



ASX Announcement

Hastings Diversified Utilities Fund (HDF)

Total pages: 7

13 November 2007

Security Purchase Plan correspondence to investors

The attached correspondence has been mailed to HDF investors today.

For further enquiries, please contact:

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Hastings Funds Management

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13 November 2007

SAMPLE CUSTOMER
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SAMPLE STREET
SAMPLETOWN TAS 7000

Security Purchase Plan (SPP) for Hastings Diversified Utilities Fund (HDF) to refinance bridge debt facilities

Dear Investor,

The Directors of Hastings Funds Management Limited (Hastings), as Responsible Entity for HDF are pleased to offer all eligible HDF investors the opportunity to acquire additional securities under a Security Purchase Plan (SPP).

Participation in the SPP allows eligible securityholders to purchase HDF securities at a discount to recent market prices, and free from brokerage and other transaction costs that are usually incurred when buying securities.

The SPP is one part of HDF's plans to raise new capital to refinance HDF's short term bridge debt facilities. This refinancing will reduce debt and provide funding flexibility for future growth opportunities. The Directors believe it is important to offer all securityholders, where commercially practical, the opportunity to participate in equity raisings undertaken by HDF.

The SPP follows the successful institutional placement of new HDF securities which was completed on 19 October 2007, raising \$91.99 million through the placement of new HDF securities at \$3.43 per security.

HDF also recently announced distribution guidance for the year commencing January 1, 2008 of 28.00 cents per security. This represents a 4 percent increase over the 2007 distribution of 26.94 cents per security and a yield of 8.16 percent per annum based on a price of \$3.43 per security. New securities issued under this SPP will also be entitled to participate in the December 2007 quarter distribution of 6.65 cents per security.

The terms and conditions (Terms and Conditions) of the SPP are detailed in the 'Terms and Conditions of the Security Purchase Plan' that are attached, along with the Application Form.

Please read these documents carefully and seek your own financial or taxation advice if needed.

Eligibility and participation options

You are eligible to participate in the SPP if you were a registered holder of HDF securities at 5.00 p.m. (AEDST) on 8 November 2007, with a registered address in Australia. The offer under the SPP is non-renounceable, which means that you may not transfer a right to apply for securities to anyone else.

Participation in the SPP is entirely at your discretion.

The issue price of securities under the SPP will be the lower of:

- \$3.43 per Security, or
- a 2.5% discount to the average of the daily volume weighted average price of HDF securities traded on the ASX during the 5 trading days immediately prior to the Offer closing date of 26 November 2007.

The new securities will be entitled to participate in quarterly cash distributions from (and including) the December 2007 quarter.

Unless otherwise stated, the information contained in this document is for informational purposes only. It does not constitute an offer of securities and should not be relied upon as financial advice. The information has been prepared without taking into account the investment objectives, financial situation or particular needs of any particular person or entity. Before making an investment decision you should consider, with or without the assistance of a financial adviser, whether any investments are appropriate in light of your particular investment needs, objectives and financial circumstances. Neither Hastings, nor any of its related parties, guarantees the repayment of capital or performance of any of the entities referred to in this document and past performance is no guarantee of future performance. Hastings, as the Manager or Trustee of various funds, is entitled to receive management and performance fees.

Eligible securityholders who wish to participate in the SPP must choose 1 of the following 3 options:

OPTION A
A\$5,000 option
You will be issued a minimum of 1,458 Securities based on an Issue Price of \$3.43 per Security

OPTION B
A\$3,000 option
You will be issued a minimum of 875 Securities based on an Issue Price of \$3.43 per Security

OPTION C
A\$1,000 option
You will be issued a minimum of 292 Securities based on an Issue Price of \$3.43 per Security

Note: In the event the 2.5% discount to the average of the daily volume weighted average price of HDF securities traded on the ASX during the 5 trading days immediately prior to the offer closing date of 26 November 2007 is less than \$3.43, the lower price will be used to determine the number of securities issued. In either case, the number of Securities outlined above represents the minimum you will receive.

Hastings reserves the right to undertake a scale back of applications. Any scale back will be pro-rata to the value of applications.

The offer opens on Tuesday 13 November 2007 and closes at 5.00 p.m. (AEDST) on Monday 26 November 2007. No late applications will be accepted. We urge securityholders to use the BPAY facility to avoid disappointment in the event that your cheque is delayed in transit.

