

27 May 2019

Dear Shareholders,

I am writing to all shareholders to update you on the consequences for Blue Sky Alternatives Access Fund Limited (**BAF** or the **Company**) of the recent appointment of receivers and managers (**KordaMentha**) and voluntary administrators (**Pilot Partners**) to Blue Sky Alternative Investments Limited (**BLA**).

I have received many often similar queries and, with your other independent directors, considered that rather than respond individually to these queries that all shareholders should be kept informed of the responses to these queries.

Your board is concerned by the appointment of external administrators to BLA. We are disappointed that prior to the appointment of KordaMentha and Pilot Partners the board of BLA elected to cease negotiations with Wilson Asset Management International Pty Ltd (**WAMI**) as it did not consider that it would be “in the best interests of the unitholders in those Blue Sky funds in which BAF is invested.”

KordaMentha has advised that no external administrators have been appointed to BAF's Manager BSAAF Management Pty Limited (**BSAAF**) or any other subsidiary of BLA. We have also been advised that BSAAF and all other subsidiaries of BLA will continue to carry on their business as normal subject to the direction of KordaMentha.

The Management Services Agreement between the Company and BSAAF (**MSA**) automatically terminates in the event either party ceases business or if a voluntary administrator or receiver is appointed to either party.

We will continue to monitor developments closely. However, the MSA remains in force and effect until terminated.

In the present circumstances, the Company is continuing to enforce its rights under the terms of the MSA. As part of this process the Company requires that BSAAF strictly complies with all its obligations under the MSA, including clause 10.3 under which BSAAF “acknowledges that it is subject to a fiduciary obligation to the Company in the performance of its functions and observance of its duties.”

Your board is currently engaged in extensive discussions and activities, including receiving professional advice, to ensure the interests of BAF are adequately protected.

The Company has or is taking steps to protect its position and the interests of its shareholders. These steps include:

1. Removal of all BLA officers as account signatories to the investment account which holds the vast majority of BAF's cash assets and replaced them with the three BAF directors.
2. Withholding management fees payable to BSAAF until BSAAF has paid to BAF in full all rebates owed by BSAAF to BAF.
3. Sending numerous letters to BSAAF formalising requests for information and clarification of BSAAF's compliance with the MSA.

BLUE SKY ALTERNATIVES ACCESS FUND LIMITED

Address Suite 22.02, Level 22, Australia Square
264-278 George Street, Sydney NSW 2000
Post PO Box H318, Australia Square NSW 1215
Phone +61 2 8282 0400
Email investorservices@blueskyalternativesfund.com.au

ACN 168 941 704

blueskyfunds.com.au/alternativesfund

These activities are ongoing, and the Company reserves all its rights.

Your board has maintained its belief that it is in the best interests of the Company that we present to shareholders at an extraordinary general meeting a proposal to change the manager to WAMI. Your board continues to regard the interests of BAF shareholders as paramount.

I will make further announcements as matters progress.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Michael Cottier', followed by a period.

Michael Cottier
Chairman
Blue Sky Alternatives Access Fund Limited

For more information, please contact:

Michael Cottier
Chairman
Blue Sky Alternatives Access Fund Limited

Email: investorservices@blueskyalternativesfund.com.au
Website: blueskyfunds.com.au/alternatives-fund-shareholder