

14 July 2017

Dear Shareholder

Blue Sky Alternatives Access Fund Limited (ASX:BAF) (the 'Alternatives Fund') – Net Tangible Assets ('NTA') per share for June 2017

The Alternatives Fund is pleased to report a pre-tax NTA increase to \$1.1452 per share in June, a change of 3.5% for the month, and a total pre-tax fund performance¹ of 10.3% for FY17.

This movement was primarily driven by gains on a number of the Alternatives Fund's investments across all asset classes following independent valuation reviews in June.

The Alternatives Fund also received the proceeds from a number of realisations during the month and accrued several regular quarterly distributions which had been declared by the underlying funds.

The Alternatives Fund also made the following new investments in June:

- a \$15.0 million commitment to the Blue Sky Strategic Australian Agriculture Fund, co-investing alongside Australian and international institutions;
- a \$3.0 million private equity investment into an established and rapidly growing food manufacturing business based in South Australia; and
- two \$2.5 million investments into two new retirement living projects, one situated on the Gold Coast and one in an inner suburb of Brisbane.

We look forward to bringing you our next investor update in relation to July 2017 and the Alternatives Fund's FY17 annual financial report in August 2017.

Yours faithfully



Andrew Champion
Executive Chairman

¹ Includes NTA growth, dividends and franking credits.

Important note

BSAAF Management Pty Ltd ABN 82 168 923 279 has prepared the information in this document. This document has been prepared for the purpose of providing general information only, without taking account of any particular investor's objectives, financial situation or needs. It is not an offer or invitation for subscription or purchase, or a recommendation of any financial product and is not intended to be relied upon by investors in making an investment decision. Past performance is not a reliable indicator of future performance.

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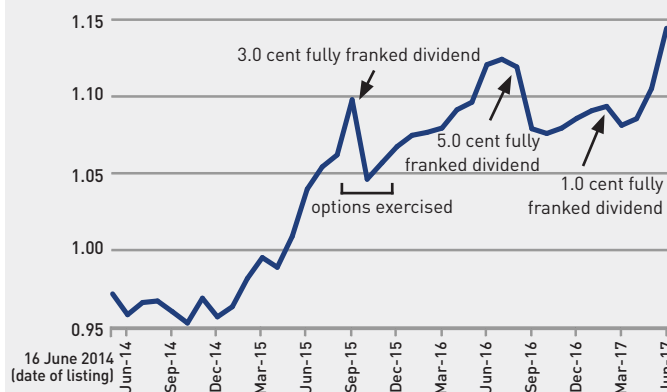
blueskyfunds.com.au

NET TANGIBLE ASSETS – AS AT 30 JUNE 2017¹

Net Tangible Assets (NTA) per share (pre-tax)	\$ 1.1452
Net Tangible Assets (NTA) per share (post-tax)	\$ 1.1210

1. NTA figures in this report are unaudited.

PRE-TAX NET TANGIBLE ASSETS – SINCE INCEPTION



PORTFOLIO VALUATION²

	Current value (\$'m)	% of Portfolio
PRIVATE EQUITY AND VENTURE CAPITAL		
Private Equity	\$39.03	20.0%
Venture Capital	\$11.92	6.1%
Subtotal	\$50.95	26.1%
REAL ASSETS		
Water Fund	\$31.05	15.9%
Other Real Assets	\$13.21	6.8%
Subtotal	\$44.26	22.7%
PRIVATE REAL ESTATE		
Residential Development	\$10.18	5.2%
Retirement Living	\$14.68	7.5%
Student Accommodation	\$38.79	19.9%
Cove and Other Real Estate	\$13.96	7.1%
Subtotal	\$77.61	39.7%
Cash ³	\$22.49	11.5%
GRAND TOTAL	\$195.31	100.0%

2. Figures in this report are unaudited. The current value for each investment in the table above is consistent with the Alternatives Fund's investment valuation policy, which may be found at blueskyfunds.com.au/alternativesfund. Note that the total value of the investment portfolio will not directly reconcile to the NTA due to the impact of interest revenue, management fees, accrued performance fees, etc.

3. Includes capital to fund a \$15.0 million commitment to the Strategic Australian Agriculture Fund, which will be called progressively over a three year investment period.