SPP Key Dates (subject to change at the discretion of Hastings)

Date	Event	
8 November 2007	Record Date	Hastings determines eligible investors based on the HDF register at 5.00 p.m. (AEDST)
13 November 2007	Opening Date	Security Purchase Plan opens
26 November 2007	Closing Date	Security Purchase Plan closes Applications must be received by 5.00 p.m. (AEDST)
3 December 2007	Issue Date	New Securities are expected to be issued and any refund of application moneys in the event of a scale-back
6 December 2007	Despatch Date	Transaction confirmation mailed to investors

If you have any questions regarding the SPP, please call Computershare Investor Services on 1300 556 074 (within Australia) or on +61 3 9415 4217 (outside Australia).

I encourage you to consider the opportunities provided under the SPP and thank you for your continuing support.

Yours faithfully,



Claire Filson
Company Secretary
Hastings Funds Management Limited

For personal use only

Terms and Conditions of the Security Purchase Plan

These terms and conditions and the accompanying 'HDF Security Purchase Plan Application Form' set out the terms and conditions (Terms and Conditions) of the Security Purchase Plan (the SPP). By accepting the offer to subscribe for stapled securities in Hastings Diversified Utilities Fund (HDF) (HDF Epic Trust – ARSN 109 770 961, HDF Finance Trust – ARSN 109 770 765 and HDF Further Investments Trust – ARSN 109 897 921) (Securities) under the SPP, you agree to be bound by the Terms and Conditions and the constitutions of HDF Epic Trust, HDF Finance Trust and HDF Further Investments Trust.

1. What is the SPP?

The SPP is a convenient, cost effective way for eligible securityholders to acquire Securities at a discount to recent market prices and free of brokerage and other transaction costs.

2. Why is HDF issuing more Securities?

Hastings is undertaking the SPP to provide an opportunity for securityholders to increase their holding in HDF Securities.

The proceeds of the placement will be used to refinance bridge debt facilities associated with the South East Water acquisition and provide flexibility for future growth opportunities.

3. Who is eligible to participate?

You are eligible to participate in the SPP if:

- you were a registered holder of Securities as at 5.00 p.m. (AEDST) on 8 November 2007 (the Record Date) with a registered address in Australia; or
- your Securities were held for you by a trustee or nominee on the Record Date in the manner described in paragraph 14 and you are a resident of Australia. In this situation, the applicant warrants that you are eligible to participate.

Hastings reserves the right to reject any application from a person it believes is not eligible.

4. Do I have to participate?

No. Participation in the SPP is entirely voluntary. In deciding whether to participate in the SPP, please take time to read these Terms and Conditions and contact your financial or taxation adviser if necessary.

5. How much can I invest?

You can choose to invest either A\$5,000, A\$3,000 or A\$1,000 in HDF Securities.

6. Can I transfer my right to purchase Securities?

No. The offer under the SPP is non-renounceable. This means that you cannot transfer your right to acquire Securities under the SPP to anyone else.

7. Will Securities issued under the SPP rank equally with my existing Securities?

Yes. All Securities issued under the SPP will rank equally with your existing securities and will carry the same voting rights, distribution rights and other entitlements as at the issue date.

8. What is the issue price for the Securities?

The Issue Price of Securities under the SPP will be the lower of:

- \$3.43 per Security, or
- a 2.5% discount to the average of the daily volume weighted average price of HDF securities traded on the ASX during the 5 trading days immediately prior to the offer closing date of 26 November 2007.

You should note that the market price of Securities may rise or fall between the date of this offer and the date that Securities are issued under the SPP. This means that the price at which Securities are issued under the SPP may be more or less than the market price of Securities at the date of this offer or the day you make your application. Further, the Issue Price may exceed the price at which securityholders would be able to buy Securities on market at the time that Securities are issued under the SPP.

9. How many Securities will I receive?

Eligible securityholders who wish to participate in the SPP must choose 1 of the following 3 options:

OPTION A

A\$5,000 option

You will be issued a minimum of 1,458 Securities based on an Issue Price of \$3.43 per Security

OPTION B

A\$3,000 option

You will be issued a minimum of 875 Securities based on an Issue Price of \$3.43 per Security

OPTION C

A\$1,000 option

You will be issued a minimum of 292 Securities based on an Issue Price of \$3.43 per Security

Note: In the event the 2.5% discount to the average of the daily volume weighted average price of HDF securities traded on the ASX during the 5 trading days immediately prior to the offer closing date of 26 November 2007 is less than \$3.43, the lower price will be used to determine the number of securities issued. In either case, the number of Securities outlined above represents the minimum you will receive.

Hastings reserves the right to scaleback acceptances on any basis it determines, and application moneys received in excess of your actual allocation will be refunded (without interest). Any determination made by Hastings in respect of any scale-back will be final.

