




▶ SIMPLIFIED DISCLOSURE PROSPECTUS – 1 JULY 2013

OFFER TO EXISTING SHAREHOLDERS OF
1 NEW ORDINARY SHARE IN ARGOSY AT A PRICE OF
\$0.89, FOR EVERY 7 ORDINARY SHARES HELD ON
15 JULY 2013

This prospectus is a simplified disclosure prospectus. It relates to an offer of shares in Argosy Property Limited which are of the same class as existing shares in Argosy which are quoted on the NZX Main Board. Argosy is subject to continuous disclosure obligations that require it to notify material information to NZX for the purpose of that information being made available to participants in the NZX Main Board operated by NZX.

Lead Manager, Organising Participant and Underwriter:

 FIRST NZ CAPITAL

IMPORTANT INFORMATION

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

IMPORTANT INFORMATION

This Prospectus relates to an offer of new ordinary shares (“**New Shares**”) in Argosy Property Limited (“**Argosy**”) under a pro-rata renounceable rights offer (“**Rights Offer**”) and a shortfall bookbuild of New Shares attributable to Rights not taken up under the Rights Offer (“**Shortfall Bookbuild**”). The Rights Offer and the Shortfall Bookbuild are referred to together as the “**Offer**”.

The Rights to which you are entitled under the Rights Offer are renounceable, which means that you may choose to sell any Rights that you do not wish to take up. Your Rights may have value. If you do nothing (i.e. do not take up some or all of your rights or sell some or all of your Rights), the Rights you choose not to take up or sell will lapse. You will then not be able to subscribe for New Shares to which those Rights relate or realise any value for those Rights, except as provided for in relation to the Shortfall Bookbuild.

This Prospectus is a simplified disclosure prospectus for the purposes of the Securities Act and is prepared as at, and dated, 1 July 2013.

IMPORTANT NOTICE

This Prospectus is an important document and should be read carefully. It does not take account of each investor’s investment objectives, financial situation or particular needs. You should read this Prospectus in full before deciding whether to invest. You should consider the risks associated with an investment in the New Shares (including those set out in Section 4), particularly with regard to your personal circumstances.

If you are in doubt as to any aspect of the Offer or would like advice as to what you should do, you should consult your financial or other professional adviser or an NZX Primary Market Participant.

NO GUARANTEE

No person (including any person named in this Prospectus) guarantees the New Shares offered under this Prospectus or warrants or guarantees the performance of Argosy, or of the New Shares or any return on any investment in New Shares.

REGISTRATION

A copy of this Prospectus, signed by or on behalf of the Directors of Argosy, has been delivered to the Registrar of Financial Service Providers for registration under section 42 of the Securities Act, together with the consents of the Valuers as experts to the statements of property valuations appearing in this Prospectus, each announcement referred to in Section 7 and Argosy’s audited financial statements for the year ended 31 March 2013.

FMA CONSIDERATION PERIOD

Argosy is unable to allot any New Shares or accept any applications or subscriptions in respect of the Offer during the FMA “Consideration Period”. The Consideration Period commences on the date this Prospectus is registered and ends at the close of the day which is five working days after the date of registration. The FMA may shorten this Consideration Period, or extend the Consideration Period by no more than five additional working days.

OFFERING RESTRICTIONS

The Rights Offer is open only to Eligible Shareholders. The Shortfall Bookbuild is only available to Eligible Bookbuild Investors. No action has been taken to permit a public offering of the New Shares in any country other than New Zealand. Receipt of this Prospectus and/or an Entitlement and Acceptance Form will not constitute an offer or invitation to any person in a country other than New Zealand, except to the extent permitted by, and lawful under, the laws of that other country.

No person may purchase, offer, sell, distribute or deliver New Shares, or be in possession of, or distribute to any other person, any offering material or any documents in connection with the New Shares in any country other than in compliance with all applicable laws and regulations. In particular, this Prospectus may not be sent into or distributed in the United States. The distribution of this Prospectus outside New Zealand may be restricted by law and persons who come into possession of it (including nominees, trustees or custodians) should seek advice on, and observe, any such restrictions.

Shareholders who are not Eligible Shareholders and who hold their Shares through a New Zealand resident nominee should not allow their nominee to accept the Rights Offer if to do so would cause the Rights Offer to be contrary to the laws of their country of residence.

Any person applying for New Shares under the Offer (including any person who exercises Rights and applies for New Shares through a New Zealand resident nominee) will be deemed to represent and warrant to Argosy and each of the Directors that he, she or it is not in a country that does not permit the making of the Offer to that person and is not acting for the account or benefit of such a person or that the Offer can be lawfully made to their nominee pursuant to this Prospectus.

Argosy reserves the right to reject any application that it believes comes from a person who is not an Eligible Shareholder or an Eligible Bookbuild Investor (as appropriate). Argosy, the Underwriter

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and the Lead Manager, and their respective directors, officers and employees accept no responsibility whatsoever for determining whether a person is able to participate in the Rights Offer or the Shortfall Bookbuild under the laws applicable in jurisdictions outside New Zealand.

NZX MAIN BOARD QUOTATION

Application has been made for permission to quote the Rights on the NZX Main Board and all requirements of NZX relating to the application that can be complied with on or before the date of this Prospectus have been complied with. Trading of Rights will commence on the NZX Main Board under the code "ARGRA" on 11 July 2013 and will cease at 5.00pm on 29 July 2013. The New Shares have been accepted for quotation by NZX, will from their date of issue rank equally with Existing Shares including for dividends, and so will be quoted on the NZX Main Board on allotment under the ticker code "ARG".

NZX is a registered exchange regulated under the Securities Markets Act 1988 and the NZX Main Board is a registered market operated by NZX. NZX accepts no responsibility for any statements in this Prospectus.

DEFINED TERMS AND REFERENCES

Capitalised terms and abbreviations used in this Prospectus are defined in the Glossary or in the relevant Section of the Prospectus in which the term is used.

All references in this Prospectus to times are to New Zealand time. Unless otherwise specified, all references to dollars (\$) are to New Zealand dollars (NZD).

All New Zealand legislation referred to in this Prospectus can be viewed online at www.legislation.govt.nz.

DISCLAIMER

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation in connection with the Offer not contained in this Prospectus may not be relied upon as having been authorised by Argosy or any of its Directors.

GOVERNING LAW

This Prospectus and the Offer and the contracts formed on its acceptance are governed by the laws of New Zealand. By making an application for New Shares, you submit to the exclusive jurisdiction of the courts of New Zealand.

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CHAIRMAN'S LETTERARGOSY PROPERTY LIMITED
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Dear Shareholder,

On behalf of the Board of Argosy, I am pleased to invite you to participate in this Offer of New Shares comprising the Rights Offer and the Shortfall Bookbuild.

Under the Rights Offer, Eligible Shareholders are entitled (but not obliged) to subscribe for 1 New Share for every 7 Existing Shares held (that is, registered in their names on Argosy's share register) as at 5.00pm on 15 July 2013, at a price of \$0.89 per Share (with entitlements to fractions of a Share rounded down to the nearest whole number).

We plan to raise approximately \$87 million through the Offer. The Offer is fully underwritten by First NZ Capital Securities Limited. The funds raised will be used to repay bank debt incurred by Argosy to complete recent acquisitions, with those acquisitions adding attractive earning streams to your Argosy investment, while fitting squarely with our investment strategy as described in Section 3. Your Board will continue to investigate property acquisitions that fit our investment criteria, but envisage, based on the Board's current expectations, that any activity will be funded by the balance sheet flexibility created by this equity issuance and our on-going divestment programme.

Your Rights to subscribe for New Shares under the Rights Offer are renounceable. This means that if you are an Eligible Shareholder you may take the following actions:

- take up all or some of your Rights; OR
- sell all or some of your Rights; OR
- take up some of your Rights and sell all or some of the balance; OR
- do nothing with all or some of your Rights.

If you do nothing with your Rights, you will be unable to subscribe for any New Shares to which those Rights relate, or realise any value for your Rights, except as provided for in relation to the Shortfall Bookbuild.

In order to try to realise value for Shareholders who do not wish to, or are unable to, participate in the Rights Offer, the New Shares attributable to Rights not taken up under the Rights Offer will be offered in the Shortfall Bookbuild. The Shortfall Bookbuild will be available to institutional and other eligible investors and is expected to be completed by 6 August 2013. If the proceeds from the Shortfall Bookbuild exceed, on a per Share basis, the application price for New Shares under the Rights Offer, that difference (i.e. the Premium) will be paid to the holders of the Unexercised Rights in proportion to their holdings of Unexercised Rights.

Brief descriptions of the Rights Offer and the Shortfall Bookbuild are contained in the "Key Information" in Section 1, and more detailed descriptions are set out in Section 5.

This Prospectus sets out important information about the Rights Offer and the Shortfall Bookbuild. Before making your investment decision, I encourage you to read this Prospectus in full and consider carefully the risks which are described in Section 4. If you are in doubt as to what you should do, you should consult your financial or other professional adviser or an NZX Primary Market Participant.

The Directors intend to take up all of their Rights, where they hold Existing Shares in their own name and, where Existing Shares are held jointly with others, to recommend to those other Shareholders that the relevant Rights are taken up in full.

The Board wishes to thank you for your continued support of Argosy.

Yours faithfully,



Michael Smith
Chairman, Argosy Property Limited

SECTION 1 – KEY INFORMATION

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

SECTION 1 – KEY INFORMATION**SUMMARY OF THE OFFER**

Issuer	Argosy Property Limited
The Rights Offer	A pro rata renounceable rights offer of 1 New Share for every 7 Existing Shares held (that is, in your name on Argosy's register of Shareholders) at 5.00pm on the Record Date (being 15 July 2013) Entitlements to fractions of New Shares will be rounded down to the nearest whole number
Rights	Your rights to subscribe for New Shares under the Rights Offer Each Right entitles (but does not oblige) you to subscribe for one New Share by paying the Application Price You may take up all or some of your Rights You do not pay for the Rights themselves – only for New Shares which will be issued to you if you choose to take up all or some of your Rights Your Rights may have value and can be sold – refer to the "Available Actions" section below If you do not take up some or all of your Rights or sell some or all of your Rights, the New Shares attributable to your Unexercised Rights will be offered in the Shortfall Bookbuild
Eligibility for the Rights Offer	Persons recorded on Argosy's share register as Shareholders at 5.00pm on the Record Date with a registered address in New Zealand
Application Price	\$0.89 per New Share (that is, for each Right you choose to take up) The Application Price is payable in full on application
Shortfall Bookbuild	New Shares attributable to Unexercised Rights will be offered to Eligible Bookbuild Investors under a bookbuild process The Shortfall Bookbuild will be completed by 6 August 2013 If you are an Eligible Bookbuild Investor participating in the Shortfall Bookbuild, you will be able to bid for New Shares that are attributable to Unexercised Rights The minimum bid you may make for each New Share is the Application Price and this amount is payable to Argosy If the Bookbuild Price achieved under the Shortfall Bookbuild exceeds the Application Price, the excess (i.e. the Premium) will be paid to the holders of Unexercised Rights in proportion to their holdings of Unexercised Rights
Unexercised Rights	Rights not taken up by the Closing Date, including those of Shareholders who are not Eligible Shareholders
Maximum amount to be raised by Argosy under the Offer	\$86.9 million
Maximum number of New Shares offered under the Offer	97,656,677 New Shares (subject to rounding)
Maximum number of Shares on issue following completion of the Offer	781,253,419 Shares (subject to rounding)
Underwriting	The Offer is fully underwritten by First NZ Capital Securities Limited
New Shares	Rank equally with Existing Shares on issue for dividends and all other rights and entitlements, including for the first quarter dividend in respect of the financial year ending 31 March 2014, expected to be paid in September 2013

SECTION 1 – KEY INFORMATION

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

AVAILABLE ACTIONS

If you are an Eligible Shareholder (see “Eligibility for the Rights Offer” in the table above), you may take the following actions under the Rights Offer:

- take up all or some of your Rights;
- sell all or some of your Rights;
- take up some of your Rights and sell all or some of the balance; or
- do nothing with all or some of your Rights.

If you are an Eligible Bookbuild Investor, you may choose to participate in the Shortfall Bookbuild.

IMPORTANT:

If you do nothing, your Rights will lapse and you will not be able to subscribe for any New Shares or realise any other value for your Rights, except as provided for in relation to the Shortfall Bookbuild.