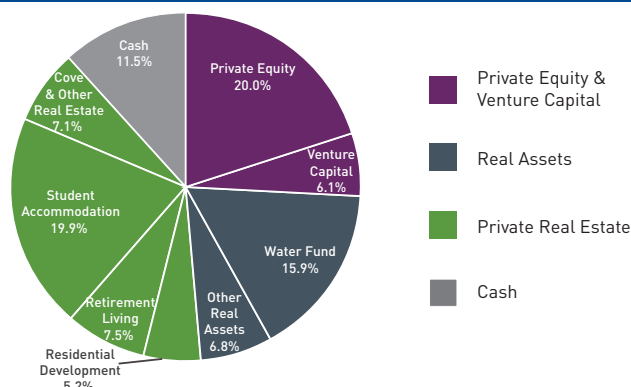
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FUND PERFORMANCE⁴

Period	Pre-Tax	Post-Tax
1 month	3.53%	2.65%
3 months	5.81%	4.54%
6 months	6.77%	6.30%
12 months	10.29%	10.86%
Since inception (per annum)	9.71%	8.84%
Since inception (total)	32.55%	29.40%

4. Includes NTA growth, dividends and franking credits.

SECTOR WEIGHTINGS



ABOUT THE ALTERNATIVES FUND

Blue Sky Alternatives Access Fund Limited ('Alternatives Fund') is a listed investment company that invests in a diverse range of alternative assets including:

- Private equity and venture capital;
- Real assets;
- Private real estate; and
- Hedge funds.

The Alternatives Fund is the only listed investment company on the Australian Securities Exchange ('ASX') that allows investors to make a strategic allocation to a diverse portfolio of directly managed alternative assets.

The Alternatives Fund is listed on the ASX under the code BAF.

OBJECTIVES OF THE ALTERNATIVES FUND

The primary objectives of the Alternatives Fund are to:

- Deliver long term absolute returns to shareholders, comprised of both capital appreciation and a dividend yield (franked to either 100% or the maximum extent possible);
- Provide investors with access to a diverse range of alternative assets; and
- Provide investors with the ability to invest in alternative assets through an ASX listed structure that is more readily accessible and liquid than is typical for many alternative assets.

MANAGER OF THE ALTERNATIVES FUND

BSAAF Management Pty Limited ('Manager') is the manager of the Alternatives Fund. All investments made by the Manager on behalf of the Alternatives Fund are directly managed by wholly owned subsidiaries of Blue Sky Alternative Investments Limited (ASX:BLA) ('Blue Sky').

Blue Sky has \$3.0 billion in fee-earning assets under management and a ten year track record of generating overall returns to investors in its funds of 16.4% p.a. (net of fees compounding since inception).⁵

5. Assets under management as at 31 May 2017. Overall returns to investors in Blue Sky managed funds are equity weighted to 31 December 2016. For more details, please refer to BLA's regular ASX announcements on the investment performance of its funds. Please also note that past performance is not a reliable indicator of future performance.

FURTHER INFORMATION

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The pre-tax NTA of the Alternatives Fund increased by 3.9 cents per share, or 3.5%, to \$1.1452 in June. This gain reflects an uplift in value of a range of investments following independent valuation reviews in June in compliance with the Alternatives Fund's investment valuation policy.

The Alternatives Fund also received the proceeds from a number of realisations during the month and accrued several regular quarterly distributions which were declared at month-end.

The Alternatives Fund made a number of new investments in June, including:

- \$3.0 million into a new Private Equity fund;
- \$5.0 million across two new retirement living projects; and
- a \$15.0 million commitment to a new diversified Real Assets fund, co-investing alongside domestic and offshore institutional investors.

REALISED INVESTMENTS

• Blue Sky Private Equity HPS Fund

As reported in May, the Alternatives Fund received the majority of proceeds from the exit of its investment in the Blue Sky Private Equity HPS Fund during June, following the sale of this investment to EBOS Limited. With a minor post-completion adjustment and final fee rebates expected to also be received in the coming weeks, this investment will generate a return of 34% p.a., or slightly in excess of 2.0x invested capital (and 21.9% above the previous carrying value), over an approximately 2.5 year period.

• Blue Sky Water Fund

During the month, the Alternatives Fund redeemed \$10.0 million of its \$40.9 million allocation to the Blue Sky Water Fund. In addition to realising strong gains from this partial redemption, this capital will be progressively redeployed as part of a larger commitment to the Blue Sky Strategic Australian Agriculture Fund ('Strategic Ag Fund'), which employs a diversified investment strategy targeting uncorrelated returns from water, agricultural infrastructure and agricultural operating assets. Further details on the Strategic Ag Fund are provided below.

