

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO WHAT ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, ATTORNEY, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER. IF YOU HAVE SOLD OR TRANSFERRED ALL YOUR AUD-CLASS SHARES IN MAN AHL GUARANTEED FUTURES 3 LTD, PLEASE FORWARD THIS DOCUMENT TO THE PURCHASER OR TRANSFEREE, OR TO THE STOCKBROKER, BANK MANAGER OR OTHER AGENT THROUGH WHOM THE SALE OR TRANSFER WAS EFFECTED.

THE BOARD OF DIRECTORS OF THE COMPANY ACCEPTS RESPONSIBILITY FOR THE ACCURACY OF THE CONTENTS OF THIS LETTER.

MAN AHL GUARANTEED FUTURES 3 LTD - AUD CLASS SHARES

(incorporated in Bermuda with limited liability as a mutual company)

DIRECTORS:

Mr. Michael Collins
Ms. Dawn Griffiths
Mr. David Smith

REGISTERED OFFICE:

5 Reid Street
Hamilton HM 11
Bermuda

10 June 2013

Dear Sir/Madam

Notice of compulsory redemption

We wish to notify you that the Directors of Man AHL Guaranteed Futures 3 Ltd (the "Company") have decided to exercise their discretion and designate a compulsory redemption date for all outstanding AUD Class shares ("Shares") of the Company. Despite an increase in the Net Asset Value per Share since inception, the aggregate Net Asset Value of all Shares in the Company has fallen below a level at which it can be ensured that the assets of the Company are managed in a cost-efficient way. As such, we believe that taking these actions is in the interests of investors in the Company. Accordingly, all outstanding shares will mature on 6 August 2013 (the "Compulsory Redemption Date") or as soon as reasonably practical thereafter, in accordance with the terms of this letter.

In accordance with the Prospectus issued by the Company, this decision of the Directors is conditional upon the Net Asset Value of the Shares (at the Compulsory Redemption Date) continuing to exceed the guaranteed amount of AUD1.05 per Share¹. As at 31 May 2013, the Net Asset Value per Share was AUD 1.1032 per Share (an increase of approximately 5.06% on the guaranteed amount).

Further background, information and the available next steps and options (including an option to transfer your investment to another Man Investments product and so regain investment exposure for the long term) are set out in the Annex to this letter. We strongly recommend that you consult your financial adviser regarding the actions outlined in this letter.

If you have any questions, please contact the Hong Kong Representative whose office is at Suite 1301, Chater House, 8 Connaught Road Central, Hong Kong, Tel.: +852 2521 2933.

Finally, please note the Company's USD-Class Shares are unaffected by the above compulsory redemption and will continue trading.

Yours faithfully

The Board of Directors

¹ The guaranteed amount of AUD1.05 per Share is subject to the terms of a capital guarantee as described in the Prospectus issued by the Company. The guarantee is only applicable to Shares outstanding on 31 December 2014 and will therefore not apply to the redemption of shares at the Compulsory Redemption Date.

Annex

All capitalised terms in this letter that are undefined shall have the meaning set out in the Prospectus issued by the Company in relation to the Shares.

Background

The Company issued Shares to investors at a purchase price of AUD 1 per Share. The guaranteed amount in respect of each Share outstanding and to be redeemed on 31 December 2014 (the maturity date of the Shares) is AUD 1.05 per Share. The guaranteed amount is subject to the terms of a capital guarantee as described in the Prospectus issued by the Company. The Shares are closed for new subscriptions.

Under Bye-law 12(10) (b) of the bye-laws of the Company (the "Bye-laws"), the Directors have the power at any time to compulsorily redeem all Shares if the aggregate of the Net Asset Value of all Shares in issue on three successive Valuation Days is less than USD 20,000,000. Valuation Days occur monthly (on the last calendar day of each calendar month).