You will receive nothing for your Unexercised Rights if the New Shares attributable to your Unexercised Rights fail to sell or are sold for no more than the Application Price under the Shortfall Bookbuild.

The Rights Offer is a pro-rata offer. If you take up all of your Rights your percentage shareholding in Argosy will not reduce but if you do not take up all your Rights, your percentage shareholding will reduce following completion of the Offer.

Further details about how to take up or sell your Rights or to participate in the Shortfall Bookbuild are set out in Section 6.

USE OF FUNDS

The funds raised will be used to repay bank debt incurred by Argosy to complete recent acquisitions and, together with Argosy’s on-going divestment programme, will provide Argosy with the balance sheet flexibility to pursue property acquisitions that fit within Argosy’s investment criteria.

RISKS

The risks of an investment in New Shares are described in Section 4. The principal risks are that you may not be able to get back some or all of the money you have invested, or you may not receive the returns you expect. Some of the principal risk factors which may affect your ability to recoup your initial investment, and the returns you receive on the Shares, are:

- Risks which apply specifically to Argosy. These include (but are not limited to) such matters as the loss of, or insolvency of, tenants, damage to, or destruction of, any of Argosy’s properties, the performance of the property market, changes in the terms and availability of borrowings and interest rate hedging instruments, and a loss of Argosy’s Portfolio Investment Entity (“PIE”) status.
- Risks applying generally to investment in the shares or securities of an entity operating in New Zealand and listed on an NZX market. These include (but are not limited to) the performance of the New Zealand economy, the performance of the share market and financial markets generally and a change in laws or regulations.

You should read this Prospectus in full and consider carefully the risks which are described in Section 4 before making your investment decision. The occurrence of any one or more of the events or circumstances highlighted in Section 4 could have a material adverse impact on the value of your investment in New Shares. If you have any questions regarding any of the risks described, or the potential impact of those risks, you should consult your financial or other professional adviser or an NZX Primary Market Participant.

FEES AND CHARGES

You are not required to pay any fees or charges to Argosy in relation to the Rights Offer, other than the Application Price for each New Share you take up. No brokerage or other expenses will be deducted from the proceeds of the Shortfall Bookbuild available to be paid to holders of Unexercised Rights.

If you sell your Rights, or your New Shares after you receive them under the Offer, you may be liable for normal brokerage and other fees.

SECTION 2 – IMPORTANT DATES

ARGOSY PROPERTY LIMITED
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SECTION 2 – IMPORTANT DATES

Announcement of the Offer	1 July 2013
Shares are quoted “ex-entitlements” on the NZX Main Board – Rights are able to be bought and sold (subject to supply and demand) on the NZX Main Board	11 July 2013
Record Date for determining Shareholders who have an entitlement to Rights	15 July 2013, 5.00pm
Expected mailing of Prospectus and Entitlement and Acceptance Forms	17 July 2013
Rights Offer opens	17 July 2013
Rights trading ceases on the NZX Main Board	29 July 2013, 5.00pm
Rights Offer closes (and last date for receipt of renunciations)	2 August 2013, 5.00pm
Shortfall Bookbuild for New Shares attributable to Unexercised Rights	Completed by 6 August 2013
Allotment of New Shares under the Rights Offer and the Shortfall Bookbuild	9 August 2013
New Shares expected to commence trading on the NZX Main Board	12 August 2013
Expected mailing of holding statements for New Shares allotted under the Rights Offer and the Shortfall Bookbuild	16 August 2013
Payment of any Premium achieved in the Shortfall Bookbuild to holders of Unexercised Rights	By 16 August 2013

These dates and the references to them throughout this Prospectus are subject to change and are indicative only. Argosy reserves the right to amend the dates and times without prior notice, subject to the Securities Act and the Listing Rules. The Offer may also be withdrawn, in Argosy’s absolute discretion, at any time before the allotment of New Shares. If the Offer is withdrawn before the allotment of New Shares, all Rights will lapse and any prior trades in Rights which have not settled will be cancelled.

SECTION 3 – ABOUT ARGOSY

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

SECTION 3 – ABOUT ARGOSY

OVERVIEW OF ARGOSY

Argosy is the fourth largest property fund by market capitalisation listed on the NZX Main Board. Its focus is on investing in a portfolio of quality commercial, industrial and retail properties in strategic locations within New Zealand that provide strong prospects for rental and capital growth. Argosy is, and will remain, invested in a portfolio that is diversified by sector, grade, location and tenant mix.

Argosy's vision is to be the preferred property investment choice for investors in the New Zealand listed market, delivering attractive returns to our Shareholders through the execution of a clearly defined investment strategy, the development of long term tenant relationships and skilled asset and capital management. Argosy seeks to manage the risks of property investment by diversifying its property investments in terms of geographical location and grade, and by mitigating the risks of market movements with specific tenants, businesses or sectors of the market.

INVESTMENT STRATEGY

Argosy's investment strategy is to maintain a diversified portfolio containing the broad spread of high-quality assets necessary to provide a steady and stable income return.

The portfolio will be in the primary Auckland and Wellington markets with modest tenant-driven exposure to provincial markets. In the medium term, Argosy's portfolio will consist of 'Core' and 'Value Add' properties. Core properties are well-constructed and well-located assets which are intended to be long-term investments (>10 years). Core properties will make up 75-85% of the portfolio by value.

The key features of Core properties are:

- strong long term demand (well-located and generic);
- a preferred leasing profile that provides for rental growth of at least equal to increases in CPI; and
- seismic integrity with minimal maintenance capital expenditure required.

Value Add properties are assets which, through skilled asset management, can increase future earnings and provide capital growth. Value Add properties will be well-located with the potential for strong long term tenant demand. These properties are available for near to medium term repositioning or development with the view to moving into the Core category.

Following a strategic review of the entire portfolio, approximately \$104 million (as at 26 June 2013) of the current portfolio is considered neither Core nor Value Add. These properties (which include vacant land) will be divested over time as market conditions allow. Over the past year, consistent with this strategy, Argosy has successfully divested underperforming assets and vacant land.

Argosy's investment policy clearly defines what properties Argosy will seek to own. Argosy is very focused on maintaining a diversified portfolio of quality properties with an average value of between \$10 million and \$20 million. This allows Argosy to react quickly to changing market conditions.

Argosy's property management team actively manages the portfolio and tenancy relationships to ensure opportunities to add value or security to the income of a lease are acted upon. Argosy is also increasingly focused on environmentally sustainable and energy efficient design. Environmentally responsible developments are a fundamental consideration of any project, be it an existing building management matter, a new development or a retro-fit.

PORTFOLIO OVERVIEW

As at 31 March 2013, Argosy's property portfolio consisted of 63 properties valued at \$977 million. The WALT was 5.24 years. The WALT is significant because property values are fundamentally affected by quality and security of income streams. The entire portfolio was valued by independent registered valuers as at 31 March 2013 (except for Waterloo Quay, Wellington, which was acquired on 28 March 2013) and as a result, the value of the portfolio increased by \$9.3 million. Argosy's portfolio following the revaluation, including vacant land, showed a passing yield on values of 7.96%, and a yield on assessed market rentals of 8.22%.

SECTION 3 – ABOUT ARGOSY

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

Key portfolio metrics

The key portfolio metrics for Argosy as at 31 March 2013 are shown in the table below:

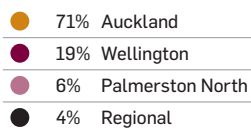
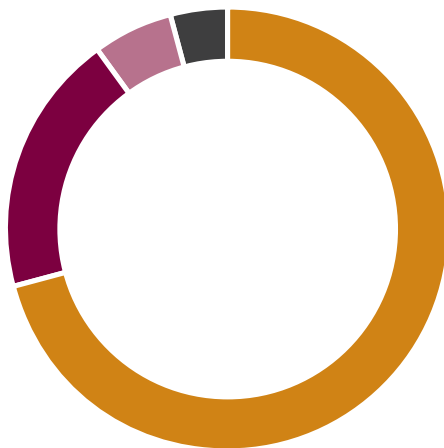
	Total Portfolio	Commercial	Industrial	Retail
Number of properties ¹	63	17	33	13
Market value of properties ^{1,2} (million)	\$976.86	\$336.34	\$311.38	\$329.14
Total net lettable area (sqm)	485,531	105,903	244,656	134,972
Vacancy by rental	3.81%	3.52%	6.59%	1.54%
WALT (years)	5.24	4.88	5.10	5.76
Average value (million)	\$15.51	\$19.78	\$9.44	\$25.32
Passing yield	7.96%	8.40%	7.46%	7.98%

Net asset backing per Share

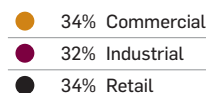
Argosy's net asset backing per Share as at 31 March 2013, as reflected in its audited financial statements for the year ended 31 March 2013, was 88.3 cents per Share.

Portfolio diversification

TOTAL PORTFOLIO BY REGION
AS AT 31 MARCH 2013



TOTAL PORTFOLIO BY SECTOR
AS AT 31 MARCH 2013



¹ Certain titles have been consolidated and treated as one. The figures stated exclude properties subject to an executed unconditional sale and purchase agreement as at 31 March 2013.

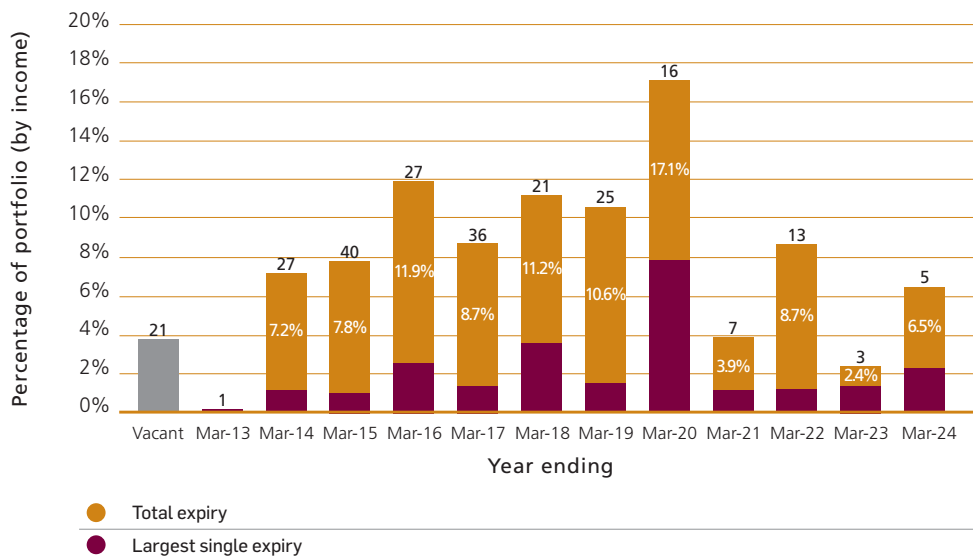
² All properties, except for Waterloo Quay, Wellington, were independently valued as at 31 March 2013. Details of the independent valuers and valuation methodology are included in Section 7. The property at Waterloo Quay, Wellington, was purchased by Argosy on 28 March 2013 and has been included at a valuation equal to the aggregate of its purchase price and upgrade expenditure invoiced to Argosy up to 31 March 2013.

SECTION 3 – ABOUT ARGOSY

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

Other portfolio metrics

LEASE MATURITY EXPIRY BY RENT AS AT 31 MARCH 2013



The number above each bar denotes the total tenant expiries per year (excluding monthly car parks and tenants with multiple leases within one property).

The Argosy property management team has a strong focus on occupancy and near-term lease expiries. Outstanding near term lease expiries (i.e. expiring within 1 year) were 7.2% of total contract rent as at 31 March 2013. Argosy's occupancy rate as at 31 March 2013 was 96.2% (by rental). Argosy's management team are committed to improving operating performance, and improving occupancy rates represents a further opportunity to increase profitability.

Development activity to enhance income returns

Argosy only develops, upgrades and refurbishes properties for its own portfolio and not for any third parties. Argosy will undertake such activities to enhance the value and quality of property in its portfolio, or to create assets that will be held in its portfolio. In either case the benefit is realised through enhanced income returns. Wherever possible, properties held for development contribute a holding income. As Argosy is not a property developer it will not aim to make profits from trading in property.

