified portfolio of Australian equities, with the potential to invest in other asset classes. The Company will invest its capital with selected Australian Fund Managers and may also make direct investments. See Section 2.8 for details of permitted investments, Section 2.10 for details of how the Company will select Fund Managers and Section 2.11 for the names of the Initial Fund Managers.

Charitable goal

The Company's basic charitable objective, together with its Shareholders and the support of the Company's Service Providers, is to make a difference to Australian children by providing financial support to the Designated Charities. By donating a percentage of its net assets each year, the Company will be a source of funding for Australian charities. The Company's focus will be on children's charities, with an emphasis on those that support children at risk (see Section 4 for further details). The Company proposes that the annual donation to be an amount equal to 1.0% of the Company's average net tangible assets (**NTA**) for the relevant financial year.

The Company itself is not a deductible gift recipient (**DGR**) or otherwise classified as a charity and so will be taxed as any other LIC.

Implementation of the Company's dual objectives

The Company intends to invest in funds managed by Australian Fund Managers who forgo all Management and Performance Fees with respect to funds managed on behalf of the Company. In addition, the Directors have agreed to waive all their director fees and the Company will seek to engage service providers on a pro bono basis.

The aggregate amount of the Forgone Fees will enhance the Company's NTA, the benefit of which will be shared between the Designated Charities and the Shareholders. Where Forgone Fees are greater than the donation amount paid to charities, the balance will be for the benefit of Shareholders.

The Company considers it is very important that both Shareholders and the Designated Charities share the benefit arising from the Forgone Fees. By sharing these benefits, the investment

proposition for a Shareholder is attractive. By creating an attractive investment opportunity, the Company will increase the potential amount of capital available to be raised and, in turn, increase the financial support the Company can provide to the Designated Charities.

Risks

Like all investments, an investment in the Company carries risk. The performance of the Company will be dependent on the Company's ability to invest with Fund Managers that produce positive performance results and forgo all Management and Performance Fees. Investors should also be aware that the investment universe available to the Company is extremely broad in terms of asset class and investment styles and strategies and, as at the date of the Prospectus, the initial Portfolio has not been determined. It is particularly important for potential investors to review carefully the risks associated with an investment in the Company, including the risks associated with the types of underlying funds the Company may invest in. These are set out in detail in Section 5 and summarised in the Key Investment Risks Section at the beginning of this Prospectus. You are encouraged to read the Prospectus carefully as it contains detailed information about the Company and the offer of Shares and Options.

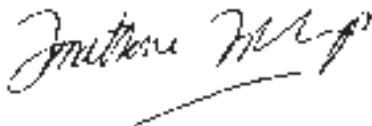
The Company's history

The Company was originally formed under the name the Australian Privatisation Fund Limited. On 13 November 1996 it changed its name to Australia Infrastructure Fund Limited and, in conjunction with the Australia Infrastructure Fund Trust, it invested in, and managed, infrastructure assets. On 7 July 2014 Shareholders voted overwhelmingly in support of a new business direction for the Company as well as a buy-back and recapitalisation. A summary of the Company's history is set out in Section 10.1.

Conclusion

I look forward to welcoming you as a Shareholder of Australia's first LIC with the dual objectives of providing you with diversified exposure to selected Australian Fund Managers and supporting Australian charities.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jonathan Trollip', with a long horizontal flourish extending to the right.

Jonathan Trollip
Chairman

Key Investment Highlights

Below is a summary of the key highlights of the Offer. This is a summary only and should be read in light of the other information in this Prospectus, particularly the risks that are summarised on the following pages.

Question	Answer	More information
A. Key Investment Highlights		
What is the purpose of the Offer and how will the Company generate returns for Shareholders?	<p>The Offer provides Shareholders with the opportunity to invest in Australia's first LIC with dual objectives of providing Shareholders with exposure to selected Australian Fund Managers and supporting Australian charities.</p> <p>The Company's investment objectives¹ will be to provide a stream of fully franked dividends, achieve capital growth and to preserve Shareholder capital. The Company's charitable goal will involve it donating a percentage of its assets each year to Australian charities.</p> <p>This will be achieved by investing the Company's capital with a group of selected Australian Fund Managers who agree to forgo their Management and Performance Fees. See Section 2.10 for details.</p> <p>Designated Charities and Shareholders will be able to share the benefit of the Forgone Fees. The aggregate amount donated to the Designated Charities each year will reflect a percentage of the Forgone Fees. Where the Forgone Fees are greater than the amount paid to Designated Charities, the balance will be for the benefit of Shareholders.</p> <p>The current intention is for the annual donation to be an amount equal to 1.0% of the Company's average monthly NTA for the relevant financial year.</p> <p><i>The above is not intended to be a forecast. It is merely an indication of the Company's current objectives and aims. The Company may not be successful in meeting its objectives. Returns are not guaranteed. See Section 5 for details of risks associated with the Company.</i></p>	Section 2
Is the Company a charity?	<p>No, the Company is not a charity nor does it hold DGR status. The Company is a LIC that has a charitable goal. Accordingly, the Company will be taxed like any other LIC.</p> <p>The Company will provide support to charities with DGR status.</p>	Sections 4 and 10.3
What are the highlights of the Offer?	<p>Highlights of the Offer include:</p> <ul style="list-style-type: none"> ➤ Access to funds managed by a number of selected Australian Fund Managers. See Section 2.11 for details of Initial Fund Managers. ➤ An investment in an ASX LIC that aims to pay fully franked dividends to Shareholders, provided the Company has sufficient profit reserves and franking credits, and it is within prudent business practices. See Section 2.5 for details. ➤ Being a part of the first Australian LIC with dual objectives of providing Shareholders with exposure to selected Australian Fund Managers and supporting Australian charities. 	Section 2

¹ This is not intended to be a forecast, it is merely a statement of indication. Returns are not guaranteed.

Question	Answer	More information
What are the key risks?	<p>The key risks the Company faces are:</p> <p><i>Reliance on the Fund Managers</i></p> <p>The success and profitability of the Company will, in part, depend upon the Company's ability to invest with Fund Managers that produce positive performance results and forgo all Management and Performance Fees.</p> <p><i>Broad Investment Mandate</i></p> <p>The Company has a broad investment mandate and, as at the date of this Prospectus, no decision has been made as to the allocation of funds among the Fund Managers or the underlying investments that will be included in the initial Portfolio.</p> <p><i>Donation Amount and ability to frank dividends</i></p> <p>As the Company's taxable income each year will be reduced by an amount equal to the Donation Amount paid by the Company in that year there is a risk that the Company will be unable to pay fully franked dividends.</p> <p><i>Liquidity risk</i></p> <p>It is the current intention that the Company will invest its capital by purchasing units in some or all of the unlisted managed funds managed by each of the Initial Fund Managers. These investments may be difficult or impossible to sell at short notice or at desired prices.</p> <p><i>Market risk</i></p> <p>There is a risk that Australian equities, units and any other securities will fall in value over short or extended periods of time. Historically, these securities have outperformed other traditional assets classes over the long term. Share markets tend to move in cycles, and individual share prices may fluctuate and under perform other asset classes over extended periods of time. Investors in the Company are exposed to this risk both through their holding in Shares and Options as well as through the Company's Portfolio.</p> <p><i>No relevant operating or performance history of the Company</i></p> <p>The Company has no relevant performance history and is yet to commence trading using the Company's new investment strategy. The information in this Prospectus about the investment objectives of the Company are not forecasts, projections or the result of any simulation of future performance. There is a risk that the Company's investment objectives will not be achieved.</p>	Section 5
B. Key Information about the Company		
What is the financial position of the Company?	In the view of limited operating activities since the Company disposed of its assets in April 2013, the Directors have formed the view that the Company's historical financial information is not relevant for the purposes of this document. A pro-forma balance sheet is set out in Section 6.3. See Section 10.1 for details of the Company's history.	Sections 6.3 and 10.1
Who are the Directors?	<p>The Company has an experienced Board. The Directors are:</p> <p>➤ Jonathan Trollip</p>	Section 8.1

Question	Answer	More information
	<ul style="list-style-type: none"> ➤ Geoffrey Wilson ➤ Gabriel Radzyninski ➤ Paul Jensen <p>See Section 8.2 for further details regarding the background of the Directors.</p>	
Who will manage the Portfolio?	The Investment Committee will oversee management of the Portfolio.	Section 2.3
Who are the members of the Investment Committee?	<p>The initial Investment Committee comprises:</p> <ul style="list-style-type: none"> ➤ Geoffrey Wilson ➤ Gabriel Radzyninski ➤ Matthew Kidman <p>See Section 2.4 for further details regarding the background of the Investment Committee.</p>	Section 2.3
What will the Company invest in?	<p>The Company will seek to provide Shareholders with exposure to a diversified portfolio of Australian equities, with the potential to invest in other asset classes.</p> <p>The Company will initially invest in funds managed by a number of selected Australian Fund Managers with a focus on long-only, long /short and alternative investment strategies. See Section 2.10 and 2.11 for details.</p> <p>Investments with the Initial Fund Managers will provide Shareholders with diversified exposure to selected Australian Fund Managers, investment styles and strategies.</p>	Sections 2.10 and 2.11
Does the Board approve investments?	No. The Investment Committee will be responsible for approving all investments in accordance with the Company's permitted investments and investment objectives. The Board will periodically review the Company's investment strategy and the membership of the Investment Committee.	Section 2.3
What are the Directors paid?	The Directors have agreed to waive their directors' fees.	Sections 8.4 and 10.8
Do any related parties have any significant interests in the Company or connected to the Offer?	<p>Subject to receipt of necessary Listing Rule waivers or Shareholder approval, each of the Directors expects to participate in the Offer. Accordingly, at completion of the Offer, each Director is expected to either directly or through entities associated with them, own Shares in the Company.</p> <p>Jonathan Trollip, Gabriel Radzyninski and Paul Jensen do not currently hold Shares in the Company.</p> <p>Geoffrey Wilson holds an interest in the Company through associated entities (the Wilson Foundation and the Wilson Asset Management Group). At the date of this Prospectus, the Wilson Asset Management Group holds a relevant interest in 115,813,210 Shares (which it intends to dispose of prior to the close of the Offer).</p> <p>Prior to completion of the Offer, the Wilson Foundation (an entity associated with Geoffrey Wilson) will subscribe for \$1,000,000 in Shares. Shareholders approved the issue of Shares to the Wilson Foundation on 7 July 2014. Subject to receipt of an ASX waiver or Shareholder approval, Geoffrey will acquire additional Shares and</p>	Sections 10.7 and 10.8

Question	Answer	More information
	<p>Options under the Offer. Accordingly, at the time Shares and Options are issued under the Prospectus, Geoffrey Wilson is expected to have a relevant interest in approximately 3,000,000 Shares and 2,090,909 Options.</p> <p>Geoffrey Wilson and Gabriel Radzynski are associated with two of the Initial Fund Managers. Both such Fund Managers have agreed to forgo all Management and Performance Fees on the funds managed on behalf of the Company.</p> <p>Geoffrey Wilson is associated with Wilson Asset Management (International) Pty Limited, licensed dealer to the Offer. Wilson Asset Management (International) Pty Limited will not be paid any service fees with respect to Applications that bear its stamp.</p>	
Will the Company pay dividends?	The Company intends to pay dividends subject to the availability of profits and franking credits ¹ .	Sections 2.5
What is the Company's leverage policy?	<p>The Company is permitted to borrow money to invest with Fund Managers. However, the Company has no current plans to do so.</p> <p>The Company is also permitted to borrow money if required for short-term working capital requirements.</p> <p>The Company may invest with Fund Managers that may use leverage in the underlying fund to enhance returns.</p>	Section 2.9
C. Key Highlights about the Offer		
Who is the issuer of the Shares, Options and this Prospectus?	Future Generation Investment Fund Limited (ACN 063 935 553)	
What is the Offer?	<p>The Offer is an offer of up to 181,818,182² Shares at an Application Price of \$1.10 per Share to raise up to \$200,000,000 together with an entitlement to 1 Option to acquire 1 Share per Share subscribed for, exercisable at \$1.10 per Option on or before 16 September 2016.</p> <p>Of the 181,818,182 Shares and Options available under the Offer:</p> <ul style="list-style-type: none"> ➤ 50,000,000 Shares and Options are available to Existing Shareholders under the Shareholder Priority Allocation, ➤ 50,000,000 Shares and Options are available to WAM Eligible Participants under the WAM Priority Allocation, ➤ 5,000,000 Shares and Options are available to SNC Eligible Participants under the SNC Priority Allocation. <p>The Offer includes the Broker Firm Offer. Both Institutional Applicants and Retail Applicants can participate in the Broker Firm Offer.</p> <p>The Issuer may elect to use the ASX BookBuild facility as part of the Offer. Further details appear in Sections 1.1 and 1.3.</p>	Section 1.1
What is the purpose of the Offer?	The Company is seeking to raise up to \$200,000,000 to undertake investments consistent with the investment objectives and guidelines outlined in this Prospectus and paying the costs of the Offer.	Section 1.9

¹ This is not intended to be a forecast. It is merely an objective of the Company. The Company may not be successful in meeting this objective. Any financial market turmoil or inability to find and make profitable investments will likely have an adverse impact on achieving this objective. Returns are not guaranteed.

² Calculated on the assumption that all Subscriptions are raised under the Priority Allocation and General Offers and that no amount is raised under the Broker Firm Offer.

Is the Offer underwritten?	No.	Section 1.8
Is there a Minimum Subscription?	Yes, the Company must receive valid Applications for 13,636,364 Shares and Options in order for the Offer to proceed.	
Who can participate in the Offer?	Individuals that have a registered address in Australia can participate in the Offer.	Section 1.1
Who can participate in the Broker Firm Offer?	The Broker Firm Offer is open to persons who have received a firm allocation from their Broker and who have a registered address in Australia.	Section 1.5
Who can participate in the Priority Allocations?	<p>The Shareholder Priority Allocation is open to Eligible Shareholders with a registered address in Australia as at the date of this Prospectus.</p> <p>The WAM Priority Allocation is open to shareholders of one or more of WAM Capital Limited, WAM Research Limited and WAM Active Limited with a registered address in Australia as at the date of this Prospectus.</p> <p>The SNC Priority Allocation is open to shareholders of Sandon Capital Investments Limited with a registered address in Australia as at the date of this Prospectus.</p>	Section 1.2
How to participate in the Offer?	The procedures for making an investment in the Company are described in Section 1.	Section 1
Is there a minimum amount of Shares and Options Applicants must apply for?	Yes. Each Applicant must subscribe for a minimum of 2,000 Shares and Options. A larger number of Shares and Options may be applied for under the Offer in multiples of 100 Shares and Options.	Section 1
What is the Applicant Price payable by Applicants under the Offer?	<p>All Applicants under the Offer will pay an Application Price of \$1.10 per Share.</p> <p>Applicants do not have to pay to subscribe for Options under the Offer.</p>	Section 1
What does the Application Price represent for Applicants under the General Offer and the Priority Allocations?	For Applicants under the General Offer, the Shareholder Priority Allocation, the WAM Priority Allocation or the SNC Priority Allocation, the Application Price is the Subscription Price of \$1.10 per Share.	Sections 1.1 and 1.2
What does the Application Price represent for Applicants under the Broker Firm Offer?	<p>For Institutional Applicants under the Broker Firm Offer, the Application Price comprises a Subscription Price (payable to the Company) and a Service Fee (payable to the Applicant's Broker).</p> <p>For Consenting Retail Applicants under the Broker Firm Offer, the Application Price comprises a Subscription Price (payable to the Company) and a Service Fee (payable to the Applicants' Broker).</p> <p>For Non-Consenting Retail Applicants under the Broker Firm Offer, the Application Price is equal to the Subscription Price of \$1.10 per Share.</p>	Section 1.7
How is the payment of the Service Fee authorised?	<p>Institutional Applicants who apply under the Broker Firm Offer give their consent to and authorise the payment of the Service Fee by the Company to their Broker.</p> <p>Retail Applicants under the Broker Firm Offer can consent to, and authorise, the payment of this Service Fee to their Broker using the</p>	Section 1.7

	Broker Firm Application Form.	
When is the Service Fee paid under the Broker Firm Offer?	<p>Institutional Applicants and Consenting Retail Applicants under the Broker Firm Offer will pay their Subscription Price and Service Fee at the same time. The Company will collect the Service Fee on behalf of Brokers and hold the Service Fee together with the Subscription Price in the Company's trust account for Application Monies in relation to the Offer until the Allotment Date.</p> <p>The Service Fee component of the Application Amount will be held on trust following the Allotment Date. The Company will direct that the Service Fees be paid to Brokers after the Allotment. The Company will retain any interest earned on the Service Fee.</p>	Sections 1.7 and 1.12
What are the fees and costs of the Offer?	<p>The Application Price payable by Institutional Applicants and Consenting Retail Applicants under the Broker Firm Offer is \$1.10 per Share comprising the Subscription Price (payable to the Company) and the Service Fee (payable to the Applicant's Broker).</p> <p>This Service Fee does not apply to, and is not payable by, Applicants under the General Offer or the Priority Allocations, or Non-Consenting Retail Applicants.</p> <p>In addition to the above fees paid by Applicants, the Company will pay certain costs.</p>	Sections 1.6 and 1.7
What are the significant tax implications of investing in the Company?	Investors should seek tax advice based on their own specific circumstances prior to making a decision to invest in the Company.	Section 5.5
How can further information be obtained?	<p>See www.futuregeninvest.com.au for further information. If you have any questions relating to the Offer, you can contact Geoffrey Wilson, Kate Thorley or Mary-Ann Baldock on (+612) 9247 6755 or info@futuregeninvest.com.au</p> <p>Alternatively, you can contact the Share Registry, Computershare on 1300 132 288 (from within Australia) and (+613) 9415 4054 (outside Australia).</p> <p>If you are uncertain as to whether an investment in the Company is suitable for you, please contact your stockbroker, financial adviser, accountant, lawyer or other professional adviser.</p>	

1. Information for Investors

This is a summary only. This Prospectus should be read in full before making any decision to apply for Shares and Options.

