Form 603

Corporations Act 2001 Section 671B

Notice of initial substantial holder

| To | Company Name/Scheme | Folkestone Limited | | | |
|--|--|-----------------------------------|--|--|--|
| ACN | / ARSN | 004 715 226 | | | |
| | | | | | |
| 1. | 1. Details of substantial holder (1) | | | | |
| Name | | FDC Construction & Fitout Pty Ltd | | | |
| ACN / ARSN (if applicable) 120 295 034 | | | | | |
| The h | The holder became a substantial holder on 21/11/2013 | | | | |

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

| Class of securities (4) | Number of securities | Person's votes (5) | Voting power (6) |
|-------------------------|----------------------|--------------------|------------------|
| ORD | 9,991,807 | 9,991,807 | 6.77% |
| | | | |

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

| Holder of relevant interest | Nature of relevant interest (7) | Class and number of securities |
|---|---------------------------------|--------------------------------|
| Filetron Pty Ltd ATF Hunter Discretionary Trust | Holder | 3,437,654 |
| FDC Construction & Fitout Pty Ltd | Holder | 4,096,345 |
| Development Management & Constructions Pty Ltd ATF The Three Sisters Trust | Holder | 1,817,813 |
| Austed Fund Management Pty Ltd ATF Triple J Trust | Holder | 639,995 |

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

| Holder of relevant interest | Registered holder of securities | Person entitled to be registered as holder (8) | Class and number of securities |
|--------------------------------------|-------------------------------------|---|--------------------------------|
| Filetron Pty Ltd ATF Hunter | Filetron Pty Ltd ATF Hunter | Filetron Pty Ltd ATF Hunter | 3,437,654 |
| Discretionary Trust | Discretionary Trust | Discretionary Trust | |
| FDC Construction & Fitout Pty Ltd | FDC Construction & Fitout Pty Ltd | FDC Construction & Fitout Pty Ltd | 4,096,345 |
| Development Management & | Development Management & | Development Management & | 1,817,813 |
| Constructions Pty Ltd ATF The | Constructions Pty Ltd ATF The Three | Constructions Pty Ltd ATF The Three | |
| Three Sisters Trust | Sisters Trust | Sisters Trust | |
| Austed Fund Management Pty | Austed Fund Management Pty Ltd | Austed Fund Management Pty Ltd | 639,995 |
| Ltd ATF Triple J Trust | ATF Triple J Trust | ATF Triple J Trust | |

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

| Holder of relevant interest | Date of acquisition | Consideration (9) | | Class and number of securities |
|--|---------------------|-------------------|------------|--------------------------------|
| Holder of relevant interest | | Cash | Non – Cash | |
| Filetron Pty Ltd ATF Hunter Discretionary Trust | 21/11/2013 | \$618,474 | | 749,666 |

| FDC Construction & Fitout Pty Ltd | 21/11/2013 | \$736,980 | 893,310 |
|--|------------|-----------|---------|
| Development Management & Constructions Pty Ltd ATF The Three Sisters Trust | 21/11/2013 | \$294,792 | 357,324 |
| Austed Fund Management Pty Ltd ATF Triple J Trust | 21/11/2013 | \$147,396 | 178,662 |

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

| Name and ACN / ARSN (if applicable) | Nature of association | |
|---|-----------------------------------|--|
| Filetron Pty Ltd ATF Hunter Discretionary Trust | Common controlled, related entity | |
| FDC Construction & Fitout Pty Ltd | | |
| Development Management & Constructions Pty Ltd ATF The Three Sisters Trust | Common controlled, related entity | |
| Austed Fund Management Pty Ltd ATF Triple J Trust | Common controlled, related entity | |

7. Addresses

The addresses of persons named in this form are as follows:

| Name | Address | |
|---|---|--|
| Filetron Pty Ltd ATF Hunter Discretionary Trust | 22-24 Junction St Forest Lodge NSW 2037 | |
| FDC Construction & Fitout Pty Ltd | 22-24 Junction St Forest Lodge NSW 2037 | |
| Development Management & Constructions Pty Ltd ATF The Three Sisters Trust | 8A Wattle St Killara NSW 2071 | |
| Austed Fund Management Pty Ltd ATF Triple J Trust | 7 Gold St Blakehurst NSW 2221 | |

Signature

| Print Name | Peter McCabe | Capacity | Finance Director |
|------------|--------------|----------|------------------|
| | | | |
| | | | |
| Sign Here | ϕ | Date | 18/08/2016 |