DIVIDEND POLICY

Argosy expects to continue to pay dividends on a quarterly basis from net distributable income. Ordinary dividends per Share in respect of the year ended 31 March 2013 were 6 cents. While future earnings will be impacted

by increased taxation payments which Argosy expects to make, beginning in the financial year ending 31 March 2015, it is expected that future growth and positive results from the financial year ended 31 March 2013 will enable the dividend per Share to be at least maintained in the short term.

The Board reserves the right to amend the dividend policy at any time. Distributions and dividends are declared at the discretion of the Board. There is no assurance that any dividends will be paid or as to the level of such dividends, if paid.

RECENT ACQUISITIONS

Since 31 March 2013, Argosy has acquired the Progressive Enterprises main Auckland distribution centre located at 80 Favona Road, Auckland for a purchase price of \$74 million (settlement occurred on 5 June 2013) and has agreed to acquire the "Vector Centre" located at 101 Carlton Gore Road, Newmarket, Auckland, for a purchase price of \$22.25 million (the agreement is unconditional and settlement is expected to occur in September 2013) (together, the "Acquisitions").

SECTION 3 – ABOUT ARGOSY

ARGOSY PROPERTY LIMITED
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SUMMARY OF THE ACQUISITIONS

Progressive Enterprises Main Auckland Distribution Centre, Mangere, Auckland

The off-market acquisition of 80 Favona Road, Mangere is consistent with Argosy's strategy, and increases Argosy's weighting to Auckland industrial property. The property will form part of the Core portfolio.



Location	80 Favona Road, Mangere
Property type	Industrial
Valuation ¹	\$74.0 million
Passing yield	8.2%
Net lettable area	65,273 sqm
WALT	11.2 years
Occupancy by rental	100%
Tenant	Progressive Enterprises

- Good quality, well-located, distribution centre

Vector Centre, Newmarket, Auckland

The Vector Centre is fully leased on a floor by floor basis to Vector Limited on 9 year leases, with 7.5 years remaining on each lease. However, the tenant has the right to terminate the leases (after paying a break fee) in either year 4 or year 6 of the term of each lease. This off-market acquisition is consistent with Argosy's portfolio investment strategy and is designated as a Core property.



Location	101 Carlton Gore Road, Newmarket
Property type	Commercial
Valuation ²	\$22 million
Passing yield	8.0%
Net lettable area	4,821 sqm
WALT	7.5 years (assuming leases are not terminated in year 4 or year 6)
Occupancy by rental	100%
Key tenant	Vector Limited

- Five levels of quality office accommodation, each approximately 1,000 sqm, together with basement carparking
- Complementary to Argosy's existing assets at 105 and 107 Carlton Gore Road

¹ Valuation is dated 31 May 2013. Details of the valuer and valuation methodology are included in Section 7.

² Valuation is dated 1 May 2013. Details of the valuer and valuation methodology are included in Section 7.

SECTION 3 – ABOUT ARGOSY

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BENEFITS OF THE ACQUISITIONS

As a result of the Acquisitions, relative to Argosy on a standalone basis as at 31 March 2013:

- Argosy’s property portfolio will be further diversified by rental income, number of tenants and properties;
- Argosy’s Core portfolio will be enhanced with the acquisition of well-located assets with strong tenant covenants, good leasing profiles and structural integrity;
- Argosy’s property-specific risks (e.g. individual lease expiry risk) and volatility of cash flows will be reduced;
- Argosy’s property portfolio will have greater weighting to Auckland, which is in line with long term preferred locational weightings; and
- Argosy’s property portfolio will have greater weighting to the Industrial sector, which is in line with our long term preferred sector weightings.

BOARD AND MANAGEMENT TEAM

Details of Argosy’s Board and senior management team are available on Argosy’s website at www.argosy.co.nz/AboutUs/OurPeople

SECTION 4 – RISKS

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

SECTION 4 – RISKS

An investment in New Shares, like any investment, involves a degree of risk. An investment in New Shares will expose you to a range of risks which could materially adversely impact on the value of, and returns on, your investment.

The principal risks are that you may not be able to get back all or some of the money you have invested, or you may not receive the returns you expect. This could occur for any one of a number of reasons, including:

- the price at which you are able to sell New Shares is less than the price you paid for them;
- you are unable to sell New Shares at all because, for instance, there is no market for Shares or the market for Shares becomes illiquid;
- Argosy’s operational and financial performance (and that of its properties) does not meet expectations or Argosy does not pay dividends to the level you expected or at all; or
- Argosy becomes insolvent.

Some of the principal risk factors which may affect your ability to recoup your initial investment, and the returns you receive on New Shares, are detailed in this Section. These risk factors may not be the only ones relevant to an investment in New Shares. Some risks may be unknown and other risks currently believed to be immaterial could become material.

You should carefully consider all the information in this Prospectus, including the risk factors described below, before making your investment decision. If you are in doubt as to what you should do, you should consult your financial or other professional adviser or an NZX Primary Market Participant.

ARGOSY SPECIFIC RISKS

Property-Related Risks

Property market conditions

The past performance of Argosy’s assets and share price does not guarantee their future performance. Argosy is subject to the prevailing property market conditions in New Zealand. A deterioration of the New Zealand property market sentiment or property market conditions and the activity of competitors in the market may adversely affect Argosy’s ability to acquire or manage assets, as well as the value of Argosy’s assets. These impacts could lead to a reduction in reported profit, distributable earnings, the carrying value of assets or net asset backing per Share.

There may be fluctuations in the supply of, and demand for, the types of properties owned by Argosy, including fluctuations in the availability of suitable properties for acquisition. An excess supply of competing properties and/or lack of demand for Argosy’s properties may also adversely affect the capitalisation rates considered appropriate by independent valuers as well as Argosy’s ability to lease or sell properties. This may affect the value of Argosy’s assets and any new rental secured at rent reviews and lease expiries. This in turn may affect the dividends paid by Argosy.

Rent reviews and lease renewals

The prevailing property market conditions may have an effect on rent reviews and lease renewal negotiations, which in turn may result in lower than anticipated rent reviews or lease renewals which would have a negative impact on Argosy’s WALT, earnings, and the value of the relevant properties or tenancies and net asset backing per Share.

Tenancy failure or distress

The value of Argosy’s properties is primarily dependent upon existing or new tenants continuing to operate on a profitable basis and abiding by the terms and conditions of their lease. If a tenant fails to pay its rent when due it may affect the value of the property, as well as Argosy’s earnings and net asset backing per Share.

Vacancy risk

Argosy’s performance depends on its ability to continue to lease its existing properties on favourable terms, and to lease vacant space. The loss or default of a major tenant or a number of smaller tenants, non-renewal of existing leases on expiry or earlier termination, or the inability to find a tenant for vacant space at acceptable rental levels or at all, could adversely affect Argosy’s WALT, earnings, distributable income and net asset backing per Share.

The impact of an expiry or early termination of a lease will depend on Argosy’s ability to mitigate the event or re-let the vacant space at an appropriate rental and within a reasonable period of time. The lease expiry profile of Argosy as at 31 March 2013 is shown in the Lease Maturity Expiry by Rent graph on page 8. Argosy adopts a proactive approach to lease expiries and seeks to maintain the highest level of income continuity possible for Argosy. However, there is no assurance that a new tenant can be secured on the same terms or that a new tenant will be of the same quality as a previous tenant.

SECTION 4 – RISKS

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

Development / upgrade risk

A number of Argosy's property assets or assets that are acquired may from time to time have development and/or redevelopment potential. Property development carries a number of risks, including:

- issues surrounding applications for planning approvals from local authorities which can result in delays or require amendments to plans both of which may result in increased costs;
- breach of contract by building contractors; and
- unforeseen circumstances causing project delays or increases to building costs such as industrial disputes, inclement weather, labour and supply shortages, increases in the cost of building materials and labour, construction difficulty or default by the construction contractor.

There are also risks associated with land development, infrastructure and below ground services which may not be fully quantified until site works progress.

A number of factors may affect the earnings, cashflows and valuations of property developments, including construction costs, scheduled completion dates and estimated rental income. There is a risk that potential property developments may not ultimately proceed or may not result in the level of return to Argosy as originally expected or forecast.

Acquisition of properties

While it is Argosy's policy to conduct a thorough due diligence process in relation to proposed acquisitions (including acquisitions of a portfolio of property), risks remain inherent in such acquisitions. These risks could include unexpected problems or other latent liabilities such as hazardous materials or environmental liabilities, which could give rise to unanticipated expenditure and may affect the value of the property acquired, as well as Argosy's earnings and net asset backing per Share.

Geographic risk

Argosy's property portfolio is concentrated in the Auckland and Wellington regions with approximately 71% of the property portfolio located in Auckland and approximately 19% of the property portfolio located in Wellington, both as at 31 March 2013. Argosy's business and financial performance is therefore subject to any changes in the Auckland and/or Wellington economy and to any natural disasters or other events that affect the Auckland and/or Wellington region.

Damage to, or destruction of, property

Damage to, or the destruction of, one or a number of properties (including through fire, earthquake, storms, floods or other natural or man-made catastrophe) could adversely affect Argosy. The extent of any adverse impact depends on:

- the degree to which (if any) Argosy is able to recover the cost to it of the damage or destruction (including lost rental) from insurers or any other liable third parties; and
- Argosy's ability to replace or reinstate the damaged or destroyed property and to re-let it at an appropriate rental and within a reasonable period of time.

Damage to, or the destruction of, part of Argosy's property portfolio may result in a loss of rental income which may affect Argosy's earnings, ability to pay dividends and net asset backing per Share.

Property expenditure

Any unanticipated expenditure on properties (for example, maintenance costs which are significantly higher than planned or which are unplanned) may reduce Argosy's cash flow, earnings and dividends, except to the extent (if any) that amounts spent are recovered from tenants or under relevant warranties or insurance policies.

Funding and Insurance Risks

Funding

Argosy relies on both equity capital and debt funding. The ability of Argosy to raise funds on favourable terms depends on a number of factors including general economic, capital market and credit market conditions. An inability to obtain the necessary funding for Argosy or a material increase in the cost of funding (e.g. through an increase in interest rates or an increased cost of capital) may have an adverse impact on Argosy's financial performance and financial position and the ability to refinance its debt, grow/diversify, or maintain dividends to investors.

Interest rates

Interest rates affect Argosy's cost of borrowing. Interest expense is Argosy's largest single expense item. An increase in interest rates will increase Argosy's interest expense and reduce its earnings and dividends to investors.

SECTION 4 – RISKS

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

Argosy has an interest hedging policy to manage the market risk associated with interest rate changes to its syndicated bank facility. The policy does not provide for full cover for interest rate movements so if interest rates rise, Argosy's cost of borrowing will increase. If interest rates fall, Argosy's cost of borrowing will not fall to the same extent because the interest rate is fixed on a large proportion of its debt. The policy provides for entering into interest rate hedging instruments that have a range of maturities. Argosy's financial performance may be adversely impacted if market interest rates fall as this may result in a decline in the market value of its swap portfolio. Argosy's hedging policy and approach to managing interest rate fluctuations may not operate successfully at all times, resulting in actual or mark to market losses and lower net asset backing per Share.

Banking covenants

Argosy has various covenants under its banking facilities, including (but not limited to) loan to valuation, interest cover and WALT requirements. Under Argosy's current bank facility agreement, Argosy's maximum loan to valuation ratio is 50%.

There is a risk that adverse property market movements may cause Argosy's loan to valuation ratio to exceed 50% and thereby result in a breach of banking covenants. In addition, other factors such as declines in operating earnings, increases in interest cost, declines in cash flows or failure to maintain the minimum WALT could also lead to a breach of banking covenants by Argosy. If a breach of the banking covenants were to occur, Argosy's lenders may cancel their banking facilities and/or require the loans to be repaid immediately or on demand. The lenders may also exercise their rights under the security arrangements and require Argosy to sell individual or multiple properties, in order to remedy the breach.

Insurance

Argosy has in place material damage, business interruption and public and statutory liability insurance in respect of its properties. There are, however, some types of losses (such as earthquakes and volcanic eruptions) that are insured but subject to certain limits or higher deductibles.

