

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To: Company Name/Scheme BlackWall Property Trust ("BWR")

AGN/ARSN 109 684 773

1. Details of substantial holder (1)

Name AG Bermuda Holdings Limited as General Partner of the Australia Opportunity Fund 1, L.P. ("Australia Opportunity Fund 1")

ACN/ARSN (if applicable) _____

The holder became a substantial holder on 29 / 06 / 16

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ord	4,320,000	4,320,000	7.47%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Australia Opportunity Fund 1	Registered Holder	4,320,000 Ord

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holders of relevant interest	Registered holder of Securities	Person entitled to be registered as a holder (8)	Class and number of securities
Australia Opportunity Fund 1	Australia Opportunity Fund 1	Australia Opportunity Fund 1	4,320,000 Ord

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Australia Opportunity Fund 1	29/06/2016		5,400,000 units in BlackWall Telstra House Trust at \$1.13 each, as per offer made by BWR dated 2 May 2016 and accepted by the Australia Opportunity Fund 1, attached to this notice in Annexure A	4,320,000 Ord

6. Associates

The reasons the person named in paragraph 3 above are associates of the substantial holder are as follows:


Name and ACN/ARSN (if applicable)	Nature of association
Australia Opportunity Fund 1	Registered holder

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Australia Opportunity Fund 1	NO.1 L.P. C/- ROBBIE FALLON IDA PROPERTY GROUP LEVEL 3 9-11 CLAREMONT STREET SOUTH YARRA VIC 3141

Signature


print name ROBERT FALLON capacity DIRECTOR
 sign here  date 01 / 07 / 2016

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant issues (eg. A corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in Section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).
See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. If the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

Annexure A – Relevant Agreement

This is annexure A of 5 pages referred to in Form 603 Notice of Initial Substantial Holder signed by me dated 1 July 2016.

print name	<u>ROBERT FALLON</u>	capacity	<u>DIRECTOR</u>
sign	<u></u>	date	<u>01 / 07 / 2016</u>



SWAP OFFER

Australia Opportunity Fund No.1 L.P.
c/o IDA Property Group
Level 3, 9-11 Claremont Street
South Yarra VIC 3141
Australia

BlackWall Property Trust (BWR) is offering 8 BWR units for every 10 BlackWall Telstra House Trust (BTHT) units you hold, rounded up to the nearest whole unit where applicable.

Number of BlackWall Telstra House Trust units you own	Number of BWR units you will receive if you accept
7,250,873 BTHT units NTA value based on \$1.13 per unit: \$8,193,486.49	5,800,699 BWR units NTA value based on \$1.43 per unit: \$8,294,999.57 Value based on 5-day VWAP ¹ on ASX to 26 April 2016 of \$1.32 per unit: \$7,656,922.68

How can I compare the value of my BTHT units with BWR units?

The following table sets out the value of both BTHT and BWR units using Net Tangible Assets per unit as the basis for the valuation. As BWR units are quoted on the ASX, the 5-day volume weighted average price (VWAP) of BWR units on the ASX to 26 April 2016 has also been provided to assist you in assessing the offer:

BTHT units	Current Net Tangible Asset Value per unit	\$1.13
	Net Tangible Asset Value per unit recorded in 31 December 2015 Accounts	\$1.22
BWR units	Current Net Tangible Asset Value per unit	\$1.43
	Net Tangible Asset Value per unit recorded in 31 December 2015 Accounts	\$1.40
	5-day volume weighted average price to 26 April 2016	\$1.32

How is Net Tangible Asset value calculated?

Net Tangible Asset value per unit is determined by taking a fund's gross assets and subtracting liabilities and intangibles, then dividing it by the number of units on issue.

Tell me about BlackWall Property Trust

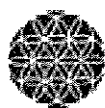
BlackWall Property Trust is an ASX-listed real estate investment trust (ASX: BWR) with a portfolio of commercial, retail and industrial property interests across the East Coast and Canberra. You should consider the enclosed Product Disclosure Statement before deciding whether to accept the offer. Regular BWR market announcements are made on the ASX's company announcements platform at www.asx.com.au using the code "BWR".

Unitholders should also be aware of the financial effect of this offer on BlackWall Property Trust.