Given the Strategic Ag Fund's mandate will include investment in Water Entitlements (up to 1/3 of the Fund), the Alternatives Fund will effectively maintain its cornerstone position in water through its direct investment in the Water Fund, as well as via the Strategic Ag Fund.

The Alternatives Fund will continue to mark-to-market all of its Water Entitlement exposure monthly on a look through basis.

• Residential development projects

Prior to the end of the financial year, the Alternatives Fund received cash distributions from the following residential development funds:

- **Main Street Kangaroo Point Trust** ~ this project is fully exited having generated a return of 1.84x invested capital (inclusive of franking credits and fee rebates) over a <3 year hold period;
- **Regina Street Greenslopes Trust** ~ this project is largely exited with 1.62x invested capital received to date. With a final profit distribution and fee rebates to be received in the coming weeks, this fund is expected to generate a total return of > 1.7x invested capital;
- **Logan Road Greenslopes Trust** ~ this project is partially exited with 0.5x invested capital received to 30 June 2017. Additional capital, profit and fee rebate distributions are expected to be received over the coming weeks, with total returns from this fund anticipated to exceed 1.5x invested capital; and
- **Grantson Street Windsor Trust** ~ this project is partially exited with 0.5x invested capital received to 30 June 2017. Additional capital, profit and fee rebate distributions are expected to be received over the coming weeks, with total returns from this fund anticipated to exceed 1.6x invested capital.

In June, it was determined that the best use for the land held for residential development in the High Street Lutwyche Trust is the development of a retirement living project. As such, it has been agreed that the land will be sold to joint venture partner and operator Aura and all capital returned to investors (including full fee rebates). The Alternatives Fund has separately determined to invest in the Blue Sky Retirement Living Lutwyche Fund, which will provide development capital for this alternative use project. Further details on the Blue Sky Retirement Living Lutwyche Fund are provided over the page.

DISTRIBUTIONS

During June, the Alternatives Fund accrued periodic distributions from the following funds:

- **Blue Sky Hotel Fund** ~ a 2.5% regular quarterly distribution;
- **Blue Sky Darra Industrial Income Fund** ~ a 2.4% regular quarterly distribution;
- **Blue Sky Student Accommodation Fund** ~ a 2.75% regular quarterly distribution; and
- **Blue Sky Private Equity QFS Fund** ~ a further quarterly instalment of 0.88%.

The Alternatives Fund also received a final cash distribution of 2.4%* from the Blue Sky Water Fund during the month (previously accrued).

*Represents the % yield based on the carrying value of the Alternatives Fund's total investment in the Blue Sky Water Fund as at 31 May 2017.

INVESTMENT PERFORMANCE

The valuation of a significant portion of the Alternatives Fund's portfolio was subject to annual independent third party annual reviews during June in compliance with the Alternatives Fund's investment valuation policy. These reviews were completed prior to month-end.

The material valuation movements resulting from the year-end independent valuation reviews are as follows:

- **Blue Sky Private Equity Wild Breads Fund and Blue Sky Wild Breads RCPS Fund** ~ a combined 4.8% uplift to reflect incremental growth in the business' operating earnings;
- **Blue Sky Private Equity QFS Fund** ~ a 7.8% uplift driven by synergies from recently-acquired businesses;
- **Agriculture Fund II** ~ a 15.2% uplift reflecting the ongoing development of Hillston Citrus' orange orchards (which are being grafted from juicing varieties to fresh export varieties) and appreciation in its Water Entitlement assets;
- **Retirement Living Corinda Fund** ~ a 36.9% uplift following the achievement of several key project milestones and continued strong sales momentum;
- **Retirement Living Maroochydore Fund** ~ a 18.4% uplift after this project also achieved a number of milestones which significantly de-risk project delivery;
- **Student Accommodation Funds II to VI** ~ each recorded uplifts between 3.4% and 25.7% as the developments continue to progress and as third party transactions for student accommodation assets in Australia demonstrate a tightening in cap rates in the sector. Specifically the uplifts by project were:
 - **Student Accommodation Fund II** ~ 25.7%;
 - **Student Accommodation Fund III** ~ 13.4%;
 - **Student Accommodation Fund IV** ~ 17.3%;
 - **Student Accommodation Fund V** ~ 15.9%;
 - **Student Accommodation Fund VI** ~ 3.4%;
- **Cove Property Group 2 Rector Street Trust** ~ progressive completion of refurbishment works and strong initial demand for the building's floor space led to an uplift in the value of the underlying asset. This was offset by an adverse USD:AUD currency translation for the period, leading to an overall 5.4% decline in carrying value.
- **Blue Sky Water Fund**

The value of the Water Fund increased 0.3% during June. As reported in prior years, June is typically a quiet month in the water market.