Argosy reviews and renews its insurance programme annually and the scope and cost of insurance (and ability to recover these costs from tenants) will be dependent on a number of factors such as the continued availability of cover, the nature of the risks to be

covered, extent of the proposed coverage, claims history and the costs involved. These factors may be affected if a significant event outside of Argosy's control occurs – for example, if a significant natural disaster occurs, Argosy may be unable to obtain continued insurance cover for its properties or the price of cover may be prohibitive which would result in a reduction in the value of those properties.

Tax Risks

Loss of PIE status

Argosy qualifies as a PIE for the purposes of New Zealand tax rules. This provides a number of taxation advantages for Argosy's New Zealand Shareholders. For Argosy to remain a PIE, certain eligibility criteria must continue to be satisfied. One such criteria is that no Shareholder (and its associated persons) may have an interest in Argosy of over 20% (unless they meet certain exemption criteria). Whether any particular Shareholder's percentage interest in Argosy exceeds this threshold is not a matter which Argosy can control.

If Argosy does not meet the PIE eligibility criteria, this may result in its disqualification as a PIE for a period of five years. The loss of PIE status would result in the loss of the regime's tax advantages for Argosy's New Zealand Shareholders.

Legislative changes may result in Argosy ceasing to qualify as a PIE or in Shareholders no longer enjoying all of the benefits of Argosy being a PIE. In the event of any such legislative change, Argosy will consider what actions it can reasonably take, if any, to continue to qualify as a PIE or to enable Shareholders to continue to enjoy all or most of the benefits of Argosy being a PIE where reasonably possible, and endeavour to carry out that action.

GENERAL BUSINESS RISKS

General economic conditions

Argosy's business and its performance are subject to changes in the general economic conditions in New Zealand, including but not limited to tenant demand, inflation, interest rates, exchange rates and the government's regulatory and fiscal policy. A downturn in the New Zealand economy, or within Argosy's tenant base, could impact Argosy's ability to secure and retain new and existing tenants and maintain existing rental levels, and in turn could affect Argosy's financial performance.

SECTION 4 – RISKS

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Argosy could be affected by national and international events or occurrences which result in non-functioning financial markets and/or decreased investor and/or borrower confidence. These market risks could include natural disasters (such as earthquakes), war, acts of terrorism, a recession, or a downturn in a financial market or the failure of a financial market participant. In addition, movements in New Zealand and international stock markets and changes in economic conditions or interest rates may affect the market price of Shares.

Any of the above changes or events could reduce Argosy's ability to source funds and adversely affect Argosy's borrowing margins and overall cost of funds.

Changes in applicable law and regulations

Argosy and its tenants are subject to the usual business risk that there may be changes in laws, regulations or government policies that increase complexity, compliance and other costs.

Legislation or regulations could change to impose additional transaction costs, holding costs or impact on allowable deductions, such as depreciation, for taxation purposes on the property sector in New Zealand. In addition, town planning or local authority regulatory requirements may become more stringent (for example, earthquake strengthening requirements for buildings) and may result in increased capital expenditure by Argosy to bring buildings in line with those requirements.

Changes in accounting standards

Changes in accounting standards could necessitate changes in the accounting policies currently adopted by Argosy. Any new or amended accounting standards may impact Argosy's financial results or financial position. For example, the International Accounting Standards Board has proposed changes to IFRS which, if adopted, would alter the accounting treatment of leases. This may in turn affect the behaviour of some of Argosy's tenants who may seek to negotiate shorter terms or different conditions for their leases. This may adversely affect Argosy's financial results and position.

For the financial year ending 31 March 2014 (and thereafter), Argosy is also required to adopt IFRS 13 (Fair Value Measurement). IFRS 13 requires Argosy to take into account its own credit risk when determining the fair value of its financial liabilities, which include its interest rate hedging instruments to the extent they are 'out of the money'. Any change in the fair value of these

interest rate hedging instruments on initial application of IFRS 13 would be recognised in Argosy's profit or loss for the year ending 31 March 2014, being the first period Argosy will report under IFRS 13. Argosy does not expect any initial adjustment for its own credit risk to adversely affect Argosy's reported profit. However in future reporting periods, further adjustments may be required to the fair value of Argosy's financial liabilities to the extent there is a change in Argosy's own credit risk. An improvement in Argosy's own credit risk (which could be caused by an improvement in Argosy's financial performance, the value of its assets or an improvement in New Zealand property market conditions generally) may lead to an increase in the fair value of Argosy's financial liabilities, which may adversely affect Argosy's reported profit.

Taxation

Changes in corporate or other taxation rates and in taxation laws or the way in which taxation laws are interpreted in New Zealand may influence:

- the after-tax returns to Argosy from its investments (and consequently the market price of Shares); and
- Argosy's future tax liabilities.

Litigation and disputes

Argosy may from time to time and in the ordinary course of operations be subject to legal disputes, claims or inquiries. Such matters may have an adverse effect on Argosy's financial performance, the value of its operations and/or reputation and divert its financial and management resources from other uses, even if the dispute or claim is settled or does not succeed.

Key personnel

The loss of the services of any senior management or key personnel, or the inability to attract new appropriately skilled personnel, could materially affect Argosy's business, its operational performance and financial results.

CONSEQUENCES OF INSOLVENCY

If Argosy was wound up or became insolvent, its assets, after paying liabilities, may not be sufficient for Shareholders to recover the amount they have invested. Claims by secured and unsecured creditors will rank ahead of claims by Shareholders.

Shareholders will rank equally with each other in the event of a winding up of Argosy.

SECTION 5 – DETAILS OF THE OFFER

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

SECTION 5 – DETAILS OF THE OFFER**OFFER**

The maximum number of New Shares being offered under the Offer is 97,656,677 (subject to rounding). The maximum amount to be raised under the Offer is \$86.9 million. The Offer comprises the Rights Offer and the Shortfall Bookbuild.

RIGHTS OFFER

The Rights Offer is a renounceable offer of New Shares. Eligible Shareholders are entitled to subscribe for 1 New Share for every 7 Existing Shares held at 5.00pm on the Record Date, at the Application Price of \$0.89 per New Share (payable in full on application). You are not required to pay for the Rights, only for the New Shares which will be issued to you if you choose to take up all or some of your Rights.

The Rights Offer opens on 17 July 2013 and closes at 5.00pm on 2 August 2013 (subject to Argosy's right to modify these dates). The timetable for the Rights Offer is set out in Section 2.

Eligibility

The Rights Offer is only open to Eligible Shareholders. You are an Eligible Shareholder if you are recorded on Argosy's register as a Shareholder at 5.00pm on the Record Date with a registered address in New Zealand.

Argosy reserves the right to determine whether you or any other Shareholder is eligible to participate in the Rights Offer, and to reject any application that it considers has been made by a person who is not an Eligible Shareholder.

If you are a Shareholder at 5.00pm on the Record Date, but not an Eligible Shareholder, your Rights will become Unexercised Rights and the New Shares attributable to those Unexercised Rights will be offered in the Shortfall Bookbuild. If the Bookbuild Price exceeds the Application Price, the excess (i.e. the Premium) will be paid to you in the same manner as the holders of the other Unexercised Rights in proportion to your holding of Unexercised Rights.

Entitlement

The number of Rights (and therefore New Shares) to which you are entitled is recorded on the personalised Entitlement and Acceptance Form that accompanies this Prospectus. Entitlements are not scaled up to a minimum holding. Entitlements to fractions of New Shares will be rounded down to the nearest whole number.

You are not obliged to subscribe for any or all of the New Shares to which you are entitled under the Rights Offer.

Applications

Instructions on how to apply under the Rights Offer are set out in Section 6 of this Prospectus and on the Entitlement and Acceptance Form. Applications must be made on the Entitlement and Acceptance Form.

Applications, together with Application Monies for those applications (payment for the New Shares), must be delivered (by either mail, personal delivery or courier) in accordance with the instructions set out in the Entitlement and Acceptance Form. Your application may also be lodged with any NZX Primary Market Participant, but you must ensure that you deliver your completed Entitlement and Acceptance Form in time to enable it to be forwarded to the Registrar before the Closing Date.

Withdrawal of Rights Offer

Argosy reserves the right to withdraw the Rights Offer at any time before the allotment of New Shares, in which case all Application Monies will be refunded (without interest) by direct credit or cheque within five Business Days of the Rights Offer being withdrawn. If the Rights Offer is withdrawn before the allotment of New Shares, all Rights will lapse and any prior trades in Rights which have not settled will be cancelled.

SHORTFALL BOOKBUILD

New Shares attributable to Unexercised Rights will be offered to Eligible Bookbuild Investors under the Shortfall Bookbuild. If you do not take up your Rights under the Rights Offer, or are not able to because you are not an Eligible Shareholder, the New Shares attributable to your Unexercised Rights will be offered for sale in the Shortfall Bookbuild.

The Lead Manager will manage the Shortfall Bookbuild on behalf of Argosy. The Shortfall Bookbuild will be completed by 6 August 2013.

Eligibility

The Shortfall Bookbuild is only open to Eligible Bookbuild Investors. Eligible Bookbuild Investors are persons who:

- if resident in New Zealand:
 - are persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money; and/or
 - apply to participate in the Shortfall Bookbuild through an NZX Primary Market Participant. This means if you are an Eligible Shareholder or other retail investor you may participate in the Shortfall Bookbuild via an NZX Primary Market Participant submitting a bid on your behalf. You should contact your broker or an NZX Primary Market Participant to participate; or
- if resident outside New Zealand, are persons to whom an offer of New Shares can be made under all applicable laws, without the need for any registration, lodgement or similar formality.

SECTION 5 – DETAILS OF THE OFFER

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

Bookbuild Process

Eligible Bookbuild Investors participating in the Shortfall Bookbuild will bid for the New Shares attributable to the Unexercised Rights. The minimum bid that you may submit for a New Share under the Shortfall Bookbuild is the Application Price of \$0.89 per New Share and this amount is payable to Argosy. If the Bookbuild Price exceeds the Application Price, the excess (i.e. the Premium) will be paid to the holders of the relevant Unexercised Rights.

The Bookbuild Price will be determined by the Board (other than the Interested Director) and the Lead Manager, and is expected to be set at the highest price above the Application Price that will clear the book of New Shares available under the Shortfall Bookbuild.

The proceeds from each New Share issued under the Shortfall Bookbuild (if any) will be paid by the Registrar as follows:

- \$0.89 to Argosy; and
- any Premium achieved to the holders of the Unexercised Rights in proportion to their holdings of Unexercised Rights.

Example

This example assumes that there is demand for all of the New Shares available under the Shortfall Bookbuild and that the Bookbuild Price exceeds the Application Price.

	Per Share
Application Price	\$0.89
Bookbuild Price	\$0.91
Premium	\$0.02

In this example, a Shareholder who holds 10,000 Existing Shares at 5.00pm on the Record Date and is either not an Eligible Shareholder or is an Eligible Shareholder but chooses not to take up or sell his or her Rights will have 1,428 Unexercised Rights (rounded down). That Shareholder would receive \$28.56 in aggregate for his or her Unexercised Rights in the Shortfall Bookbuild, being the Premium of \$0.02 multiplied by the number of Unexercised Rights held by him or her.

If the Bookbuild Price is equal to the Application Price, there will be no Premium payable to the holders of Unexercised Rights.

Bookbuild Allocation Policy

Allocations and any necessary scaling of applications under the Shortfall Bookbuild will be determined by the Board (other than the Interested Director) in agreement with the Lead Manager. In determining allocations and

any necessary scaling of applications under the Shortfall Bookbuild, the Board (other than the Interested Director) and the Lead Manager will take into consideration the shareholdings as at 5.00pm on the Record Date of the Eligible Bookbuild Investors participating in the Shortfall Bookbuild who are also Shareholders on the Record Date.

Applications

If you are an Eligible Shareholder or other retail investor, you should contact your broker or an NZX Primary Market Participant who will provide details as to the process to be undertaken in relation to the Shortfall Bookbuild. All other Eligible Bookbuild Investors who wish to participate in the Shortfall Bookbuild should contact an NZX Primary Market Participant.

Payment to holders

The Premium, if any, will be paid by the Registrar in New Zealand dollars to holders of Unexercised Rights as follows:

- in accordance with the direct credit payment instructions provided by the Shareholder to Argosy for the purposes of Argosy dividends; and
- otherwise, by cheque sent by ordinary post to their address as recorded in Argosy's share register.

Direct credit payments are expected to be made, and cheques are expected to be sent, by 16 August 2013.