1.1. The Offer

The Company will offer for subscription up to 181,818,182¹ Shares, to raise up to \$200,000,000 (inclusive of any Service Fees), together with an entitlement to one attaching Option for every one Share subscribed for, exercisable at \$1.10 per Option on or before 16 September 2016.

As the Options will be issued at no cost, no funds will be raised by the grant of the Options. If 181,818,182 Options are issued under this Prospectus and are all subsequently exercised, the Company will raise a further \$200,000,000.

The rights attaching to the Shares are set out in Section 10.4 and the terms of the Options are set out in Section 10.5.

The Offer is made up of the General Offer, the Priority Allocations (detailed in Section 1.2) and the Broker Firm Offer (detailed in Section 1.5).

The Company may at its discretion elect to use the ASX BookBuild facility as part of the Offer. If this decision is taken, information about the facility (including the ASX BookBuild code, key parameters, the identity of the technical lead manager and other information) will be announced to the market at least 3 days prior to the facility being opened for bids. The announcement will be made via the ASX BookBuild Announcements platform under the Company's ASX code (FGX). Please refer to Section 1.3 of this Prospectus for further information about the ASX BookBuild facility.

To participate in the General Offer or a Priority Allocation, your Application Form must be received by the Registry by 5:00pm (Sydney time) on the Closing Date. If you intend on participating through the Broker Firm Offer, the closing date is expected to be 5:00pm (Sydney time) 1 September 2014.

If the Company elects to use the ASX BookBuild facility, you will need to contact your Broker to bid in via the ASX BookBuild.

Applications will be processed, and Shares and Options issued, on a "first-come-first-served" basis, subject to the Priority Allocations outlined in Section 1.2 or at the Directors' discretion. Early lodgement of your Application is recommended as the Offer may be closed early at the Directors' discretion.

The Offer will only be made to investors who have a registered address in Australia.

1.2. Priority Allocations

Shareholder Priority Allocation

Up to 50,000,000 Shares and 50,000,000 Options have been set aside for the Shareholder Priority Allocation to Eligible Shareholders. Eligible Shareholders are shareholders of Future Generation Investment Fund Limited with a registered address in Australia (**Eligible Shareholders**). The Shareholder Priority Allocation will be restricted to the Eligible Shareholders and allocated on a "first-come-first-served" basis or at the Directors' discretion.

Eligible Shareholders should use the Priority Allocation Application Form.

If the Company receives Applications from Eligible Shareholders for more than 50,000,000 Shares and 50,000,000 Options, it intends to treat such additional Applications as being made under the General Offer on a General Offer Application Form.

¹ Calculated on the assumption that all Subscriptions are raised under the Priority Allocation and General Offers and that no amount is raised under the Broker Firm Offer.

WAM Priority Allocation

Up to 50,000,000 Shares and 50,000,000 Options have been set aside for the WAM Priority Allocation to shareholders of one or more of WAM Capital Limited, WAM Research Limited and WAM Active Limited with registered addresses in Australia (**WAM Eligible Participants**). The WAM Priority Allocation will be restricted to the WAM Eligible Participants and allocated on a “first-come-first-served” or at the Directors’ discretion.

The WAM Eligible Participants should use the Priority Allocation Application Form.

If the Company receives Applications from WAM Eligible Participants for more than 50,000,000 Shares and 50,000,000 Options, it intends to treat such additional Applications as being made under the General Offer on a General Offer Application Form.

SNC Priority Allocation

Up to 5,000,000 Shares and 5,000,000 Options have been set aside for the SNC Priority Allocation to shareholders of Sandon Capital Investments Limited with registered addresses in Australia (**SNC Eligible Participants**). The SNC Priority Allocation will be restricted to the SNC Eligible Participants and allocated on a “first-come-first-served” or at the Directors’ discretion.

The SNC Eligible Participants should use the Priority Allocation Application Form.

If the Company receives Applications from SNC Eligible Participants for more than 5,000,000 Shares and 5,000,000 Options, it intends to treat such additional Applications as being made under the General Offer on a General Offer Application Form.

Early Applications encouraged

Early lodgement of your Application is recommended as the Offer may be closed early at the Directors’ discretion.

Allocation if either Priority Allocation is not fully subscribed for

Shares and Options offered under the Priority Allocations that are not taken up will be allocated by the Company under the General Offer or Broker Firm Offer.

1.3. ASX BookBuild facility

ASX BookBuild is an automated on-market bookbuild facility operated by ASX and is part of the ASX public market infrastructure and trading system.

If the Company elects to use the ASX BookBuild facility for the Offer, it will appoint a technical lead manager to manage the BookBuild. The identity of the technical lead manager will be announced (using the FGX code) at the time that decision is made by the Company.

All eligible retail and wholesale investors will be able to apply for Shares and Options under the Offer by participating in the ASX BookBuild facility via their Broker.

To participate in the ASX BookBuild facility, an Applicant must have a once-off ASX BookBuild Client agreement in place with their Broker. This Agreement is an ASX regulatory requirement and will allow the Applicant to use their Broker to participate in the Offer and any future BookBuilds conducted via the ASX BookBuild facility for which the Applicant is eligible. For further information regarding the ASX BookBuild Client Agreement, please contact your Broker.

If the Company elects to use the ASX BookBuild facility, an Applicant may instruct their Broker to submit a bid into the facility on their behalf. Where an Applicant receives an allocation of Shares and Options as a result of a bid entered on their behalf by their Broker, the Applicant is obliged to subscribe for the number of securities allocated to them.

The Company will make announcements (in particular, the key parameters) about ASX BookBuild via the ASX BookBuild announcements platform under the Company's ASX code, FGX, at least 3 days prior to the facility being opened for bids. These announcements are available on the ASX website.

Further information for investors about the ASX BookBuild facility can be found at <http://www.asx.com.au/documents/professionals/bookbuild-investor-information-sheet.pdf>

1.4. Issue

Subject to the minimum subscription to the Offer being reached and ASX granting conditional approval for the Company to be reinstated to listing on ASX on terms acceptable to the Company, the issue of Shares and Options offered by this Prospectus will take place as soon as practicable after the Closing Date.

The Directors reserve the right to reject any Application if they believe the Application does not comply with the applicable laws or regulations.

1.5. Broker Firm Offer

The Broker Firm Offer is open to persons who have received a firm allocation from their Broker and who have a registered address in Australia.

Applicants who have been offered a firm allocation by a Broker will be treated as Applicants under the Broker Firm Offer in respect of that allocation.

Applicants should contact their Broker to determine whether they may be allocated Shares under the Broker Firm Offer. Retail Applicants under the Broker Firm Offer can consent to, and authorise the payment of the Service Fee to their Broker (and also the on-payment of a percentage of the Service Fee to the specified adviser or individual broker providing advice or dealing services to them in respect of the Offer). See Section 1.7 for further information.

1.6. Dealers to the Offer

Offers under this Prospectus will be made pursuant to an arrangement between the Company and dealers pursuant to Section 911A(2)(b) of the Corporations Act. The Company will only authorise dealers to make offers to people to arrange for the issue of Shares and Options by the Company under the Prospectus and the Company will only issue Shares and Options in accordance with such offers if they are accepted.

1.7. Service Fee

All Applicants to the Offer are required to pay an Application Price of \$1.10 per Share. Under the Broker Firm Offer, the Application Price paid by Consenting Retail Applicants and Institutional Applicants will be comprised of the Subscription Price (payable to the Company) and the Service Fee (payable to their Broker).

This Service Fee is a one off fee payable to the Applicant's Broker in respect of the services provided by their Broker (and any specified adviser or individual broker) in respect of the Offer.

Institutional Applicants and Consenting Retail Applicants under the Broker Firm Offer will pay their Subscription Price and their Service Fee at the same time. The Company will collect the Service Fee on behalf of Brokers and hold the Service Fee together with the Subscription Price in the Company's trust account for Application Monies in relation to the Offer until the Allotment Date.

Retail Applicants under the Broker Firm Offer can consent to, and authorise the payment of, this Service Fee to their Broker (as well as the transfer of the Service Fee on the Allotment Date and the subsequent on-payment of a percentage of that Service Fee to the specified adviser or individual broker providing advice or dealing services to them in respect of the Offer).

It is a term of this Offer that, by delivering their completed Broker Firm Application Form to their Broker, Institutional Applicants under the Broker Firm Offer consent to and authorise the payment of their Service Fee on the Allotment Date to their Broker.

1.8. Offer not Underwritten

The Offer is not underwritten.

1.9. Minimum Subscription

The minimum subscription for the Offer is \$15,000,000 being receipt of valid Applications for not less than 13,636,364 Shares and 13,636,364 Options.

If Applications for the minimum subscription are not received by the Company before the end of 3 months after the date of this Prospectus (or such longer period permitted by the Corporations Act with the consent of ASIC), all Application Monies received pursuant to the Prospectus will be refunded in full to Applicants, without interest, within the time prescribed by the Corporations Act.

1.10. Applications for Shares & Options

Except as set out below, applications for Shares and Options must be made and will only be accepted on the Application Form issued with and attached to this Prospectus.

The Priority Allocation Application Form must be completed by applicants under a Priority Allocation. Applicants must identify under which Priority Allocation they wish to apply as follows: Existing Shareholders applying under the Shareholder Priority Offer will tick the box entitled "Existing Shareholder Applicant"; WAM Eligible Participants will tick the box entitled "WAM Priority Allocation" and SNC Eligible Participants will tick the box entitled "SNC Priority Allocation".

The Application Form marked "General Offer" must be completed by Applicants that are not Eligible Shareholders, WAM Eligible Participants and SNC Eligible Participants and who are not participating in the Broker Firm Offer.

An Application Form must be completed in accordance with the instructions on the form (if using a paper Application Form, the instructions are on the reverse side of the Application Form, if using an electronic Application Form, follow the prompts).

Applications must be for a minimum of 2,000 Shares and 2,000 Options for a total of \$2,200. Applications may be made for additional Shares and Options in multiples of \$110 in Application Monies for 100 Shares and 100 Options.

If the Company elects to use the ASX BookBuild facility, you will need to contact your Broker to bid in via the ASX BookBuild. See Section 1.3 for further details.

A binding contract to issue Shares and Options will only be formed at the time Shares are allotted and Options granted to Applicants.

1.11. Payment of Application Monies under the General Offer or Priority Allocation

Applications under the Priority Allocations and the General Offer must be accompanied by payment of the Application Price in Australian currency of \$1.10 for each Share applied for (no Application Monies are required to be paid with respect to the Options).

Application Monies payable with respect to the General Offer and the Priority Allocations may be provided by BPAY, cheque(s) or bank draft(s).

No stamp duty or brokerage is payable by Applicants.

Application Forms will be accepted at any time after the issue of this Prospectus and prior to the 5.00pm (Sydney time) on the Closing Date.

Payment by cheque or bank draft

Cheque(s) or bank draft(s) must be drawn on an Australian branch of a financial institution and made payable to "Future Generation Investment Fund Limited - Share Offer" and crossed "Not Negotiable".

Payments by cheque will be deemed to have been made when the cheque is honoured by the bank on which it is drawn. Accordingly, Applicants should ensure that sufficient funds are held in the relevant account(s) to cover your cheque(s). If the amount of your cheque(s) or bank draft(s) for Application Monies (or the amount for which those cheques clear in time for the allocation) is insufficient to pay for the amount you have applied for in your Application Form, you may be taken to have applied for such lower amount as your cleared Application Monies will pay for (and to have specified that amount in your Application Form) or your Application may be rejected.

Completed Application Forms and accompanying cheques may be lodged with:

Future Generation Investment Fund Limited Offer
c/- Computershare Investor Services Pty Limited
GPO Box 52
Melbourne VIC 3001

Payment by BPAY

You may apply for Shares and Options online and pay your Application Monies by BPAY. Applicants wishing to pay by BPAY should complete the online Application Form accompanying the electronic version of this Prospectus which is available at www.futuregeninvest.com.au and follow the instructions on the online Application Form (which includes the Biller Code and your unique Customer Reference Number (**CRN**)).

You should be aware that you will only be able to make a payment via BPAY if you are the holder of an account with an Australian financial institution which supports BPAY transactions.

When completing your BPAY payment, please make sure you use the specific Biller Code and your unique CRN provided on the online Application Form. If you do not use the correct CRN your Application will not be recognised as valid. It is your responsibility to ensure that payments are received by 5.00pm (Sydney time) on the Closing Date. Your bank, credit union or building society may impose a limit on the amount which you can transact on BPAY, and policies with respect to processing BPAY transactions may vary between banks, credit unions or building societies. The Company accepts no responsibility for any failure to receive Application Monies or payments by BPAY before the Closing Date arising as a result of, among other things, processing of payments by financial institutions.

1.12. Broker Firm Offer Applications and Payment

If you are applying for Shares under the Broker Firm Offer, you should arrange for your Broker Firm Application Form to be lodged with the Broker from whom you received your firm allocation. Broker Firm Application Forms must be completed in accordance with the instructions given to you by your Broker and the instructions set out on the reverse of the Broker Firm Application Form.

Retail Applicants under the Broker Firm Offer can consent to and authorise the payment of a one off Service Fee to their Broker. Institutional Applicants under the Broker Firm Offer consent to and authorise by completing their Broker Firm Application Form. See Section 1.7 above for more information in relation to the Service Fee.

By making an Application, you declare that you were given access to this Prospectus, together with a Broker Firm Application Form. The Corporations Act prohibits any person from passing an application form to another person unless it is attached to, or accompanied by, a hard copy of this Prospectus.

Applicants under the Broker Firm Offer must complete their Broker Firm Application Form and pay their Application Monies to their Broker in accordance with the relevant Broker's directions in order to receive their firm allocation.

Applicants under the Broker Firm Offer must not send their Broker Firm Application Forms to the Company or Registry.

The Broker Firm Offer is expected to close at 5.00pm (Sydney time) on 1 September 2014. Please contact your Broker for instructions.

Applicants under the Broker Firm Offer must pay their Application Monies in accordance with instructions from their Broker. The allocation of Shares to Brokers will be determined by the Company. Shares and Options that are allocated to Brokers for allocation to their Australian resident clients will be issued or transferred to the Applicants who have received a valid allocation of Shares and Options from those Brokers.

It will be a matter for the Brokers how they allocate Shares among their clients, and they (and not the Company) will be responsible for ensuring that clients who have received an allocation from them, receive the relevant Shares and Options.

The Company and Registry take no responsibility for any acts or omissions by your Broker in connection with your Application, Broker Firm Application Form and Application Monies (including, without limitation, failure to submit Broker Firm Application Forms by the close of the Broker Firm Offer).

Please contact your Broker if you have any questions.

1.13. Allotment

No allotment of Shares and Options will be made until the minimum subscription has been received and permission has been granted by ASX for quotation of the Shares and Options unconditionally or on terms acceptable to the Directors. It is expected that allotment of the Shares and Options will take place by 5 September 2014.

An Application constitutes an offer by the Applicant to subscribe for Shares and Options on the terms and subject to the conditions set out in this Prospectus.

The Board reserves the right to accept, reject or scale back any Application, in its absolute discretion.

Where the number of Shares and Options allotted is less than the number applied for or where no allotment is made, the surplus Application Monies will be refunded without interest to Applicants, within the time prescribed by the Corporations Act.

1.14. CHESS

The Company has applied to ASX to participate in the securities Clearing House Electronic Subregister System known as CHESS. CHESS is operated by the ASX's Securities Clearing House (SCH) in accordance with the ASX Listing Rules and the SCH Business Rules. Under CHESS, the Company will not issue certificates to investors who elect to hold their shares on the CHESS subregister. After allotment of Shares, Shareholders will receive a CHESS statement. The settlement of the allocations under the ASX BookBuild will occur via CHESS PMF.

The CHESS statements, which are similar to bank account statements, will set out the number of Shares allotted to each Shareholder pursuant to this Prospectus. The statement will also advise holders of their holder identification number and explain for future reference the sale and purchase procedures under CHESS.

Further statements will be provided to holders which reflect any changes in their shareholding in the Company during a particular month.

1.15. Overseas Shareholders

The Offer is an offer to Australian investors. The Offer does not constitute an offer in any place in which, or to any person to whom, it would be unlawful to make such an offer.

United States residents

The Offer is not open to persons in the United States or U.S. Persons.

The Securities being offered pursuant to this Prospectus have not been registered under the US Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the US Securities Act and applicable state securities laws. This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful. In addition, any hedging transactions involving these securities may not be conducted unless in compliance with the US Securities Act.

1.16. Privacy

When you apply to invest in the Company, you acknowledge and agree that:

- (a) you are required to provide the Company with certain personal information to:
 - (i) facilitate the assessment of an Application;
 - (ii) enable the Company to assess the needs of Applicants and provide appropriate facilities and services for Applicants; and
 - (iii) carry out appropriate administration;
- (b) the Company may be required to disclose this information to:
 - (i) third parties who carry out functions on behalf of the Company, including marketing and administration functions, on a confidential basis; and
 - (ii) third parties if that disclosure is required by law; and
- (c) related bodies corporate (as that term is defined in the Corporations Act) which carry out functions on behalf of the Company.

Under the Privacy Act 1988 (as amended), Applicants may request access to their personal information held by (or on behalf of) the Company. Applicants may request access to personal information by telephoning or writing to the Company.

1.17. Anti-Money Laundering / Counter-Terrorism Financing Act 2006

The Company may be required under the *Anti-Money Laundering / Counter-Terrorism Financing Act 2006* (Cth) or any other law to obtain identification information from Applicants. The Company reserves the right to reject any Application from an Applicant who fails to provide identification information upon request.

2. The Company and its Investment Strategy

2.1. Overview

The Company provides Shareholders with the opportunity to invest in a LIC with dual objectives of providing Shareholders with exposure to selected Australian Fund Managers and supporting Australian charities.

The intention of the Company is to provide investors with a compelling and attractive investment proposition.

2.2. Investment Objectives

The Company's investment objectives are to¹:

- provide a stream of fully franked dividends;
- achieve capital growth; and
- preserve Shareholder capital.

2.3. Investment Committee and the Board

The Board will appoint an Investment Committee to manage its investments in accordance with the permitted investments and the Company's investment objectives. The initial Investment Committee members will be Geoffrey Wilson, Gabriel Radzynski and Matthew Kidman (see Section 2.4 for details of experience and qualifications of these initial committee members).