10. How do I apply for Securities under the SPP?

If you are paying by cheque, please complete the enclosed 'HDF Security Purchase Plan Application Form' by ticking the Option you have selected and return it with your cheque made payable to 'Hastings Diversified Utilities Fund - Security Purchase Plan' so that it is received by Computershare by the closing date i.e. no later than 5.00 p.m. (AEDST) on 26 November 2007. Applications received after this time will not be accepted. You should complete the cheque details section on the Application Form. Cheques must be in Australian dollars and drawn on an Australian bank.

Alternatively if you choose to pay by BPAY you do not need to return the Application Form. It is your responsibility to ensure that funds paid through BPAY are received by the closing date. Payments received after 5.00 p.m. (AEDST) on 26 November 2007 will not be accepted.

If the correct amount of money is not tendered with your Application Form or paid via BPAY, Hastings reserves the right to return your application and payment and not issue any new Securities to you. Please note that you will not be able to withdraw or revoke your application once you have sent your application or paid by BPAY.

11. What are the costs of participation in the SPP?

There are no brokerage or other transaction costs payable by participants in the SPP. These costs will be met by Hastings.

12. When will I receive the new Securities?

It is expected that new Securities will be issued under the SPP and quoted on the ASX on or about 3 December 2007. You should receive your holding statement or confirmation advice shortly after that date.

13. I have several holdings. Can I purchase a separate parcel of Securities for each holding?

If you receive more than one offer to participate in the SPP, or if you hold Securities in more than one capacity (for example, because you are a joint holder of Securities or because you hold more than one securityholding under separate accounts), the maximum you may invest under the SPP in all capacities in any consecutive 12 month period is A\$5,000. By applying to acquire Securities under the SPP, you certify and warrant that you have not exceeded, and by applying now will not exceed, the A\$5,000 limit.

Hastings reserves the right to reject any application for new Securities where it believes this requirement has not been complied with.

14. I hold Securities in a trustee or nominee capacity. What do I have to do?

If your role as a trustee or nominee is expressly noted on the HDF Security Register, please contact Computershare on 1300 556 074 (within Australia) or on +61 3 9415 4217 (outside Australia), for assistance with the application process.

15. Discretion and disputes

Hastings reserves the right to waive strict compliance with any of the Terms and Conditions. Any powers or discretions of Hastings may be exercised by the directors of Hastings or any delegate of them.

Hastings may determine, in any manner it things fit, any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any participant or application. A determination made by Hastings will be conclusive and binding on all participants and other persons to whom the determination relates.

16. Changes and termination

Hastings may change or terminate the SPP or the Terms and Conditions at any time, whether because of a change of law, ASIC requirement or policy, or any other circumstance relevant to the SPP or HDF. If Hastings does this, it will notify the Australian Securities Exchange and post a notice on Hastings' website (www.hfm.com.au). Failure to notify securityholders of a change to or termination of the SPP or the Terms and Conditions or the non-receipt of notice by any securityholder will not invalidate the change or termination. If Hastings terminates the SPP, it will refund any application moneys to you (without interest).

17. Where can I obtain further information in relation to the SPP?

If you have any questions about the SPP, these Terms and Conditions or how to make an application, please call Computershare on 1300 556 074 (within Australia) or on +61 3 9415 4217 (outside Australia).

Neither Hastings nor Computershare, nor any of their personnel, is or is to be taken to be, giving any securities recommendation or investment advice in relation to the SPP, nor do any of them have any obligation to do so. You should seek your own independent professional advice in relation to the SPP.

Please return completed form to:
Computershare Investor Services Pty Limited
GPO Box 505 Melbourne
Victoria 8060 Australia
Enquiries (within Australia) 1300 556 074
(outside Australia) 61 3 9415 4217
Facsimile 61 3 9473 2529
web.queries@computershare.com.au
www.computershare.com

Securityholder Reference Number (SRN)

000001

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SAM

MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



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Entitlement Number:

Record Date: 8 November 2007

Offer Closes: 5.00pm AEDST, 26 November 2007

Price per security: A\$3.43

HDF SECURITY PURCHASE PLAN APPLICATION FORM

IMPORTANT:

This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this form please consult a professional adviser.

Pursuant to the terms and conditions of the Hastings Diversified Utilities Funds' (HDF) Security Purchase Plan (SPP) contained in the letter to securityholders dated 13 November 2007, Hastings is offering eligible securityholders the opportunity to purchase either \$5,000, \$3,000, or \$1,000 worth of HDF securities.

If you do not wish to purchase additional securities under this offer there is no need to take action.

By making your payment, you agree to be bound by the Constitutions of HDF and agree that the submission of this payment constitutes an irrevocable offer to you by Hastings to subscribe for HDF Securities on the terms of the SPP. In addition, by submitting this Application Form you certify that the aggregate of the application price paid by you for:

- the Securities the subject of this Application Form; and
- any other securities and interests in the class applied for by you under the SPP or any similar arrangement in the 12 months prior to the date of submission of this Application Form, does not exceed \$5,000.00.

