

Project Junior Pte Ltd (**PJPL**) Offer  
to acquire units in the Pacific First Mortgage Fund (ARSN: 088 139 477)

September 24<sup>th</sup>, 2010

Dear Unitholder,

We are pleased to update you on the status of the PJPL Offer for up to 49% of the units in Pacific First Mortgage Fund (**PFMF**).

**PJPL has waived all of the conditions relating to its Offer except the 10% minimum acceptance condition.** If this condition is satisfied or waived before the end of the offer period, accepting Unitholders will receive payment for units tendered into the Offer within 10 Business Days from the date the condition is satisfied or waived. Unitholders are able to accept the offer for all or part of their units.

As of 5pm on September 22<sup>nd</sup>, 2010 PJPL had received acceptances for 27.7 million units with respect to the PJPL Offer, representing 3.1% of the total number of PFMF units.

**PJPL has also extended the offer period until the earlier of October 21<sup>st</sup>, 2010 or it receives acceptances for 435 million units.**

**You will not miss out on the upcoming distribution by accepting the PJPL offer, although if the offer proceeds the offer price will be adjusted as described below.**

If the 10% minimum acceptance condition:

- is not satisfied or waived then, those PFMF unitholders who accept the offer will retain their PFMF units and will be paid the 4 cents per unit capital reduction by PFMF in early October 2010; and
- is satisfied or waived, those PFMF unitholders who accept the offer will be paid the 4 cents per unit capital reduction by PFMF in early October 2010 and an adjusted offer price of 22 cents per PFMF unit from PJPL (that is, 26 cents in total per PFMF unit).

Although another offer for PFMF units has been made, you should note that the PJPL offer is only conditional on 10% minimum acceptances and is cash-backed by a well capitalised institutional investor for up to 435 million units (or 49% of the Fund). If you wish to exit your investment in PFMF, we recommend you consult your investment advisor about the benefits of accepting the PJPL offer before October 21<sup>st</sup>, 2010.

Please find enclosed a copy of the original acceptance form. If you wish to accept the PJPL offer, and need to request another Offer Booklet, or you need assistance in filling in your acceptance form please contact the PJPL Offer Line on 1800 707 861 (toll free for callers within Australia) or on +61 2 8256 3387 (for callers outside Australia). If you do not wish to accept the PJPL offer, or have accepted already, you do not need to do anything.

Kind Regards,



Robert Naso, Director  
Project Junior Pte Limited