

ASX Release

24 May 2019

BWR update: transactions approved at General Meeting

BlackWall today announces completion of the majority of the transactions contemplated and approved at the meetings of BlackWall Limited shareholders and BlackWall Property Trust unitholders on 10 May 2019. The transactions completed follow settlement of the sale of the Bakehouse Quarter on 18 April 2019.

Attached to this release is a preliminary BWR balance sheet (subject to audit and tax accounting in the normal course at the year end) showing the position today following completion of all transactions. A pro forma balance sheet was included in the Notice of Meeting released on 8 April 2019 giving the anticipated outcome based on a number of assumptions. In particular, that balance sheet showed the capital derived from the transaction as cash on deposit. In order to enhance returns and now that completion has occurred, the directors resolved to repay a significant amount of BWR's debt and invest in a number of low risk first mortgage positions. The key elements of the balance sheet are as follows:

- Gross Assets - \$314 million
- Debt - \$57 million
- Gearing 18%
- Net Assets - \$220 million (excluding minorities)
- Units on issue - 148.5 million
- NTA per unit \$1.48
- Cash and equivalents \$19 million

BWR is now a significantly bigger trust and has grown its unit holders by roughly 400 investors. In addition to the \$19 million in cash, BWR can use its lightly geared balance sheet to fund opportunities. To this end the trust has the capacity for real estate purchases of \$170 million without increasing gearing above 40%.

The transactions contemplated in the BlackWall Limited Notice of Meeting will complete in the coming days and an updated BlackWall Limited balance sheet will be released at that time.

Preliminary Balance Sheet Summary

Cash and Equivalents	\$19,000,000
Properties	\$274,000,000
Other Assets	\$21,000,000
Total Assets	\$314,000,000
Borrowings	\$57,000,000
Net Assets	\$257,000,000
Minority Interests	\$37,000,000
Net Assets Attributable to Unitholders	\$220,000,000