NEW INVESTMENTS

- **Blue Sky Strategic Australian Agriculture Fund**

The Alternatives Fund made an initial commitment of \$15.0 million to the Strategic Ag Fund in June. The Alternatives Fund is co-investing in this strategy alongside significant commitments from domestic and offshore institutional investors, with capital to be called progressively over the fund's three year investment period. The Alternatives Fund's initial deployments will be met by a \$10.0 million redemption from the Blue Sky Water Fund which was made during the month.

The Strategic Ag Fund employs a diversified investment strategy across Blue Sky's three core areas of focus in Australian agriculture, namely:

- Water Entitlements;
- agricultural infrastructure assets; and
- agribusiness expansion capital.

This fund represents an opportunity to secure an allocation to a strong pipeline of compelling investment opportunities which have a long-term return target of 12%-15% per annum, consisting of both stable income yield and capital growth, and a low correlation to traditional listed asset classes.

Outside of its direct allocation to the Water Fund, the Strategic Ag Fund will be the Alternatives Fund's preferred allocation to provide exposure to Blue Sky's Real Assets pipeline over the coming years, and the Alternatives Fund will look to top up its allocation to the Strategic Ag Fund as appropriate over time.

NEW INVESTMENTS (CONTINUED)

- **Private Equity fund – food manufacturing #**

During June, the Alternatives Fund invested \$3.0 million into a fund which will acquire equity in an established and rapidly-growing food manufacturing business based in South Australia. With recently expanded, best-in-class production facilities and a proven track record of revenue growth, the business is well positioned to deliver attractive risk-adjusted returns over a three to five year investment period.

- **Retirement living – Gold Coast #**

The Alternatives Fund deployed \$2.5 million into a new purpose-built retirement living project located in the heart of the Gold Coast, Queensland. The project will consist of ~250 independent living units in a premium village developed over several stages, including a community centre and associated amenity.

The project, developed and operated together with Blue Sky's joint venture partner Aura Australia, is expected to complete in 2022. Accordingly, the Alternatives Fund anticipates an investment horizon of 5 years and is targeting returns in excess of 20.0% per annum over this period.

- **Blue Sky Retirement Living Lutwyche Fund**

The Alternatives Fund has committed \$2.5 million to the Blue Sky Retirement Living Lutwyche Fund. This fund will develop a premium retirement living village, consisting of ~60 independent living units and a community centre on a prime site in the inner north Brisbane suburb of Lutwyche. The location enjoys easy access to nearby amenity including Queensland's largest hospital, shopping centres, doctors' surgeries and other recreational facilities such as bowls clubs.

The Alternatives Fund anticipates an investment horizon of ~2.5 years and is targeting returns in excess of 20.0% per annum over this period.

Confidentiality restrictions in force at the time of this report prohibit release of certain transaction details, including the name of the business invested in or location of the project. Further information will be provided in future reports.