The Investment Committee will be primarily responsible for selecting Fund Managers, making and redeeming investments and generally managing the Company's Portfolio.

The Board will review the investment strategy and the membership of the Investment Committee from time to time.

2.4. Investment Committee experience and qualifications

Geoffrey Wilson and Gabriel Radzynski - Please refer to Section 8.2 for their biographies.

Matthew Kidman - Matthew worked as a portfolio manager at Wilson Asset Management (International) Pty Limited for 13 years between 1998 and 2011. Prior to joining Wilson Asset Management (International) Pty Limited, Matthew worked as a finance journalist at the Sydney Morning Herald between the years 1994 and 1998. In 1997 he was made business editor of the paper and was charged with the responsibility of company coverage. He has a degree in Law and Economics and a Graduate Diploma in Applied Finance.

Matthew Kidman is currently Chairman of Watermark Market Neutral Fund Limited. He is a Director of WAM Capital Limited, WAM Research Limited, WAM Active Limited, Incubator Capital Limited, Centrepoint Alliance Limited and Sandon Capital Investments Limited.

2.5. Dividend Policy

The Company's objective is to pay fully franked dividends to Shareholders provided the Company has sufficient profit reserves and franking credits, and it is within prudent business practices.

The Company currently expects to declare the first dividend for the period to 30 June 2015. The Company's current intention is to pay dividends semi annually thereafter. This is not intended to be a

¹ This is not intended to be a forecast. It is merely the objectives of the Company. The Company may not be successful in meeting these objectives. Any financial market turmoil or inability to find and make profitable investments will likely have an adverse impact on achieving its objectives. Returns are not guaranteed.

forecast. It is merely an objective of the Company. The Company may not be successful in meeting this objective.

The Company has established a dividend reinvestment plan for Shareholders. The terms of this dividend reinvestment plan are summarised at Section 10.6.

2.6. Investment Strategy

The Company expects that initially, capital will be invested with some or all of the Initial Fund Managers. See Sections 2.11 and 3 for details of the Initial Fund Managers as at the date of this Prospectus. The Company has asked and the Initial Fund Managers have agreed to provide investment capacity to the Company (**Fund Manager Capacity**) (see Section 2.12 for details of Fund Manager Capacity for the Initial Fund Managers).

Over time it is expected that at any time there will be between 10 and 20 Fund Managers. It is expected that selected Fund Managers will predominantly manage the Company's money through managed funds that invest in Australian equities and other asset classes.

The aim of the Company is to have a diversified portfolio of investments, through investments with at least 10 selected Australian Fund Managers (when fully invested).

By having a number of different Fund Managers the Company will have access to a range of investment styles and strategies. The Company believes that the diversification of the Portfolio is important in managing and mitigating risk in the Company's Portfolio.

While the Company aims to invest its capital with the Fund Managers (the Initial Fund Managers and any subsequent Fund Managers selected by the Company at the time of investment) as soon as practicable, the exact composition of the investments held will depend on the amount of capital raised, the number and capacity of the Fund Managers available to it from time to time and market conditions at the time of investment. It may take up to six months for the initial capital of the Company to be fully invested.

The Company may invest directly (i.e. not through a Fund Manager) in Securities (or similar investments). The Company may also retain Cash where it is of the view it is prudent to do so. See Section 2.8 for further details.

2.7. Allocation to Fund Managers

The maximum allocation to a single Fund Manager will be 20% of the capital of the Company (on allocation). There is no minimum allocation to any Fund Manager.

Fund Managers, including the Initial Fund Managers, may withdraw the investment capacity offered to the Company at any time. Accordingly, there is no guarantee that the Company will be able to implement its investment strategy (as it relates to the Fund Managers). In these circumstances, the Company will invest funds directly or retain Cash (if prudent to do so) while it assesses possible new Fund Managers.

The Company's ability to invest capital is and will be constrained by the Company's ability to source Fund Managers with the desired characteristics and each Fund Manager's capacity to accept money from the Company. See Section 2.10 for details.

Any rebalancing of the Portfolio among Fund Managers will be at the discretion of the Investment Committee. The Board will periodically review the Company's investment strategy and the membership of the Investment Committee.

It is the intention of the Company to be fully invested at all times, with only minimal Cash holdings necessary to cover operational requirements and dividend payments. The Investment Committee however will maintain the discretion to hold Cash or near term Cash securities should it believe it is prudent to do so.

2.8. Permitted Investments

It is the current intention that the Company will invest its capital by purchasing units in some or all of the unlisted managed funds managed by selected Fund Managers. See Section 2.11 for details of the Initial Fund Managers.

The Company is permitted to invest with Fund Managers who invest in any asset classes and can utilise any investment style or strategy.

The Company may also invest directly in or hold:

- Australian and international Securities (both listed and unlisted);
- derivatives; and
- Cash or near term Cash securities.

2.9. Leverage Policy

The Company will be permitted to borrow money if required for short-term working capital requirements.

The Company is also permitted to borrow money to invest with Fund Managers. However, the Company has no current plans to do so. Leverage through borrowings can magnify gains in the Portfolio, but may also magnify losses. With a view to managing this risk, the sum of the Company's debt (from time to time) will not exceed 50% of the gross value of the Portfolio at any given time.

The Company may invest with Fund Managers that use leverage in their underlying fund to enhance returns.

2.10. Selection of Fund Managers

The Initial Fund Managers, and any subsequent Fund Managers, have or will be selected by the Investment Committee based on the assessment of:

- each Fund Manager's skills, experience and performance as well as the asset allocation within its underlying fund;
- each Fund Manager's ability to meet the investment objectives of the Company over the medium term (3-5 years);
- each Fund Manager's capacity to provide investment capacity to the Company and accept money from the Company; and
- a Fund Manager's willingness to forgo all Management and Performance Fees (see Section 2.12).

The Initial Fund Managers have been, and any subsequent Fund Managers will be, selected by the Investment Committee, utilising their industry expertise and relationships.

The Company will work in a collaborative manner with the Fund Managers, to ensure the effective on-going monitoring of the Fund Managers and the associated investments.

2.11. Initial Fund Managers

Set out below are details of the Initial Fund Managers* and their underlying funds in which the Company currently expects a large proportion, if not all initial capital will be invested. Further information about each of the Initial Fund Managers is set out in Section 3.

Underlying Funds	Fund Manager	Asset Class	Style/Market
CI Australian Equities Fund	Cooper Investors Pty Limited	Australian Equities	Large/mid cap
Bennelong Australian Equities Fund	Bennelong Australian Equities Partners Pty Limited	Australian Equities	Large/mid cap
Paradise Australian Equities Mid Cap Fund	Paradise Investment Management Pty Limited	Australian Equities	Mid cap
Wilson Asset Management Equity Fund	Wilson Asset Management (International) Pty Limited	Australian Equities	Small/mid cap
Eley Griffiths Group Small Companies Fund	Eley Griffiths Group Pty Limited	Australian Equities	Small cap
Discovery Australian Small Companies Fund	Discovery Asset Management Pty Limited	Australian Equities	Small cap
Smallco Broadcap Fund	Smallco Investment Manager Limited	Australian Equities	Broad cap
Lanyon Australian Value Fund	Lanyon Asset Management Pty Limited	Australian Equities	Deep value
Regal Australian Long Short Equity Fund	Regal Funds Management Pty Limited	Australian Equities	Active extension
Bennelong Alpha 200 Fund	Bennelong Long Short Equity Management Pty Limited	Australian Equities	Absolute return
LHC Capital Australia High Conviction Fund	LHC Capital Pty Limited	Australian Equities	Absolute return
Optimal Australia Absolute Trust	Optimal Fund Management Australia Pty Limited	Australian Equities	Absolute return
Watermark Absolute Return Fund	Watermark Funds Management Pty Limited	Australian Equities	Absolute return
Sandon Capital Activist Fund	Sandon Capital Pty Limited	Australian Equities	Activist

** The Initial Fund Managers are listed by style/market. The order of the list above does not suggest any particular preference or ranking for one Fund Manager over another. Nor does it indicate that a greater proportion of the Company's investments will be made with one Fund Manager or another.*

By investing through the Initial Fund Managers, the Company's initial Portfolio will be comprised of investments in funds that have a focus on long only, long/short and alternative investment strategies. Investments through the Initial Fund Managers will provide Shareholders with diversified exposure to selected Australian Fund Managers, investment styles and strategies. The Initial Fund Managers have a skew towards absolute return and small to mid cap investing.

2.12. Fund Manager Capacity and forgone Management and Performance Fees

The Initial Fund Managers have committed to allocate a portion of their investment capacity to the Company and they have also agreed to forgo all Management and Performance Fees on that commitment (see Sections 2.13 and 9.2).

As at the date of the Prospectus the total investment capacity committed by the Initial Fund Managers is \$208,000,000.

The stated Management Fees of the Initial Fund Managers usually range from 0.83% to 1.65% of assets per annum (including GST), of which:

- three have Management Fees that range between 0.83% and 1.02%;
- four have Management Fees of 1.10%;
- three have Management Fees that are between 1.32% and 1.46%; and

- four have Management Fees of 1.65%.

The stated Performance Fees of the Initial Fund Managers usually range from 0% to 22% of assets per annum above various benchmarks and high watermarks (all including GST), of which:

- three have a 22% Performance Fee calculated based on the increase in the gross net assets over a high watermark;
- two have a 22% Performance Fee calculated based on the outperformance of the relevant fund above the cash rate with a high watermark;
- one has a 22% Performance Fee calculated based on the outperformance of the fund compared with the S&P/ASX 300 Accumulation Index;
- one has a 16.5% Performance Fee calculated based on the outperformance of the relevant fund compared with the S&P/ASX Small Ordinaries Accumulation Index;
- one has a 16.5% Performance Fee calculated based on the outperformance of the relevant fund compared with the S&P/ASX Small Ordinaries Accumulation Index with a high watermark;
- one has 16.5% Performance Fee calculated based on the outperformance of the fund compared with 70% of the S&P/ASX Mid Cap 50 Index and 30% S&P/ASX Small Ordinaries Index;
- one has a 16.5% Performance Fee calculated based on the outperformance of the fund compared with the S&P/ASX 300 Accumulation Index;
- one has a 16.5% Performance Fee calculated based on the outperformance of the fund compared with the S&P/ASX 300 Accumulation Index with a high watermark;
- one has a 16.5% performance fee above the Bank Bill Swap Rate and with a high watermark;
- one has an 11% Performance Fee calculated based on the outperformance of the fund compared with the S&P/ASX 200 Accumulation Index with a high watermark; and
- one has no Performance Fee.

The Fund Managers (including the Initial Fund Managers) can forgo charging Management and Performance Fees by either:

- not charging the Company Management and Performance Fees;
- rebating or donating back to the Company any Management and Performance Fees charged; or
- otherwise arranging for the Company to be compensated so as effectively to increase its investment return on its investment by the amount of any such Management and Performance Fees.

See Sections 2.13 and 9.2 for further details on Forgone Fees.

2.13. Fund Managers' Forgone Fees

The Management and Performance Fees normally charged by Fund Managers to manage the money on behalf of the Company would normally be the most significant expense for the Company. However, this is not expected to be the case for the Company. The Initial Fund Managers have agreed to forego their right to receive Management and Performance Fees. In selecting any subsequent Fund Managers, one of the key selection criteria will be the willingness of potential Fund Managers to forgo all of their Management and Performance Fees (see Section 2.10 for details).

The Initial Fund Managers comprise a group of selected Australian Fund Managers who have committed to manage money on behalf of the Company and have also agreed to forgo their right to receive Management and Performance Fees.

Other fees incurred by the Fund Managers, such as brokerage fees, custodian fees and administrative expenses in relation to the management of the relevant funds, will not be forgone (see Section 9.2 for more details).

2.14. Company Investment Performance

The investment performance of the Company will be determined by:

- the performance of the funds managed by the Fund Managers;
- the performance of any direct investments the Company may make;
- the excess amount of the Forgone Fees by the Fund Managers and Service Providers over the Donation Amount made by the Company (see below for details); and
- any expenses paid to Service Providers required to operate the Company.

The Management and Performance Fees forgone by the Fund Managers and the fees forgone by the Service Providers, are expected to exceed the Donation Amount calculated annually at the end of each financial year.

Any excess amount will enhance the Company's NTA by an equivalent amount. Any excess amount therefore is to the benefit of Shareholders.

2.15. Capital management

The Company may undertake capital management initiatives which may involve:

- the issue of other Shares (through bonus option issues, placements, pro-rata issues etc); and/or
- the buy-back of its Shares.

2.16. Officers of the Company

The Directors of the Company have waived their rights to receive director's fees with effect from the date of the Prospectus. They will remain entitled to an indemnity from the Company (to the maximum extent permitted by law), to the benefit of professional indemnity insurance and to reimbursement of external costs and expenses.

The Company Secretaries of the Company have waived their right to receive fees with effect from the date of the Prospectus. The Company will hold professional indemnity insurance to their benefit, they will receive an indemnity as officers of the Company to the maximum extent permitted by law and will be entitled to be reimbursed for any external costs and expenses they incur.

The management of the Company will initially be conducted by the Board and Wilson Asset Management (International) Pty Limited, both of which have agreed to forgo their respective fees. The Board will assess the requirement to engage specific management resources to ensure the efficient operation of the Company. Should this be deemed necessary, the cost of any management resource will be an expense of the Company (unless the relevant providers agree to forgo their respective fees).

The Investment Committee members will initially comprise Geoffrey Wilson, Gabriel Radzynski and Matthew Kidman, all of whom have agreed to forgo their fees.

2.17. Service Providers

In addition to the Initial Fund Managers, the Company has actively engaged with other Service Providers and requested their support for the charitable goal of the Company by waiving all or part of their fees for services rendered to the Company.

Details of the arrangements with such Service Providers are set out in Section 9.3.

2.18. Reporting

Company information, objectives, its investment strategy, the Company's Fund Managers, the Company's investment performance, and details of the Designated Charities will be available on the Company's website: www.futuregeninvest.com.au

The Company will announce its NTA each month to the ASX. This information will also be made available to Shareholders on the Company's website: www.futuregeninvest.com.au

3. Fund Manager Biographies

Each of the Initial Fund Managers listed in Section 2.11 has provided the following additional background information about themselves. Further information about the Initial Fund Managers can be found at the website provided. The composition of the Company's initial Portfolio has not been determined as at the date of this Prospectus. Accordingly, there can be no guarantee that the Company will invest with any particular Fund Manager. The Initial Fund Managers in this Section are ordered by style or asset class. The order of the Initial Fund Managers does not suggest a particular preference or ranking.

Cooper Investors Pty Limited

Cooper Investors Pty Limited (**CI**) is a specialist equity fund manager with funds under management of approximately \$8 billion. CI commenced operations in 2001 and manages money for a range of clients including large pension and superannuation funds, listed Australian companies, religious institutions, Australian State Government agencies, school endowments, charities and high net worth families. CI is 100% owned by its employees.

CI manages 6 pooled wholesale trusts (the CI Australian Equities Fund, the CI Pensions Fund, the CI Asian Tiger Fund, the CI Brunswick Fund, the CI Global Equities Fund and the CI Global Equities Fund (Unhedged)) and a number of individual mandates which invest in either Australian equities, international securities or a mixture of both. Employees are encouraged to invest in the CI trusts.

www.cooperinvestors.com

Bennelong Australian Equity Partners Pty Limited

Bennelong Australian Equity Partners Pty Limited (**BAEP**) is a boutique asset manager offering Australian equities solutions for institutional and retail clients.

BAEP describes its investment style as 'core quality'. The investment team targets companies that exhibit an attractive combination of various quality, growth and valuation attributes.

BAEP employs a "bottom-up" approach when investing in securities. Each investment is subjected to BAEP's proprietary bottom-up fundamental research, which involves a comprehensive program of company and industry engagement. The overriding objective is to seek investment opportunities which are under-appreciated and have the potential to deliver positive earnings surprise, while satisfying BAEP's stringent quality criteria.

BAEP manages three Australian equities funds primarily select stocks from but are not limited to, the S&P/ASX 300 Index.

<http://www.bennfundsmanagement.com.au/boutiques/bennelong-australian-equity-partners/about-baep/overview>

Paradise Investment Management Pty Limited

Paradise Investment Management Pty Limited (**Paradise**), Australia's first boutique firm specialising in smaller companies, was founded in 1999. Paradise expanded its investment offering with a mid cap fund in 2006 and a large cap fund in 2007 – the 3 funds have only been accessible to institutional investors and are now closed.

Paradise's latest offering, Paradise Global Small Mid Cap Fund, is open to individual investors and is available through Westpac on the BT and Asgard Platforms.

Paradise is a privately owned company with a team of 19 people, including 14 investment specialists, who manage over \$8 billion in assets.

www.paradise.com.au

Wilson Asset Management (International) Pty Limited

Wilson Asset Management (International) Pty Limited (**Wilson Asset Management**) is a boutique investment manager established in 1997. Wilson Asset Management is the investment manager of three LICs: WAM Capital Limited (ASX: WAM); WAM Research Limited (ASX: WAX); WAM Active Limited (ASX: WAA) and one unlisted unit trust, Wilson Asset Management Equity Fund. Wilson Asset Management focuses on investing in undervalued and under researched growth companies. These companies tend to be small to medium sized industrial companies listed on the ASX.

www.wamfunds.com.au

Eley Griffiths Group Pty Limited

Eley Griffiths Group Pty Limited (**EGG**) is a boutique investment manager established in 2003 that specialises in investing in Australian small companies. It is owned 100% by employees. As at the end of May 2014, it had funds under management of \$1.2 billion.

EGG's philosophy involves a belief in stock-picking, the need for a disciplined stock selection process, the value of market experience and intelligence to identify information inefficiencies, rigorous risk control measures and an extensive company visitation program.

The investment process focuses on value for money (where all companies' earnings growth profiles and price earnings ratios are compared against each other) and in assessing the quality of a company's management and the industry structure in which it operates.

www.eleygriffiths.com.au

Discovery Asset Management Pty Limited

Discovery Asset Management Pty Limited (**Discovery**) is a new boutique funds management business specialising in Australian Small Companies equities portfolios. The investment team (all equity holders) is comprised of former members of the QIC Small Companies team where they successfully managed portfolios for industry superannuation funds for several years.

