

Investment Update

30 June 2014

The directors of the Australian Masters Yield Fund No 5 Limited (the Company) would like to update shareholders with respect to a recent transaction undertaken by the Company. Recently, the Company sold its holdings of convertible notes (Notes) and convertible non-cumulative preference shares (CP Shares) issued by Ubiquity Power Maintenance Group Ltd (Issuer), as a result of changing market conditions in which the Issuer operates.

In total, \$10.5 million at face value of Notes and \$4.5 million at face value of CP Shares were sold, with no impact to Company's net tangible asset value.

The directors and the investment manager are currently considering options available to the Company. If an opportunity arises where the board is of the view that reinvestment of the proceeds would provide a material benefit to shareholders, the sale proceeds may be reinvested.

If no appropriate investment exists it is likely the directors will propose that funds will be returned by way of capital return. Any such return will be dependent on approval of the proposal at the next meeting of shareholders.

In the meantime, the Company will continue to actively manage the cash it holds by using at call cash accounts, term deposits and short term opportunities in the fixed income market.

The directors will continue to keep shareholders informed of any developments.

For further information contact:

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