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# balmainfunds

28 May 2010

Dear Investor

## Redemption Offers for the Balmain AQUA Income Trust and Balmain AQUA High Income Trust (Balmain AQUA Income Trusts)

### Redemptions

We are pleased to announce the opening of an annual redemption offer enabling investors to redeem 10 per cent of their units held.

The effect of this redemption is to reduce an investor's investment by the same proportion and, from this, a corresponding reduction in future income payments.

It is important to note that in the event that any monies accounted for in the loss provisions announced to date can be recovered, the proportion of your investment redeemed from your Trusts would not receive the recovered sum. Similarly, redemption would reduce exposure to any future potential losses.

The annual 10% redemption offer will be calculated using the unit price prevailing on 24 June 2010.

Please note that the offer to redeem is set as a fixed percentage of units owned by the investor and we are unable to either increase or decrease the percentage.

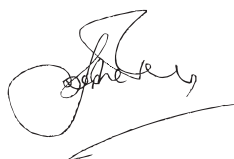
You are not required to participate in the annual redemption, the 10 per cent per annum redemption opportunity does not roll over to future years. If you elect not to participate, no action is required by you.

This offer is available to all investors. Payments for applications will be made direct to nominated bank accounts on 28 June 2010.

Should you wish to take up the offer, please complete the attached form and return it to us using one of the methods detailed on the form no later than 3 pm on 22 June 2010.

As always, please call me with any questions regarding your investment in the Balmain AQUA Income Trusts on 02 9233 9583 or speak to your adviser.

Kind regards



**Stephen Tunley**  
CEO  
Balmain AQUA

## Redemption Request Form

### PLEASE USE BLOCK LETTERS TO COMPLETE THIS FORM

- Please complete form using blue or black pen, printing within the boxes in clear capital letters.
- Mark answer boxes with a cross (X).
- If you have any questions in regards to filling out the form please contact our registry provider on (02) 9229 9482.
- **Please mail completed form to: Balmain AQUA c/ Perpetual, P.O. Box 2737 Sydney NSW 2001**
- **This form is required to be received no later than 3pm on Tuesday 22 June 2010 to be eligible for this offer.**

### 1. Investor Details

My/Our Investor ID

I/We wish to redeem 10 percentage of my/our investment in the following Balmain AQUA Trusts:

Balmain AQUA Income Trust - 10.0%

Balmain AQUA High Income Trust - 10.0%

I am/we are aware that I/we cannot vary the percentage amount offered in this annual redemption and it does not roll over to future years. I/We acknowledge that the Responsible Entity has removed the option of daily redemptions and this offer is subject to the availability of surplus cash in the relevant Trust.

### 2. Payment Instructions

Please pay the proceeds from our annual redemption to the following financial institution details:

Australian Financial Institution

BSB Number (Bank/State/Branch)

Account Number

Account Name

Branch Suburb/Town

### 3. Signatures

I/We acknowledge that direct credits not accepted by my/our bank, building society or credit union will be held in trust by Balmain AQUA until I/we provide accurate financial institution details.

I/We declare that all the details given in this form are true and correct.

I/We authorise you to act in accordance with my/our instructions as set out above.

I/We acknowledge that I am/we are providing personal details in this form and I/we agree to be bound by the privacy notices and consents set out in the Product Disclosure Statement that was current at the time of our investment.

Applicant 1 or Director or Company Secretary

Signature

Date

Applicant 2 or Director

Signature

Date

Contact Phone Number

Note: When signed under Power of Attorney, the attorney states that they have not received a notice of revocation. Please send a certified copy of the Power of Attorney with this form for Balmain AQUA Pty Limited to view.

For further assistance, call our Investor Services Team on 1800 238 637, Monday to Friday 8.30am - 5.30pm (Sydney time).