

ASX / MEDIA RELEASE

14 September 2016

VARIATION TO UNSECURED LOAN FACILITY

Tian An Australia Limited (ASX: TIA) (**TIA** or **Company**), is pleased to advise that it has negotiated a variation to the unsecured loan agreement with AP Finance Limited (**AP Finance**) dated 8 October 2015 (**Loan Agreement**).

The variations to the Loan Agreement include:

- extension of the facility to 25 September 2018
- reduction of facilities fees to equate to A\$5,000 payable annually
- change of usage and purpose of the facility to general working capital

The unsecured loan facility from AP Finance remains at a total of A\$22.0 million (**APF Loan Facility**).

The attached table summarises the APF Loan Facility.

Further to the variations, the Company has cancelled its existing secured loan facility with Sun Hung Kai International Bank [Brunei] Limited.

END

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About Tian An Australia:

The principal activity of Tian An Australia is to identify urban projects to develop for resale. By nature, these master planned projects offer many built-form value add opportunities beyond the standard residential lot market. Tian An Australia has a vision to grow as a significant contributor to the design and development of premium residential property utilising community based planning and innovative design concepts targeted to meet the needs and exceed the expectations of markets while delivering new benchmarks in environmental excellence.



APPENDIX

Facility Limit	Revolving facility of up to A\$22.0 million
Term	Available until 25 September 2018
Interest rate	4.0% per annum payable quarterly in arrears If interest is not paid on the due date, a default rate of 6.0% per annum applies
Fees	No establishment fees are applicable A facility fee of A\$5,000 is payable annually in advance
Purpose	General working capital
Repaying and prepaying	Repayable in full at the end of the term The Company may prepay any amount in multiples of A\$1.0 million No premium or break costs are payable in respect of a repayment or prepayment
Events of default	Amongst other things, events of default include any non-payment of an amount on time, any enforcement against the assets of the Company for an amount greater than A\$0.5 million or an insolvency event of the Company If any event of default continues, then AP Finance may make a demand for immediate payment of all amounts owing under the APF Loan Facility