Cancellation of Shortfall Bookbuild

Argosy reserves the right to cancel the Shortfall Bookbuild at any time prior to allotment of New Shares under the Shortfall Bookbuild.

Important Information

The ability to sell New Shares in the Shortfall Bookbuild and the price obtained for them are dependent on various factors, including market conditions. There is no guarantee that the price obtained for the New Shares in the Shortfall Bookbuild will be greater than the Application Price, or that the holders of Unexercised Rights will receive any value for those Rights.

First NZ Capital and Argosy and their respective agents and affiliates will not be liable to any person for any failure to sell New Shares or to procure a Premium under the Shortfall Bookbuild.

NZX Waiver

NZX has granted Argosy a waiver from Listing Rule 9.2.1 to allow MFL Mutual Fund Limited to participate in the Shortfall Bookbuild without Shareholder approval. The waiver has been granted on the conditions that:

SECTION 5 – DETAILS OF THE OFFER

ARGOSY PROPERTY LIMITED
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- The Directors of Argosy, other than Mr Mark Cross who is also a director of MFL Mutual Fund Limited (the “Interested Director”), will certify to NZX that:
 - they are not Interested (in terms of Listing Rule 3.4.3) in the Shortfall Bookbuild;
 - the entry into, and performance by Argosy of obligations under, the Shortfall Bookbuild is fair and reasonable to all Shareholders and is in the best interests of Argosy;
 - Argosy will receive fair value under the Shortfall Bookbuild;
 - the decision to proceed with the Shortfall Bookbuild was approved by the Directors other than the Interested Director; and
 - the Interested Director abstained from, and did not participate in discussion in respect of, Board decisions to proceed with, or relating to the terms of, the Shortfall Bookbuild.
 - The Interested Director must abstain from, and not participate in discussion in respect of, Board decisions to proceed with, or relating to the terms of, the Shortfall Bookbuild.
 - The terms and conditions on which MFL Mutual Fund Limited participates in the Shortfall Bookbuild are identical to those offered to the other Eligible Bookbuild Investors participating in the Shortfall Bookbuild (save as to allocation in the event of oversubscription, which will be determined by the Board (other than the interested Director) in agreement with the Lead Manager).
 - The waiver, its conditions and its effects are disclosed in the half-year and annual reports for the year in which the Shortfall Bookbuild takes place.
- NZX has also granted Argosy a waiver from Listing Rule 9.2.1 to allow MFL Mutual Fund Limited to act as a sub-underwriter of the Offer without Shareholder approval. The waiver has been granted on the conditions that:
- The Directors of Argosy other than the Interested Director will certify to NZX that:
 - they are not Interested (in terms of Rule 3.4.3) in the Underwriting Agreement;
 - the entry into, and performance by Argosy of obligations under, the Underwriting Agreement is fair and reasonable to all shareholders and is in the best interests of Argosy;
 - Argosy will pay and receive (as the case may be) fair value under the Underwriting Agreement;
 - the decision to proceed with the Underwriting Agreement was approved by the Directors other than the Interested Director; and
 - the Interested Director abstained from, and did not participate in discussion in respect of, Board decisions to proceed with, or relating to the terms of, the Underwriting Agreement.
 - The Interested Director must abstain from, and not participate in discussion in respect of, Board decisions to proceed with, or relating to the terms of, the Underwriting Agreement.
 - The Underwriter certifies to NZX that the terms of any sub-underwriting agreement with MFL Mutual Fund Limited will be negotiated on an arm’s length and commercial basis between themselves and MFL Mutual Fund Limited, and there will be no material differences between the terms of that sub-underwriting agreement and the terms of sub-underwriting agreements with other sub-underwriters (if any) who are not Related Parties.
 - The waiver, its conditions and its effects are disclosed in the half-year and annual reports for the year in which MFL Mutual Fund Limited acts as sub-underwriter of the Offer.
- A copy of the waiver decision is available on NZX’s website, www.nzx.com.

OTHER TERMS OF THE OFFER

Allotment and Ranking of New Shares

New Shares are expected to be allotted under the Offer on 9 August 2013. Statements for the New Shares will be issued and mailed in accordance with the Listing Rules, and are expected to be mailed by 16 August 2013.

The New Shares will, from the date they are issued, rank equally with all Existing Shares on issue. Each Share entitles the Shareholder to:

- one vote on a poll at a meeting of Shareholders;
- participate on a pro-rata basis in any dividends declared by Argosy;
- participate on a pro-rata basis in any distribution on the liquidation of Argosy;
- be sent reports, notices of meeting and other information sent to Shareholders; and
- any other rights as a Shareholder conferred by the Constitution and the Companies Act 1993.

NZX Main Board Quotation

Application has been made for permission to quote the Rights on the NZX Main Board and all requirements of NZX relating to the application that can be complied with on or before the date of this Prospectus have been duly complied with. Trading of Rights will commence on the NZX Main Board under the code “ARGRA” on 11 July 2013 and will cease at 5.00pm on 29 July 2013.

SECTION 5 – DETAILS OF THE OFFER

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The New Shares have been accepted for quotation by NZX and will be quoted on the NZX Main Board upon completion of allotment procedures under the ticker code “ARG”.

NZX is a registered exchange regulated under the Securities Markets Act 1988 and the NZX Main Board is a registered market operated by NZX. NZX accepts no responsibility for any statements in this Prospectus.

Application Monies and Refunds

All Application Monies will be held in a special purpose account until the corresponding New Shares are allotted or the Application Monies are refunded. Interest earned on the Application Monies will be retained by Argosy whether or not the allotment and issue of New Shares takes place. Any refunds of Application Monies will be made by direct credit or cheque. Direct credit payments will be made, and cheques sent, within five Business Days of allotment of the New Shares.

Broker Stamping Fees

The Underwriter will pay a stamping fee to NZX Primary Market Participants who submit a valid claim for a broker stamping fee on successful applications of 0.50% of the Application Price of New Shares allotted under the Rights Offer pursuant to each valid application bearing the NZX Primary Market Participant’s stamp, subject to a maximum fee of \$300 for each valid application. The Underwriter reserves the right to decline payment of broker stamping fees where it considers (in its discretion) that holdings have been split or otherwise structured to take advantage of the stamping fee arrangements. In the event that total stamping fees payable exceed \$100,000, the stamping fee payable per valid application will be scaled back on a pro rata basis.

No stamping fee will be payable in respect of applications for New Shares under the Shortfall Bookbuild.

UNDERWRITING ARRANGEMENTS

Argosy has appointed First NZ Capital as Underwriter to fully underwrite the Offer. This means that, in accordance with the terms of the Underwriting Agreement, the Underwriter will subscribe for any New Shares at the Application Price that are not subscribed for under the Rights Offer and the Shortfall Bookbuild. A summary of the other principal terms of the Underwriting Agreement is set out below.

- The Underwriter may enter into sub-underwriting arrangements.
- The Underwriter will be paid an underwriting fee equal to 2% (excluding GST, if any) of the number of New Shares available under the Offer multiplied by the Application Price.

- The Underwriter may terminate its underwriting obligations under the Underwriting Agreement on the occurrence of a number of events, including the following:
 - Certain New Zealand legal requirements relating to the Offer and this Prospectus failing to be satisfied on or prior to the date of registration of this Prospectus.
 - A Material Adverse Event (as defined in the Underwriting Agreement), which includes an event or events, or any matter or matters or information, individually or together, including any breach of warranty or a covenant by Argosy under the Underwriting Agreement, which occurs, or which the Underwriter first becomes aware of, after the date of the Underwriting Agreement, and which in the Underwriter’s reasonable opinion, will or is likely to have a material adverse effect on:
 - the Group or its business or prospects;
 - the Offer or this Prospectus;
 - the price at which Existing Shares are traded, or New Shares will trade, on the NZX Main Board;
 - the allotment of and payment for the New Shares to be issued;
 - Argosy’s ability to issue the New Shares at the Application Price;
 - acceptance by Argosy of valid applications (as defined in the Underwriting Agreement) for the New Shares under the Offer;
 - the quotation of the New Shares on the NZX Main Board; or
 - the transfer or disposition of the New Shares through the NZX Main Board or otherwise.
 - The occurrence of certain events (including hostilities, changes in financial, economic or political conditions affecting capital markets or financial markets, a general moratorium on commercial banking activities or a material disruption in commercial banking or security settlement or clearance services, suspension of trading or listing) in certain countries or financial markets that are Material Adverse Events.
 - The occurrence of certain other specified events (including changes to this Prospectus, changes in law, prosecutions against Argosy or one of the Directors, changes of Directors or senior management, a default by Argosy of any of its obligations under the Underwriting Agreement, changes to Argosy’s capital structure, a Reserve Bank policy change, or any regulatory action taken by a regulatory body in relation to the Offer or this Prospectus) that are Material Adverse Events.

SECTION 5 – DETAILS OF THE OFFER

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SIMPLIFIED DISCLOSURE PROSPECTUS

- Failure of this Prospectus or any aspect of the Offer to comply in any material respect with applicable laws.
 - The report of the committee established by Argosy to carry out the due diligence investigations in relation to the Offer, or any other information supplied by or on behalf of Argosy to the Underwriter in relation to the Group or the Offer, being inaccurate, incomplete, misleading or deceptive (including by omission) in any material respect and this is a Material Adverse Event.
 - There having been a decline in the NZX50 Index or the S&P/500 Index whereby the index is at a level equivalent to 10% or more below its level as at 5.00pm on the Business Day prior to the date of the Underwriting Agreement, and which decline is maintained for a period of at least two consecutive business days and which decline is a Material Adverse Event.
 - The Shares ceasing to be quoted on the NZX Main Board.
 - There being an Insolvency Event (as defined in the Underwriting Agreement) in respect of Argosy or any of its subsidiaries.
 - A breach of any warranty given by Argosy to the Underwriter which, if capable of being remedied, is not remedied within three business days after notification of the breach and that breach is a Material Adverse Event.
 - The date that New Shares are allotted under the Offer is delayed by two or more business days without the prior consent of the Underwriter and that delay is a Material Adverse Event.
 - Any due diligence investigation of Argosy or conducted by, or in conjunction with or on behalf of the Underwriter revealing any matter of which the Underwriter was not previously aware and this is a Material Adverse Event.
- If the Underwriting Agreement is validly terminated, the Underwriter is required to continue to act as a bookrunner in relation to the Shortfall Bookbuild process but will not be obliged to subscribe for any New Shares.
 - Argosy has agreed to indemnify the Underwriter in connection with the underwrite against certain losses incurred as a result of or in relation to the Offer, this Prospectus, the allotment of the New Shares or the Underwriting Agreement.
 - Argosy may not, without the prior consent of the Underwriter, for a period of three months after the date that New Shares are allotted under the Offer (or until the date the Underwriter disposes of any New Shares that it subscribes for under the Offer, if earlier):
 - offer for sale or accept an offer for any Shares or other equity securities issued by Argosy;
 - allot or issue any Shares or other equity securities of Argosy;
 - issue or grant any right or option that entitles the holder to call for the issue of Shares by Argosy or that is otherwise convertible into, exchangeable for or redeemable by the issue of, Shares or other equity securities by Argosy;
 - create any debt instrument or other obligation which may be convertible into, exchangeable for, or redeemable by, the issue of Shares or other equity securities by Argosy;
 - otherwise enter into any agreement whereby any person may be entitled to the allotment and issue of any Shares or other equity securities by Argosy; or
 - make any announcement of or intention to do any of the foregoing, other than pursuant to Argosy's dividend reinvestment plan, an existing employee incentive plan or the Offer.
 - Argosy may not, without the prior consent of the Underwriter, for a period of three months after the date that New Shares are allotted under the Offer (or until the date the Underwriter disposes of any New Shares that it subscribes for under the Offer, if earlier):
 - dispose of or charge, or agree to dispose of or charge, the whole or any substantial part of Argosy's business; or
 - enter into any commitment or arrangement which is or may be material in the context of the Offer, the underwriting of any shortfall of the Offer or quotation, except, in each case, as expressly contemplated in this Prospectus, or as disclosed in writing to the Underwriter prior to the date of the Underwriting Agreement.
 - Warranties given by Argosy in the Underwriting Agreement include warranties relating to the content of the Prospectus, compliance by the Group with relevant laws, the existence of no material litigation, the solvency of the Group, and the valid issue and allotment of New Shares.