SUMMARY OF CURRENT INVESTMENTS

Fund name	Amount invested ⁶	Date invested ⁷	% allocated capital	Target IRR ⁸	Anticipated exit ⁹	Description
PRIVATE EQUITY & VENTURE CAPITAL						
PRIVATE EQUITY						
Early Learning Fund	4,000,000	Jun-14	2.4%		CY17	Holds equity in Foundation Early Learning Limited, a premium Australian child care operator.
Wild Breads Fund	2,000,000	Jun-14	1.2%		CY18	Holds equity in Wild Breads Pty Ltd, a leading business in the rapidly growing artisan and specialty bread category in Australia.
Origo Education Fund	1,500,000	Jun-15	0.9%		CY19 - CY20	Holds equity in Origo Education, a rapidly growing Australian business providing digital and print education instructional materials to in the United States of America, Australia, Canada and New Zealand.
Hotels Fund	6,000,000	Jun-15	3.5%		CY19 - CY20	Holds equity in the GM Hotels, a portfolio of three freehold and seven long-term leasehold hotels in South Australia.
Aquila Fund	4,000,000	Dec-15	2.4%		CY19 - CY20	Holds equity in Aquila, an Australian retail business focusing on the men's footwear and smart casual fashion segment.
Digital Outdoor Advertising Fund	2,110,595	Feb-16	1.2%		CY20 - CY22	Holds equity in a US-based business which will construct, own and operate a network of digital billboards in a major US metropolitan market.
QFS Fund	6,000,000	Dec-16	3.5%		CY21	Holds equity in Quality Food Services, a Queensland-based food and beverage wholesale and distribution business.
SMG Fund	2,500,000	Dec-16	1.5%		CY21	Holds equity in Shopper Media Group Pty Ltd, a rapidly growing out-of-home advertising business.
Wild Breads RCPS Fund	767,888	Apr-17	0.5%		CY18	A fund to provide follow-on expansion capital into Wild Breads Pty Ltd, a leading business in the rapidly growing artisan and specialty bread category in Australia.
Medical Clinics Fund ¹⁰	3,000,000	May-17	1.8%		CY21	Holds equity in a group of general practice medical clinics in South Australia.
Tourism Fund ¹⁰	3,000,000	May-17	1.8%		CY21	Holds equity in a multi-national adventure tourism business based in Queenstown, New Zealand.
Food Manufacturing Fund ¹⁰	3,000,000	Jun-17	1.8%		CY21	Holds equity in a food manufacturing business based in South Australia.
Total Private Equity	37,878,483		22.3%	25.0% - 30.0%		

6. Total capital deployed or committed to date, inclusive of follow-on investments.

7. Date of initial investment.

8. These figures represent the Manager's general expectations as to the returns the relevant asset class can generate over time. These figures are not intended to represent a forecast or guidance and do not take into account the performance to date of the existing portfolio of investments or the Manager's view on the likely future performance of any one or more specific assets.

9. These dates reflect the most recent information provided to the Manager by the manager of the relevant fund. An exit in this context generally refers to a disposal of the underlying fund assets by the fund's manager rather than the disposal by the Alternatives Fund of its investment (for which there is typically no secondary market or redemption mechanism). These dates are subject to change at the discretion of the relevant fund's manager taking into account factors including investment performance and prevailing market conditions.

10. Confidentiality restrictions in force at the time of this report prohibit release of certain transaction details, including the name of the business invested in or location of the project. Further information will be provided in future reports.

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Fund name	Amount invested ⁶	Date invested ⁷	% allocated capital	Target IRR ⁸	Anticipated exit ⁹	Description
VENTURE CAPITAL						
VC2014 Fund	4,000,000	Jun-14	2.4%		CY20	A fund to invest in a diversified portfolio of venture capital investments, including Parcel Point, Fluent Retail, Shoes of Prey, Vinomofo, THR1VE, Eloquii, G01, Serene Medical and Lexer.
Shoes of Prey Fund	1,000,000	Oct-15	0.6%		CY20	Holds equity in Shoes of Prey, a rapidly growing fashion footwear company that has developed a unique platform enabling customised women's footwear to be manufactured and sold 'on demand'.
Vinomofo Fund	3,000,000	Dec-15	1.8%		CY19 - CY20	Holds equity in Vinomofo, Australia's leading pure-play online wine retailer.
aCommerce Fund	1,305,664	Jul-16	0.8%		CY20	Has an interest in aCommerce, the largest provider of outsourced e-commerce solutions in South East Asia.
aCommerce Fund II	2,500,000	Nov-16	1.5%		CY20	A fund to provide follow-on capital into aCommerce.
Total Venture Capital	11,805,664		6.9%	30.0%		
Total Private Equity & Venture Capital	49,684,147		29.2%			
REAL ASSETS						
WATER RIGHTS						
Water Fund	27,076,692	Jun-14	15.9%		Open-ended	Invests in a diversified portfolio of agricultural water entitlements, largely in the Southern Murray-Darling Basin.
Total Water Rights	27,076,692		15.9%	10.0% - 14.0%		
OTHER REAL ASSETS						
Agriculture Fund	4,365,000	Jun-14	2.6%		CY17	Holds equity in Gundaline Pty Ltd, the owner and operator of a large-scale irrigated cropping business east of Hay in NSW.
Agriculture Fund II	4,000,000	Oct-15	2.4%		CY22	Holds the freehold property and business assets comprising Hillston Citrus, an irrigated citrus orchard near Hillston in NSW.
Premium Beef Development Fund	2,000,000	Dec-16	1.2%		CY22 - CY25	A fund to invest in certain elements of Australia's premium beef value chain.
Strategic Australian Agriculture Fund	15,000,000	Jun-17	8.8%		CY25	A fund to acquire and manage a diversified portfolio of agricultural assets in Australia.
Total Other Real Assets	25,365,000		14.9%	15.0%		
Total Real Assets	52,441,692		30.8%			

