

**Australian Masters Yield Fund No 5 Limited
(ACN 161 255 750)
Notice of General Meeting**

Notice is given that a general meeting of Shareholders of Australian Masters Yield Fund No 5 Limited (**Company**) will be held as follows:

Date: **Monday, 20 April 2015**
Time: **3:00pm (AEST)**
Venue: **Dixon Advisory,
Level 15, 100 Pacific Highway,
North Sydney NSW 2060**

Business

1. Approval of application by the Company for admission to the Official List of the Australian Securities Exchange Limited (ASX)

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

"That the Directors of the Company are authorised to apply for admission of the Company to the Official List of the ASX."

Other Information

An explanatory memorandum accompanies and forms part of this Notice of Meeting.

All Shareholders should read the explanatory memorandum carefully and in its entirety. Shareholders who are in doubt regarding any part of the business of the Meeting should consult their financial or legal advisor for assistance.

Proxies

A Member entitled to attend and vote at the Meeting is entitled to appoint not more than 2 proxies to attend and vote in his/her stead.

A proxy need not be a member of the Company.

If a Member appoints 2 proxies, the Member may specify the proportion or number of votes each proxy is entitled to exercise. If no proportion or number of votes is specified, each proxy may exercise half of the votes. If the specified proportion or number of votes exceeds that which the Member is entitled to, each proxy may exercise half of the Member's votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.

Proxies must be:

- (a) lodged by posting them or delivering them by hand to the address specified below; or
- (b) received at the fax number specified below; or
- (c) lodged online at the address below,

not later than 48 hours before the Meeting i.e. 3.00pm (AEST) on Saturday, 18 April 2015.

By mail: Share Registry – Boardroom Pty Limited
GPO Box 3993, Sydney NSW 2001
By fax: +61 2 9290 9655
In person: Level 12, 225 George Street, Sydney NSW 2000 Australia
Online: www.votingonline.com.au/amyf5gm2015

A proxy form is provided with this Notice of Meeting.

Entitlement to Vote

In accordance with section 1074E(2)(g)(i) of the Corporations Act and regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the Meeting Shares of the Company will be taken to be held by the persons who held them as registered holders at 7.00pm on 18 April 2015. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

By order of the Board

Hannah Chan
Company Secretary
13 March 2015

**Australian Masters Yield Fund No 5 Limited
(ACN 161 255 750)
Explanatory Memorandum**

This explanatory memorandum relates to the Meeting of the Company to be held at **Level 15, 100 Pacific Highway, North Sydney NSW 2060** on Monday **20 April 2015** at **3.00pm**.

The Directors recommend that shareholders vote in favour of Resolution 1.

Resolution 1 – Approval of application by the Company for admission to the Official List of the ASX

The Company has been established to undertake investment in fixed income securities which are often only available to wholesale investors. In December 2012, the Company raised approximately \$101.1 million via a capital raising conducted under a prospectus dated 27 November 2012.

The Board considers the listing of the Company a benefit for Shareholders as it is expected to improve the liquidity of Shareholders' investments in the Company.

An ASX listing will provide Shareholders with the opportunity to realise their investment before the winding up of the Company. Shareholders should note that their ability to realise their investment through sales on the ASX will depend on trading conditions and buying demand for shares on-market. Shareholders will also receive the benefits outlined below.

The decision to apply for listing on the ASX can be made by the Directors without Shareholder approval. However, at the time of the Company's initial public offering, admission of the Company to the Official List of the ASX and quotation and trading of the Company's shares on a stock exchange was not intended. Therefore, the Board believes that it is appropriate that Shareholder approval is obtained before making such an application. If approval is not granted by Shareholders under this Resolution, the Company will not proceed with the application.

Upon admission to the ASX, the Company will be subject to the ASX Listing Rules. The ASX Listing Rules create obligations that are additional, and complementary, to the Company's existing obligations imposed by common law and the Corporations Act. Shareholders will enjoy the following benefits under the ASX Listing Rules:

- monthly net tangible asset reports must be released by the Company within 14 days after the end of each month;
- disclosure of information which may affect share values or influence investment decisions will be readily and easily accessible via the Company Announcements Platform on the ASX;
- regular financial reporting to Shareholders, including preparation of full and half-financial year reports, must be made earlier than for an unlisted public company;
- more detailed disclosure must be included in the Company's annual report in accordance with the additional requirements under the ASX Listing Rules;
- the Company will not be able to make any material changes to the Management Agreement without first seeking Shareholder approval; and
- the Company will not be able to make significant changes to its share capital nor enter into certain transactions (such as issuing shares to a related party of the Company) without Shareholder approval.

This will result in a small increase in expenses for the Company in the course of complying with its obligations under the ASX Listing Rules. The Company estimates that the initial listing fees for the Company will be approximately \$133,000 (inclusive of GST) (being approximately 0.16% of current funds under management).

Additional transaction costs for the listing process are estimated to total approximately \$46,000 (inclusive of GST) (being approximately 0.06% of current funds under management). This includes a one off fee of \$13,200 (inclusive of GST) to be paid to the Manager as reimbursement for the fees and internal costs relating to the listing application (being approximately 0.02% of current funds under management).

Ongoing annual ASX listing fees for the Company and associated costs of listing will be approximately \$66,800 (inclusive of GST) (being approximately 0.08% of current funds under management and assuming the funds under management remain unchanged).

The Manager will bear some of the additional on-going costs resulting from listing, such as costs incurred for liaising with the ASX with respect to compliance with the ASX Listing Rules.

The investment strategy of the Company implemented by the Manager will remain unchanged.

Glossary

ASX means the Australian Securities Exchange Limited.

Board means the board of Directors.

Chairman means the chairman of the Company.

Company means Australian Masters Yield Fund No 5 Limited (ACN 161 255 750)

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Listing Rules means the listing rules of the ASX.

Manager means Walsh & Company Asset Management Pty Limited (ACN 159 902 708).

Management Agreement means the management agreement between the Company and the Manager.

Meeting means this general meeting.

Notice of Meeting means the notice of general meeting.

Official List means the official list of the ASX.

Share means a share of the Company.

Shareholder means a shareholder of the Company.