Discovery takes a long term (10 year) perspective and believes a company's share price over the long term will reflect its true value. By utilising a long term, free cash flow approach to model and value companies, Discovery seeks to ensure that valuations alone drive its investment decisions and not the market.

www.discoveryam.com.au

Smallco Investment Manager Limited

Smallco Investment Manager Limited (**Smallco**) was founded in 2000 by Rob Hopkins and Bill Ryan. They founded Smallco on the premise that inefficiencies do exist within the pricing of smaller companies within the Australian listed securities market.

Small Broadcap Fund is a concentrated, long only, Australian equities fund that provides broad exposure to the Australian equity market.

www.smallco.com.au

Lanyon Asset Management Pty Limited

Lanyon Management Pty Limited (**Lanyon**) is a privately held, boutique Australian equity funds manager, established in 2009.

The firm adheres to an absolute return, opportunistic and disciplined value investing approach.

Lanyon invests in equities across all market capitalisations and industries but will only invest in securities when they trade at a significant discount to their estimate of their intrinsic value. Often, the securities selected are those that are trading at substantial discounts to the value of their tangible

assets or on low multiples of sustainable free cash flow. Lanyon can hold up to 100% in cash if suitable opportunities are not available.

Portfolios are managed without any regard to a market benchmark or index with concentrated positions taken in only the most compelling opportunities. Lanyon is a long-only, long-term investor and does not short securities or use derivatives.

Lanyon has imposed a limited cap on the total value of funds they will manage in order to protect investment performance and maintain consistency of their approach. They believe that excessive growth in a portfolio's assets under management limits investment opportunities and will constrain returns for their clients.

www.lanyonam.com

Regal Funds Management Pty Limited

Regal Funds Management Pty Limited (**Regal**) is a long/short equities manager. The investment team has, on average, over ten years' experience in financial markets both in Australia and overseas. The team has a very broad knowledge base to draw upon with key staff having experience on the buy/sell side, fundamental/quantitative investing, sales/research, long-side/hedge fund investing as well as investment banking and capital markets.

Regal invests using a fundamental, research-driven investment strategy. Through fundamental research Regal selects shares that it believes are undervalued and are expected to rise in price. In addition, the strategy utilises Regal's expertise and systems to sell shares that it believes are overvalued and take advantage of a falling share price.

www.regalfm.com.au

Bennelong Long Short Equity Management Pty Limited

Bennelong Long Short Equity Management Pty Limited (**BLSEM**) is a boutique, market neutral asset manager, managing investments on behalf of both fund-of-funds and private investors. The subsidiary was founded as a joint venture between Bennelong Funds Management and BLSEM principal, Richard Fish, in 2002.

www.bennfundsmanagement.com.au

LHC Capital Pty Limited

LHC Capital Pty Limited (**LHC Capital**) is a specialist equities absolute return manager.

The LHC Capital Australia High Conviction Fund (**LHC Fund**) aims to produce superior absolute returns with moderate risk and low correlation to the equity market.

Through a rigorous fundamental research process, the LHC Fund seeks to identify, understand and deploy its capital into ten core (high conviction) investment positions in companies priced below their underlying intrinsic value. The LHC Fund maintains a strong focus on risk management and will seek to achieve capital preservation through active management of core positions and through the selective shorting of companies that are structurally challenged.

www.lhccapital.com

Optimal Fund Management Australia Pty Limited

Optimal Australia Management Australia Pty Limited (**Optimal Australia**) is a specialist manager of absolute return investment strategies, with a focus on long-short large-cap Australian equities, and with a low- but variable-net risk exposure profile.

Optimal Australia is independent, and is wholly-owned by its management.

www.optimalaus.com

Watermark Funds Management Pty Limited

Watermark Funds Management Pty Limited (**Watermark**) is a boutique fund manager and an active, high conviction investor in Australian public companies. As an absolute return manager, Watermark is focused on delivering superior returns while preserving investors' capital. Through detailed fundamental analysis, Watermark seeks to identify mispriced shares and construct long and short portfolios that will release value over time.

The business was established in 2004 and is one of a small number of specialist absolute return managers in Australia.

The Watermark Absolute Return Fund employs an equity market neutral strategy and was launched in 2012. The fund aims to deliver consistent annualised returns, while taking on little or no net exposure to the share market. Watermark seeks to achieve this by using superior stock selection to exploit mispricing opportunities, identifying strong companies to buy and weaker companies to sell. In matching long and short exposures equally, the fund is fully hedged against adverse movements in the broader market and profits from the relative performance of its 'longs' versus its 'shorts'.

www.wfunds.com.au

Sandon Capital Pty Limited

Sandon Capital Pty Limited (**Sandon Capital**) is an Australian-based activist investment firm. Sandon Capital devises and implements active engagement strategies that seek to unlock value inherent in listed companies, securities and trusts within its investment portfolios.

Sandon Capital is the investment manager of the ASX-listed Sandon Capital Investments Limited, an unlisted investment company and 2 other wholesale funds (Sandon Capital Activist Fund and Sandon Capital Institutional Fund). Sandon Capital also provides corporate advisory services to select wholesale clients.

Sandon Capital has the sole focus of generating attractive risk-adjusted returns for our investors using the combination of its devised activist engagement strategies and its 'deep-value' investment philosophy.

www.sandoncapital.com.au

4. The Company's Charitable Goal

4.1. Charitable Goal

Whilst the intention of the Company is to provide Shareholders with a compelling and attractive investment, the Company has an important ancillary goal of providing a source of funding for Australian charities. The focus will be on children's charities, with an emphasis on those that support children at risk.

Notwithstanding this Company's charitable goal, the Company itself does not have DGR status nor is it otherwise classified as a charity. For taxation purposes both the Company and investments in Shares and Options will receive similar tax treatment as other LICs.

4.2. Support Designated Charities

The Company's basic charitable objective, together with its Shareholders and the support of the Fund Managers and the Company's Service Providers, is to make a difference to Australian children by providing financial support to the Designated Charities.

The Company has negotiated with selected Fund Managers and certain key Service Providers to forgo fees they would normally charge in relation to services provided to the Company. The aggregate amount of the Forgone Fees will enhance the Company's NTA. The benefit of the Forgone Fees will be shared between the Designated Charities and the Shareholders.

The Company considers it is very important that both Shareholders and the Designated Charities share the benefit arising from the Forgone Fees. By sharing these benefits, the investment proposition for a Shareholder is attractive, encouraging Shareholders to subscribe for more capital in the Company. The greater the investment by Shareholders, the more money is expected to be available for distribution to the Designated Charities.

By creating an attractive investment opportunity for Shareholders, the Company will increase the potential amount of capital available to be raised and increase the financial support the Company can provide to the Designated Charities.

4.3. Amounts to Charity

The Company's current intention is to donate a percentage of the Company's assets to Australian charities each year (**Donation Amount**). The initial Donation Amount will be equal to 1.0% of the average monthly NTA for the previous financial year (after adjusting for the period from the capital raising to 30 June 2015 being less than 12 months).

The Board will have the discretion to alter the Donation Amount each year. When considering whether to alter the Donation Amount the Board will take into account Forgone Fees and the principles set out in this Section.

It is expected that the first payment to the Designated Charities will be made at approximately the same time as the Company's first dividend payment is made to Shareholders for the financial year ending 30 June 2015.

4.4. Shareholder allocation nomination

Each year the Company's Shareholders will have an opportunity to nominate which of the Designated Charities they would like to support. The Company will direct the proportion of the annual Donation Amount for that year to the Designated Charities in accordance with the Shareholders' directions (in each case a **Designated Charity Proportion**).

The Company will donate to each Designated Charity an amount at least equal to the Designated Charity Proportion of the Donation Amount.

If Shareholders do not make any charitable nomination, the balance of the Donation Amount will be allocated among the Designated Charities at the Board's discretion.

4.5. Large Shareholders may nominate a Charity

Shareholders registered as holding more than 1,000,000 Shares on the charitable designation record date may nominate a charity of their choice to receive part of the Donation Amount for the proceeding financial year. The proportion for any charity so nominated will be equal to that Shareholder's percentage holding in the Company.

Only those charities with an Australian DGR status may be nominated. The nominated charity does not have to be one of the Designated Charities identified by the Company.

Any charity so nominated will not become a Designated Charity for the purpose of charitable allocation nominations made by the other Shareholders as described in Section 4.4.

The Board retains the discretion to amend the 1,000,000 Share threshold at which it will allow a Shareholder to nominate a charity of their choice.

4.6. Company's Charity Guidelines

To be eligible as a Designated Charity, a charity must be an Australian charity with DGR status and must be able to demonstrate to the Board that it provides a significant benefit to Australian children with a focus on children at risk.

In considering whether a charity should become a Designated Charity the Board will also take into account the following guidelines with respect to a potential Designated Charity (**Charity Guidelines**):

- The charity should be well established and be enduring.
- The charity should have the following characteristics:
 - Strong governance and support structures;
 - Committed and passionate leadership;
 - A direct relationship between the funding provided by the Company and the benefits to Australian children; and
 - An efficient operational expense structure.
- Ideally, the charity will also have the ability to scale the charitable initiatives to benefit a larger number of children in Australia.

The Board expects the Charity Guidelines will continue to evolve. The Board will keep Shareholders informed.

4.7. Designated Charity Commitment

The Company is committed to making a difference to Australian Children with a focus on children at risk, and its charitable goal is to provide a source of funding to the Company's Designated Charities. The Board at its sole discretion retains the right to change the list of Designated Charities at any time.

The Company's capacity to support a larger number of charities is directly related to the amount of capital the Company raises and its ability to secure investment capacity from Fund Managers and services from other Service Providers who are willing to forgo their fees. The Company will assess its capacity to support additional charities to become Designated Charities after the conclusion of the initial capital raising.

The list of Designated Charities will be reviewed annually by the Board.

4.8. Initial list of Designated Charities

The Board delegated the responsibility to select the initial list of Designated Charities to the Wilson Foundation. The below list comprises the current Designated Charities selected by the Wilson Foundation pursuant to this delegation.

- ACT for Kids
- Australian Children's Music Foundation
- Australian Indigenous Education Foundation
- Kids Helpline
- Lighthouse Foundation
- The Mirabel Foundation
- Raise Foundation
- United Way
- Variety – the Children's Charity
- Youth Focus
- Youth Off the Streets
- Debra Australia
- Diabetes Kids Fund
- Giant Steps

Each of the above listed Designated Charities has provided the following background information. Further details can be found at their respective websites (also detailed below).

This list will be reviewed by the Board before the first annual Donation Amount is made (which will be with respect to the financial year ending 30 June 2015) and annually thereafter.

ACT for Kids

Act for Kids provides free services to prevent child abuse and neglect. Act for Kids (previously known as the Abused Child Trust) has helped thousands of children affected by abuse and neglect since 1988.

Child abuse and neglect is a very real social problem in Australia. In 2011-12 alone there were 252,962 reports made to child protection authorities in Australia: one every 2 minutes. In that same 12 months, 37,781 children suffered abuse and neglect; one child every 14 minutes¹.

Act for Kids delivers a range of free services to help children, families and carers who have experienced, or are at risk of, child abuse and neglect.

Act for Kids' unique multidisciplinary teams provide intensive therapy, sexual abuse counselling, safe houses in remote Indigenous communities, youth mentoring, family coaches and a preschool designed for children with additional development needs to ensure we set them up for success at school.

Act for Kids believes all children deserve to grow up in a safe and loving home.

www.actforkids.com.au

Australian Children's Music Foundation

The Australian Children's Music Foundation (**ACMF**) encourages creativity and imagination by providing free weekly music education and instruments to children and youth at risk who are

¹ AIHW 2013. Child protection Australia 2011-12. Child welfare series no. 55. Cat. no. CWS 43. Canberra: AIHW.

disadvantaged through cultural, economic, geographic or social circumstances. While more than 75% of Australian public schools do not have funds for music teachers or instruments, the ACMF has provided weekly teaching staff and instruments to schools in urban, regional and remote communities throughout Australia for more than 12 years. Research continues to find that children and youth on the wrong side of advantage that are provided with music education benefit across a broad range of key learning areas, including reduced truancy rates, improved mental health and behaviour, increased self-esteem, literacy and numeracy.

The ACMF has a track record of changing young lives through the power of music by encouraging self-expression and confidence and bringing children joy and hope and the chance to dream of a brighter future.

www.acmf.com.au

Australian Indigenous Education Foundation

The Australian Indigenous Education Foundation (**AIEF**) is focused on empowering Indigenous children in financial need to build a future through quality education and careers at Australia's leading schools, universities and companies.

AIEF provides scholarships which enable Indigenous students to attend some of Australia's leading schools and universities and supports their transition from school through further studies or employment into productive and fulfilling careers.

A product of a strong partnership between the Australian Government and the private sector, AIEF aims to transform the lives of 7,000 young Indigenous Australians.

www.aief.com.au

Kids Helpline

Kids Helpline is a free, 24 hour counselling service for young people aged 5-25 years. Counselling is offered by phone, email and over the web.

Counsellors respond to more than 5,500 calls each week about issues ranging from relationship breakdowns and bullying, to sexual abuse, homelessness, suicidal thoughts, and drug and alcohol use. The service aims to empower young people by assisting them to:

- develop options;
- identify and understand the consequences of a particular course of action;
- facilitate more productive relationships with family and friends; and
- provide information on local support services.

Kids Helpline counsellors are fully qualified professionals who undergo additional accredited training.

www.kidshelp.com.au

Lighthouse Foundation

The Lighthouse Foundation provides long-term therapeutic care and specialist mental health support to homeless children and young people. The young people supported by Lighthouse predominantly come from a background of long-term neglect and abuse. For more than 20 years the Lighthouse Foundation has been operating a unique Model of Care that is truly successful. The Lighthouse Model doesn't just give our homeless young people a roof over their heads – it gives these traumatized and vulnerable youngsters a long-term family style environment.

Lighthouse believes that together, we can end homelessness for children and young people in Australia.

www.lighthousefoundation.org.au

The Mirabel Foundation

The Mirabel Foundation is the only organisation in Australia specifically addressing the needs of children who have been orphaned or abandoned due to parental drug use.

The Mirabel Foundation supports children aged 0-17 years and works at restoring a child's sense of self-worth, belonging and hope for the future in order for them to reach their full potential as young adults. The Mirabel Foundation believes that investing in children is the most compassionate and economic investment we can make.

The Mirabel Foundation provides advocacy, referral, research, practical and emotional assistance to the children and their kinship carers. We lead the way in providing a community response to these families and reducing the stigma and isolation they experience.

www.mirabelfoundation.org.au

Raise Foundation

Raise Foundation provides mentoring programs for young people facing profound challenges in their lives including mental health, substance misuse, and sexual health issues. These are very real and worrying threats to the health of Australian youth, and we can all raise our hands to make a tangible difference.

We improve the lives of young people in our community by providing school and community based mentoring programs and personal development workshops. Our mentoring programs provide a community of support around young people. The power of having someone neutral to talk to, who really listens and actually hears you, is extraordinary. Raise Mentors are helping young people to raise their voices, improve their relationships, advance in their wellbeing and coping strategies, increase their self confidence, identify and achieve their goals, and engage in further education and employment.

www.raise.org.au

United Way

United Way Australia believes all individuals and families should have the opportunity to reach their full potential. Our mission is to mobilise individuals, business and government so that together they can help address society's most pressing needs.

United Way Australia's focus is "ReadLearnSucceed", a powerful early intervention program for disadvantaged communities that seeks to improve children and young people's literacy, school retention and readiness for work. United Way Australia believes that education provides children with the opportunity to find a way out of poverty and know that that in 2012 Australia 22% of children started school not ready. United Way Australia is driven to change this because a child that doesn't start school ready will most likely face a lifetime of disadvantage.

To realise its vision United Way Australia works in partnership with high need communities because 'it takes a village to raise a child'. To support this United Way Australia provides pre-school children (0-5 years old) free access to a library of their very own books and equip and inspire their parents to read more regularly to their children and be their child's first educator. United Way Australia's goal in the next 5 years is to half the number of children not ready to read in these communities and provide 40,000 with high quality books.

www.unitedway.com.au

Variety – the Children's Charity

Variety – the Children's Charity is dedicated to assisting Australian children who are disadvantaged and at risk – whether that be disadvantaged through sickness, disability, location, or socio-economic circumstance.

Variety's mission is to help these children attain their full potential regardless of ability or background, and to empower them to live, laugh, and learn. Variety does this with the provision of essential equipment and experiences that help develop their life skills, enable them to gain mobility and freedom to get out in the community, be able to communicate, achieve independence, and increase self-esteem.

Variety always grants the practical equipment/experience directly (never cash), to ensure that every generously donated dollar is getting to where it is needed most.

www.variety.org.au

Youth Focus

Youth Focus is working to stop youth suicide. Youth Focus supports young Western Australians and their families by offering free and unlimited therapeutic counselling to help them overcome the issues associated with suicide, depression, anxiety and self-harm. Youth Focus counsellors help young people build resilience and empower them with the tools they need to navigate mental health issues now and in the future.

Youth Focus also offers a range of expert mental health support services including family counselling, mentoring and peer support and plays a leading role in improving the mental health literacy of the community through our school, workplace and community mental health awareness training.

www.youthfocus.com.au

Youth Off The Streets

Youth Off The Streets is a non-denominational community organisation working for children aged 12-21 who are facing challenges of homelessness, drug and alcohol dependency, exclusion from school, neglect and abuse. They support these children as they work to turn their lives around and overcome immense personal traumas such as neglect and physical, psychological and emotional abuse.

Their services include crisis accommodation, alcohol and other drug services, counselling, accredited high schools, outreach, residential programs and a mentoring program. Volunteers support them every step of the way.

www.youthoffthestreets.com.au

DEBRA Australia

DEBRA Australia offers advocacy, financial support, emotional support and networking opportunities to families who are living with Epidermolysis Bullosa (**EB**). DEBRA Australia also uses donations to fund local and international research into a cure for EB. Their aim is to work for a life free of pain.

EB is rare skin disorder, both within Australia and globally. For many years, individuals and small state DEBRA groups had been the primary source of services and support for families struggling with an EB skin disorder.

