

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Blue Sky Alternative Investments Limited

ABN

136 866 236

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

1	+Class of +securities issued or to be issued	Fully paid ordinary shares
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	<p>Approximately 4,615,385 new fully paid ordinary shares to be issued under the placement (<b>Placement</b>) and 5,655,506 new fully paid ordinary shares to be issued under the accelerated pro-rata non-renounceable entitlement offer (<b>Entitlement Offer</b>) described in the announcement and investor presentation lodged with ASX on 11 May 2016 (collectively, the <b>Equity Raising</b>).</p> <p>The Entitlement Offer consists of an accelerated component (<b>Accelerated Entitlement Offer</b>) and a non-accelerated component (<b>Retail Entitlement Offer</b>).</p> <p>The exact breakdown of the New Shares under the Accelerated Entitlement Offer and Retail Entitlement Offer is still to be finalised and is subject to the reconciliation of shareholder entitlements and the effects of rounding.</p>

3	Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	Same terms as existing fully paid ordinary shares
4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?  If the additional +securities do not rank equally, please state: <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	Yes
5	Issue price or consideration	\$6.50 per share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The proceeds of the Equity Raising will be applied principally to provide additional capital for ongoing co-investment in funds managed by Blue Sky, to provide balance sheet support for new funds launched and to demonstrate balance sheet scale to enhance conversion of potential institutional mandates.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?  If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i> , and comply with section 6i	No
6b	The date the security holder resolution under rule 7.1A was passed	N/A
6c	Number of +securities issued without security holder approval under rule 7.1	N/A

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+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	N/A
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A
6f	Number of +securities issued under an exception in rule 7.2	N/A
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A. Annexure 1 is not required and has been omitted.
7	+Issue dates  Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.  Cross reference: item 33 of Appendix 3B.	Placement – 19/05/16 Accelerated Entitlement Offer – 19/05/16 Retail Entitlement Offer – 8/06/16

	Number	+Class
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Fully paid ordinary shares
	After the completion of the Equity Raising there will be approximately 66,825,951 fully paid quoted ordinary shares on issue (based on the number of fully paid ordinary shares on issue at the date of this Appendix 3B and the maximum number of shares to be issued under the Placement and Entitlement Offer, subject to the effects of rounding)	

9	Number and +class of all +securities not quoted on ASX ( <i>including</i> the +securities in section 2 if applicable)	Number	+Class
		2,745,000	Options
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No change.	

## Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 New Share for every 10 existing fully paid ordinary shares held on the record date
14	+Class of +securities to which the offer relates	Fully paid ordinary shares
15	+Record date to determine entitlements	7:00pm (AEST) on 13 May 2016
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Yes
17	Policy for deciding entitlements in relation to fractions	Where fractions arise in the calculating of entitlements, they will be rounded up to the next whole number of shares
18	Names of countries in which the entity has security holders who will not be sent new offer documents  <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	For the Entitlement Offer, all countries other than Australia and New Zealand
19	Closing date for receipt of acceptances or renunciations	Accelerated Entitlement Offer – 12/05/16  Retail Entitlement Offer – 1/06/16
20	Names of any underwriters	The Entitlement Offer is not underwritten.

+ See chapter 19 for defined terms.

21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	Ord Minnett Limited and Morgans Corporate Limited
23	Fee or commission payable to the broker to the issue	3% of the proceeds raised from the Placement and Accelerated Entitlement Offer 4% of the proceeds raised from the Retail Entitlement Offer
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	No prospectus is being prepared in connection with the Entitlement Offer. A retail offer document and personalised entitlement and acceptance form will be sent to eligible shareholders on or after 18/05/16.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	11 May 2016
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	<sup>†</sup> Issue date	Accelerated Entitlement Offer – 19/05/16 Retail Entitlement Offer – 8/06/16

## Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities  
(tick one)

(a)  +Securities described in Part 1

(b)  All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional +securities

### Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

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+ See chapter 19 for defined terms.

40 Do the <sup>+</sup>securities rank equally in all respects from the <sup>+</sup>issue date with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?

If the additional <sup>+</sup>securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

N/A

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another <sup>+</sup>security, clearly identify that other <sup>+</sup>security)

N/A

	Number	<sup>+</sup> Class
42 Number and <sup>+</sup> class of all <sup>+</sup> securities quoted on ASX ( <i>including</i> the <sup>+</sup> securities in clause 38)	N/A	N/A

## Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: .....  
(Company secretary)

Date: 11 May 2016

Print name: Jane Prior

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+ See chapter 19 for defined terms.