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SUMMARY OF CURRENT INVESTMENTS (CONT.)

Fund name	Amount invested ⁶	Date invested ⁷	% allocated capital	Target IRR ⁸	Anticipated exit ⁹	Description
PRIVATE REAL ESTATE						
RESIDENTIAL DEVELOPMENT INVESTMENTS						
Logan Road Greenslopes Trust	1,000,000	Aug-14	0.6%		2H FY17	A residential development of 53 apartments (12 one bedroom, 36 two bedroom and 5 three bedroom) in the South Brisbane suburb of Greenslopes.
Grantson Street Windsor Trust	1,000,000	Aug-14	0.6%		2H FY17	A residential development of 65 apartments (2 one bedroom, 49 two bedroom and 14 three bedroom) in the North Brisbane suburb of Windsor.
Duke Street Kangaroo Point Trust	2,000,000	Sep-14	1.2%		1H FY18	A residential development of 125 apartments (46 one bedroom, 75 two bedroom and 4 three bedroom) in the Central Brisbane suburb of Kangaroo Point.
Flora Street Greenslopes Trust	1,000,000	Jun-15	0.6%		2H FY19	A residential development of 107 apartments (15 one bedroom, 84 two bedroom and 8 three bedroom) in the South Brisbane suburb of Greenslopes.
19 Railway Terrace Milton Trust	2,000,000	Sep-15	1.2%		2H FY19	A residential development of 82 apartments (10 one bedroom, 64 two bedroom and 8 three bedroom) in the Brisbane suburb of Milton.
Wellington Road East Brisbane Trust	2,000,000	Sep-15	1.2%		1H FY19	A residential development of 71 apartments (17 one bedroom, 46 two bedroom and 8 three bedroom) in the Brisbane suburb of East Brisbane.
Wellington Road East Brisbane Trust II	1,000,000	Nov-15	0.6%		2H FY19	The second stage of the Wellington Road East Brisbane development, consisting of 75 apartments (17 one bedroom, 50 two bedroom and 8 three bedroom).
High Street Lutwyche Trust	1,000,000	Nov-15	0.6%		1H FY19	A residential development of 59 apartments (15 one bedroom, 41 two bedroom and 3 three bedroom) in the North Brisbane suburb of Lutwyche.
Total Residential Development investments	11,000,000		6.5%	20.0% - 25.0%		

6. Total capital deployed or committed to date, inclusive of follow-on investments.

7. Date of initial investment.

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SUMMARY OF CURRENT INVESTMENTS (CONT.)