A collaborative effort was made by the states in 2005 when they officially founded DEBRA Australia, in order to create a larger network of support for Australian families.

www.debra.org.au

Diabetes Kids Fund

Diabetes Kids Fund was established to ensure children living with diabetes live life to the full and reach their potential. It does this by helping children, particularly disadvantaged children or those from rural and regional areas, attend kids camps and education programmes where they can build confidence and self esteem and meet other kids living with diabetes so they no longer feel alone or different. The Fund, operated by Diabetes NSW, also works with families, schools and communities to ensure kids living with diabetes are supported every step of the way enabling them to thrive.

www.diabeteskidsfund.com.au

Giant Steps

Giant Steps operates a school and intervention services for children and young adults between the ages of 2 and 25 all with a diagnosis of autism.

Giant Steps is non-denominational and does not charge fees. In 2014 Giant Steps needs to raise \$3.5 million to operate the programs for its students. Its teachers, therapists and educators use a transdisciplinary approach to deliver individually tailored education through world's best practice programs. Administration costs are kept to less than 2% by relying heavily on voluntary support from families, friends and corporates.

Giant Steps' reach extends well beyond our students. Staff conduct training for parents of our students and outside professionals and present at national and international conferences.

Giant Steps opened a Mental Health Clinic in February 2014 and is working on opening a school in Melbourne.

www.giantsteps.net.au

5. Risk Factors

5.1. General Risk Factors

The value of securities listed on securities exchanges can change considerably over time and the value of your investment can increase and decrease with the value of the Portfolio.

A listed investment company's shares may trade at a discount, premium or at par to their net assets (representative of the asset value of the underlying Portfolio).

The fluctuation in price is known as volatility and the level of volatility depends, in part, on the type of investment. Generally, in order of volatility of assets, shares are the riskiest, then fixed interest, then cash.

As with most investments, performance is not guaranteed. The risks relevant to any investment may result in loss of income and principal invested.

You can do some things to reduce the impact of risk. First, get professional advice suited to your investment objectives, financial situation and particular needs. Nothing in this Prospectus can replace or offer that. Secondly, invest for at least the time frame recommend by your professional advisor.

The Company should not be seen as a predictable, low risk investment. The Company's investments will initially be units in the unlisted wholesale trusts of the selected Fund Managers. The unit price of each fund may rise and fall. The Company may also invest directly in other securities and other assets and the price of these securities and other assets may rise and fall. The Company therefore is considered to have a higher risk profile than cash assets.

It is not possible to identify every risk associated with investing in the Company, however, the following provides a list of significant risks associated with the Company. There may be other risks associated with the Company.

5.2. Key Risks associated with the Company

(a) *Reliance on the Fund Managers*

The profitability of the Company will largely depend on the Company's ability to invest capital with Fund Managers that produce positive performance results and forgo all Management and Performance Fees.

The Company is exposed to the risk that the Investment Committee may make a poor decision regarding asset allocation, the Company is unable to identify Fund Managers that agree to forgo all Management and Performance Fees and one or more of the Fund Managers' investment performance is poor or they are not be able to achieve the stated aims and objectives for their funds.

In addition, there is a risk that a new Fund Manager withdraws investment capacity, notifies the Company that it can no longer forgo Performance and Management Fees or ceases to manage a particular underlying fund.

There is a risk that the Investment Committee may not be able to identify suitable Fund Managers, direct investments and/or invest funds raised by the Company in a timely fashion or at all, which would affect the future performance of the Company.

(b) *Broad Investment Mandate*

The Company has a broad investment mandate and, as at the date of this Prospectus, no decision has been made as to the allocation of funds among the Initial Fund Managers or the underlying investments that will be included in the initial Portfolio.

Further, the Investment Committee may select new Fund Managers or rebalance the Portfolio from time to time. In addition, Fund Managers may withdraw their investment capacity at any time.

Accordingly, it may be difficult for investors to assess the risk associated with the type of underlying investments that may be made by the Fund.

(c) Donation Amount and ability to frank dividends

One of the Company's stated intentions is to provide a stream of fully franked dividends. The Company also intends to pay an annual Donation Amount to Designated Charities and other charities selected by Shareholders that have DGR status.

The ability of the Company to frank dividends is dependent on a number of factors, including the amount of tax paid by the Company.

The Company's taxable income each year will be reduced by an amount equal to the Donation Amount paid by the Company in that year. As a result, there is a risk that the Company will be unable to pay fully franked dividends.

(d) Size and portfolio

The size of the Portfolio may affect the risk profile of the Portfolio. The Company may not be able to diversify its investments and so manage its risks efficiently if it only achieves the minimum subscription under this Offer (as opposed to a greater level of subscription).

However, the risk of loss of investments included in the Portfolio will not necessarily be reduced if the level of subscription under this Offer exceeds the minimum subscription. Effective risk management depends on a range of factors including diversification of investments and other factors.

(e) No relevant operating or performance history of the Company

The Company has no relevant financial, operating or performance history. The information in this Prospectus about the investment objectives of the Company are not forecasts, projections or the result of any simulation of future performance. There is a risk that the Company's investment objectives will not be achieved.

(f) Operational costs

Notwithstanding the Company's intention to engage service providers who will waive professional fees, the most significant impact on operational costs will be the Company's ability to continue to invest with Fund Managers who agree to forgo their Management and Performance Fees. If this changes, this will impact on the Company's profitability.

Operational costs for the Company as a proportion of total assets will be affected by the level of total assets of the Company and by the level of acceptance of this Offer. Operational costs will represent a greater proportion of total assets (and will reduce the operating results of the Company and accordingly the ability to make dividend payments) if the Company only achieves the minimum subscription under this Offer (as opposed to a greater level of subscription).

(g) Counterpart risk

There are a number of risk factors that may affect the future operations or performance of the Company. These include:

- the ability of Fund Managers to forgo Management and Performance Fees;
- the ability of the Company to identify Fund Managers and Service Providers that agree to forgo their fees; and
- regulatory factors such as increased regulatory and compliance costs and changes to legislation and government policies generally.

These factors are largely outside the control of the Company.

(h) Leverage risk

Leverage through borrowings, also known as gearing, can magnify portfolio gains, but will also magnify losses. Whilst the Company has the right to leverage directly its investments it currently does not intend to do so. The Company may also invest with Fund Managers that use leverage as a strategy to try to improve returns and to manage risk.

Any negative results of such leverage will likely impact on the Company's profitability.

(i) Taxation risk

Tax laws (including Australian tax laws) are often changed which may affect the Company and Shareholders.

Tax liabilities incurred as a consequence of investing in the Company are the responsibility of each individual Shareholder. The Company is not responsible for tax incurred by Shareholders. Shareholders should consult their own taxation advisers to ascertain the implications of their investment.

(j) Interest rates

Any variation in short and long term interest rates could materially affect the operating results of the Company.

(k) Regulatory risk

The Company is exposed to the risk of changes to applicable laws or their interpretation which have a negative effect on the Company, its investments or returns to Shareholders and the risk of non-compliance with reporting or other legal obligations.

5.3. Key risks associated with the Company's investment structure

As the Company will predominately invest with selected Fund Managers, it is exposed to a number of risks associated with a "fund of funds" style of investment. These risks include the following:

(a) Key person risk

The performance of the Company's investments is dependent on both the selection of Fund Managers and the underlying funds in which the Company will invest and the selection of investments by these Fund Managers for the underlying funds.

Accordingly, the Company is indirectly exposed to the risk that key individuals employed by any Fund Managers are, or the Fund Manager is, no longer able to fulfil their obligations.

The returns of the underlying funds and the Company may be dependent on the management skill of a particular individual or team.

(b) Related position risk

A number of Fund Managers could independently invest in the same securities at the same time, which then could be difficult or impossible to sell at short notice, resulting in concentrated exposure and reduced diversification for the Company.

The Investment Committee will seek to use selection techniques and undertake due diligence of underlying funds and Fund Managers to attempt to mitigate this type of risk.

(c) Liquidity Risk

Liquidity risk refers to the risk that the Company's investments or the investments made by Fund Managers on behalf of their respective funds, cannot at short notice be easily converted into cash to realise underlying investment positions.

In particular the Initial Fund Managers are managers of wholesale trusts. These investments may be difficult or impossible to sell at short notice or at desired prices. Some of the underlying funds managed by the Fund Managers with whom the Company invests may only permit redemption on a semi-annual or annual basis or may be subject to other restrictions on redemptions.

In addition, the Fund Managers may themselves invest in illiquid investments which themselves could be difficult or impossible to sell at short notice or at desired prices.

Excessive exposure to these events, if they materialise, could result in diminished returns for the Company or, in declining markets, loss of capital through a decline in the value of an investment with a particular Fund Manager.

(d) Fund risk

There is a risk that investing with the Fund Managers may give different results from holding the underlying assets directly because of:

- Income or capital gains accrued in the funds managed by the Fund Managers at the time of investing;
- The consequences of investment and withdrawal decisions made by other investors in an underlying fund, eg. a large level of withdrawals from an underlying fund may lead to the need to sell underlying assets which would potentially realise capital gains.

(e) Short selling risk

The Company may invest with Fund Managers that use short selling as a strategy to try to improve returns and to manage risk. The short sale of a security can involve much greater risk than buying a security, as losses on the securities purchased are restricted to the amount invested, whereas losses on a short position can be much greater than the initial value of the security. Additionally, there can be no guarantee that the securities necessary to cover a short position will be available for purchase.

Short selling will also incur interest and other costs on the securities borrowed by the relevant Fund Managers for sale. For a short sale to be profitable the return from the strategy must exceed these costs and, where losses are incurred on the strategy, these costs will increase the losses.

(f) Derivatives risk

The Company may invest with Fund Managers that use derivatives. Risks associated with using derivatives include the value of the derivative failing to move in line with the underlying asset, potential illiquidity of the derivative, the Fund Managers that use derivatives may not be able to meet payment obligations as they arise, regulatory risk and counterparty risk (this is where the counterparty to the derivative contract cannot meet its obligations under the contract).

5.4. Risks associated with investments in Shares and Options

The price at which Shares and Options trade on the ASX are subject to a number of risks, including:

(a) Market risk

There is a risk that Australian equities, units and any other securities will fall in value over short or extended periods of time. Historically, these securities have outperformed other traditional assets classes over the long term. Share markets tend to move in cycles, and individual share prices may fluctuate and under perform other asset classes over extended periods of time. Investors in the Company are exposed to this risk both through their holding in Shares and Options as well as through the Company's Portfolio.

(b) Economic risk

Investment returns are influenced by numerous economic factors. These factors include changes in the economic conditions (eg changes in interest rates or economic growth), changes to legislative and political environment, as well as changes in investor sentiment.

In addition, exogenous shocks, natural disasters and acts of terrorism and financial market turmoil (such as the global financial crisis) can (and sometimes do) add to equity market volatility as well as impact directly on individual entities. As a result, no guarantee can be given in respect of the future earnings of the Company or the earnings and capital appreciation of the Company's Portfolio or appreciation of the Company's Share price.

(c) *Liquidity risk*

The Company will be a listed entity, therefore the ability to sell Shares and Options will be a function of the turnover of the Shares and Options at the time of sale. Turnover itself is a function of the size of the Company and also the cumulative investment intentions of all current and possible investors in the Company (at any one point in time).

(d) *Financial market volatility*

A fall in global equity markets, global bond markets or lack of change in the value of the Australian dollar against other major currencies may discourage investors from moving money into or out of equity markets. This may have a negative effect on the price at which Shares and Options trade.

(e) *Performance of other asset classes*

Good performance (or expected performance) with other assets classes can encourage individuals to divert money away from equity markets. This may have a negative impact on the price at which the Shares and Options trade.

5.5. Investor Considerations

Before deciding to invest in the Company, Applicants should consider whether Shares and Options are a suitable investment. There are general risks associated with any investment in the stock market. The value of Shares and Options listed on ASX may rise or fall depending on a range of factors beyond the control of the Company.

There may be tax implications arising from the application for Shares and Options, the receipt of dividends (both franked and unfranked) from the Company, participation in any dividend re-investment plan of the Company, participation in any share buy-back and on the disposal of Shares or Options. Applicants should carefully consider these tax implications and obtain advice from an accountant or other professional tax adviser in relation to the application of tax legislation.

Investors are strongly advised to regard any investment in the Company as a long term proposition and to be aware that, as with any equity investment, substantial fluctuations in the value of their investment may occur.

If you are in doubt as to whether you should subscribe for Shares and Options, you should seek advice on the matters contained in this Prospectus from a stockbroker, solicitor, accountant and/or other professional adviser immediately.

6. Financial Information

6.1. History

The Company is not a newly established company. The Company disposed of its previous assets in April 2013 and since this time has not undertaken any new investments and has returned capital to Shareholders. Accordingly, the Company does not have any current operating or investment activities apart from managing its cash position. Further details of the Company's history are set out in Section 10.1.

6.2. No relevant historical financial information

Historic Statements of Profit or Loss and Other Comprehensive Income, historic Statements of Cash Flows and historic Statements of Financial Positions (prior to 30 June 2014) for the Company are not relevant for the purpose of this Prospectus.

6.3. Unaudited Proforma Statements of Financial Position

The unaudited historic Statement of Financial Positions as at 30 June 2014 together with the proforma Statements of Financial Position set out below have been prepared to illustrate the financial position of the Company following the completion of the Offer. These proforma Statements of Financial Position are intended to be illustrative only and will not reflect the actual position and balances as at the date of this Prospectus or at the conclusion of the Offer.

The unaudited historic Statement of Financial Positions as at 30 June 2014 and proforma Statements of Financial Position are presented in summary form only and do not comply with the presentation and disclosure requirements of Australian Accounting Standards.

	Unaudited Actual 30 June 2014	Placement and Buy- Back	Proforma 30 June 2014	Subscription		
				Minimum	\$100 million	Maximum
Capital raised				\$15 million	\$100 million	\$200 million
Assets	\$000	\$000	\$000	\$000	\$000	\$000
Cash	3,330	(552)	2,778	17,472	102,351	202,241
Other assets	75		75	75	75	75
Deferred Tax Asset	201		201	292	329	362
Total Assets	3,606	(552)	3,054	17,839	102,755	202,678
Liabilities						
Payables	296		296	296	296	296
Total Liabilities	296		296	296	296	296
Net Assets	3,310	(552)	2,758	17,543	102,459	202,382
Total Equity	3,310	(552)	2,758	17,543	102,459	202,382
NTA / Share			1.102	1.076	1.081	1.082

6.4. Assumptions

The above proforma Statements of Financial Position, as well as the tables in the Sections below, have been prepared on the basis of the following assumptions.

- (a) The placement of \$1,000,000 to Wilson Foundation was received in cash.
- (b) 50% of the Company's shareholders as at 24 July 2014 (record date for Buy-Back) elect to participate in the buy-Back and are paid out of cash.
- (c) Application of the proposed accounting policies and notes to the accounts set out in Section 6.7.
- (d) The subscription amounts refer to the shares and options under this Prospectus.
- (e) Retail Applicants who consent to the payment of the Service Fee and Institutional Applicants will pay \$1.10 per Share to the Company in subscription for Shares and a Service Fee equal to \$0.022 (including GST) of the Application Price provided with valid Application Forms bearing a Licensee's stamp to the extent Shares and Options are allotted under the Offer. No Service Fee will be payable on General Offer and Priority Allocation Offer Applications and Applicants will pay \$1.10 per Share to the Company in subscription for Shares.
- (f) Eligible expenses of the Issue have been paid and recognised in Equity less a provision for future tax benefits capitalised as a deferred tax asset. All other expenses have been paid and recognised directly in the Statement of Profit or Loss.
- (g) For the purpose of the above unaudited proforma balance sheets, it has been assumed that, for the column headed:
 - (i) "Minimum Subscription \$15,000,000", the Company will receive \$11,250,000 from General Offer and Priority Allocation Offer Applications at \$1.10 per Share and the Company will receive \$3,750,000 from the Broker Firm Offer at \$1.078 per Share for 3,478,664 Shares issued to Institutional Applicants and Retail Applicants that consented to the payment of the Service Fee of \$0.022 per Share.
 - (ii) "Subscription \$100,000,000", the Company will receive \$32,500,000 from General Offer and Priority Allocation Offer Applications at \$1.10 per Share and the Company will receive \$67,500,000 from the Broker Firm Offer at \$1.078 per Share for 62,615,955 Shares issued to Institutional Applicants and Retail Applicants that consented to the payment of the Service Fee of \$0.022 per Share.
 - (iii) "Maximum Subscription \$200,000,000", the Company will receive \$57,500,000 from General Offer and Priority Allocation Offer Applications at \$1.10 per Share and the Company will receive \$142,500,000 from the Broker Firm Offer at \$1.078 per Share for 132,189,239 Shares issued to Institutional Applicants and Retail Applicants that consented to the payment of the Service Fee of \$0.022 per Share.

