

26 September 2017

The Manager
Market Announcements Platform
ASX Limited
20 Bridge Street,
Sydney NSW 200

Entitlement Offer – Cleansing Notice and Appendix 3B

On 20 September 2017, Real Estate Investar Group Limited (ASX: REV) (**Company**) announced to the ASX a 1:5 non-renounceable entitlement offer (**Entitlement Offer**).

The Entitlement Offer offers shareholders whose registered addresses are within Australia and New Zealand (**Eligible Shareholders**) one (1) fully paid ordinary share (**New Share**) for every five (5) fully paid ordinary shares held as at 7.00pm on 29 September 2017 (**Record Date**) to raise up to \$777,350.

For informational purposes, a copy of the Offer Document to be sent to Eligible Shareholders has been lodged with ASX today.

The New Shares are being issued without disclosure to investors under 708AA2(f) of the Corporations Act (as modified by ASIC Instrument 2016/84) in compliance with the requirements of sub-section 708AA(7) of the Act.

1. The Company confirms that:
 - (a) the New Shares to be issued pursuant to the Entitlement Offer will be offered for issue without disclosure under Chapter 6D of the Corporations Act (as modified by ASIC Instrument 2016/84).
 - (b) this notice is being given under section 708AA(2)(f) of the Corporations Act (as modified by ASIC Instrument 2016/84).
 - (c) as a disclosing entity the Company is subject to regular reporting and disclosure obligations;
 - (d) as at the date of this notice the Company has complied with the provisions of:
 - (i) Chapter 2M of the Act as they apply to the Company; and
 - (ii) Section 674 of the Act; and
 - (e) as at the date of this notice, there is no “excluded information” of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act that is required to be set out in this notice under section 708AA(7)(d) of the Corporations Act; and
2. The potential effect that the issue of New Shares under the Entitlement Offer will have on the control of the Company is as follows:

- (a) The effect the issue of the New Shares will depend on a number of factors, including the level of shareholder interest in the Entitlement Offer.
- (b) The Entitlement Offer is a pro-rata offer so that if all Eligible Shareholders take up their entitlements, the voting power of all Eligible Shareholders will remain substantially the same. In that event, there will be no actual or potential effect or consequences arising from the Entitlement Offer on the control of the Company.
- (c) The proportional shareholdings of a small number of shareholders who are not resident in Australia and New Zealand may be diluted as those shareholders are not entitled to participate in the Offer.
- (d) Additionally, if an Eligible Shareholder does not take up their entitlement in full, there is likely to be a dilutionary effect on that shareholder's proportional shareholdings (which may occur as a result of any shortfall being allocated under the Top-Up Facility or otherwise as a result of the placement of any shortfall by the Directors).
- (e) Having regard to the structure of the Entitlement Offer as a pro-rata issue, the composition of the Company's share register and the fact that the Entitlement Offer is not underwritten, the Entitlement Offer is not expected to have any material effect or consequence on the control of the Company.

An Appendix 3B in relation to the New Shares is attached.

Yours sincerely



Lee Mitchell
Company Secretary

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Real Estate Investar Group Limited

ABN

39 141 276 959

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares (Shares) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | Up to 19,433,759 Shares |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares ranking equally with all other ordinary shares on issue |

+ See chapter 19 for defined terms.

4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>
5	<p>Issue price or consideration</p>	<p>\$0.04 (4 cents) per new Share</p>
6	<p>Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The Shares are to be issued pursuant to the Rights Issue. Summary details of the rights Issue are disclosed in the announcement and Offer Document lodged with the ASX earlier today.</p>
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No</p>
6b	<p>The date the security holder resolution under rule 7.1A was passed</p>	<p>N/A</p>
6c	<p>Number of +securities issued without security holder approval under rule 7.1</p>	<p>Nil</p>
6d	<p>Number of +securities issued with security holder approval under rule 7.1A</p>	<p>Nil</p>

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil	
6f	Number of +securities issued under an exception in rule 7.2	Up to 19,433,759 Shares may be issued pursuant to the Rights Issue.	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	See Annexure 1	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	27 October 2017	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		87,376,362	Ordinary Shares

+ See chapter 19 for defined terms.

	Number	+Class	
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	29,226,192	Fully paid Ordinary Shares (Restricted Securities)
		2,500,000	Director Options exercisable at \$0.20 each and expiring on 31 December 2020.
		1,450,000	Employee Options exercisable at \$0.20 each and expiring on 27 April 2021.
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 new Share for every 5 existing Shares
14	+Class of +securities to which the offer relates	Fully paid ordinary shares
15	+Record date to determine entitlements	Friday 29 September 2017
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Fractional entitlements will be rounded up to the nearest whole number

18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	No offer of New Shares will be made in countries other than to shareholders with a registered address in Australia and New Zealand (or such other place in which it would be lawful to make such an offer, if any).
19	Closing date for receipt of acceptances or renunciations	Friday 20 October 2017
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Wednesday 4 th October 2017
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A

+ See chapter 19 for defined terms.

- 30 How do security holders sell their entitlements *in full* through a broker?
- 31 How do security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Issue date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of ⁺securities
(tick one)

(a) ⁺Securities described in Part 1

(b) All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories

1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional ⁺securities

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	N/A					
39	+Class of +securities for which quotation is sought						
40	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 						
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>						
42	Number and +class of all +securities quoted on ASX (<i>including</i> the +securities in clause 38)	<table border="1"> <thead> <tr> <th data-bbox="798 1556 1101 1601">Number</th> <th data-bbox="1101 1556 1394 1601">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="798 1601 1101 1758"></td> <td data-bbox="1101 1601 1394 1758"></td> </tr> </tbody> </table>	Number	+Class			
Number	+Class						

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

+ See chapter 19 for defined terms.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

(Company secretary)

Date: 26 September 2017

Print name:

Lee Mitchell

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<i>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</i>	
<i>Insert</i> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	84,494,604
<i>Add</i> the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <i>Note:</i> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Nil
<i>Subtract</i> the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	84,494,604

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	12,674,191
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	12,674,191 Shares issued on 20 September 2017 via private placement
“C”	12,674,191
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	12,674,191
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	12,674,191
Total [“A” x 0.15] – “C”	0 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	N/A
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“E”	

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
<p>“A” x 0.10</p> <p><i>Note: number must be same as shown in Step 2</i></p>	
<p>Subtract “E”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	
<p>Total [“A” x 0.10] – “E”</p>	<p>0</p> <p><i>Note: this is the remaining placement capacity under rule 7.1A</i></p>