



MEDIA RELEASE

Win-Win for investors and charities as top funds join forces for good Hearts and Minds Investments LIC – Open of Offer

15 October 2018, Sydney: Australia's top fund managers have joined forces in the name of medical research and today announce the opening of the Initial Public Offering (the "Offer") for a new Listed Investment Company, Hearts and Minds Investments Limited (the "LIC").

The LIC aims to raise up to \$500 million and provide investors with a concentrated portfolio of the highest conviction stock ideas from leading fund managers while supporting Australian medical research institutes. The LIC will donate an amount to designated charities every 6 months. The donation amount will be 1.5% (plus GST) per annum of the average Net Tangible Assets (NTA) for the previous half year. The donation amount accrues monthly and regardless of the performance of the Company.

As part of its charitable goals, the LIC will forgo investment fees and running costs will be minimised. There are no directors' or committee fees, and the lead arranger and brokers for the IPO have waived broker management fees.

Chairman Chris Cuffe AO said the LIC originated from the Sohn Hearts and Minds Investment Leaders Conference in 2017, and that investors should see this as a compelling opportunity to invest with the nation's top fund managers while donating to local medical research.

"This is a unique opportunity to invest alongside some of the country's leading investment minds and tap into their 'collective wisdom'. Furthermore, its charitable goal means investors can gain returns while giving back to society by supporting the development of new medicines and treatments," Mr Cuffe said.

The LIC's investment strategy will be to hold long-only positions in 25 stocks, based on the recommendations from two groups:

- Core fund managers
 - 60% of the LIC's portfolio will be held in approximately 15 stocks based on three recommendations, reviewed quarterly, from each of five leading fund managers: Caledonia, Cooper Investors, Magellan, Paradice Investment Management and Regal Funds Management.
- Conference fund managers
 - 40% of the LIC's portfolio will be held in approximately 10 stocks based on the recommendations of fund managers presenting at the annual Sohn Hearts and Minds Investment Conference.

"The LIC's diversified portfolio means investors are not restricted by the philosophy or investment thesis of a single fund manager. Each fund manager brings a different expertise and a number of them are not readily accessible to retail investors," Mr Cuffe said.

The Offer has already attracted strong support with pre-commitments exceeding \$225 million from a number of sophisticated Australian family investors, the directors, the LIC's investment committee, its CEO and the Core Fund Managers.

"We are pleased to see some of the country's biggest family investors have shown strong support for the LIC and its goals. Given Hearts and Minds Investments will not accept oversubscriptions, we hope this momentum will continue," Mr Cuffe said.

It is proposed that the LIC will be listed on the Australian Securities Exchange (ASX) on 21 November under the code "HM1".

The list of designated charities include The Victor Chang Cardiac Research Institute; Black Dog Institute; The Brain and Mind Centre; Sydney University; The Charlie Teo Foundation; The Children's Hospital at Westmead - Paediatric Intensive Care Unit, Research; The Florey Institute of Neuroscience & Mental Health; The Centre of Human Psychopharmacology, Swinburne University; Multiple Sclerosis Research Australia; Orygen and Royal Prince Alfred Hospital. These charities have been nominated by the Core Fund Managers and the LIC's Board.

Details of the Offer

Hearts and Minds Investments Limited is offering a maximum of 200,000,000 shares at \$2.50 per share, to raise up to \$500 million. \$225 million has already been committed by cornerstone family investors, the directors, investment committee, the CEO and the Core Fund Managers. The LIC will not accept oversubscriptions.

Seed Partnerships is Hearts and Minds Investments Limited's corporate adviser in relation to the offer and Kardos Scanlan provided legal advice.

To participate in the Offer

The Offer is being made under a prospectus that was lodged with ASIC on 28 September 2018 (**Prospectus**) and is available on the LIC's website at www.heartsandmindsinvestments.com.au.

Applications under the general Offer can be made by completing the application form attached to the Prospectus or online through the application form accompanying the electronic Prospectus. Applicants under the broker firm Offer should contact their broker for application details.

The Lead Arrangers for the Offer are CommSec, NAB and Crestone. Brokers include Bell Potter, Evans Dixon, JB Were, On-Market Book Builds, Ord Minnett, Paterson, Shaw and Partners, Taylor Collison and Wilsons.

Key dates:

Offer expected to open	15 October 2018
Broker Firm Offer expected to close	6 November 2018
General Offer expected to close	6 November 2018
DvP Settlement	14 November 2018
Expected date of allotment / date of dispatch of holding statements	15 November 2018
Shares expected to commence trading on ASX	21 November 2018

The above dates are subject to change and are indicative only and times are references to Sydney time. The LIC reserves the right to amend this indicative timetable subject to the Corporations Act 2001 (Cth) and the ASX Listing Rules. In particular, the Company reserves the right to close the Offer early, extend the closing date or accept late applications.

-ENDS-

For further information please contact:

Kyahn Williamson

WE Buchan

Hm1@we-buchan.com

T: 03 9866 4722

Arthur Chan

WE Buchan

Hm1@we-buchan.com

T: 02 9237 2805