6.5. Cash and Expenses of the Offer

A reconciliation of the proforma Statements of Financial Position for cash is as follows:

	Subscription		
	Minimum	\$100 million	Maximum
Cash at 30 June 2014	3,329,762	3,329,762	3,329,762
Proceeds from placement	1,000,000	1,000,000	1,000,000
Payment for buyback	(1,551,835)	(1,551,835)	(1,551,835)
Proceeds of Prospectus Offer	15,000,000	100,000,000	200,000,000
Expenses of Offer	(305,758)	(426,813)	(537,283)
Estimated Net Cash Position	17,472,169	102,351,114	202,240,644

The expenses of the Offer are estimated below, according to the amount of funds raised under the Offer:

Proceeds from Prospectus	Subscription		
	\$15 million	\$100 million	\$200 million
Legal fees	77,000	77,000	77,000
Investigating Accountant fees	38,500	38,500	38,500
ASX Listing Fees	86,856	180,411	265,881
ASIC Lodgement Fees	2,225	2,225	2,225
Registry Fees	22,500	50,000	75,000
Other expenses	78,677	78,677	78,677
Total Estimated Gross Expenses of the Offer	305,758	426,813	537,283
Deferred tax asset	(91,727)	(128,044)	(161,185)
Total Estimated Expenses of the Offer	214,031	298,769	376,098

6.6. Net position summary assuming various levels of participation in the Buy-Back

Buy-Back %	Capital Raising	Subscription		
		\$15,000,000	\$100,000,000	\$200,000,000
25%	Net Assets (\$000s)	18,027	102,906	202,795
	Shares on Issue (000s)	16,731	95,187	187,487
	NTA per share	1,077	1.081	1.082
50%	Net Assets (\$000s)	17,251	102,130	202,019
	Shares on Issue (000s)	16,026	94,481	186,782
	NTA per share	1,076	1.081	1.082
75%	Net Assets (\$000s)	16,475	101,354	201,243
	Shares on Issue (000s)	15,320	93,776	186,076
	NTA per share	1,075	1.081	1.082
100%	Net Assets (\$000s)	15,699	100,578	200,467
	Shares on Issue (000s)	14,615	93,071	185,371
	NTA per share	1,074	1.081	1.081

6.7. Proposed Accounting Policies

A summary of significant accounting policies which have been adopted in the preparation of the unaudited historic Statement of Financial Position as at 30 June 2014 and proforma Statements of Financial Position as set out in Section 6.3 and which will be adopted and applied in preparation of the financial statements of the Company for the year ended 30 June 2015 and subsequent years is set out as follows:

(a) *Basis of preparation of accounts*

The unaudited historic Statement of Financial Position as at 30 June 2014 and proforma Statements of Financial Position statement of financial position proforma has been prepared in accordance with Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act (as modified for inclusion in the Prospectus).

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board have concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

The financial information presented in the Prospectus is presented in an abbreviated form and does not contain all the disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act. The proforma statement of financial position has been prepared on the basis of assumptions outlined in Section 6.4.

The unaudited historic Statement of Financial Position as at 30 June 2014 and proforma Statements of Financial Position Statement of Financial Position proforma has been prepared on an accrual basis and is based on historical costs, modified where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The proforma Statements of Financial Position have been prepared for the Company. The Company is a company limited by shares incorporated and domiciled in Australia.

(b) *Investments*

(i) Classification

Investments consist of shares in units in managed investment schemes (ie regulated trusts), wholesale unit trusts (ie unregulated trusts), publicly listed and unlisted companies and cash and fixed interest securities.

It is considered that the information needs of shareholders in a company of this type are better met by stating investments at fair value rather than historical cost and by presenting the Statement of Financial Position on a liquidity basis.

(ii) Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for the financial assets that are delivered within timeframes established by marketplace convention. Trade date is the date on which the Company commits to purchase or sell the assets.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. They are subsequently measured at fair value with any remeasurements other than impairment losses recognised in other comprehensive income.

(iii) **Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss

(iv) **Valuation**

All investments are classified as available for sale investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions and reference to similar instruments.

(v) **Investment income**

Distribution income is recognised as it accrues on the day the distribution is announced. If the distribution has not been received at the balance date, this is reflected as a receivable in the Statement of Financial Position.

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

Dividend income is recognised in the profit or loss on the day on which the relevant investment is first quoted on an "ex-dividend" basis.

(c) **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(d) **Share Capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(e) **Taxation**

The income tax expense/(income) for the year comprises current income tax expense/(income) and deferred tax expense/(income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax assets can be utilised.

7. Investigating Accountant's Report

MOORE STEPHENS

7 July 2014

The Directors
Future Generation Investment Fund Limited
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Dear Directors

PART 1: INDEPENDENT LIMITED ASSURANCE REPORT ON FUTURE GENERATION INVESTMENT FUND LIMITED HISTORICAL AND PROFORMA HISTORICAL FINANCIAL INFORMATION

7.1 INTRODUCTION

The Directors of Future Generation Investment Fund Limited (*"the Company"*) have engaged Moore Stephens Sydney Corporate Finance Pty Limited (*"Moore Stephens"*) to report on the historical and proforma historical financial information of the Company as at 30 June 2014.

We have prepared this Independent Limited Assurance Report (*"Report"*) to be included in a Prospectus dated on or about 7 July 2014 and relating to the offer of fully paid ordinary Shares at an offer price of \$1.10 each to raise up to \$200,000,000, together with an entitlement to 1 option to acquire 1 ordinary Share per fully paid ordinary Share subscribed for, exercisable at \$1.10 per option on or before 16 September 2016 (*"Offer"*).

The minimum subscription required for the Offer to proceed is \$15,000,000 with the option entitlement as noted above. The offer is not underwritten.

Unless stated otherwise, expressions defined in the Prospectus have the same meaning in this Report and section references are to sections of the Prospectus.

The nature of this report is such that it can only be issued by an entity which holds an Australian Financial Services Licence (*"AFSL"*) under the Corporations Act 2001. Moore Stephens holds the appropriate AFSL authority under the Corporations Act 2001. Refer to our Financial Services Guide included as Part 2 of this Report.

Moore Stephens Sydney Corporate Finance Pty Ltd ABN 77 122 561 184. Liability limited by a scheme approved under Professional Standards Legislation. Moore Stephens Sydney Corporate Finance Pty Ltd is an authorised representative and affiliate of Moore Stephens Sydney Wealth Management Pty Ltd, AFS Licence No. 336950, ABN 85 135 81 77 66 which is an affiliate of Moore Stephens Sydney Pty Limited ABN 34 098 199 118. Moore Stephens Sydney Pty Limited is an independent member of Moore Stephens International Limited - members in principal cities throughout the world. The Sydney Moore Stephens firm is not a partner or agent of any other Moore Stephens firm.

7.2 SCOPE

This Report deals with the historical financial information and the proforma historical financial information included in Section 6 of the Prospectus ("*Financial Information*").

Historical Financial Information

The historical financial information consists of the unaudited Statement of Financial Position as at 30 June 2014.

Proforma Historical Financial Information

The proforma historical financial information consists of the proforma Statements of Financial Position as at 30 June 2014 and related notes as set out in Sections 6.3 to 6.7 of the Prospectus. The proforma historical financial information have been prepared to illustrate the impact of the Offer and the assumed transactions described in section 6.4, on the Company's financial position as at 30 June 2014 as if the transactions had taken place as at that date.

Financial Information

The Financial Information of the Company have been prepared on the basis of the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the events to which the proforma assumptions relate, as described in Section 6.4 of the Prospectus, as if those events had occurred as at the date of the historical financial information. Due to its nature, the proforma historical financial information does not represent the Company's actual or prospective financial position.

The proforma historical Statements of Financial Position are presented in an abbreviated form insofar as it does not include all the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

We disclaim any responsibility for any reliance on this Report or the Financial Information to which it relates for any purpose other than that for which it was prepared. This Report should be read in conjunction with the full Prospectus and has been prepared for inclusion in the Prospectus.

7.3 DIRECTOR'S RESPONSIBILITIES

The Directors of the Company are responsible for the preparation and fair presentation of the unaudited Statement of Financial Position as at 30 June 2014 and proforma historical Statements of Financial Position including the selection and determination of proforma assumptions, accounting policies and notes and included in the Financial Information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of historical financial information and proforma historical financial information that are free from material misstatement, whether due to fraud or error.

7.4 OUR RESPONSIBILITIES

Our responsibility is to express a limited assurance conclusion on the Financial Information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other limited assurance procedures. It is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the Financial Information.

7.5 CONCLUSION

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention which causes us to believe that the Financial Information comprising:

- the unaudited Statement of Financial Position as at 30 June 2014 as presented in Section 6.3 of the Prospectus; and
- the proforma Statements of Financial Position as at 30 June 2014 and related notes as presented in sections 6.3 to 6.6 of the Prospectus

are not presented fairly, in all material respects, in accordance with the stated basis of preparation as described in sections 6.3 and 6.4 of the Prospectus.

7.6 RESTRICTION ON USE

Without modifying our conclusions, we draw attention to section 6.3 of the Prospectus, which describes the purpose of the Financial Information, being for inclusion in the public document. As a result, the Financial Information may not be suitable for use for another purpose.

Investors should consider the statement of investment risks set out in the Prospectus, in Section 5.

7.7 SOURCES OF INFORMATION

We have assumed, and relied on representations from the Directors and management of the Company and other parties as considered necessary during the course of our analysis, that all material information concerning the prospects and proposed operations of the Company has been disclosed to us and the information provided to us for the purpose of the work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

7.8 INDEPENDENCE OR DISCLOSURE OF INTEREST

Moore Stephens has no financial or other interest that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion on the matters that are subject of this Report for which normal professional fees will be received.

Neither Moore Stephens Sydney Corporate Finance Pty Ltd, Moore Stephens Sydney Wealth Management Pty Limited, any Director thereof, nor any individual involved in the preparation of the Report have any financial interest in the outcome of this Offer, other than a fee in connection with the preparation of our Report for which normal professional fees will be received.

7.9 CONSENT

Moore Stephens has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report, this consent has not been withdrawn.

The liability of Moore Stephens is limited to the inclusion of this Report in the Prospectus. Moore Stephens has not authorised the issue of the Prospectus. Accordingly, Moore Stephens makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from, the Prospectus.

7.10 FINANCIAL SERVICES GUIDE

We have included our Financial Services Guide as Part 2 of this Report. The Financial Services Guide is designed to assist retail clients in their use of any general financial product advice in our Report.

Yours faithfully

Moore Stephens Sydney Corporate Finance Pty Ltd



Scott Whiddett
Director

PART 2 - FINANCIAL SERVICES GUIDE

7 July 2014

1. Moore Stephens Sydney Corporate Finance Pty Ltd

Moore Stephens Sydney Corporate Finance Pty Ltd ("**Moore Stephens**") is an authorised representative of Moore Stephens Sydney Wealth Management Pty Ltd ("**Licence Holder**") in relation to Australian Financial Services Licence No. 336950.

Moore Stephens may provide the following financial services to wholesale and retail clients as an authorised representative of the Licence Holder:

- Financial product advice in relation to securities, interests in managed investment schemes, government debentures, stocks or bonds, deposit and payment products, life products, retirement savings accounts and superannuation (collectively "**Authorised Financial Products**"); and
- Applying for, varying or disposing of a financial product on behalf of another person in respect of Authorised Financial Products.

2. Financial Services Guide

The Corporations Act 2001 requires Moore Stephens to provide this Financial Services Guide ("**FSG**") in connection with its provision of an Investigating Accountant's Report ("**Report**") which is included in the Prospectus provided by Future Generation Investment Fund Limited (the "**Entity**").

3. General Financial Product Advice

The financial product advice provided in our Report is known as "general advice" because it does not take into account your personal objectives, financial situation or needs. You should consider whether the general advice contained in our Report is appropriate for you, having regard to your own personal objectives, financial situation or needs. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence ("**AFSL**") to assist you in this assessment.

4. Remuneration

Moore Stephens' client is the Entity to which it provides the Report. Moore Stephens receives its remuneration from the Entity. Our fee for the Report is based on a time cost or fixed fee basis. This fee has been agreed in writing with the party who engaged us. Neither Moore Stephens nor its Directors and employees, nor any related bodies corporate (including the Licence Holder) receive any commissions or other benefits in connection with the preparation of this Report, except for the fees referred to above.

All our employees receive a salary. Employees may be eligible for bonuses based on overall productivity and contribution to the operation of Moore Stephens or related entities but any bonuses are not directly connected with any assignment and in particular not directly related to the engagement for which our Report was provided.

We do not pay commissions or provide any other benefits to any parties or person for referring customers

to us in connections with the reports that we are licensed to provide.

5. Independence

Moore Stephens is required to be independent of the Entity.

Neither Moore Stephens, Moore Stephens Sydney Wealth Management Pty Limited, any Director thereof, nor any individual involved in the preparation of the Report have any financial interest in the outcome of this Offer, other than a fee in connection with the preparation of our Report for which professional fees in the order of \$35,000 (excluding GST) will be received. No pecuniary or other benefit, direct or indirect, has been received by Moore Stephens, their Directors or employees, or related bodies corporate for or in connection with the preparation of this Report.

6. Complaints Resolution

Moore Stephens is only responsible for its Report and this FSG. Complaints or questions about the Prospectus should not be directed to Moore Stephens which is not responsible for that document.

Both Moore Stephens and the Licence Holder may be contacted as follows:

- By phone: (02) 8236 7700
- By fax: (02) 9233 4636
- By mail: GPO Box 473
SYDNEY NSW 2001

If you have a complaint about Moore Stephens' Report or this FSG you should take the following steps:

1. Contact the Enquiries and Complaints Officer of the Licence Holder on (02) 8236 7700 or send a written complaint to the Licence Holder at Level 15, 135 King Street, Sydney NSW 2000. We will try and resolve your complaint quickly and fairly.
2. If you still do not get a satisfactory outcome, you have the right to complain to the Financial Industry Complaints Service at PO Box 579 Collins St West, Melbourne, Victoria 8007 or call on 1300 78 08 08. We are a member of this scheme.
3. The Australian Securities & Investments Commission (ASIC) also has a freecall Infoline on 1300 300 630 which you may use to make a complaint and obtain information about your rights.

The Licence Holder, as holder of the AFSL, gives authority to Moore Stephens to distribute this FSG.

8. The Company

8.1. Board of Directors

The Board has a broad range of experience in investment management combined with financial and commercial expertise. The following table provides information regarding the Directors, including their positions:

Board and Name	Position	Independence ¹
Jonathan Trollip	Chairman	Independent
Geoffrey Wilson	Non-executive Director	Independent
Paul Jensen	Non-executive Director	Independent
Gabriel Radzynski	Non-executive Director	Independent

1. The Company has assessed the independence of its Directors having regard to the requirements for independence which are set out in Principle 2 of the ASX Corporate Governance Principles.

8.2. Director experience and qualifications

Jonathan Trollip (Chairman)

Jonathan Trollip has 30 years legal and commercial experience in the international financial sector. He is currently a Principal and Director of Sydney-based structured finance group Meridian International Capital Limited with whom he has been for the past 20 years. Prior to that, Jonathan was a Partner with Herbert Smith Freehills (previously Freehills) whom he joined after qualifying and working as a lawyer in London.

Jonathan has post graduate degrees in economics and law, is a Fellow of the Australian Institute of Company Directors, has been admitted to practice as a solicitor in England and Australia and holds a current solicitor's practising certificate.

Jonathan is Chairman of Global Value Fund Limited and holds a number of private company directorships in the commercial and not-for-profit sectors.

Jonathan is the Chairman of the Company. His involvement with the Company will be limited to attending Board meetings and providing strategic advice and assistance to the Board from time to time.

Geoffrey Wilson (Director and member of the Investment Committee)

Geoffrey Wilson has 34 years experience in the Australian and international securities industry. He holds a Bachelor of Science Degree and a Graduate Management Qualification. He is also a Fellow of the Australian Institute of Company Directors and a Fellow of the Securities Institute of Australia.

Geoffrey is currently Chairman of WAM Capital Limited, WAM Research Limited, WAM Active Limited and Australian Stockbrokers Foundation.

Geoffrey is a Director of Australian Leaders Fund Limited, Clime Capital Limited, Global Value Fund Limited, Incubator Capital Limited, Sporting Chance Cancer Foundation, Australian Fund Managers Foundation, Odyssey House McGrath Foundation, Australian Children's Music Foundation and he is a member of the Second Bite NSW Advisory Committee. He is also founder and Director of investment management companies Wilson Asset Management (International) Pty Limited and MAM Pty Limited.

Geoffrey is a non-executive director of the Company and a member of the Investment Committee.

Paul Jensen (Director)

Paul Jensen has over 25 years of international experience in finance, investment management and banking, with specific expertise in strategy formation, governance and financial performance. Paul is a Fellow of the Australian Institute of Company Directors and holds a Bachelor degree in Accounting and Commercial Law. Paul is a Director of 2 LICs: WAM Capital Limited and Sandon Capital Investments Limited.

Paul is a non-executive Director of the Company and his involvement with the Company will be limited to attending Board meetings and providing strategic advice and assistance to the Board from time to time.

Gabriel Radzynski (Director and member of the Investment Committee)

Gabriel Radzynski has been involved in the financial services sector for more than 17 years. He is Managing Director of Sandon Capital Pty Ltd, a funds management and advisory firm specialising in activist investing. Sandon Capital is the investment manager of two wholesale managed investment schemes and a listed investment company.

Prior to founding Sandon Capital, Gabriel held portfolio and overall management responsibilities for Specialised Private Capital Ltd, a boutique funds management business which at the time had approximately \$150,000,000 of funds under management. Gabriel has a BA (Hons) and MCom, both from the University of New South Wales.

Gabriel serves as Chairman of Sandon Capital Investments Limited, an executive director of Mercantile Investment Company Limited and a non-executive director of Murchison Metals Limited. Gabriel is also a director of Sandon Capital Opportunities Limited, an unlisted public company.

Gabriel is a non-executive director of the Company and a member of the Investment Committee.

8.3. Director disclosures

No Director has been the subject of any disciplinary action, criminal conviction, personal bankruptcy or disqualification in Australia or elsewhere in the last ten years which is relevant or material to the performance of their duties as a Director. No Director has been an officer of a company that has entered into any form of external administration as a result of insolvency during the time that they were an officer or within a 12 month period after they ceased to be an officer.

8.4. Director Remuneration

The Chairman and Directors have agreed to waive their directors' fees with effect from 1 July 2014.

The maximum total remuneration available for payment to non-executive Directors is set at \$1,200,000 per annum. This amount was approved by Shareholders of Australian Infrastructure Fund Limited in 2010.

It is the intention of the Directors to reduce the maximum total remuneration to \$0 per annum at the next Annual General Meeting.

For the financial year ending 30 June 2014 the current Directors appointed 8 October 2013, and their associated entities, were paid remuneration as follows:

Board and Name	FY 2014
Jonathan Trollip	\$35,623
Paul Jensen	\$38,145
Gabriel Radzynski	\$24,718

For the financial year ending 30 June 2014, previous Directors resigned 8 October 2013, were paid remuneration as follows:

Board and Name	FY 2014
Paul Espie	\$806,940
John Harvey	\$46,339
Mike Hutchinson	\$33,839

For the financial year 2015 and going forward, the Directors will be paid remuneration as follows:

Board and Name	Remuneration payable FY2015
Jonathan Trollip	Nil
Geoffrey Wilson (appointed 7 July 2014)	Nil
Paul Jensen	Nil
Gabriel Radzynski	Nil

8.5. Corporate Governance Policies

The Board has the responsibility of ensuring the Company is properly managed so as to protect and enhance Shareholders' interests in a manner that is consistent with the Company's responsibility to meet its obligations to all parties with which it interacts. To this end, the Board has adopted what it believes to be appropriate corporate governance policies and practices having regard to its size and the nature of activities.