EFFECT OF THE OFFER ON THE CAPITAL STRUCTURE OF ARGOSY

Argosy presently has 683,596,742 Shares on issue.

On the basis of the number of Existing Shares on issue, if all Rights are taken up, Argosy will issue 97,656,677 New Shares (subject to rounding). This represents 14.3% of the total number of Shares presently on issue. The number of Shares on issue after the Offer will increase to 781,253,419 Shares (subject to rounding).

SECTION 6 – ACTION TO BE TAKEN BY YOU

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

SECTION 6 – ACTION TO BE TAKEN BY YOU

AVAILABLE ACTIONS

If you are an **Eligible Shareholder**, you may choose to:

- **take up all** or **some** of your Rights;
- **sell all** or **some** of your Rights;
- **take up some** of your Rights and **sell all** or **some** of the balance; or
- do **nothing with all** or **some** of your Rights.

Important: Your Rights may have value. If you do nothing, your Rights will lapse and you will not be able to subscribe for any New Shares or realise any other value for your Rights, except as provided for in relation to the Shortfall Bookbuild (which is described in more detail in Section 5).

If you would like to take up any of your Rights (and therefore subscribe for New Shares), you must do so by using the Entitlement and Acceptance Form and following the instructions in this Prospectus and on the Entitlement and Acceptance Form.

If you destroy or lose your personalised Entitlement and Acceptance Form, you can obtain another form by contacting the Registrar (whose details are set out at the end of this Section and in the Directory).

Applications to take up Rights (and subscribe for New Shares) cannot be revoked or withdrawn. If both an acceptance and a renunciation (sale or transfer) are received in relation to the same Rights, the renunciation (sale or transfer) will take priority.

Argosy reserves the right to accept late applications and Application Monies for those applications, but has no obligation to do so. Argosy reserves the right to accept or reject (at its discretion) any Entitlement and Acceptance Form including (without limitation) if it is not completed correctly, and to correct any errors or omissions on any Entitlement and Acceptance Form.

If you are an **Eligible Bookbuild Investor**, you may choose to:

- **participate** in the Shortfall Bookbuild; or
- **do nothing**.

You cannot use the Entitlement and Acceptance Form to elect to participate in the Shortfall Bookbuild.

TAKING UP YOUR RIGHTS

If you wish to **take up all** or **some** of your Rights, you should complete the Entitlement and Acceptance Form and, in particular, section A and return it to the Registrar (by either mail, personal delivery or courier) with the Application Monies by no later than the Closing Date in accordance with the instructions set out on the Entitlement and Acceptance Form.

Payment of the Application Monies may be made to Argosy by following the instructions set out below and on the Entitlement and Acceptance Form. You are required to pay the aggregate Application Price for the number of New Shares you have applied for in full on application by the Closing Date.

By returning a completed Entitlement and Acceptance Form, you:

- certify to Argosy that you are an Eligible Shareholder entitled to apply for New Shares under the Rights Offer;
- acknowledge that you have received a printed or electronic copy of this Prospectus and the Entitlement and Acceptance Form and have read both documents in full;
- declare that all the details and statements on the Entitlement and Acceptance Form are complete and accurate;
- acknowledge that, once the Entitlement and Acceptance Form is returned, the application may not be varied or withdrawn, except as required by law;
- agree to be issued the number of New Shares you have subscribed for; and
- authorise Argosy and its officers and agents to do anything on their behalf necessary for the New Shares to be issued to you, including to act on instructions received by the Registrar using the contact details on the Entitlement and Acceptance Form.

SECTION 6 – ACTION TO BE TAKEN BY YOU

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

If there is a discrepancy between the amount of Application Monies (by way of cheque, bank draft or direct credit) received from you in cleared funds by the Registrar and the number of New Shares for which you have applied on your Entitlement and Acceptance Form, Argosy will treat your application as being for the lower of the number of New Shares applied for (as indicated on your Entitlement and Acceptance Form) and the number of New Shares for which payment has been made. Your application will not be treated as you having offered to subscribe for a greater number of New Shares than the number for which payment is made.

Argosy may also, in its discretion, rectify any errors in, or omissions from, any Entitlement and Acceptance Form to enable that form to constitute a valid acceptance of the Rights Offer, including filling in any blanks.

SELLING YOUR RIGHTS

The Rights are renounceable. This means if you do not wish to take up all or some of your Rights, you can sell those Rights.

If you wish to **sell all** or **some** of your Rights, this can be done by instructing an NZX Primary Market Participant to sell your Rights on the NZX Main Board on your behalf. You can ascertain your entitlement to Rights by contacting the Registrar at any time after the Record Date. If you trade in Rights before receiving confirmation of your allocation of Rights, you do so at your own risk (as the number of Rights to which you are entitled, once confirmed, may be different to the number you expected).

Trading of Rights will commence on the NZX Main Board under the code “ARGRA” on 11 July 2013 and will cease at 5.00pm on 29 July 2013. Your Rights may be sold on the NZX Main Board between these dates, should you choose not to take up all of your Rights. If you wish to sell your Rights using this method you must do so before close of trading on the NZX Main Board on 29 July 2013.

If you wish to sell your Rights by private treaty, you must complete section B of the Entitlement and Acceptance Form in accordance with the instructions therein and forward it to the buyer of your Rights for completion by them. They must then return the Entitlement and Acceptance Form to the Registrar together with the Application Monies by no later than 5.00pm on the Closing Date.

TAKING UP SOME OF YOUR RIGHTS AND SELLING THE BALANCE

There is no minimum number of New Shares that you must subscribe for under the Rights Offer. You may take up as many or as few of your Rights as you wish. If you wish to **take up some** of your Rights and **sell the balance**, you should:

- instruct an NZX Primary Market Participant to sell the number of Rights you wish to renounce; and
- indicate the number of New Shares you wish to take up on the Entitlement and Acceptance Form and send your completed Entitlement and Acceptance Form, together with payment for the number of New Shares applied for, directly to the NZX Primary Market Participant through whom you sold your Rights.

If Argosy receives, on or before 5.00pm on the Closing Date, both an acceptance and a renunciation (sale or transfer) by you in respect of the same Rights, the renunciation (sale or transfer) will take priority to the acceptance.

PAYMENT AND MAILING INSTRUCTIONS FOR THE RIGHTS OFFER

You must make payment in full on application by paying the aggregate Application Price for all New Shares for which you have applied.

Payments are to be made in New Zealand dollars by cheque, bank draft or direct credit to the Registrar or by such other method of payment agreed as acceptable to Argosy.

DO NOT FORWARD CASH. Receipts for payment will not be issued.

Cheques or bank drafts

If you wish to pay by cheque or bank draft, you must ensure that the cheque is drawn on a New Zealand bank or that the bank draft is in New Zealand dollars. Cheques or bank drafts drawn in a different currency will not be accepted.

You should make your cheque or bank draft payable to “Argosy Property Limited Offer” and ensure it is crossed “Not Transferable”.

SECTION 6 – ACTION TO BE TAKEN BY YOU

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

Direct credit

If you wish to pay by direct credit:

- you should transfer funds in New Zealand dollars to the special purpose account established for the Offer, the details of which are set out on the Entitlement and Acceptance Form; and
- you must submit your payment to your bank by no later than 4.00pm on 31 July 2013 (being two Business Days before the Closing Date).

Processing of applications

Processing of applications and the banking of payment cheques will take place on the day of receipt by the Registrar (or the first Business Day after that day) with subscriptions received held in trust until the New Shares are allotted (or the Application Monies are refunded). The banking of Application Monies will not constitute allotment of any New Shares. The New Shares are expected to be allotted on 9 August 2013.

Mailing address

If you wish to mail your completed form and payment (if paying by cheque or bank draft) to the Registrar, you should send them to:

Argosy Property Limited

C/- Computershare Investor Services Limited
Private Bag 92119
Auckland Mail Centre
Auckland 1142
New Zealand

If you wish to deliver or courier your completed form and payment to the Registrar, you may do so to the Registrar's physical address set out in the Directory.

Applications must be received by the Registrar by 5.00pm on the Closing Date. You may also lodge your application with any NZX Primary Market Participant but you must deliver your completed Entitlement and Acceptance Form in time to enable forwarding to the Registrar before the Closing Date.

PARTICIPATING IN THE SHORTFALL BOOKBUILD

Eligible Bookbuild Investors who are Shareholders or other retail investors wishing to participate in the Shortfall Bookbuild should contact their broker or an NZX Primary Market Participant. All other Eligible Bookbuild Investors who wish to participate in the Shortfall Bookbuild should contact an NZX Primary Market Participant.

Your broker or the relevant NZX Primary Market Participant will provide Eligible Bookbuild Investors with details as to the process to be undertaken in relation to the Shortfall Bookbuild.

If you are allocated New Shares under the Shortfall Bookbuild, you will be required to pay the Bookbuild Price for those New Shares in accordance with the instructions given to you by your broker or the relevant NZX Primary Market Participant. No Eligible Bookbuild Investor will be allocated any greater number of New Shares than that applied for under the Shortfall Bookbuild.

ENQUIRIES

If you have any queries about the number of Rights shown on the Entitlement and Acceptance Form which accompanies this Prospectus, or how to complete the Entitlement and Acceptance Form, please contact the Registrar at:

Computershare Investor Services Limited

Level 2, 159 Hurstmere Road
Takapuna
Auckland 0622

Private Bag 92119
Auckland 1142

Telephone (09) 488 8777

Email: enquiry@computershare.co.nz

If you are in doubt as to any aspect of this Prospectus or the Offer, you should consult your financial or other professional adviser or an NZX Primary Market Participant.

SECTION 7 – OTHER IMPORTANT INFORMATION

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

SECTION 7 – OTHER IMPORTANT INFORMATION

This Section of the Prospectus contains information that is required by Schedule 10 to the Securities Regulations 2009.

NAMES, ADDRESSES AND OTHER INFORMATION

Issuer	Argosy Property Limited The address of the registered office of the Issuer is Unit A, Level 1, 39 Market Place, Auckland.
Directors of the Issuer	Philip Michael Smith Peter Clynton Brook Andrew Mark Cross Andrew Hardwick Evans Christopher Brent Hunter Trevor Donald Scott
Registrar	Computershare Investor Services Limited

EXPERTS AND UNDERWRITERS

The Offer is fully underwritten by First NZ Capital Securities Limited of Level 39, ANZ Centre, 23-29 Albert Street, Auckland.

Valuations

In accordance with Argosy's accounting policy, all investment properties were independently valued as at 31 March 2013, except for Waterloo Quay, Wellington, which was purchased on 28 March 2013. The valuations were prepared by independent registered valuers Jones Lang LaSalle Limited ("**JLL**"), CBRE Limited ("**CBRE**"), Colliers International New Zealand Limited ("**Colliers**"), Bayleys Valuations Limited ("**Bayleys**") and Absolute Value Limited ("**AVL**") (for the purposes of this Section, collectively referred to as the "**Valuers**").

The aggregate independent valuation of Argosy's investment properties (excluding Waterloo Quay, Wellington) as at 31 March 2013, together with a breakdown by property sector, is included in the

Key portfolio metrics table in Section 3 on page 7.

The independent valuation of each Acquisition property is included under the heading "Summary of the Acquisitions" in Section 3, set out on page 9.

In carrying out an assessment of market value of Argosy's investment properties (including the Acquisition properties), the Valuers have utilised three primary methods of valuation, namely the Contract Income Approach (whereby contracted net income is capitalised in perpetuity), the Market Income Approach (whereby estimated current market net income is capitalised in perpetuity) and the Discounted Cashflow Approach (whereby estimated net income and capital growth over a 10 year investment horizon is discounted to a net present value). All three approaches have utilised comparable market data in calculating the key assumptions.

