



MARKET RELEASE

15 March 2018

Australian Masters Yield Fund No 3 Limited

SUSPENSION FROM OFFICIAL QUOTATION

The securities of Australian Masters Yield Fund No 3 Limited (the “Company”) will be suspended from quotation at the close of trading today, at the request of the Company, following payment of the final capital return.

Security Code: AYJ

Charlotte Hope
SENIOR ADVISER, LISTINGS COMPLIANCE (SYDNEY)

15 March 2018

BY EMAIL

Patrick McCarthy
ASX Compliance Pty Ltd
20 Bridge Street
Sydney, NSW 2000

Dear Patrick,

Australian Masters Yield Fund No. 3 Limited (ASX code: AYJ)

Application for suspension from the Official List of the Australian Securities Exchange.

I write on behalf of the Australian Masters Yield Fund No.3 Limited ACN 149 790 545 (**AYJ**).

In accordance with Listing Rule 17.2, AYJ requests to be suspended from the official list of the Australian Securities Exchange (ASX) at the close of trading as of date of this request. AYJ requests that it remains suspended pending consideration by ASX of AYJ's delisting and winding up.

Exit Strategy

AYJ disclosed in its Information Memorandum dated 13 September 2013 that it would return cash to shareholders when the underlying fixed income securities had matured or the last fixed income security in the portfolio was sold and that this return of cash would be effected by way of capital return, undertaken from time to time.

It was further disclosed that AYJ would seek shareholder approval to wind up AYJ following the maturity of the longest dated underlying fixed income security or the sale of the last of the fixed income securities held in the AYJ portfolio.

At the date of the Information Memorandum, it was expected that the final capital return would occur following the maturity or sale of the longest dated fixed income security, with a maximum maturity or sale date being around 30 December 2022. As a result of sale and early redemption of fixed income securities, AYJ no longer holds any securities. Its total assets comprise of estimated cash at bank of \$150,000 as at 13 March 2018.

Final Capital Return

On 26 February 2018, AYJ announced details of the final capital return. The timetable for the capital return was:

Event	Date
Ex-Date	1 March 2018
Record Date	2 March 2018
Intended Payment Date	9 March 2018

Following completion of the final capital return, the issued capital per share has been repaid in full other than a small amount retained to ensure that AYJ can meet its currently foreseeable costs and expenses.



**AUSTRALIAN
MASTERS
YIELD**
FUND NO 3 LIMITED

Way forward

Consistent with the exit strategy disclosed in the Information Memorandum, the AYJ board intends to consider:

- (a) different options to take advantage of any potential residual value to shareholders in not immediately winding up the company;
- (b) applying for AYJ to be removed from the official list of the ASX; and
- (c) seeking shareholder approval at a general meeting to wind AYJ up.

AYJ will continue to keep the market informed in a timely manner regarding any developments.

The Board considers suspension to be appropriate

The Board considers that the return of capital is consistent with the overall exit strategy disclosed to the shareholders in Section 1.3 of the Information Memorandum. The fund was structured with a defined term and an explicit mandate to return all available capital to shareholders, subject to their approval, as and when the underlying fixed income securities mature.

In purchasing shares in AYJ, investors would have been aware of the exit strategy set out above.

The Board considers that there is likely to be limited benefit to shareholders in continuing to allow for trading in AYJ shares. Trading in AYJ shares may not be in the best interest of new shareholders as the primary activities of AYJ as described in the Information Memorandum will have been ceased and the board needs to consider AYJ's future direction.

AYJ is not aware of any reason why the suspension should not be granted.

Please contact us if you have any questions in relation to this application.

Yours sincerely,

Hannah Chan
Company Secretary
Australian Masters Yield Fund No 3 Limited