The Board will conduct itself in accordance with the ASX Corporate Governance Principles and Recommendations, 3rd Edition (2014) (**Best Practice Recommendations**) as issued by the ASX Corporate Governance Council, to the extent that such principles and recommendations are applicable to an entity of the size and structure of the Company.

The Company has formulated its own corporate governance policies and practices using the Best Practice Recommendations as a guide. These will be available on the Company's website, at www.futuregeninvest.com.au.

The Company will provide an explanation of any departures from the Best Practice Recommendations in its future annual reports.

The Board will review the corporate governance policies and structures that the Company has in place on an ongoing basis to ensure that these are appropriate for the size of the Company and nature of its activities, and that these policies and structures continue to meet the corporate governance standards to which the Board is committed.

9. Material contracts and other relevant arrangements

The Directors consider that the material contracts and other arrangements described below and elsewhere in this Prospectus are the contracts and other arrangements which an investor would reasonably regard as material and which investors and their professional advisers would reasonably expect to find described in this Prospectus for the purpose of making an informed assessment of the Offer.

This report only contains a summary of these contracts and other arrangements and their substantive terms.

9.1. Director Protection Deeds

The Company has agreed to provide access to board papers and minutes to current and former Directors of the Company while they are Directors and for a period of 7 years from when they cease to be Directors.

The Company has agreed to indemnify, to the extent permitted by the Corporations Act, each Director in respect of certain liabilities, which the Director may incur as a result of, or by reason of (whether solely or in part), being or acting as a Director of the Company. The Company has also agreed to maintain in favour of each Director a directors' and officers' policy of insurance for the period that he or she is a Director and for a period of 7 years after the officer ceases to be a Director.

9.2. Fund Managers

Each of the Initial Fund Managers listed in Section 2.11 of this Prospectus have agreed to rebate their Management and Performance Fees as set out in Section 2.12.

The Company appreciates that the Fund Managers are providing services to the Company consistent with its charitable goal set out in Section 4.1.

The Company also recognises that circumstances change from time to time and that any one or more of the Fund Managers may, after providing reasonable notice to the Company, not be in a position to continue to provide management services with respect to its particular fund without charging Management and Performance Fees. If such notice is given, the Company will redeem units in the particular fund.

The Investment Committee will reinvest the redeemed capital in accordance with the permitted investments and investment objectives.

9.3. Service Providers

The Company has requested that certain service providers provide ongoing services to the Company on a pro bono basis. Details of the arrangements that various Service Providers have agreed to at this time are set out below.

Each of these arrangements has been agreed to by the Service Provider consistent with the Company's charitable goal. Any one or more of the Service Providers set out below may, for a variety of reasons, need to change these arrangements at any time in the future.

The Company recognises that each Service Provider is free to notify that it wishes to no longer provide services on that basis. In such circumstances the Company will reassess the provision of the services at the appropriate time. It may be that the Company is able to find an alternative Service Provider that is willing to provide similar services on a pro bono basis or that the Company decides that it is appropriate for the relevant Service Provider to be paid for services provided from that time. Any such decisions will be taken in accordance with the principles set out elsewhere in this Prospectus.

The Service Providers who, at the date of this Prospectus, have agreed to provide ongoing services to the Company on a pro bono basis are:

- *Watson Mangioni Lawyers Pty Limited* has agreed to provide legal advice to the Company in relation to normal operations on a pro bono basis (i.e. no fee will be charged for legal services provided). *Watson Mangioni Lawyers Pty Limited* will charge the Company for disbursements it incurs in providing such legal advice in accordance with the normal terms of engagement. *Watson Mangioni Lawyers Pty Limited* will charge the Company for legal fees associated with the preparation of this Prospectus (see Section 6.5 for details of legal costs associated with this Prospectus).

- *Moore Stephens Sydney Pty Limited* has agreed to provide tax advice and tax services to the Company on a pro bono basis (i.e. no fee will be charged for taxation services provided). *Moore Stephens* will charge the Company for disbursements it incurs in providing such tax advice and tax services in accordance with the normal terms of engagement.

Moore Stephens Sydney Corporate Finance Pty Limited will charge the Company for preparing the investigating accountant's report associated with the preparation of this Prospectus (see Section 6.5 for details of investigating accountant's costs associated with this Prospectus).

- *Mertons Corporate Services Pty Limited* has agreed to provide some company secretarial services to the Company on a pro bono basis.
- *Boardroom Pty Limited* has agreed to act as the share registrar following the close of the Offer and the Unmarketable Parcel Sale Facility and provide its registry services on a pro bono basis. *Boardroom* will charge the Company for disbursements (such as postage and delivery charges) that it incurs in the ordinary course of providing such registry services in accordance with the normal terms of engagement.
- *Wilson Asset Management (International) Pty Limited* will provide initial management services, some company secretarial services, accounting, financial reporting, investor relations and marketing for the Company at no cost to the Company. *Wilson Asset Management (International) Pty Limited* has also agreed to waive service fees that it would otherwise be entitled to as a licensed dealer to the Offer.
- *Matrix Solutions Pty Limited* has agreed to provide website and DNS hosting to the Company on a pro bono basis.
- *Interesting Pty Limited* has agreed to provide project management for the website and ongoing website maintenance to the Company on a pro bono basis.
- *On-Market BookBuilds Pty Limited* has agreed to provide services in relation to the ASX BookBuild Facility to the Company on a pro-bono basis.

Other operational costs such as audit, initial ASX listing and CHESS fees, ASIC filing fees and general administration will be paid by the Company.

ASX Limited has agreed to waive annual listing fees that the Company would otherwise be required to pay in order for the Shares and Options to remain quoted on the Australian Securities Exchange (unless ASX notifies the Company otherwise). The Company recognises that ASX is free to notify that it wishes to no longer waive annual listing fees.

Section 10.12 sets out details of the fees and expenses that will be paid to certain Service Providers in relation to the preparation of this Prospectus.

10. Additional Information

10.1. Incorporation and Restructure

The Company is not a newly established company. The Company was originally formed under the name the Australian Privatisation Fund Limited. On 13 November 1996 it changed its name to Australian Infrastructure Fund Limited and in conjunction with the Australian Infrastructure Fund Trust to invest in, and manage, infrastructure assets.

In April 2013, the Company completed the sale of its infrastructure assets to the Future Fund and has systematically undertaken a return of capital to Shareholders. The Company has not undertaken any new investments since then and does not have any current operating or investment activities apart from managing its cash position.

On 21 June 2013, the former Board announced their intention to liquidate the Company after returning as much cash to Shareholders as they deemed prudent and on 2 October 2013 declared a fully franked dividend of 0.49 cents per share and proposed a final capital return of 0.39 cents per share to Shareholders. The current Board was appointed in October 2013 and the Company's objectives have been to preserve the Company's capital, minimise the Company's expenses, explore ways to efficiently return surplus capital to Shareholders and to assess new business strategies.

The Board announced on 27 March 2014 a proposal for a new business strategy for the Company and to provide for all Shareholders the opportunity to sell up to 100% of their Shares in a buy-back of the Company's shares at 0.5 cents per share, which is more than the final capital return of 0.39 cents per share indicated by the former Board.

Current Corporate Actions

On 7 July 2014 Shareholders approved the change in strategy and name for the Company.

At the Shareholders meeting on that date Shareholders also approved:

- a buy-back of the Company's Shares at 0.5 cents per Share (pre-consolidation) (**Buy-Back**);
- a placement of \$1,000,000 of Shares to the Wilson Foundation at the equivalent of \$1.10 a share (post-consolidation) (**Placement**); and
- a subsequent consolidation of the issued Share capital of the Company on the basis of 1 Share for every 220 Shares held. This will take place after the Buy-Back and Placement but before close of the Offer.

The Company's NTA per Share after the share consolidation will be approximately \$1.10 per share. The offer price of shares under this Prospectus is \$1.10 per share.

Each of the above actions will take place whilst the Offer is made under this Prospectus. It is expected that the Buy-Back and the Placement to Wilson Foundation will have been completed prior to the close of the Offer. See the indicative timetable at the front of the Prospectus for details.

The Wilson Foundation Placement and the existing Shareholders participation in the Buy-Back will have an impact on the capital structure of the Company (see Section 10.2 for details).

Unmarketable Parcel Facility

In addition, the Company intends to implement an Unmarketable Parcel Sale Facility. The ASX Listing Rules provide that any shareholding valued at less than \$500 is considered to be an Unmarketable Parcel. Based on the Buy-Back price of 0.5 cents per Share, Shareholders with less than 100,000 shares in the Company (pre consolidation) are deemed to have an Unmarketable Parcel of Shares.

Eligible shareholders holding an Unmarketable Parcel will be entitled to participate in the Buy-Back. However, many small Shareholders are not expected to respond to communications from the Company.

The purpose of the Unmarketable Parcel Sale Facility is to provide an efficient mechanism for small Shareholders to dispose of their Shares (i.e. without paying brokerage) and for the Company to reduce the significant administrative and registry costs associated with maintaining a large number of Shareholders with a small investment in the Company.

Under the Unmarketable Parcel Sale Facility, Shareholders with an Unmarketable Parcel of Shares will be able to elect to retain their Shares in the Company or can increase their holding of Shares so that it is no longer an Unmarketable Parcel by the closing date of the Unmarketable Parcel Sale Facility.

Holders of Unmarketable Parcels (that do not elect to continue to hold their Shares) as at the date **determined** by the Board and notified on ASX will have their Shares sold by the Company.

A separate notice setting out the terms and conditions of the Unmarketable Parcel Sale Facility will be provided to relevant Shareholders when the Facility is instituted.

10.2. Impact of the Offer on the Capital structure

As at the date of this Prospectus, the Company had 620,733,944 Shares and no Options on issue.

After the date of the Prospectus the Company will undertake the corporate actions set out in Section 10.1. The below table illustrates the potential effect that these corporate actions will have on the Company's capital structure.

Illustration of potential effect on capital structure			
Shares currently on issue	620,733,944		
Shares on issue following the Placement	820,733,944		
Participation level in Buy-Back	0%	50%	100%
Shares on issue following the Placement and Buy-Back	820,733,944	510,366,972	200,000,000
Shares on issue post the Placement, Buy-Back, and share consolidation*	3,730,609	2,319,850	909,091

Under the consolidation, the Company's share capital of the Company will be consolidated on a 1 Share for every 220 Shares held basis. For the purpose of the above table, resulting fractions have been rounded up to the nearest whole Share. The exact number of Shares on issue following the consolidation will depend on the participation level in the Buy-Back and will vary depending on rounding of entitlements.

Shares and Options will be issued under this Prospectus after completion of the corporate actions set out in Section 10.1. The total number of Shares on issue following the Offer will depend on the participation level in the Buy-Back. The below table sets out the issued capital of the Company on the Allotment Date assuming that 50% of Shareholders participate in the Buy-Back and that there are 2,319,850 Shares on issue following the consolidation.

Securities	Subscription Amount		
	Minimum ¹	\$100 million ²	Maximum ³
Number of Shares:	15,956,213	93,228,941	184,138,032
Number of Options:	13,636,364	90,909,091	181,818,182 ⁵
Total Shares on fully diluted basis ⁴	29,592,576	184,138,032	365,956,214

Notes:

1. Assumes that the Company raises \$15,000,000 and issues 13,636,364 Shares and Options under the General Offer and Priority Allocation Offer Applications Offer.
2. Assumes that the Company raises \$100,000,000 and issues 90,909,091 Shares and Options under the General Offer and Priority Allocation Offer Applications Offer.

3. Assumes that the Offer is fully subscribed and raises \$200 million and the Company issues 181,818,182 Shares and Options General Offer and Priority Allocation Offer Applications Offer.
4. The fully diluted number of Securities on issue immediately following the Offer assumes that all Options have been exercised for the maximum number of Shares which can be issued under those Options.
5. Calculated on the assumption that all Subscriptions are raised under the Priority Allocation and General Offers and that no amount is raised under the Broker Firm Offer.

10.3. Balance Date and Company Tax Status

The accounts for the Company are made up to 30 June annually.

The Company is taxed as a public company.

10.4. Rights Attaching to the Shares

Immediately after issue and allotment, the Shares will be fully paid Shares. There will be no liability on the part of shareholders for any calls and the Shares will rank pari passu with Shares currently on issue.

Detailed provisions relating to the rights attaching to the Shares are set out in the Company's constitution and the Corporations Act. A copy of the constitution can be inspected during office hours at the registered office of the Company.

The detailed provisions relating to the rights attaching to Shares under the constitution and the Corporations Act are summarised below:

Each Share will confer on its holder:

- (a) The right to vote at a general meeting of shareholders (whether present in person or by any representative, proxy or attorney) on a show of hands (one vote per shareholder) and on a poll (one vote per Share) subject to the rights and restrictions on voting which may attach to or be imposed on Shares (at present there are none);
- (b) The right to receive dividends;
- (c) The right to receive, in kind, the whole or any part of the Company's property in a winding up, subject to the rights of a liquidator of the Company (with consent of members by special resolution).

Subject to the Corporations Act and the Listing Rules, Shares are fully transferable.

The rights attaching to Shares may be varied with the approval of shareholders in a general meeting by special resolution.

10.5. Rights Attaching to the Options

The terms and conditions of the Options are as follows:

Register

The Company will maintain a register of holders of Options in accordance with Section 168(1)(b) of the Corporations Act.

Transfer/Transmission

An Option may be transferred or transmitted in any manner approved by ASX.

Exercise

An Option may be exercised by delivery to the Company of a duly completed Notice of Exercise of Options, signed by the registered holder of the Option, together with payment to the Company of \$1.10 per Option being exercised and the relevant option certificate.

An Option may be exercised on any business day from the date of grant to 16 September 2016, (inclusive) but not thereafter.

A Notice of Exercise of Options is only effective when the Company has received the full amount of the exercise price in cash or cleared funds.

Dividend Entitlement

Options do not carry any dividend entitlement until they are exercised. Shares issued on exercise of Options rank equally with other issued Shares of the Company on and from issue.

Participating rights

For determining entitlements to the issue, an Option holder may only participate in new issues of securities to holders of Shares in the Company if the Option has been exercised and Shares allotted in respect of the Option before the record date. The Company must give at least 6 Business Days' notice to Option holders of any new issue before the record date for determining entitlements to the issue in accordance with the Listing Rules of ASX.

If between the date of issue and the date of exercise of an Option the Company makes 1 or more rights issues (being a pro rata issue of Shares in the capital of the Company that is not a bonus issue), the exercise price of Options on issue will be reduced in respect of each rights issue according to the following formula:

$$NE = OE - \frac{E[P-(S + D)]}{(N + 1)}$$

where:

NE is the new exercise price of the Option;

OE is the old exercise price of the Option;

E is the number of underlying Shares into which one Option is exercisable;

P is the average closing sale price per Share (weighted by reference to volume) during the 5 trading days ending on the day before the ex rights date or ex entitlements date (excluding special crossings and overnight sales);

S is the subscription price for a Share under the rights issue;

D is the dividend due but not yet paid on each Share at the relevant time; and

N is the number of Shares that must be held to entitle holders to receive a new Share in the rights issue.

If there is a bonus issue to the holders of Shares in the capital of the Company, the number of Shares over which the Option is exercisable will be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.

Reconstructions and Alteration of Capital

Any adjustment to the number of outstanding Options and the exercise price under a re-organisation of the Company's share capital must be made in accordance with the Listing Rules.

ASX Listing

The Company must make application for quotation of Shares issued on exercise of the Options on ASX in accordance with the Listing Rules. Shares so issued will rank equally with other issued Shares of the Company.

10.6. Dividend Re-Investment Plan

The Directors may elect to implement a dividend reinvestment plan (**Plan**) from time to time. The Plan terms adopted on 7 July 2014 are summarised below.

Eligible Members

Shareholders who may participate in the Plan comprise Shareholders:

- (a) whose address, as it appears in the register of members of the Company, is situated in Australia; or
- (b) whose address, as it appears in the register of members of the Company, is situated outside Australia and who have produced to the Company such evidence as the Company may require to satisfy the Company that any necessary approvals of any government or governmental authority in relation to participation in the Plan have been obtained and that such participation is not contrary to any applicable laws of Australia or any other relevant jurisdiction.

Applications

Eligible Members may elect to participate in the Plan in respect of all or part of their Shares which will comprise that member's Plan Shares.

The Directors may in their absolute discretion accept or refuse any application to participate.

Subscription Price

Shares allotted under the Plan will be allotted at the price determined by the Directors from time to time in accordance with the Corporations Act and the Listing Rules.

Reinvestment of Dividends

In respect of each cash dividend from time to time due and payable to a participant in respect of the member's Plan Shares, the Directors will on behalf of and in the name of the member subscribe for Shares at the subscription price.

Ranking of Shares

All Shares allotted and issued under the Plan will rank equally in all respects with existing Shares.

ASX Listing

The Company will make application promptly after each allotment of Shares for quotation of such Shares on the official list of ASX.

Variation or Termination of Participation

A participant may apply to increase or decrease the number of Plan Shares which the Company may in its absolute discretion approve or refuse. A participant may at any time terminate participation in the Plan by notice in writing to the Company.

10.7. Matters Relevant to the Directors

The number of Shares held by or on behalf of each Director and their Associates, at the date of the Prospectus are as follows:

Director	Ordinary Shares
Jonathan Trollip	Nil
Geoffrey Wilson	115,813,210 (see below)
Paul Jensen	Nil
Gabriel Radzynski	Nil

Apart from those listed above, none of the Directors or an Associate of a Director holds any interest in any other security in the Company.

