

16 July 2020

BAF begins transition to WAM Alternative Assets

The Board of Blue Sky Alternatives Access Fund Limited (**BAF** or the **Company**) is pleased to announce that it has begun the process of appointing Wilson Asset Management (International) Pty Limited (**Wilson Asset Management**) as the Company's investment manager. The Company has today entered into a deed of termination with BSAAF Management Pty Ltd (**BSAAF**), the Company's existing manager, Wilson Asset Management and the underlying fund level managers, as well as a transitional services agreement with BSAAF and Wilson Asset Management, to facilitate the transition of the Company's investment management services to Wilson Asset Management.

The termination of the existing BSAAF management services agreement and the transition of management to Wilson Asset Management is subject to several conditions including BAF shareholder approval. BAF intends to hold an extraordinary general meeting (**EGM**) of shareholders to vote on the termination and transition arrangements in early September 2020.

The Company and Wilson Asset Management have also today entered into a deed which facilitates the entry of these parties into a new investment management agreement, subject to shareholder approval at the EGM.

BAF Chairman Michael Cottier said:

"Today's milestone signals the beginning of a brighter future for BAF shareholders. The BAF Board once again thanks shareholders for their patience. The Directors are delighted to have commenced this important transition, which, if approved by shareholders, will provide new and existing investors with access to a high-quality investment manager with significant expertise in successfully managing listed investment companies (**LICs**)."

Wilson Asset Management Chairman Geoff Wilson AO said:

"We believe the renewed alternative asset-focused LIC has great potential in the Australian market and we look forward to welcoming over 3,300 BAF shareholders into the Wilson Asset Management Family."

Variation to terms

As announced on 30 June 2020, the differences in understanding in relation to the treatment of management and performance fee rebates have been resolved on terms that the BAF Board considers acceptable. The resolution results in variations to one of the six areas of agreed terms disclosed in the Company's announcement of 28 February 2020. These changes relate to the waiver of certain estimated, but not yet payable performance fee rebates in accordance with, and arising as, a result of the termination of the current Management Services Agreement with BSAAF. The payment of certain accrued management fee rebates will be deferred pending receipt by BSAAF or the underlying fund level managers of cash from those funds. The waived performance fee rebates comprise less than 1% of the Company's current NTA, and these adjustments are fully reflected in the Company's 30 June 2020 NTA report. The Board has further agreed not to request redemption of BAF's investment in the Argyle Water Fund for a one-year period, subject to certain conditions. The Argyle Water Fund has historically proven to be one of the Company's best-performing underlying investments.

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Indicative timing of Manager transition

The Company expects to lodge the Notice of Meeting in relation to the proposed EGM with the ASX in time to hold the EGM in early September 2020.

For more information, please contact:

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About Wilson Asset Management

Wilson Asset Management has a track record of making a difference for shareholders and the community for more than 20 years. As the investment manager for six leading LICs: WAM Capital, WAM Leaders, WAM Global, WAM Microcap, WAM Research and WAM Active, Wilson Asset Management invests over \$3 billion on behalf of more than 85,000 retail investors. Wilson Asset Management is the creator and lead supporter of Future Generation Australia and Future Generation Global, a passionate advocate for retail investors and a member of the global philanthropic Pledge 1% movement. For more information visit: www.wilsonassetmanagement.com.au.



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