Changes to Capital Structure

The changes to the capital structure of BlackWall Property Trust as a result of this offer are set out below:

¹ Volume weighted average price



Number of BWR units currently on issue	46,467,601
Number of BWR required to be issued	9,383,706 ²
Total number of BWR units on issue after	55,851,307 ³

Effect of this offer on BlackWall Property Trust Balance Sheet

BlackWall Property Trust	Current	Pro Forma ²
Assets		
Cash and equivalents	\$1,884,000	\$1,884,000
Direct Property	\$86,350,000	\$111,910,000
Indirect Property	\$28,227,000	\$27,956,000
Total Assets	\$116,461,000	\$141,750,000
Less: Bank Debt	(\$50,000,000)	(\$61,390,000)
Less: Minority Interests	(\$661,000)	(\$661,000)
Net Tangible Assets	\$65,800,000	\$79,699,000
Number of units on issue	46,467,601 units	55,851,307 units ³
NTA per unit	\$1.43	\$1.43

Advantages of accepting the Offer

- The offer gives investors wanting to sell their units, an opportunity to sell in circumstances where there is no active market.
- BWR units are paying semi-annual distributions while distributions will be suspended for BTHT units.
- BWR units may be offered for sale on-market for cash.
- For those unitholders that prefer a diversified portfolio, BWR units will provide exposure to over 9 real estate investments.
- Investors will continue to have an interest in the Telstra House property through BlackWall Property Trust.

Disadvantages of Accepting the Offer

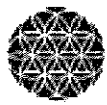
- BTHT is invested in a single asset. If you accept the offer your investment will be exposed to a portfolio of real estate investments rather than one particular asset.
- BTHT is an unlisted property trust and therefore is generally valued by reference to the net tangible assets it holds. BWR is listed on the ASX and therefore its units are bought and sold at the prevailing market price. That price can fluctuate and therefore the value of your holding can also fluctuate.

When does the offer close?

5pm (Sydney time) on Thursday, 2 June 2016.

² Assuming the offer is accepted with respect to 100% of BlackWall Telstra House-Trust units not already held by BlackWall Property Trust.

³ Assuming BlackWall Property Trust does not buy back additional units under its on-market buy-back facility.



BLACKWALL PROPERTY FUNDS

Document ID: 200906150

How do I accept?

To accept the offer, please complete the enclosed Acceptance and Transfer Form to ensure BlackWall receives it by 5pm (Sydney time) on 2 June 2016. You may return the Acceptance and Transfer Form as follows:

Email: info@blackwallfunds.com.au

Post: Use the enclosed Reply Paid envelope or PO Box 612 Neutral Bay NSW 2089

**IMPORTANT: IF YOU DO NOT UNDERSTAND THIS DOCUMENT, PLEASE CONSULT YOUR
FINANCIAL OR LEGAL ADVISER.**

For further information please contact BlackWall on 1800 789 141 (toll free in Australia) or at info@blackwallfunds.com.au.

Yours faithfully

Stuart Brown

Chief Executive Officer

BlackWall Property Funds Limited



BLACKWALL
PROPERTY FUNDS

Investor ID: 20000150

ACCEPTANCE AND TRANSFER FORM

In relation to an offer by BlackWall Fund Services Limited as responsible entity for BlackWall Property Trust ARSN 109 684 773 dated 2 May 2016 to purchase the units you hold in BlackWall Telstra House Trust ARSN 128 288 291.

RF

Australia Opportunity Fund 1 ~~Proposed~~
c/o IDA Property Group
Level 3, 9-11 Claremont Street
South Yarra VIC 3141
Australia

STEP 1 ACCEPTANCE

I/we accept the offer to swap 7,250,873 BlackWall Telstra House Trust units for 5,800,699 BlackWall Property Trust units on the terms of the offer letter dated 2 May 2016 and the terms and conditions set out overleaf.

DATE OF ACCEPTANCE - 17 JUNE 2016.

STEP 2 SIGN HERE

Individual or Securityholder 1

~~Sole Director and Sole Company Secretary~~

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

NOTE - DIRECTOR(S) OF AL BERMUDA HOLDINGS LIMITED AS GENERAL PARTNER
CONTACT INFORMATION OF THE AUSTRALIAN OPPORTUNITY FUND 1, L.P.

Phone: Please include your email address so we can send you all BlackWall Property Trust communications electronically.

