

Dear Investor,

Our latest Withdrawal Offer has now been completed. Those investors who made a request received 100.00% of the amount requested. We believe that we are the only mortgage fund to achieve this result.

For investors who require further access to their investment we enclose details of our next Withdrawal Offer of a further \$5million which will close Friday 27<sup>th</sup> August 2010.

East Coast Mortgage Trust remains an attractive investment option. Investors benefit from a competitive rate of return with distributions paid monthly.

Investors who reinvest their interest distribution earn an even higher 'effective' rate as interest distributions compound over time.

Investment Option	Current Distribution Rate *	Effective Rate **
East Coast Advantage	6.00%	6.17%
East Coast Premium Choice	7.00%	7.23%

This offer continues our strategy of making regular Withdrawal Offers to eligible investors.



**Scott Collis**  
**Chief Executive Officer**  
23<sup>rd</sup> July 2010

\* Rates expressed are indicative as at 23<sup>rd</sup> July 2010 and may vary. Current rates are available via our website at [www.ecmt.com.au](http://www.ecmt.com.au)

\*\* The Effective Rate is an estimate based on the current distribution rate being maintained over 12 months with interest distributions reinvested and added to the principle. Changes to the current Distribution Rate or reinvestment of interest will effect the Effective Rate.

## Periodic Redemption Offer

### The Offer

The Board has again considered what is in the best interests of all investors in deciding on the figure of \$5 million. We have attempted to balance the needs of investors who require access to part of their funds along with the need to ensure the Trust remains in a strong financial position.

This offer will remain open until 5.00pm (NSW time) on Friday 27 August 2010.

There is no obligation on us to make such an offer of withdrawal, and whilst the offer will be made to all eligible investors we hope only those investors with pressing needs will participate.

### How does it work?

**Only investors in East Coast Advantage are eligible to participate.**

Eligible investors should complete the attached form and submit it to us by no later than 5.00pm (NSW time) Friday 27<sup>th</sup> August 2010. **Fax Requests will not be accepted.**

If the total withdrawal requests submitted exceed \$5 million then requests will be satisfied proportionately in accordance with the Corporations Act detailed below.

The method for processing oversubscribed withdrawal requests is specified in section 601KD of the Corporations Act by using the following formula:

$$\text{Amount of money available} \quad \times \quad \frac{\text{Amount an investor requested to withdraw}}{\text{Total of all amounts investors request to withdraw}}$$

### **For example:**

There is \$5 million available to meet withdrawal requests.

Mr Smith lodges a withdrawal request for \$10,000.

The total amount of valid withdrawal requests received from those investors participating in the offer is \$6.66 million.

Mr Smith would therefore receive approximately \$7,500.

This is an example only and the actual results will depend on the particular circumstances of the offer and each investors own particular circumstances.