The largest Shareholder of the Company (and the only substantial holder of Shares) as at the date of this Prospectus is RBC Investor Services Australia Nominees Pty Limited as custodian for WAM Capital Limited, WAM Active Limited, WAM Research Limited and Botanical Nominees Pty Limited as trustee for Wilson Asset Management Equity Fund (the **Wilson Asset Management Group**), which holds 115,813,210 Shares, representing 18.7% of the total issued Shares. The Wilson Asset Management Group has advised the Company that it will tender all of its Shares in the Buy-Back if not sold on market before hand. Therefore at completion of the Offer the Wilson Management Group will have disposed of its entire shareholding.

Wilson Foundation, a foundation associated with Geoffrey Wilson, subscribed for 200,000,000 Shares to at an issue price of 0.5 cents per Share. Following completion of the proposed share consolidation Wilson Foundation will hold 909,091 Shares at a price of \$1.10 per share.

Subject to receiving the necessary Listing Rule waivers or Shareholder approval, each of the Directors expect to participate in the Offer. According, at completion of the Offer, the Directors are expected to hold the following interests in Shares and Options (both directly or through entities associated with them):

Director	Shares	Options
Jonathan Trollip	181,818	181,818
Geoffrey Wilson	3,000,000	2,090,909
Paul Jensen	22,727	22,727
Gabriel Radzynski	22,727	22,727

10.8. Related Party arrangements

The Directors are entitled to receive the following benefits:

- (a) the Directors have agreed to waive their right to receive Directors fees;
- (b) the Company has agreed to provide an indemnity to the Directors in limited circumstances. See Section 9.1 for details;
- (c) Geoffrey Wilson and Gabriel Radzynski are each a director of an Initial Fund Manager for the Company. Both have agreed to forgo all of the Management and Performance fees on the funds managed on behalf of the Company.

- (d) Geoffrey Wilson is a director and the beneficial owner of Wilson Asset Management (International) Pty Limited. Wilson Asset Management (International) Pty Limited has agreed to provide initial management services, some company secretarial services, accounting, financial reporting, investor relations and marketing for the Company at no cost to the Company. Wilson Asset Management (International) Pty Limited has also agreed to act as licensed dealer to the Offer at no cost to the Company or investors. As such, it will not be paid service fees it may otherwise be entitled to receive (see Section 2 for further details).
- (e) following receipt of Shareholder approval on 7 July 2014, Wilson Foundation, a foundation associated with Geoffrey Wilson, subscribed for 200,000,000 Shares to at an issue price of 0.5 cents per Share. Following completion of the proposed share consolidation Wilson Foundation will hold 909,091 Shares.

Except as set out in this Prospectus (including in Sections 10.7 and 10.8), there are no interests that exist at the date of this Prospectus and there were no interests that existed within 2 years before the date of this Prospectus that are or were, interests of a Director or a proposed Director in the promotion of the Company or in any property proposed to be acquired by the Company in connection with its formation or promotion.

Further, except as set out in this Prospectus, there have been no amounts paid or agreed to be paid to a Director in cash or securities or otherwise by any persons either to induce him to become or qualify him as a Director or otherwise for services rendered by him in connection with the promotion or formation of the Company.

10.9. Legal Proceedings

The Company is not and has not been, during the 12 months preceding the date of this Prospectus, involved in any legal or arbitration proceedings which have had a significant effect on the financial position on the Company. As far as the Directors are aware, no such proceedings are threatened against the Company.

10.10. Offer expenses

The Company will pay all of the costs associated with the Offer.

If the Offer proceeds, the total estimated cash expenses in connection with the Offer (including advisory, legal, accounting, tax, listing and administrative fees as well as printing and other expenses) are estimated to be approximately \$537,000 (assuming the Offer is fully subscribed). See Section 6.5 for details.

10.11. Consents and Responsibility Statements

Each of the following parties has given and, before lodgement of the paper Prospectus with ASIC and the issue of the Electronic Prospectus, has not withdrawn its written consent to be named as performing the below role in the form and context in which it is so named.

Name	Role
Watson Mangioni Lawyers Pty Limited	Solicitor to the Offer
Moore Stephens Sydney Corporate Finance Pty Limited	Investigating accountant for the Company
Computershare Investor Services Pty Limited	Share registrar for the Company
Morgans Financial Limited	Broker to the Offer
Taylor Collison Limited	Broker to the Offer
Wilson Asset Management (International) Pty Limited	Licensed Dealer to the Offer

Each of the above parties has only been involved in the preparation of that part of the Prospectus where they are named and specifically disclaims liability to any person in the event of any omission from, or any false or misleading statement included elsewhere in this Prospectus. None of the above parties has not authorised or caused the issue of the Prospectus and takes no responsibility for its contents.

Each of:

- *Cooper Investors Pty Limited;*
- *Bennelong Australian Equities Partners Pty Limited;*
- *Paradise Investment Management Pty Limited;*
- *Wilson Asset Management (International) Pty Limited;*
- *Eley Griffiths Group Pty Limited;*
- *Discovery Asset Management Pty Limited;*
- *Smallco Investment Manager Limited;*
- *Lanyon Asset Management Pty Limited;*
- *Regal Funds Management Pty Limited;*
- *Bennelong Long Short Equity Management Pty Limited;*
- *LHC Capital Pty Limited;*
- *Optimal Fund Management Australia Pty Limited;*
- *Watermark Funds Management Pty Limited; and*
- *Sandon Capital Pty Limited,*

has given and, before lodgement of the paper Prospectus with ASIC and the issue of the Electronic Prospectus, has not withdrawn its written consent to be named as an Initial Fund Manager in the form and context in which it is so named.

None of the Initial Fund Managers (named above) have been involved in the preparation of any part of this Prospectus and specifically disclaims liability to any person in the event of omission from, or a false or misleading statement included in the Prospectus except for the information about themselves which they consented to. None of the Initial Fund Manager have authorised or caused the issue of this Prospectus and takes no responsibility for its contents except with respect to the information contained in the Prospectus about themselves.

Each of:

- *ACT for Kids;*
- *Australian Children's Music Foundation;*
- *Australian Indigenous Education Foundation;*
- *Kids Helpline;*
- *Lighthouse Foundation;*
- *The Mirabel Foundation;*
- *Raise Foundation;*
- *United Way;*
- *Variety-the Children's Charity;*
- *Youth Focus;*
- *Youth Off the Streets;*
- *Debra Australia;*
- *Diabetes Kids Fund; and*
- *Giant Steps,*

has given and, before lodgement of the paper Prospectus with the ASIC and the issue of the Electronic Prospectus, has not withdrawn its written consent to being named in the Prospectus as a Designated Charity in the form and context in which it so named.

None of the Designated Charities, having consented to be named in this Prospectus, has been involved in the preparation of any part of this Prospectus and they each specifically disclaim liability to any person in the event of omission from, or a false or misleading statement included in the Prospectus except with respect to the information contained in the Prospectus about their individual charity.

Each of:

- *Watson Mangioni Lawyers Pty Limited;*
- *Moore Stephens Sydney Pty Limited;*
- *Mertons Corporate Services Pty Limited;*
- *Boardroom Pty Limited;*
- *Wilson Asset Management (International) Pty Limited;*
- *Matrix Solutions Pty Limited;*
- *Interesting Pty Limited; and*
- *On-Market BookBuilds Pty Limited,*

has given and, before lodgement of the paper Prospectus with the ASIC and the issue of the Electronic Prospectus, has not withdrawn its written consent to being named in the Prospectus as a having agreed to provide the services detailed in Section 9.3 on a pro bono basis in the form and context in which it so named.

Unless otherwise stated, none of the above Service Provider, has been involved in the preparation of any part of this Prospectus and they each specifically disclaim liability to any person in the event of omission from, or a false or misleading statement included in the Prospectus.

10.12. Interest of Experts

Other than as set out below, no expert nor any firm in which such expert is a partner or employee has any interest in the promotion of or any property proposed to be acquired by the Company.

Watson Mangioni Lawyers Pty Limited has acted as solicitors to the Offer and have performed work in relation to preparing the due diligence program and performing due diligence enquiries on legal matters. In respect of this Prospectus, the Company estimates that it will pay amounts totalling approximately \$70,000 (excluding GST and disbursements) to *Watson Mangioni Lawyers Pty Limited*.

Moore Stephens Sydney Corporate Finance Pty Limited has prepared the investigating accountant's report included in this Prospectus and have also performed work in relation to the due diligence enquiries on financial matters. In respect of this work, the Company estimates that it will pay up to \$35,000 (excluding GST and disbursements) to *Moore Stephens Sydney Corporate Finance Pty Limited*.

Licensed dealers (other than *Wilson Asset Management (International) Pty Limited*) may receive a service fee of 2% (inclusive of GST) in respect of Broker Firm Applications bearing their stamp.

Certain partners and employees of the above firms may subscribe for Shares and Options in the context of the Offer.

10.13. Share Trading and Return Risks

Before deciding to invest in Shares and Option, each potential investor should consider whether shares are a suitable investment. There are general risks associated with any investment in the stock market. The value of the Shares can go down or up due to circumstances affecting the stock market generally or a company in particular and are due to factors beyond the control of the Company. Similarly, the level of dividends paid in respect of the Shares can go down as well as up. Shares should generally not be considered a short term investment.

If you are in doubt as to the course you should follow, you should seek advice on the matters contained in this Prospectus from a stockbroker, solicitor, accountant or other professional adviser immediately.

10.14. Governing law

This Prospectus and the contracts that arise from the acceptance of Applications under the Offer are governed by the law applicable in New South Wales, Australia and each Applicant submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

10.15. Statement of Directors

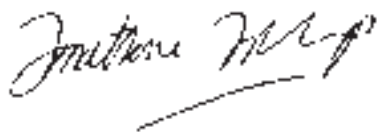
Other than as set out in this Prospectus, the Directors report that after due enquiries by them there have not been any circumstances that have arisen or that have materially affected or will materially affect the assets and liabilities, financial position, profits or losses or prospects of the Company, other than as disclosed in this Prospectus.

Each Director has authorised the issue of this Prospectus and has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

10.16. Prospectus approval

This Prospectus has been approved by unanimous resolution of the Directors of Future Generation Investment Fund Limited.

Dated: 7 July 2014

A handwritten signature in black ink, appearing to read 'Jonathan Trollip', with a long horizontal flourish extending to the right.

Jonathan Trollip
Chairman

11. Glossary

Terms and abbreviations used in this Prospectus have the following meaning:

Allotment Date	the date on which the Shares and Options are allotted under the Offer.
Applicant	a person who submits an Application and required Application Monies pursuant to this Prospectus.
Application	an application for Shares and Options pursuant to this Prospectus.
Application Form	means the General Offer Application Form, Priority Allocation Application Form or Broker Firm Application Form (as applicable, including any application form required by a broker if the ASX BookBuild facility is used for the Offer) each in the form attached to this Prospectus.
Application Monies	money submitted by applicants under the Offer representing the Application Price for each Share applied for under the Offer.
Application Price	<p>\$1.10 for each Share applied for, comprising:</p> <ul style="list-style-type: none"> ➤ for Applicants under the General Offer, a Priority Allocation or by a Non-Consenting Retail Applicant under the Broker Firm Offer, the Subscription Price; ➤ for Institutional Applicants and Consenting Applicants under the Broker Firm Offer, the Subscription Price and the Service Fee.
Associate	has the meaning given by Division 2 of the Corporations Act.
ASIC	Australian Securities & Investments Commission.
ASX	Australian Securities Exchange operated by ASX Limited.
ASX BookBuild	means the on-market electronic bookbuild facility operated by ASX as more fully described in Section 1.3.
Australian Financial Service Licence	means license issued under Section 913B of the Corporations Act.
Authorised Representative	an authorised representative of a holder of an Australian Financial Service Licence appointed in accordance with the Corporations Act.
Broker	any ASX participating organisation selected by the Lead Manager in consultation with the Company to act as a broker to the Offer.
Broker Firm Offer	has the meaning set out in Section 1.5.
Business Day	a day, other than a Saturday or Sunday, on which banks are open for general banking business in Sydney.
Buy-Back	means the buy-back of Shares described in Section 10.1.

Cash	cash investment that carries a relatively high degree of capital security which can be realised within a relatively short term. Examples include bank deposits, treasury notes with a term of less than one year and interests in cash management trusts.
Charitable Goal	the goals set out in Section 4.1.
Closing Date	the date that the Offer closes.
Company	Future Generation Investment Fund Limited (ACN 063 935 553).
Consenting Retail Applicant	a Retail Applicant under the Broker Firm Offer that consents to the payment of the Service Fee.
Corporations Act	Corporations Act 2001 (Cth).
Designated Charities	those charities as determined in accordance with Section 4.7 who are or will be recipients of donations from the Company.
Designated Charity Proportion	the proportion of the annual Donation Amount in a given year that is directed by the Company to Designated Charities in accordance with Shareholder directions.
DGR	means Australian deductible gift recipient.
Directors or Board	the board of directors of the Company.
Donation Amount	the percentage of the Company's assets donated to Australian Charities each year.
Eligible Shareholder	a person eligible to participate in the Shareholder Priority Allocation, being a registered shareholder of the Company with a registered address in Australia as at the date of this Prospectus.
Forgone Fees	Management and Performance Fees forgone by Fund Managers and professional fees or other service fees forgone by Service Providers as detailed in Sections 2.13 and 9.3.
Fund Manager Capacity	the investment capacity a Fund Manager agrees to provide to the Company.
Fund Managers	Fund Managers appointed from time to time to manage the capital on behalf of the Company.
General Offer	the offer of Shares and Options to investors who are not Eligible Shareholders, WAM Eligible Participants or SNC Eligible Participants and who are not participating in the Broker Firm Offer.
General Offer Application Form	the Application Form to be used by Applicants who are not participating in the Broker Firm Offer and who are not Eligible Shareholders, WAM Eligible Participant or SNC Eligible Participant who are not applying for Shares under the Priority Allocations.
Issue	the issue of Shares and Options in accordance with this Prospectus.

Initial Fund Managers	the initial Fund Managers identified as such in Section 2.11.
Institutional Applicant	an Applicant to whom offers or invitations in respect of securities can be made without the need for a lodged prospectus (or other formality, other than a formality which the Company is willing to comply with), including in Australia persons to whom offers or invitations can be made without the need for a lodged prospectus under Section 708 of the Corporations Act (disregarding Section 708AA).
Leverage	refers to borrowing through the use of debt, short selling and other financial instruments.
LIC	means listed investment company.
Listing Rules	the listing rules of ASX.
Management and Performance Fees	means management and performance fees of any nature that a Fund Manager would normally charge for managing any of its funds but expressly excludes fees it incurs in managing its funds including brokerage fees, custodian fees, prime brokerage fees, registry fees, compliance costs, and administrative expenses (such as postage).
Offer	the offer of up to 181,818,182 ¹ Shares and up to 181,818,182 Options pursuant to, and in accordance with, this Prospectus.
Opening Date	the date the Offer opens expected to be 7 July 2014.
Option	an option to acquire a Share at an exercise price of \$1.10 per Share by 16 September 2016 on the terms set out in Section 10.5.
NTA	the net tangible assets of the Company.
Non-Consenting Retail Applicant	a Retail Applicant under the Broker Firm Offer who does not consent to payment of the Service Fee.
Portfolio	the portfolio of investments of the Company from time to time.
Priority Allocations	the Shareholder Priority Allocation, the WAM Priority Allocation and the SNC Priority Allocation.
Priority Allocation Application Form	the Application Form to be used by Applicants who apply for Shares and Options under a Priority Allocation.
Placement	means the placement of Shares to Wilson Foundation described in Section 10.1
Prospectus	this prospectus dated 7 July 2014 as modified or varied by any supplementary prospectus made by the Company and lodged with the ASIC from time to time.
Relevant Interest	has the meaning set out in the Corporations Act.
Retail Applicant	an Applicant who is not an Institutional Applicant.

¹ Calculated on the assumption that all Subscriptions are raised under the Priority Allocation and General Offers and that no amount is raised under the Broker Firm Offer.

SNC Eligible Participant	a person eligible to participate in the SNC Priority Allocation, being a shareholder of Sandon Capital Investments Limited with registered addresses in Australia.
Securities	has the same meaning as in Section 92 of the Corporations Act.
Service Fee	a one off fee of 2% (inclusive of GST) per Share payable by Institutional Applicants and Consenting Retail Applicants under the Broker Firm Offer to the Applicant's Broker
Service Provider	a third party that provides services to the Company with respect to its business but excludes Fund Managers.
Share	a fully paid ordinary share in the capital of the Company.
Shareholder	a registered holder of a Share.
Shareholder Priority Allocation	the allocation of up to 50,000,000 Shares and Options to Eligible Shareholders on the terms set out in Section 1.2.
Share Registry or Registry	Computershare Investor Services Pty Limited (ACN 005 485 825).
SNC Priority Allocation	the allocation of up to 50,000,000 Shares and Options to SNC Eligible Participants on the terms set out in Section 1.2.
Subscription Price	<p>the amount payable by Applicants to the Company for the issue of Shares under the Offer being:</p> <ul style="list-style-type: none"> ➤ \$1.10 per Share under the General Offer, the Priority Allocation offers and by Non-Consenting Retail Applicants under the Broker Form Offer; and ➤ \$1.078 cents per Share payable by Institutional Applicants and Consenting Retail Applicants under the Broker Firm Offer.
Unmarketable Parcel	a parcel of securities with a value of less than \$500 as defined by the ASX Listing Rules.
Unmarketable Parcel Sale Facility	the sale facility for holders of Unmarketable Parcels of Shares described in Section 10.1.
U.S. Person	has the meaning given to it in Rule 902(k) under Regulation S of the United States Securities Act of 1933, as amended.
WAM Eligible Participant	a person eligible to participate in the WAM Priority Allocation, being a shareholder of WAM Capital Limited, WAM Research Limited and WAM Active Limited with registered addresses in Australia.
WAM Priority Allocation	the allocation of up to 50,000,000 Shares and Options to WAM Eligible Participants on the terms set out in Section 1.2.
Wilson Foundation	Wilson Foundation Pty Limited (ACN 100 685 283) as trustee for the Wilson Foundation.

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Supporting the following Charities



With thanks to the following Service Providers
for making this possible



MOORE STEPHENS



interesting.

With thanks
to the following Fund Managers
for making this possible



A Bennelong Funds Management boutique