Email:

Return
completed
forms to:

Email:
info@blackwallfunds.com.au

Post:
Use the enclosed Reply Paid
envelope or post to:
PO Box 612
Neutral Bay NSW 2089



InvestorID: 25000150

ACCEPTANCE AND TRANSFER FORM

TERMS OF ACCEPTANCE AND TRANSFER

1. By accepting this offer and returning this Acceptance and Transfer Form, you will be deemed to have:
 - (a) accepted the offer for all of the units you hold in BlackWall Telstra House Trust ARSN 128 268 291 (BTHT) (even if the number of BTHT units specified on the form overleaf differs from the actual number of BTHT units you hold);
 - (b) represented and warranted to BlackWall Fund Services Limited as responsible entity for BlackWall Property Trust (BlackWall), that at the time of acceptance and at the time of the transfer of your BTHT units under this offer:
 - all your BTHT units to be transferred are and will be fully paid up, and The Trust Company Limited as custodian for BlackWall Property Trust will acquire good title to them and full beneficial ownership of them will pass to BlackWall Property Trust free from all mortgages, charges, security interests, liens, encumbrances (whether legal or equitable) and adverse interests of any nature and restrictions on transfer of any kind; and
 - you have full power and capacity to accept the offer, and to sell and transfer the legal and beneficial ownership in those BTHT units to The Trust Company Limited as custodian for BlackWall Property Trust;
 - (c) irrevocably authorised BlackWall to alter the form on your behalf by rectifying any errors in or omissions from it as may be necessary to make it an effective acceptance of this offer or to enable registration of the transfer of your BTHT units;
 - (d) agreed to execute all such documents, transfers and assurances as may be necessary or desirable to convey your BTHT units registered in your name to The Trust Company Limited as custodian for BlackWall Property Trust.
2. This offer is made in accordance with Division 5A of Pt 7.9 of the Corporations Act 2001 (Cth) (Corporations Act). BlackWall may, at any time, in its sole discretion and without further communication to you, determine that any returned form it receives is a valid acceptance, even if one or more of the requirements for acceptance has not been complied with.
3. The representations, warranties and authorities referred to in paragraph 1 above will remain in force after you receive your entitlement to BWR units.
4. BlackWall may issue or transfer existing BlackWall Property Trust units to satisfy your acceptance. Any issue of or new BlackWall Property Trust units is subject to any requisite regulatory approvals.
5. By accepting this offer, your entitlement to any BWR distributions commences from the date you are registered as the holder of BWR units. BlackWall does not guarantee the time by which investors will receive BWR units as a result of accepting of this offer.
6. In accordance with rule 7.3 of the Constitution of BTHT, if unitholders holding at least 50% of the units on issue in BTHT accept this offer, BlackWall Property Trust intends to invoke the drag along clause and any unitholders that do not accept will be required to transfer their units and will receive the number of BWR units indicated in their personalised offer letter.
7. The offer is dated 2 May 2016 and will remain open for acceptance from that date until 5pm (Sydney time) on Thursday, 2 June 2016, unless extended or withdrawn in accordance with the Corporations Act.
8. BlackWall may withdraw the offer by sending a withdrawal document in printed or electronic form to you but not within 1 month of the date of the offer.
9. BlackWall cannot vary the terms of the offer but may withdraw the offer and make another offer on different terms in accordance with the Corporations Act.

Privacy Statement: BlackWall Property Funds Limited and its related bodies corporate ('BlackWall') collects the personal information in this form as registrar or issuer of the securities you hold. BlackWall's privacy policy can be viewed at www.blackwallfunds.com.au. Your personal information is required for administration of the register of securityholdings. By accepting this offer, you expressly permit BlackWall to use the information it holds about your BTHT holding, including your tax file number (if recorded), and disclose this information to Computershare to set up your BWR account. Your personal information may be disclosed to our related bodies corporate, external service companies such as print or mail service providers, IT service providers or otherwise as permitted by law. If you have provided an email address, you will receive general communications including Notices of Meeting by email and marketing material in relation to current BlackWall offers. You may elect not to receive marketing material or opt out of electronic corporate communications by contacting BlackWall. You can obtain access to your personal information and advise of any incorrect, inaccurate or out-of-date information by contacting BlackWall on 1800 789 141 or at info@blackwallfunds.com.au.
