

HARGRAVES

SECURED INVESTMENTS LIMITED

ABN 74 089 001 267

AFSL 241230

ACL 241230

Dear Noteholder,

Thank you for your ongoing commitment to Hargraves Secured Investments (**the Company**). Further, we take this opportunity to wish you and your family a Merry Christmas and happy New Year. 2016 was year with above average rain and solid growth. As they say there is money in mud!

As always, the year also presented change. One of the most significant for the Company is the fact we wish to advise that Sandhurst Trustees Limited (**Sandhurst**), which has acted as trustee for our Noteholders since our first Note issue, has made the commercial decision to no longer offer its services as trustee for Note or debenture holders in the unlisted, unrated debenture trustee industry.

Accordingly, the Company has appointed Melbourne Securities Corporation Limited (**MSC**) as the new trustee for Noteholders, under a deed of Appointment and Retirement of Trustee executed by Sandhurst, MSC and the Company. MSC has been approved by the corporate regulator, the Australian Securities and Investments Commission (**ASIC**), to act as trustee for our Noteholders.

Further information about MSC can be found at:

Melbourne Securities Corporation Ltd - ACN 160 326 545 AFSL 428289 ACL 428289

A: Level 2, Professional Chambers
120 Collins Street, Melbourne VIC 3000
T: 1300 798 790
E: enquiries@melbournesecurities.com.au
W: www.melbournesecurities.com.au

The change of trustee is effective 2 December 2016.

The change of trustee will not impact upon you or your holding of Notes issued by the Company. The Company's business as outlined in its prospectuses, and its role in the community, will continue with no change with the benefit of the charge given by the Company over its assets to Sandhurst for the benefit of Noteholders transferred to MSC.

MSC will simply perform the role previously undertaken by Sandhurst to ensure compliance by the Company with the terms of its Trust Deed, and perform the duties of a trustee required by the Corporations Act.

We wish to thank Sandhurst for the role it has played in overseeing the interests of Noteholders from the beginning of our business. And lastly, we wish to thank you our Noteholders for your support and repeat our best wishes and compliments of the season. Merry Christmas and Happy New Year!

Yours sincerely


Matthew S Denny
Company Secretary