SECTION 7 – OTHER IMPORTANT INFORMATION

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

Details of valuations

Property	Location	Valuer	Date of valuation	Person responsible for valuation
252 Dairy Flat Highway, Albany	Auckland	AVL	31 March 2013	Ryan Impson (Valuation Director - Principal), ANZIV, SPINZ, MRICS and Registered Valuer Charles Vaughan, BBS (VPM)
Cnr Taniwha & Paora Hape Streets	Taupo	AVL	31 March 2013	Ryan Impson (Valuation Director - Principal), ANZIV, SPINZ, MRICS and Registered Valuer Sharee Aitken, BBS, APINZ
1478 Omahu Road	Hastings	AVL	31 March 2013	Ryan Impson (Valuation Director - Principal), ANZIV, SPINZ, MRICS and Registered Valuer Charles Vaughan, BBS (VPM)
67 Dalgety Drive, Manukau City	Auckland	Bayleys	31 March 2013	John Darroch (Director of Valuation Services Auckland), FPINZ, FNZIV, MRICS Jessica Nott, BProp
8 Forge Way, Panmure	Auckland	Bayleys	31 March 2013	John Darroch (Director of Valuation Services Auckland), FPINZ, FNZIV, MRICS Jessica Nott, BProp
7 El Prado Drive	Palmerston North	Bayleys	31 March 2013	Steve McColl, BBS, VPM and Registered Valuer
31 El Prado Drive	Palmerston North	Bayleys	31 March 2013	Steve McColl, BBS, VPM and Registered Valuer
12 – 16 Bell Avenue	Auckland	Bayleys	31 March 2013	John Darroch (Director of Valuation Services Auckland), FPINZ, FNZIV, MRICS Jessica Nott, BProp
18 – 20 Bell Avenue	Auckland	Bayleys	31 March 2013	John Darroch (Director of Valuation Services Auckland), FPINZ, FNZIV, MRICS Jessica Nott, BProp
32 Bell Avenue	Auckland	Bayleys	31 March 2013	John Darroch (Director of Valuation Services Auckland), FPINZ, FNZIV, MRICS Jessica Nott, BProp
19 Richard Pearse Drive & 26 Ascot Avenue	Auckland	Bayleys	31 March 2013	John Darroch (Director of Valuation Services Auckland), FPINZ, FNZIV, MRICS Jessica Nott, BProp
8 Pacific Rise, Mt Wellington	Auckland	Bayleys	31 March 2013	John Darroch (Director of Valuation Services Auckland), FPINZ, FNZIV, MRICS Jessica Nott, BProp
56 Cawley Street, Ellerslie	Auckland	Bayleys	31 March 2013	John Darroch (Director of Valuation Services Auckland), FPINZ, FNZIV, MRICS Jessica Nott, BProp
302 Great South Road, Greenlane	Auckland	Bayleys	31 March 2013	John Darroch (Director of Valuation Services Auckland), FPINZ, FNZIV, MRICS Jessica Nott, BProp
308 Great South Road, Greenlane	Auckland	Bayleys	31 March 2013	John Darroch (Director of Valuation Services Auckland), FPINZ, FNZIV, MRICS Jessica Nott, BProp
626 Great South Road, Ellerslie	Auckland	Bayleys	31 March 2013	John Darroch (Director of Valuation Services Auckland), FPINZ, FNZIV, MRICS Jessica Nott, BProp

SECTION 7 – OTHER IMPORTANT INFORMATION

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

Property	Location	Valuer	Date of valuation	Person responsible for valuation
537 Main Street	Palmerston North	Bayleys	31 March 2013	Steve McColl, BBS, VPM and Registered Valuer
39 Cavendish Drive, Manukau City	Auckland	Bayleys	31 March 2013	John Darroch (Director of Valuation Services Auckland), FPINZ, FNZIV, MRICS Jessica Nott, BProp
10 Transport Place, East Tamaki	Auckland	CBRE	31 March 2013	Patrick Ryan (Director), SPINZ, ANZIV and Registered Valuer Andrew Muller, BCom (VPM), MPINZ
1 – 3 Unity Drive, Albany	Auckland	CBRE	31 March 2013	Jamahl Williams (Director), BBS (VPM), ANZIV, SPINZ and Registered Valuer Todd Sandford, BProp (Hons), MPINZ
5 Unity Drive, Albany	Auckland	CBRE	31 March 2013	Jamahl Williams (Director), BBS (VPM), ANZIV, SPINZ and Registered Valuer Todd Sandford, BProp (Hons), MPINZ
1 Pandora Road	Napier	CBRE	31 March 2013	Patrick Ryan (Director), SPINZ, ANZIV and Registered Valuer
211 Albany Highway, Albany	Auckland	CBRE	31 March 2013	Jamahl Williams (Director), BBS (VPM), ANZIV, SPINZ and Registered Valuer Todd Sandford, BProp (Hons), MPINZ
9 Ride Way, Albany	Auckland	CBRE	31 March 2013	Jamahl Williams (Director), BBS (VPM), ANZIV, SPINZ and Registered Valuer Todd Sandford, BProp (Hons), MPINZ
960 Great South Road, Penrose	Auckland	CBRE	31 March 2013	Patrick Ryan (Director), SPINZ, ANZIV and Registered Valuer Andrew Muller, BCom (VPM), MPINZ
Cnr William Pickering Drive & Rothwell Avenue, Albany	Auckland	CBRE	31 March 2013	Jamahl Williams (Director), BBS (VPM), ANZIV, SPINZ and Registered Valuer Todd Sandford, BProp (Hons), MPINZ
Rewarewa Road	Whangarei	CBRE	31 March 2013	Jamahl Williams (Director), BBS (VPM), ANZIV, SPINZ and Registered Valuer
Wagener Place (Storage King)	Auckland	CBRE	31 March 2013	Stephen Doyle (Director), BProp, ANZIV, MPINZ and Registered Valuer Todd Sandford, BProp (Hons), MPINZ
99 – 107 Khyber Pass Road	Auckland	CBRE	31 March 2013	Patrick Ryan (Director), SPINZ, ANZIV and Registered Valuer Andrew Muller, BCom (VPM), MPINZ
143 Lambton Quay	Wellington	CBRE	31 March 2013	William Bunt (Director), FNZIV, FPINZ and Registered Valuer David Cook (Associate Director), BCom, BProp, MPINZ and Registered Valuer
46 Waring Taylor Street	Wellington	CBRE	31 March 2013	William Bunt (Director), FNZIV, FPINZ and Registered Valuer David Cook (Associate Director), BCom, BProp, MPINZ and Registered Valuer
8 – 14 Willis Street	Wellington	CBRE	31 March 2013	William Bunt (Director), FNZIV, FPINZ and Registered Valuer David Cook (Associate Director), BCom, BProp, MPINZ and Registered Valuer

SECTION 7 – OTHER IMPORTANT INFORMATION

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

Property	Location	Valuer	Date of valuation	Person responsible for valuation
Albany Lifestyle Centre, 260 Oteha Valley Road, Albany	Auckland	CBRE	31 March 2013	Timothy Arnott (Director), BCom (VPM), MPINZ and Registered Valuer Anisha Seager, BProp, BCom
7 Wagener Place	Auckland	CBRE	31 March 2013	Timothy Arnott (Director), BCom (VPM), MPINZ and Registered Valuer Anisha Seager, BProp, BCom
180 – 202 Hutt Road	Kaiwharawhara	CBRE	31 March 2013	Peter Shellekens (Director), ANZIV, SPINZ and Registered Valuer Lawrence Lowe
Stewart Dawsons Corner, 360 – 366 Lambton Quay	Wellington	CBRE	31 March 2013	William Bunt (Director), FNZIV, FPINZ and Registered Valuer David Cook (Associate Director), BCom, BProp, MPINZ and Registered Valuer
Porirua Mega Centre, 2 – 10 Semple Street	Poirua	CBRE	31 March 2013	Peter Shellekens (Director), ANZIV, SPINZ and Registered Valuer Lawrence Lowe
90 – 104 Springs Road, East Tamaki	Auckland	Colliers	31 March 2013	Mark Parlane (Director), BBS (VPM), ANZIV, SPINZ and Registered Valuer Nick Hooper, BProp
1 Rothwell Avenue, Albany	Auckland	Colliers	31 March 2013	Mark Parlane (Director), BBS (VPM), ANZIV, SPINZ and Registered Valuer Nick Hooper, BProp
44 Neil Lane	Palmerston North	Colliers	31 March 2013	Mark Parlane (Director), BBS (VPM), ANZIV, SPINZ and Registered Valuer Russell Clark (Director), BCom, (VPM), MPINZ and Registered Valuer
80 Springs Road, East Tamaki	Auckland	Colliers	31 March 2013	Mark Parlane (Director), BBS (VPM), ANZIV, SPINZ and Registered Valuer Nick Hooper, BProp
8 Foundry Drive, Woolston	Christchurch	Colliers	31 March 2013	Nick Hooper, BProp
1 Allens Road, East Tamaki	Auckland	Colliers	31 March 2013	Mark Parlane (Director), BBS (VPM), ANZIV, SPINZ and Registered Valuer Nick Hooper, BProp
2 Allens Road, East Tamaki	Auckland	Colliers	31 March 2013	Mark Parlane (Director), BBS (VPM), ANZIV, SPINZ and Registered Valuer Nick Hooper, BProp
12 Allens Road, East Tamaki	Auckland	Colliers	31 March 2013	Mark Parlane (Director), BBS (VPM), ANZIV, SPINZ and Registered Valuer Nick Hooper, BProp
106 Springs Road, East Tamaki	Auckland	Colliers	31 March 2013	Mark Parlane (Director), BBS (VPM), ANZIV, SPINZ and Registered Valuer Nick Hooper, BProp
5 Allens Road, East Tamaki	Auckland	Colliers	31 March 2013	Mark Parlane (Director), BBS (VPM), ANZIV, SPINZ and Registered Valuer Nick Hooper, BProp

SECTION 7 – OTHER IMPORTANT INFORMATION

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

Property	Location	Valuer	Date of valuation	Person responsible for valuation
17 Mayo Road, Wiri	Auckland	Colliers	31 March 2013	Mark Parlane (Director), BBS (VPM), ANZIV, SPINZ and Registered Valuer Nick Hooper, BProp
Manawatu Business Park-Land (DP450072 Lot 39, DP446858 Lots 1, 2, 3, 6, 7, 17, 19, 21, 22, 23, 26, 49, 50)	Palmerston North	Colliers	31 March 2013	Mark Parlane (Director), BBS (VPM), ANZIV, SPINZ and Registered Valuer Darren Park, BProp and Registered Valuer
Old City Markets, 39 Market Place	Auckland	Colliers	31 March 2013	Lianne Harrison (Associate Director), BBS (VPM), ANZIV, MPINZ and Registered Valuer Gemma Peterson BCom, BProp (Hons)
25 Nugent Street, Grafton	Auckland	Colliers	31 March 2013	Mark Parlane (Director), BBS (VPM), ANZIV, SPINZ and Registered Valuer Anthony Long (Associate Director), BPA, ANZIV, SPINZ and Registered Valuer
65 Upper Queen Street	Auckland	Colliers	31 March 2013	Lianne Harrison (Associate Director), BBS (VPM), ANZIV, MPINZ and Registered Valuer Gemma Peterson BCom, BProp (Hons)
Waitakere Mega Centre, 5 Vitasovich Avenue, Henderson	Auckland	Colliers	31 March 2013	ME Granberg (Director), BCom, BProp, ANZIV and Registered Valuer Dhilan Balia
28 – 30 Catherine Street, Henderson	Auckland	Colliers	31 March 2013	ME Granberg (Director), BCom, BProp, ANZIV and Registered Valuer Dhilan Balia
Albany Mega Centre, 140 Don McKinnon Drive, Albany	Auckland	Colliers	31 March 2013	ME Granberg (Director), BCom, BProp, ANZIV and Registered Valuer Dhilan Balia
101 Carlton Gore Road, Newmarket	Auckland	Colliers	1 May 2013	Mark Parlane (Director), BBS, ANZIV, SPINZ and Registered Valuer Lianne Harrison (Associate Director), BBS (VPM), ANZIV, MPINZ and Registered Valuer Darren Park, BProp and Registered Valuer
80 Favona Road, Mangere	Auckland	Colliers	31 May 2013	Mark Parlane (Director), BBS, ANZIV, SPINZ and Registered Valuer
Cnr Wakefield, Taranaki & Cable Streets	Wellington	JLL	31 March 2013	Nigel Fenwick (Associate Director), BBS (VPM) and Registered Valuer RW Macdonald (Director), FRICS, FNZIV FPINZ and Registered Valuer
4 Henderson Place, Onehunga	Auckland	JLL	31 March 2013	William Hickey (Associate Director), BProp, BCom, MPINZ, ANZIV and Registered Valuer Arthur Harris (National Director), BSc, BPA, Dip Man, Dip Bus (Fin) and Registered Valuer

SECTION 7 – OTHER IMPORTANT INFORMATION

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

Property	Location	Valuer	Date of valuation	Person responsible for valuation
105 Carlton Gore Road, Newmarket	Auckland	JLL	31 March 2013	Rachel Smith BProp, MPINZ and Registered Valuer Dave Wigmore (National Director), BPA, ANZIV, SPINZ and Registered Valuer
107 Carlton Gore Road, Newmarket	Auckland	JLL	31 March 2013	Rachel Smith BProp, MPINZ and Registered Valuer Dave Wigmore (National Director), BPA, ANZIV, SPINZ and Registered Valuer Jacinta Donnelly, BProp, BCom
Citigroup Centre, 23 Customs Street East	Auckland	JLL	31 March 2013	Rachel Smith BProp, MPINZ and Registered Valuer Dave Wigmore (National Director), BPA, ANZIV, SPINZ and Registered Valuer
IBM Centre, 82 Wyndham Street	Auckland	JLL	31 March 2013	Rachel Smith BProp, MPINZ and Registered Valuer Dave Wigmore (National Director), BPA, ANZIV, SPINZ and Registered Valuer
320 Ti Rakau Drive, East Tamaki	Auckland	JLL	31 March 2013	Dale Winfield (Director), BCom (VPM), MPINZ and Registered Valuer Jacinta Donnelly, BProp, BCom

JLL can be contacted at Level 16,
188 Quay Street, Auckland.