As at 31 May 2013, the aggregate of the Net Asset Value of all Shares in the Company was AUD 9,657,037 and for 30 April 2013 and 31 March 2013 the aggregate of the Net Asset Value of all Shares was AUD 10,364,177 and AUD 10,495,061 respectively². The Investment Manager has advised the Directors that the assets of the Company are now below the level at which it can ensure that the assets of the Company are managed in a cost-efficient way and that operating costs incurred by the Company may have a disproportionate effect on performance.

Impact

The Investment Manager has recommended to the Directors that from 10 June 2013 the Company should reduce the investment exposure to the AHL Diversified Programme to zero and, with a view to preserving the remaining capital, hold all remaining capital in guarantee instruments and/or cash.

Furthermore, the Directors consider it to be in the best interests of investors to exercise their discretion and designate the Compulsory Redemption Date (6 August 2013) or as soon as reasonably practicable thereafter in respect of all outstanding Shares provided that the Net Asset Value per Share remains equal to or above the Guaranteed Amount per Share on the Compulsory Redemption Date¹.

Pursuant to Bye-law 12(10) (b) of the Bye-laws, notice is hereby given of the Company's intention to redeem all Shares on the Compulsory Redemption Date, thereby giving all remaining Shareholders at least 4 weeks notice of the intention to redeem all Shares.

Expenses

The total expense ratio (the "TER") of the Shares of the Company for the financial year ending 30 September 2012 is 4.96%. The TER is calculated based on the total fees and expenses incurred by the Shares of the Company during the last financial year divided by the average Net Asset Value of the Shares of the Company over the same period. Examples of the fees and expenses incurred by the Shares of the Company include management and administration fees, guarantee fees, custodian fees and other fees and expenses as specified in the Prospectus issued by the Company. The average Net Asset Value of the Shares of the Company is calculated as the average of the Shares' Net Asset Values as at the end of each quarter ending 30 September 2011, 31 December 2011, 31 March 2012, 30 June 2012 and 30 September 2012, whereby the quarter end values for 30 September 2011 and 30 September 2012 are assigned half the weighting in the calculation relative to each of the other three quarter end Net Asset Values. The estimated costs for the proposed compulsory redemption are AUD 100,000 which have been borne by the Shares of the Company by way of accruals in the Net Asset Value of the Shares of the Company by the Valuation Day of 31 May 2013.

The preliminary expenses in respect of the Company have been fully amortised.

Guarantee

Please note the compulsory redemption will be at the prevailing Net Asset Value per Share and, therefore, the Guarantee will not apply. However, as noted above, an amount at least equal to the Guaranteed Amount will be returned to you in respect of each Share. As at 31 May 2013, the Net Asset Value per share was AUD 1.1032. The Guaranteed Amount at Maturity per Share is AUD1.05.

² The aggregate Net Asset Value of all Shares in US Dollars is USD 9,199,293 (as at 31 May 2013), USD 9,872,915 (as at 30 April 2013) and USD 9,997,595 (as at 31 March 2013). All conversions use an exchange rate of AUD 1 = USD 0.9526 (calculated on 7 June 2013)

This means that Shareholders who remain invested in the Company until all the Shares are compulsorily redeemed will receive redemption proceeds calculated as at the last Net Asset Value per Share multiplied by their shareholdings. Early redemption fees will not be applied.

The decision of the Directors described in this letter is conditional upon the Net Asset Value of the Shares (at the Compulsory Redemption Date) continuing to exceed the guaranteed amount of AUD 1.05 per Share. Should the Net Asset Value of the Shares (at the Compulsory Redemption Date) fall below the guaranteed amount, the compulsory redemption will be postponed and investors will be separately notified. Should the compulsory redemption be postponed until 31 December 2014 (the maturity date of the Shares), then the Guarantee will apply.

