

5 April 2018

**Share Purchase Plan
Blue Sky Alternative Investments Limited (ASX: BLA)**

On 7 March 2018, Blue Sky Alternative Investments Limited (**Blue Sky**) announced the successful completion of a placement of approximately 8.7 million shares at an issue price of \$11.50 per share to institutional, professional and sophisticated investors (**Placement**) raising approximately \$100 million. The Placement was oversubscribed.

In order to provide all existing shareholders with an opportunity to acquire shares at the same price per share offered to investors under the Placement, Blue Sky offered shareholders participation in a share purchase plan (**SPP**).

On 28 March 2018 (which was the last day of the SPP offer period) Blue Sky became aware that an opinion (**Shorter Opinion**) had been published by a short seller (**Short Seller**) and that it was broadly circulated in the market. Blue Sky was concerned that the Shorter Opinion had the potential to create a false market in its securities. Consequently, Blue Sky requested a trading halt under ASX Listing Rule 17.1. Blue Sky subsequently released to the ASX a response to the Shorter Opinion on 3 April 2018. That response stated that, amongst other things:

- Blue Sky believes that the assertions made in the Shorter Opinion are fundamentally flawed and materially misleading; and
- Blue Sky is concerned that the Short Seller and any associates who had engaged in short selling in recent months may have manipulated the market in breach of the Corporations Act.

Blue Sky has formally invited ASIC to investigate its concerns in relation to market manipulation. In these circumstances, and given the disruption to the market in BLA shares which occurred during the SPP offer period, Blue Sky does not believe it appropriate to accept applications from shareholders under the SPP. Accordingly the Blue Sky Board has, in accordance with the terms of the SPP, determined not to issue any new shares in response to the applications received. The Board notes that Blue Sky is well capitalised to deliver its strategy.

A full refund of application monies will be dispatched shortly.

For further information, please contact Leyya Taylor, Company Secretary, on (07) 3270 7500 (inside Australia) or +617 3270 7500 (outside Australia) between 8:00am to 5:00pm (Brisbane time) Monday to Friday during the offer period. Alternatively, consult your professional adviser.

For media enquiries, please contact Emily Blyth on 0401 601 044 or emily.blyth@consiglio.com.au; or Hayley Morris on 0407 789 018 or hayley.morris@consiglio.com.au.

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