

ASX Release

29 June 2016

BWR Acquisition & Distribution Update

As announced on 24 June 2016, a meeting of BWR unitholders approved a series of transactions relating to the Trust. These transactions have since progressed and we give the following update.

Net Tangible Assets

BWR has been actively buying back units under its on-market buy-back facility, which has had a positive effect on NTA. Taking into account the units acquired in the ongoing buy-back program we confirm that the Trust's unaudited NTA now stands at \$1.27 per unit. With the BQT takeover yet to be implemented the Trust's gross assets are \$136 million with bank debt of \$62million, giving rise to a 45% loan to value ratio.

Pelathon Pub Group

Today is the record date to determine entitlements to the in-specie distribution of Pelathon Pub Group stapled securities (Pub Units). The distribution is at a ratio of 2.48 Pub Units for each BWR unit held. In accordance with the independent experts' reports on the transactions, each Pub Unit has a value of 6.5 cents, and therefore, BWR unitholders will have received a return of capital of 16 cents per BWR unit.

With this broadened unitholder base the Pelathon Pub Group is well placed to raise capital or grow through mergers and acquisitions. See www.pelathon.com.

How To Offer Your Pub Units For Sale

The Pelathon Pub Group is an unlisted fund and BlackWall recognises that some unitholders may wish to sell their holdings. For these unitholders there is an opportunity to offer the securities for sale on the Primary Markets platform. For more information see www.primarymarkets.com.

BlackWall has a strategic alliance with Primary Markets, an independent, international platform that brings buyers and sellers together to execute off-market transactions for illiquid, unlisted securities and investments.

Option Transaction

BWR has entered into transactions with an unrelated party under which it has an option to acquire (or place with third parties) up to 4.32 million BWR units at a price of \$1.09 per unit. The option has a term of 6 months. At the expiry of this period the holder of the relevant BWR units has the option for a further 18 months to put to BWR (or require BWR to place with third parties) up to 4.32 million BWR units at a price of \$1.27 per unit. These units can only be put in tranches of no more than 1.5 million BWR units in any 6 month period, commencing on the expiry of the call option term.

The price of each of the call and put options reduces to the extent that BWR pays distributions or makes returns of capital prior to the relevant put or call.



Stuart Brown
Chief Executive Officer
BlackWall Limited