

30 May 2012

APIR: WHT0017AU (CLASS C - PERFORMANCE FEE OPTION UNITS)

SOLARIS CORE AUSTRALIAN EQUITY FUND

The purpose of this correspondence is to provide you with important information regarding the units you hold in the Solaris Core Australian Equity Fund (Performance Fee Option) (APIR: WHT0017AU) ("Performance Fee Option Units") in the Solaris Core Australian Equity Fund ("the Fund"). **This information does not relate to or concern any units you may hold in the Solaris Core Australian Equity Fund (APIR: WHT0017AU) or the Solaris High Alpha Australian Equity Fund (APIR: WHT0016AU).**

Performance Fee Option Units in the Fund are issued pursuant to a Product Disclosure Statement dated 31 August 2009 ("2009 PDS") and a supplementary Product Disclosure Statement dated 13 July, 2011.

We have recently identified an inconsistency between certain terms of the constitution of the Fund, and the terms of the 2009 PDS issued by the previous responsible entity of the Fund. This inconsistency specifically relates to the performance fee structure applicable to Performance Fee Option Units. This inconsistency has no impact on the value of your Performance Fee Option Units, the Fund's underlying investments, your rights as a unitholder or our ongoing management of the Fund.

Nevertheless, we are concerned to ensure that the inconsistency between the terms of the 2009 PDS and the terms of the constitution is rectified as soon as possible. Until such time as this occurs, Solaris has resolved to temporarily suspend acceptance of all applications for Performance Fee Option Units in the Fund. As such, any applications for Performance Fee Option Units received on or after 28 May 2012 will not be processed and all funds will be returned to investors.

In all other respects the operation of the Fund will continue as normal, and applications for the Solaris Core Australian Equity Fund (APIR: WHT0017AU) or the Solaris High Alpha Australian Equity Fund (APIR: WHT0016AU) will continue to be accepted and processed in the ordinary course.

We apologise for any inconvenience that the suspension of Performance Fee Option Unit applications may cause. As a sign of good faith to our Performance Fee Option unitholders, no management fees will be charged on the Performance Fee Option Units until this issue has been resolved and notification is provided to you.



Peter Mahoney
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Solaris Investment Management Limited