Fund name	Amount invested ⁶	Date invested ⁷	% allocated capital	Target IRR ⁸	Anticipated exit ⁹	Description
STUDENT ACCOMMODATION INVESTMENTS						
Student Accommodation Fund	1,500,000	Dec-14	0.9%		CY20 - CY22	A project to develop and operate a purpose-built, 286 bed student accommodation precinct in the Brisbane suburb of Woolloongabba, close to several large tertiary education institutions.
Student Accommodation Fund II	5,000,000	Mar-15	2.9%		CY20 - CY22	A project to develop and operate a purpose-built, 733 bed student accommodation precinct in the Brisbane suburb of South Brisbane, close to several large tertiary education institutions.
Student Accommodation Fund III	6,000,000	Jun-15	3.5%		CY20 - CY22	A project to develop and operate a purpose-built, 789 bed student accommodation precinct on La Trobe Street in the Melbourne CBD and in close proximity to six university campuses.
Student Accommodation Fund IV	3,500,000	Jun-15	2.1%		CY20 - CY22	A project to develop and operate a purpose-built, 415 bed student accommodation precinct on Waymouth Street in Adelaide's West End, close to Uni SA, Adelaide Uni and a new \$3b health and biomedical precinct.
Student Accommodation Fund V	3,000,000	Nov-15	1.8%		CY20 - CY22	A project to develop and operate a purpose-built, 574 bed student accommodation precinct on Peel Street, North Melbourne opposite the University of Melbourne Parkville Campus.
Student Accommodation Fund VI	2,500,000	May-16	1.5%		CY20 - CY22	A project to develop and operate a purpose-built, 546 bed student accommodation precinct in the Brisbane suburb of Toowong, a short distance from the University of Queensland.
Student Accommodation Fund VII	2,500,000	Dec-16	1.5%		CY20 - CY22	A project to develop and operate a purpose-built, 544-bed student accommodation precinct on A'Beckett Street in Melbourne, bordering RMIT and within walking distance to The University of Melbourne.
Student Accommodation Fund VIII	5,000,000	Dec-16	2.9%		CY20 - CY22	A project to develop and operate a purpose-built student accommodation precinct at a prime inner-Sydney site, in close proximity to several tertiary education institutions.
Total Student Accommodation investments	29,000,000		17.0%	13.0% - 18.0%		

6. Total capital deployed or committed to date, inclusive of follow-on investments.

7. Date of initial investment.

8. These figures represent the Manager's general expectations as to the returns the relevant asset class can generate over time. These figures are not intended to represent a forecast or guidance and do not take into account the performance to date of the existing portfolio of investments or the Manager's view on the likely future performance of any one or more specific assets.

9. These dates reflect the most recent information provided to the Manager by the manager of the relevant fund. An exit in this context generally refers to a disposal of the underlying fund assets by the fund's manager rather than the disposal by the Alternatives Fund of its investment (for which there is typically no secondary market or redemption mechanism). These dates are subject to change at the discretion of the relevant fund's manager taking into account factors including investment performance and prevailing market conditions.

10. Confidentiality restrictions in force at the time of this report prohibit release of certain transaction details, including the name of the business invested in or location of the project. Further information will be provided in future reports.

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SUMMARY OF CURRENT INVESTMENTS (CONT.)

Fund name	Amount invested ⁶	Date invested ⁷	% allocated capital	Target IRR ⁸	Anticipated exit ⁹	Description
RETIREMENT LIVING INVESTMENTS						
Retirement Living Corinda Fund	3,000,000	Jun-16	1.8%		CY21	A project to develop a multi-stage independent living retirement precinct in South Brisbane.
Retirement Living Maroochydore Fund	3,000,000	Dec-16	1.8%		CY19	A project to develop an independent living retirement precinct in Maroochydore, Sunshine Coast.
Retirement Living Toowoomba ¹⁰	3,000,000	Dec-16	1.8%		CY19	A project to develop a multi-stage independent living retirement precinct in Toowoomba.
Retirement Living Lutwyche	2,500,000	Jun-17	1.5%		CY19	A project to develop an independent living retirement precinct in Lutwyche.
Retirement Living Gold Coast ¹⁰	2,500,000	Jun-17	1.5%		CY22	A project to develop a multi-stage independent living retirement precinct in the Gold Coast.
Total Retirement Living investments	14,000,000		8.2%	20.0%+		
OTHER REAL ESTATE INVESTMENTS						
Darra Industrial Income Fund	2,000,000	Dec-14	1.2%		CY18	To hold the freehold title to a 3,479m ² single-tenant industrial manufacturing, distribution and office facility sited on a 7,254m ² land holding in the Brisbane suburb of Darra.
Cove Property Group 2 Rector Street Trust	6,974,473	Feb-16	4.1%		CY23	A project to acquire, reposition and lease up a 26 storey building at 2 Rector Street in the Financial District, Manhattan, New York.
Cove Property Group 441 Ninth Avenue Trust	5,000,000	Nov-16	2.9%		CY21	A trust to acquire and redevelop an existing eight storey building at 441 Ninth Avenue, Manhattan, New York.
Total Other Real Estate Investments	13,974,473		8.2%	13.0% - 18.0%		
Total Private Real Estate	67,974,473		40.0%			
Total portfolio	170,100,312		100.0%			