Taxation

Shareholders resident in Hong Kong will not be liable for Hong Kong tax in respect of any income or gains made on the issue, redemption, conversion or other disposal in Hong Kong of shares, save that persons carrying on in Hong Kong a business of trading securities may be subject to Hong Kong profits tax if those gains form part of such business. We strongly recommend that shareholders consult their tax advisor regarding the actions outlined in this letter in the event of any uncertainty surrounding their tax position.

Documents for Inspection

The following documents of the Company are available for inspection during normal business hours on any day (excluding Saturdays, Sundays and public holidays) at the office of the Hong Kong Representative, the contact details of which are as stated below:

- (a) the Prospectus;
- (b) the Bye-laws.

What to do next

Shareholders of the Company have the following options:

i. A switch, without charge, into Man AHL Diversified Futures Ltd

Shareholders may switch their investment to Man AHL Diversified Futures Ltd which is authorised by the SFC as a futures and options fund. If you wish to switch your investment, please contact your financial adviser. If you do not have any access to a financial adviser, please contact the Hong Kong Representative of the Company for details of financial advisers who are authorised to offer Man Investments' products. Copies of the offering documentation for Man AHL Diversified Futures Ltd may also be obtained from the Hong Kong Representative (whose contact details are on page 1 of this letter), Citibank Europe plc or Citibank N.A., Hong Kong Branch. Shareholders should read the offering documentation of Man AHL Diversified Futures Ltd before any decision to switch is made.

Instructions to switch must be received before an instruction has been issued by the Shareholder Services Agent for the return of redemption proceeds pursuant to option (iii) below. SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

ii. A return of redemption proceeds before compulsory redemption (urgent action required)

If you wish to redeem your Shares before the Compulsory Redemption Date, you may apply for redemption on the Dealing Day of 2 July 2013 in accordance with and subject to the terms set out in the Prospectus. No early redemption fees will be charged. The cut-off time and date for such redemptions by Standard Shareholders is **17:00 (London time) on 15 June 2013** (with a Valuation Day of 30 June 2013). Please complete the enclosed Redemption Request Form and return it to your financial adviser, your local Man office or Citibank N.A., Hong Kong Branch, 10/F., Two Harbourfront, 22 Tak Fung Street, Hunghom, Kowloon, Hong Kong by fax: +852 3077 4889 followed by mailing the original redemption request.

In accordance with the Prospectus issued by the Company, payment of redemption proceeds will usually be made within ten Business Days of the date on which the valuation of the Shares is available. Shareholders selecting this option will receive redemption proceeds calculated as at the prevailing Net Asset Value per Share on the 30 June 2013 Valuation Day multiplied by their shareholdings. The prevailing Net Asset Value per Share on the 30 June 2013 Valuation Day may be above or below the Guaranteed Amount at Maturity per Share of AUD1.05.

iii. A return of redemption proceeds upon compulsory redemption

Please note that if you take no action, the Board of Directors, based on the Investment Manager's recommendation, intend to implement a compulsory redemption of all outstanding Shares as of the Compulsory Redemption Date. As mentioned above, this means that Shareholders who remain invested in the Shares of the Company until all the Shares are compulsorily redeemed will receive redemption proceeds calculated as at the last Net Asset Value per Share on the Valuation Day immediately preceding the Compulsory Redemption Date multiplied by their shareholdings. Early redemption fees will not be applied. In accordance with the Prospectus issued by the Company, payment of redemption proceeds will usually be made within ten Business Days of the date on which the valuation of the Shares is available. **Please provide your bank account details for the payment of redemption proceeds by completing the enclosed Redemption Request Form and returning it to your financial adviser, your local Man office or Citibank N.A., Hong Kong Branch, 10/F., Two Harbourfront, 22 Tak Fung Street, Hunghom, Kowloon, Hong Kong by fax: +852 3077 4889 followed by mailing the original redemption request.**

Please note that the name and registered address of the Shareholder Services Agent (formerly known as Citi Hedge Fund Services, Ltd.) has now changed to Citi Fund Services (Bermuda), Ltd, 5 Reid Street, Hamilton HM 11, Bermuda.