

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you should consult your independent financial adviser authorised under the Financial Services and Markets Act 2000 without delay.

This document comprises a supplementary prospectus relating to Picton Property Income Limited (the **Company**) prepared in accordance with the Prospectus Rules made under section 84 of the Financial Services and Markets Act 2000 (**FSMA**). This supplementary prospectus has been approved by the Financial Conduct Authority (the **FCA**) as a supplementary prospectus under section 87A of FSMA and has been filed with the FCA and made available to the public in accordance with section 3.2 of the Prospectus Rules. This document is supplemental to, and should be read in conjunction with the prospectus published by the Company on 1 May 2014 (the **Prospectus**) in connection with the issue of New Ordinary Shares pursuant to the Initial Placing, the Offer for Subscription and the Placing Programme (the **Capital Raise**) and the supplementary prospectuses published by the Company on, respectively, 14 July 2014, 4 August 2014, 29 October 2014, 21 November 2014 and 21 January 2015 (the **Supplementary Prospectuses**). Save as disclosed in this document there has been no significant change affecting any matter contained in the Prospectus and/ or the Supplementary Prospectuses and no significant new matter has arisen since publication of the last supplementary prospectus on 21 January 2015.

Words or expressions defined in the Prospectus have the same meaning when used in this document unless the context requires otherwise.



PICTON PROPERTY INCOME LIMITED

(an authorised closed-ended investment scheme incorporated as a non-cellular company limited by shares under the laws of Guernsey with registered number 43673)

Supplementary Prospectus

J.P. Morgan Cazenove, which is authorised by the Prudential Regulation Authority and regulated by the Prudential Regulation Authority and the Financial Conduct Authority, is acting exclusively for the Company and no one else in relation to the Capital Raise and will not regard any other person (whether or not a recipient of this document) as a client in relation to the Capital Raise and will not be responsible to anyone other than the Company for providing the protections afforded to customers of J.P. Morgan Cazenove or for affording advice in relation to the Capital Raise or the contents of the Prospectus, this Supplementary Prospectus or any matters referred to therein or herein. J.P. Morgan Cazenove is not making any representation or warranty, express or implied, as to the contents of this document.

Stifel Nicolaus Europe Limited, which is authorised and regulated by the Financial Conduct Authority, is acting exclusively for the Company and no one else in relation to the Capital Raise and will not regard any other person (whether or not a recipient of this document) as a client in relation to the Capital Raise and will not be responsible to anyone other than the Company for providing the protections afforded to customers of Stifel Nicolaus Europe Limited or for affording advice in relation to the Capital Raise or the contents of the Prospectus, this Supplementary Prospectus or any matters referred to therein or herein. Stifel Nicolaus Europe Limited is not making any representation or warranty, express or implied, as to the contents of this document.

This Supplementary Prospectus includes particulars given in compliance with the Listing Rules and Prospectus Rules of the Financial Conduct Authority for the purpose of giving information with regard to the Company. The information contained in this Supplementary Prospectus should be read in the context of, and together with, the information contained in the Prospectus.

This Supplementary Prospectus does not contain or constitute an offer to sell or to issue any New Ordinary Shares or the solicitation of an offer to buy or subscribe for New Ordinary Shares.

The distribution of this Supplementary Prospectus in certain jurisdictions may be restricted by law. No action has been taken by the Company, J.P. Morgan Cazenove or Stifel Nicolaus Europe Limited that would permit an offer of the Shares or possession or distribution of this Supplementary Prospectus or any other offering or publicity material in any jurisdiction where action for that purpose is required, other than in the United Kingdom. Persons into whose possession this Supplementary Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The attention of potential investors is drawn to the Risk Factors set out on pages 17 to 23 of the Prospectus.

11 March 2015

1 Purpose of Supplementary Prospectus

This document constitutes a Supplementary Prospectus required under Prospectus Rule 3.4.1 and is being published to note the novation of all of Oriel Securities Limited's (**Oriel's**) rights and obligations under the Placing Agreement to Stifel Nicolaus Europe Limited (**Stifel**) which constitutes a significant new factor relating to information contained in the Prospectus. The details of this significant new factor are set out in paragraph 2, below.

2 Novation of Placing Agreement

Following a reorganisation by Stifel Financial Corp. (the ultimate parent of both Oriel and Stifel) of its business in the United Kingdom, Stifel has been added to the list of Sponsors approved by the FCA.

The Company, Picton Capital, J.P. Morgan Cazenove, Oriel and Stifel have entered into a novation agreement dated 5 March 2015 (the **Novation Agreement**), pursuant to which all of Oriel's rights and obligations under the Placing Agreement are novated to Stifel.

As a consequence of the novation of the Placing Agreement, all references to "Oriel Securities Limited" in the Prospectus and the Supplementary Prospectuses, including in the relevant summaries, should be read as references to "Stifel Nicolaus Europe Limited".

3 Responsibility

The Company and the Directors, being Nicholas Thompson, Trevor Ash, Vic Holmes, Roger Lewis and Robert Sinclair, accept responsibility for the information contained in this Supplementary Prospectus. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

4 Miscellaneous

The registered office of the Company is PO Box 255, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3QL

5 Documents Available for Inspection

Copies of the Prospectus dated 1 May 2014, this Supplementary Prospectus and the supplementary prospectuses published by the Company on, respectively, 14 July 2014, 4 August 2014, 29 October 2014, 21 November 2014 and 21 January 2015 may be inspected free of charge at the offices of Norton Rose Fulbright LLP at 3 More London Riverside, London SE1 2AQ and at the registered office of the Company at Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3QL during normal business hours on any weekday (Saturdays and public holidays excepted) from the date of this document and while the Prospectus remains valid. These documents can also be found on the Company's website at the following address: www.pictonproperty.co.uk.