

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, TO US PERSONS OR IN OR INTO THE UNITED STATES, OR INTO OR FROM CANADA, AUSTRALIA, JAPAN, NEW ZEALAND AND THE REPUBLIC OF SOUTH AFRICA.

This announcement is an advertisement and not a prospectus. This announcement does not constitute or form part of, and should not be construed as, any offer for sale or subscription of, or solicitation of any offer to buy or subscribe for, any securities in Drum Income Plus REIT plc (the "Company") or securities in any other entity, in any jurisdiction, including the United States, nor shall it, or any part of it, or the fact of its distribution, form the basis of, or be relied on in connection with, any contract or investment decision whatsoever, in any jurisdiction. This announcement does not constitute a recommendation regarding any securities. Any investment decision must be made exclusively on the basis of the final prospectus published by the Company and any supplement thereto.

26 February 2016

DRUM INCOME PLUS REIT PLC

Publication of a circular and a prospectus in relation to an Initial Placing, a subsequent 12 month Placing Programme and a related party transaction

The Company has today published a prospectus in relation to an Initial Placing and a subsequent 12 month Placing Programme. On its launch in May 2015, the Company raised gross proceeds of approximately £31.9 million. It has now used all of these proceeds together with approximately £11.1 million of its £20 million revolving loan facility to acquire seven properties, located across the UK, for a gross consideration of approximately £41.6 million. DRUM Real Estate Investment Management Limited ("DREIM"), the Company's asset manager, continues to identify attractive acquisition opportunities which it believes would benefit the Company's portfolio.

The Board is therefore proposing to issue up to, in aggregate, 100 million new ordinary shares by way of an Initial Placing at a price of 100 pence per new ordinary shares and a subsequent 12 month Placing Programme to enable the Company to raise additional capital to acquire further UK commercial properties. These proposals should substantially increase the size of the Company's issued share capital which in turn will give it a bigger equity base over which to spread fixed costs and provide for secondary liquidity in the Company's shares. Furthermore, as the proceeds of these placings are invested, these proposals will help diversify the Company's property portfolio and enhance the potential for income and capital growth over the longer term in accordance with the Company's investment objective and policy.

Tcam Nominees (No.1) Limited ("Tcam Nominees") together with its associates hold 85.58 per cent. of the voting rights of the Company on behalf of underlying beneficial holders who are clients of Tcam Asset Management Limited ("Tcam"). In the light of this holding, Tcam Nominees is a related party to the Company under the Listing Rules. Tcam Nominees is keen to see the Company grow and wishes to support the Initial Placing and Placing Programme. Tcam Nominees (and its associates) has indicated that it would like the ability to make further investments in the Company of up to £10 million and that it and its associates may (providing shareholder approval is granted at the General Meeting) subscribe for up to approximately £2.5 million in the Initial Placing. Therefore, as required by the Listing Rules, the Company has published the Circular to provide the Company's shareholders with notice of the General Meeting to consider and, if thought fit, pass an ordinary resolution to approve these proposed further subscriptions by Tcam Nominees and its associates under the Initial Placing and Placing Programme.

A copy of the Circular has been posted to Shareholders today and the General Meeting to approve the potential participation of Tcam Nominees and its associates of up to £10 million in the Initial Placing and Placing Programme is to be held at 10 a.m. on 21 March 2016 at 16 Charlotte Square, Edinburgh EH2 4DF.

The timetable in respect of the Initial Placing and the General Meeting is as follows:

| | |
|--|-----------------------------|
| Initial Placing opens | 26 February 2016 |
| Latest time and date for receipt of forms of proxy | 10.00 a.m. on 17 March 2016 |
| General Meeting | 10.00 a.m. on 21 March 2016 |
| Latest time and date for commitments under the Initial Placing | 3.00 p.m. on 22 March 2016 |
| Results of the Initial Placing announced | 23 March 2016 |

Admission and dealings in new shares commence

8.00 a.m. on 24 March 2016

Further information

Copies of the Prospectus and the Circular are available from the Company's website: www.dripreit.co.uk and from the offices of Dickson Minto W.S., which is situated at Broadgate Tower, 20 Primrose Street, London EC2A 2EW. In addition, a copy of the Prospectus and the Circular will shortly be submitted to the National Storage Mechanism and will be available for inspection at www.morningstar.co.uk/uk/NSM

Enquiries

DRUM Real Estate Investment Management Limited

Bryan Sheriff – 0131 285 0050

Cantor Fitzgerald Europe

Sue Inglis - 020 7894 8016

Andrew Davey – 020 7894 8646

Ben Heatley – 020 7894 8229

Andrew Worne – 020 7894 8529

*Neither the NSM website nor the Company's website nor the content of any website accessible from hyperlinks on those websites (or any other website) is (or is deemed to be) incorporated into, or forms (or is deemed to form) part of, this announcement.

Important notices

Cantor Fitzgerald Europe is authorised and regulated in the UK by the Financial Conduct Authority, is acting exclusively for the Company and for no-one else in connection with the contents of this announcement and will not be responsible to anyone other than the Company for providing the protections afforded to the respective clients of Cantor Fitzgerald Europe, or for affording advice in relation to the contents of this announcement or any matters referred to herein.

No person has been authorised to give any information or to make any representations other than those contained in this announcement and, if given or made, such information or representations must not be relied on as having been authorised by any member of the Company's group, Cantor Fitzgerald Europe or any of its respective directors, officers, employees or agents. Subject to the Listing Rules and/or the Prospectus Rules and/or the Disclosure and Transparency Rules and/or the Takeover Code and/or FSMA, neither the delivery of this announcement nor any subscription or acquisition made under it shall, in any circumstances, create any implication that there has been no change in the affairs of the Company group since the date of this announcement or that the information in it is correct as of any subsequent date.

This announcement is for information only and does not constitute or form part of any offer or invitation to issue, acquire or dispose of any securities or investment advice in any jurisdiction.