METHOD OF ACCEPTANCE

You can apply for securities and make your payment either by BPAY or cheque. Details on the payment methods are provided overleaf.

Hastings may make determinations in any manner it thinks fit, in relation to any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP whether generally or in relation to any participant or application. Any determinations by Hastings will be conclusive and binding on all eligible securityholders and other persons to whom the determination relates. Hastings reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions and to suspend or terminate the SPP at any time. Any such amendment, variation, suspension or termination will be binding on all eligible securityholders even where Hastings does not notify you of that event.

This offer is Non-Renounceable - no Signature is required
Applications can only be accepted in the name printed on this form

HDF

SPRB

035907_000R4F



Hastings Diversified Utilities Fund

Please see overleaf for Payment Options



Billor Code: 25833

Ref No: <TBA>

I/We wish to purchase:

Option A A\$5,000 option

You will be issued a minimum of
1,458 Securities based on an
Issue Price of \$3.43 per Security

Option B A\$3,000 option

You will be issued a minimum of
875 Securities based on an
Issue Price of \$3.43 per Security

Option C A\$1,000 option

You will be issued a minimum of
292 Securities based on an
Issue Price of \$3.43 per Security

In the event the 2.5% discount to the average of the daily volume weighted average price of HDF securities traded on the ASX during the 5 trading days immediately prior to the offer closing date of 26 November 2007 is less than \$3.43, the lower price will be used to determine the number of securities issued. In either case, the number of Securities outlined above represents the minimum you will receive. These security amounts may be subject to scale-back in accordance with the terms of the SPP.

Payment Details - Drawer

Cheque number

BSB number

Account number

Cheque amount

				A\$
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Make your cheque payable to "Hastings Diversified Utilities Fund - Security Purchase Plan"

Contact Details - Please provide your contact details in case we need to speak to you about this form

Name of contact person

Contact person's daytime telephone number

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1234567890123456+1234567890-1234+12

How to accept the Security Purchase Plan

Payment Details

You can apply for securities by making your payment through BPAY or by cheque. There is no requirement to return this form if paying by BPAY.

By making your payment using either BPAY or by cheque, you confirm that you agree to all of the terms and conditions of the Security Purchase Plan as enclosed with this form.

BPAY

If paying by BPAY, you do not need to return this form. Your payment must be received by no later than 5.00pm (AEDST) on 26 November 2007.

Cheque

If paying by cheque, return the Application Form and Cheque in the envelope provided. Make your cheque payable to "Hastings Diversified Utilities Fund - Security Purchase Plan" in Australian currency and cross it Not Negotiable. Your cheque must be drawn on an Australian branch of a financial institution. Please ensure you submit the correct amount and complete cheque details in the boxes provided on the front of this form. Incorrect payments may result in your application being rejected.

Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Application being rejected. Pin (do not staple) your cheque(s) to the Security Purchase Plan Application Form where indicated. Cash will not be accepted. A receipt for payment will not be forwarded.

If you are paying by cheque, your Application Form must be received at the Melbourne office of Computershare Investor Services Pty Limited (CIS) by no later than 5.00pm (AEDST) on 26 November 2007. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for securityholders in Australia. Return your Application Form with cheque to either of the addresses listed below.

Contact Details

Enter the name of a contact person and telephone number. These details will only be used in the event that the registry has a query regarding this form.

If you have any enquiries concerning this form or your entitlement, please contact CIS on 1300 556 074.

Privacy Statement

Personal information is collected on this form by CIS, as registrar for Hastings ("the issuer"), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS.

In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by Hastings in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this form or e-mail privacy@computershare.com.au

This form may not be used to notify your change of address. For information, please contact CIS on 1300 556 074 or visit www.computershare.com (certificated/issuer sponsored holders only).

CHES holders must contact their Controlling Participant to notify a change of address

Payment Options:



Billers Code: 25833

Ref No: <TBA>

Telephone & Internet Banking – BPAY

Call your bank, credit union or building society to make this payment from your cheque or savings account. More info: www.bpay.com.au



By Mail
Hastings Diversified Utilities Fund
Computershare Investor
Services Pty Limited
GPO BOX 505
Melbourne, Victoria 8060
AUSTRALIA



In Person
Computershare Investor
Services Pty Limited
Yarra Falls
452 Johnston Street
Abbotsford, Victoria 3067



Entitlement Number: <xxxxxxxxxx>

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SAMPLE STREET
SAMPLETOWN TAS 7000

