

ASX Release

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BlackWall Takes 100% Control of 55 Pyrmont Bridge Road

ASX listed BlackWall Limited (ASX:BWF) has announced a \$15 million rights issue in one of its unlisted wholesale trusts. The BlackWall managed fund is invested in the former Fox Sports Building at 55 Pyrmont Bridge Road. This announcement follows the company's recent over-subscribed private placement to fund its growing WOTSO WorkSpace subsidiary, which is a key tenant of the Pyrmont property.

"A number of opportunities are coming together and with the BWF raising closed oversubscribed we can now go to the market at the trust level," said BlackWall CFO Tim Brown. "We have reached an agreement for us take full control of 55 Pyrmont Bridge Road."

BlackWall originally structured an \$80 million joint venture distressed debt acquisition with NAB in late 2014, investing, alongside the Bank, in 55 Pyrmont Bridge Road through a newly formed wholesale fund known as the Pyrmont Bridge Trust. The recent agreement will see the Pyrmont Bridge Trust buy-out the bank's investment and take full control of the asset.

"The Pyrmont deal was structured with a lifespan of 3 years so the buy-out means the asset will be in our control indefinitely," said Mr Brown.

The transaction reflects BlackWall's long held strategy of buying assets in financial distress or those that require repositioning to attract new tenants. In 2014, 55 Pyrmont Bridge Road had over 6,500 square metres of its 14,000 square metre NLA vacant with the insolvency of UBI and Fox Sports relocating. Today, all but 500 square metres are under lease and the building has now been repositioned as a commercial office, technology and media hub, housing Verizon, Digital Pacific and over 100 other smaller businesses under WOTSO's collaborative workspace and flexible office model.

"We have just completed a \$1 million upgrade of the building's ground floor common areas incorporating a coffee shop, meeting rooms and event space which are available to WOTSO and building tenants as well as the general public," said BlackWall General Manager of Property, Jess Glew.

"Our lobby now has catering facilities and can hold over 200 people for product launches, presentations and screenings," she added.

The Pyrmont Bridge Trust is funded by a group of high net worth individuals and BlackWall's listed REIT the BlackWall Property Trust.

For further information, please call:

Stuart Brown Tim Allerton
BlackWall Limited City PR

(0413) 921 570 (0412) 715 707