

ASX Release

19 November 2019

WOTSO Demerger Update



BlackWall Limited (ASX: BWF) ("BlackWall") is pleased to update shareholders on the proposed demerger of its WOTSO coworking business, as first announced to ASX on 2 August 2019 ("Demerger").

The Demerger involves a capital reduction and distribution which will be satisfied by an in specie distribution of 86% of the shares in WOTSO Limited ("WOTSO"). BlackWall will retain a 14% interest in WOTSO with a carrying value of \$5 million. This equates to an adopted valuation of WOTSO at \$35 million.

As set out in the Notice of Meeting, at or soon after the Demerger, WOTSO intends to raise capital by the following means:

1. an entitlement offer to raise up to \$10 million; and
2. a strategic placement to raise up to \$30 million.

In addition, WOTSO aims to seek listing on ASX in its own right in 2020.

On Demerger, a new WOTSO board will be appointed. Former BlackWall CEO, Stuart Brown, has taken the role of WOTSO Managing Director. BlackWall Joint Managing Director Tim Brown will remain on the WOTSO board as BlackWall's appointee. The WOTSO board will be chaired by John Tuxworth and he will be joined by non-executive directors Rose Herceg and Peter Walsh. Details on Mr Tuxworth, Ms Herceg and Mr Walsh's experience is included in the meeting documentation.

A General Meeting of BlackWall shareholders will be held at 10:30am on Friday 20 December 2019 ("Meeting"), at which shareholders will be asked to approve the Demerger and associated resolutions.

Further details on the Demerger are provided in the Notice of Meeting, Explanatory Statement and Short Form Prospectus despatched to shareholders and lodged with ASIC today.

Key dates for the Demerger are outlined below:

Despatch of the Notice of Meeting	Tuesday, 19 November 2019
Meeting to approve the Demerger	10.30 am Friday, 20 December 2019
BWF notifies ASX of the outcome of the meeting	
Ex-date for the capital reduction – the date on which Shares commence trading on ASX without the entitlement to participate in the distribution	Friday, 3 January 2020
Record Date for capital reduction	Monday, 6 January 2020

Completion of Demerger including in specie distribution of WOTSO Shares to eligible Shareholders	Friday, 10 January 2020
Share certificates for WOTSO Shares are posted to Eligible Shareholders	Monday, 13 January 2020

Sophie Gowland
Company Secretary
BlackWall Limited