CBRE can be contacted at Level 14,
21 Queen Street, Auckland.

Colliers can be contacted at Level 27,
151 Queen Street, Auckland.

Bayleys can be contacted at
4 Viaduct Harbour Avenue, Auckland.

AVL can be contacted at Level 1,
12 O'Connell Street, Auckland.

Consents

Each of the Valuers has given, and has not before the date of this Prospectus, withdrawn its consent to the distribution of this Prospectus with the statements referring to their valuations set out in this Section 7 and, in the case of Colliers, the valuation amounts for each of the Acquisition properties referred to under the heading "Summary of the Acquisitions" in Section 3, in the form and context in which each of them is included.

Each of the Valuers is not (and does not intend to be) a director, officer, or employee of Argosy. None of the Valuers has any relationship (other than that of valuer) with, or interest in, Argosy or any of its associated persons. None of these Valuers has any interest in Argosy's properties that were valued or any relationship with any other person who has a material interest in those properties.

SECTION 7 – OTHER IMPORTANT INFORMATION

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

TERMS OF OFFER AND SECURITIES

Details of the main terms of the Offer and of the New Shares being offered are set out in Section 5. The maximum number of New Shares being offered under the Offer is 97,656,677 (subject to rounding). The maximum amount to be raised by Argosy under the Offer is \$86.9 million.

The Application Price to be paid for each New Share under the Rights Offer is \$0.89. The Bookbuild Price to be paid for each New Share under the Shortfall Bookbuild will be determined through the bid process for the Shortfall Bookbuild.

Details relating to the person to whom, and the manner in which, payments are to be made are set out in Section 6.

RELATIONSHIP WITH LISTED SECURITIES

The New Shares will, from the date they are issued, rank equally with all Existing Shares. The New Shares are of the same class as Existing Shares quoted on the NZX Main Board under the ticker code “ARG”.

Each Share entitles the Shareholder to:

- one vote on a poll at a meeting of Shareholders;
- participate on a pro-rata basis in any dividends declared by Argosy;
- participate on a pro-rata basis in any distribution on the liquidation of Argosy;
- be sent reports, notices of meeting and other information sent to Shareholders; and
- any other rights as a Shareholder conferred by the Constitution and the Companies Act 1993.

The Application Price has been set at a discount to the market price of Shares traded on the NZX Main Board. As at the date of this Prospectus, the Application Price is lower than the quoted market price for Shares. The Bookbuild Price to be paid for each New Share under the Shortfall Bookbuild is not known at the date of this Prospectus but will not be less than the Application Price for New Shares under the Rights Offer.

The market price of Shares may change between the date of the Offer and the date when the New Shares are allotted under the Rights Offer and the Shortfall Bookbuild. Any changes in the market price will not affect the price that you are required to pay under the Offer, but the market price of the New Shares you receive following allotment may be higher or lower than the price you paid for those Shares.

INFORMATION AVAILABLE UNDER ISSUER'S DISCLOSURE OBLIGATIONS

The table below sets out particulars of information material to the Offer that have been notified by Argosy to NZX in accordance with its disclosure obligations under the Listing Rules on or after the date on which the financial statements referred to in the paragraph below were notified to NZX.

A number of these disclosures describe or relate to the business operations and financial performance of Argosy as at previous dates or in respect of previous periods and should be read in the context of, and subject to, any subsequent disclosures to NZX noted below, and the information contained or referred to in this Prospectus.

Date of announcement	Description of announcement
26 June 2013	Argosy Board appoints new Director
26 June 2013	Ongoing Disclosure Notice (Andrew Hardwick Evans)
26 June 2013	Ongoing Disclosure Notice (Peter Clynton Brook)
26 June 2013	ARG 2013 Annual Report
26 June 2013	ARG dividend reinvestment allotment of shares
25 June 2013	SSH Notice – (MFL Mutual Fund Limited)
17 June 2013	Argosy announces dividend reinvestment plan strike price
7 June 2013	Substantial Security Holder Notice – Accident Compensation Corporation
5 June 2013	Acquisition of Progressive Enterprises Distribution Centre
27 May 2013	Argosy acquires The Vector Centre Carlton Gore Rd property
23 May 2013	Annual Result and Dividend Announcement for the year ending 31 March 2013

SECTION 7 – OTHER IMPORTANT INFORMATION

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

FINANCIAL STATEMENTS

The latest audited financial statements for Argosy that comply with, and have been registered under, the Financial Reporting Act 1993 are for the year ended 31 March 2013. These financial statements were registered with the Companies Office of the Ministry of Business, Innovation and Employment on 24 May 2013 and were notified to NZX in accordance with the Listing Rules on 23 May 2013.

ACCESS TO INFORMATION AND STATEMENTS

Copies of the disclosed information identified in the table above and the audited financial statements referred to in the paragraph above:

- are filed on a public register at the Companies Office of the Ministry of Business, Innovation and Employment and are available for public inspection (including at www.business.govt.nz/companies); and

- will be made available on request, and free of charge, by contacting Argosy at the address in the Directory.

Argosy's annual report which contains the latest audited financial statements is also available on Argosy's website at www.argosy.co.nz

DIRECTORS' STATEMENT

In the opinion of the Directors, after due enquiry by them, Argosy is in compliance with the requirements of the continuous disclosure provisions that apply to it.

STATUTORY INDEX

The following index outlines the matters required to be stated or contained in this Prospectus under Schedule 10 of the Securities Regulations 2009:

Matter	Clause	Page(s)
Information at front of simplified disclosure prospectus	1	Cover page
Names, addresses, and other information	2	23
Experts and underwriter	3	23 to 28
Terms of offer and securities	4	15 to 22 and 29
Relationship with listed securities	5	29
Information available under issuer's disclosure obligation	6	29
Financial statements	7	30
Access to information and statements	9	30
Directors' statement	10	30

Signed by each of the Directors of Argosy Property Limited:



P M Smith



P C Brook



A M Cross



A H Evans



C B Hunter



T D Scott

SECTION 8 – GLOSSARYARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS**SECTION 8 – GLOSSARY**

Acquisitions	Argosy's acquisition of the property at 80 Favona Road, Mangere, Auckland and its agreement to acquire the property at 101 Carlton Gore Road, Newmarket, Auckland further details of which are set out in Section 3
Application Monies	Money received by Argosy from Eligible Shareholders who have applied for New Shares under the Rights Offer
Application Price	\$0.89 per New Share
Argosy	Argosy Property Limited
AVL	Absolute Value Limited
Bayleys	Bayleys Valuations Limited
Board	The board of Directors
Bookbuild Price	Proceeds from the issue of New Shares under the Shortfall Bookbuild on a per Share basis
Business Day	A day on which the NZX Main Board is open for trading
CBRE	CBRE Limited
Closing Date	2 August 2013 (5.00pm)
Colliers	Colliers International New Zealand Limited
Constitution	The constitution of Argosy as amended from time to time
CPI	Consumers price index as published by Statistics New Zealand
Directors	The directors of Argosy
Eligible Bookbuild Investors	Persons who: <ul style="list-style-type: none"> – if resident in New Zealand: <ul style="list-style-type: none"> • are persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money; and/or • apply to participate in the Shortfall Bookbuild through an NZX Primary Market Participant; or – if resident outside New Zealand, are persons to whom an offer of New Shares can be made under all applicable laws, without the need for any registration, lodgement or similar formality
Eligible Shareholders	Persons recorded on the share register as Shareholders at 5.00pm on the Record Date with a registered address in New Zealand
Entitlement and Acceptance Form	The personalised entitlement and acceptance form enclosed with this Prospectus for an Eligible Shareholder
Existing Share	A Share on issue at 5.00pm on the Record Date
First NZ Capital	First NZ Capital Securities Limited, the lead manager, organising participant and underwriter for the Offer
FMA	Financial Markets Authority (New Zealand)
Group	Argosy and its subsidiary companies
IFRS	International Financial Reporting Standards
Interested Director	Mark Cross (in the context of waivers granted by NZX, as described in Section 5)
JLL	Jones Lang LaSalle Limited

SECTION 8 – GLOSSARY

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

Lead Manager	First NZ Capital
Listing Rules	The listing rules of the NZX Main Board as amended from time to time
New Share	A Share to be issued under the Offer
NZX	NZX Limited
NZX Main Board	The main board equity security market operated by NZX
NZX Primary Market Participant	Any person designated as a "Primary Market Participant" by NZX
Offer	The Rights Offer and the offer made under the Shortfall Bookbuild
PIE	Portfolio Investment Entity, as defined in the Income Tax Act 2007
Premium	The amount by which the Bookbuild Price exceeds the Application Price
Prospectus	This simplified disclosure prospectus dated 1 July 2013 and registered with the Registrar of Financial Service Providers
Record Date	15 July 2013
Registrar	Computershare Investor Services Limited
Rights	The pro rata right of each Shareholder to subscribe for 1 New Share for every 7 Existing Shares held at 5.00pm on the Record Date
Rights Offer	The 1 for 7 renounceable rights offer of New Shares contained in this Prospectus
Securities Act	Securities Act 1978 (and includes the Securities Regulations 2009)
Section	A section of this Prospectus
Share	An ordinary share in Argosy
Shareholder	A person for the time being entered on the register of Argosy either alone or jointly with others as the holder of a Share
Shortfall Bookbuild	The bookbuild process for New Shares attributable to Unexercised Rights, as described in Section 5
Underwriter	First NZ Capital
Underwriting Agreement	The underwriting agreement entered into on or about the date of this Prospectus between Argosy and the Underwriter
Unexercised Rights	Rights not taken up by the Closing Date, including those of Shareholders who are not Eligible Shareholders
Valuers	Jones Lang LaSalle Limited, CBRE Limited, Colliers International New Zealand Limited, Bayleys Valuations Limited and Absolute Value Limited
WALT	Weighted average lease term

DIRECTORY

ARGOSY PROPERTY LIMITED
SIMPLIFIED DISCLOSURE PROSPECTUS

DIRECTORY**REGISTRAR****Computershare Investor Services Limited**

Level 2, 159 Hurstmere Road
Takapuna
Private Bag 92119
Auckland 1142

Telephone: (09) 488 8777

ISSUER**Argosy Property Limited**

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PO Box 90214
Victoria Street West
Auckland 1142

Telephone: (09) 304 3400

Directors

Philip Michael Smith
Peter Clynton Brook
Andrew Mark Cross
Andrew Hardwick Evans
Christopher Brent Hunter
Trevor Donald Scott

AUDITOR FOR ARGOSY**Deloitte**

Deloitte Centre
80 Queen Street
Private Bag 115-003
Auckland 1010

LEGAL ADVISER TO ARGOSY**Harmos Horton Lusk Limited**

Level 37, Vero Centre
48 Shortland Street
PO Box 28
Auckland 1140

**LEAD MANAGER, ORGANISING
PARTICIPANT AND UNDERWRITER
FOR THE OFFER****First NZ Capital Securities Limited**

Level 39, ANZ Centre
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