

## ASX / MEDIA RELEASE

12 April 2016

### PROPOSED DEVELOPMENT FUNDING OF MIXED USE RESIDENTIAL PROJECT

Tian An Australia Limited (the **Company** or **TIA**) has entered into a binding agreement with an experienced developer (**Developer**) in relation to participation in undertaking the development (**Development**) of a mixed use residential project in Parramatta NSW (**Agreement**).

The Developer will provide TIA with an exclusive right to undertake due diligence in relation to the Development and the Developer for a period of 60 business days (**exclusive due diligence period**) in order for TIA to determine whether to participate in the Development alongside the Developer. Subject to TIA completing its due diligence to its full satisfaction, the intention is that TIA and the Developer will negotiate in good faith with the aim of entering into binding project documentation governing TIA's participation in the Development by the end of the exclusive due diligence period (**Project Documentation**).

Under the Agreement, TIA will pay \$7,000,000 to the Developer in two instalments on 12 April 2016 and 18 April 2016 (**Preliminary Payment**). The Preliminary Payment is to be applied by the Developer in satisfaction of the Developer's existing project obligations in relation to the Development and must be refunded to TIA in full if binding Project Documents are not entered into by the end of the exclusive due diligence period. If binding Project Documents are entered into, the payment will be treated as a part payment of TIA's equity contribution toward the Development.

The repayment of the \$7,000,000 is secured, with the security to be discharged if TIA and the Developer enter binding project documents or the \$7,000,000 is refunded to TIA.

**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.