6. Total capital deployed or committed to date, inclusive of follow-on investments.

7. Date of initial investment.

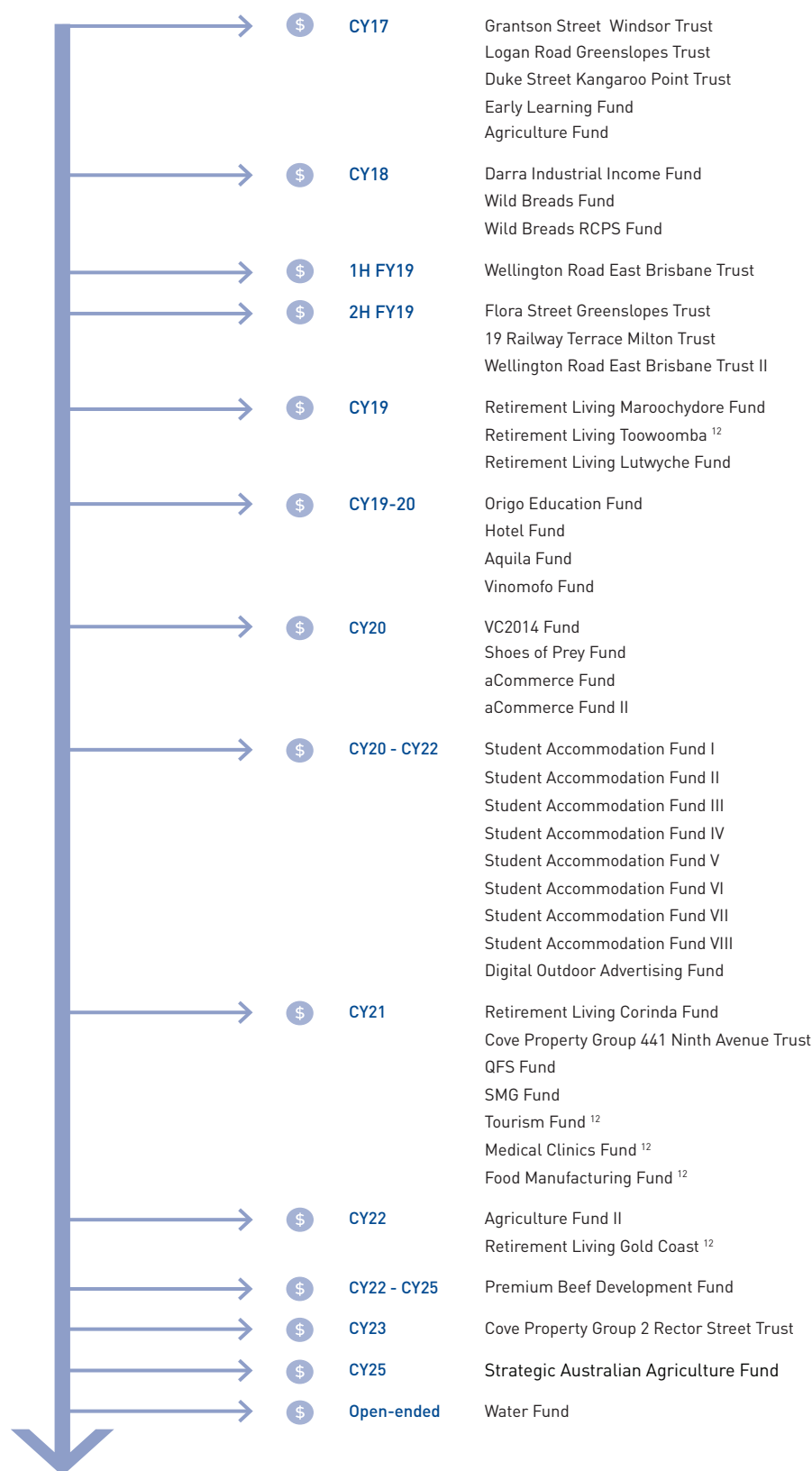
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TIMELINE – EXIT HORIZON FOR ALL INVESTMENTS¹¹



11. These dates reflect the most recent information provided to the Manager by the manager of the relevant fund. An exit in this context generally refers to a disposal of the underlying fund assets by the fund's manager rather than the disposal by the Alternatives Fund of its investment (for which there is typically no secondary market or redemption mechanism). These dates are subject to change at the discretion of the relevant fund's manager taking into account factors including investment performance and prevailing market conditions.

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