

OFFER CLEANSING NOTICE

28 February 2018
The Manager ASX Market Announcements
ASX Limited
Level 4, 20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

Notice under section 708AA(2)(f) of the Corporations Act 2001 (Cth) as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84

This notice is given by BPS Technology Limited (ACN 167 603 992) (ASX: BPS) (**BPS** or the Company) under section 708AA(2)(f) of the Corporations Act 2001 (Cth) (**Corporations Act**) as modified by Australian Securities and Investments Commission Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (**ASIC Instrument 2016/84**). Where applicable, references in this notice to sections of the Corporations Act are to those sections as modified by ASIC Instrument 2016/84.

BPS has announced today an accelerated non-renounceable entitlement offer on the basis of 2 fully paid ordinary shares in the capital of the Company (**Shares**) for every 3 Shares held on the record date of 7.00pm (AEST) on Friday, 2 March 2018 (**Record Date**) at an issue price of \$0.28 per Share, to raise approximately A\$22,100,000 (before costs) (**Entitlement Offer**).

The Entitlement Offer is non-renounceable and entitlements will not be tradeable on the ASX or otherwise transferable.


BPS advises that:

- a) under the Entitlement Offer, the Shares will be offered for issue without disclosure to investors under Part 6D.2 of the Corporations Act;
- b) this notice is being given under section 708AA(2)(f) of the Corporations Act;
- c) as at the date of this notice, BPS has complied with:
 - i. the provisions of Chapter 2M of the Corporations Act as they apply to BPS; and
 - ii. section 674 of the Corporations Act;
- d) as at the date of this notice, there is no 'excluded information' of the type referred to in section 708AA(8) or section 708AA(9) of the Corporations Act; and
- e) (e) the potential effect of the issue of Shares pursuant to the Entitlement Offer on the control of BPS and the consequences of that effect, will depend on a number of factors, including the extent to which eligible shareholders take up their entitlements. The potential effect on control is summarised below:
 - i. The maximum number of Shares which will be issued pursuant to the Entitlement Offer is 79,000,000. This equates to approximately 40% of all the Shares on issue in the Company following completion of the Entitlement Offer.
 - ii. If all shareholders as at the Record Date take up their full entitlements under the Entitlement Offer, the Entitlement Offer will have no effect on the control of the Company.



- iii. If some shareholders do not take up their entitlements (whether because they are ineligible shareholders or otherwise), their interest in the Company will be diluted. The interest of shareholders who only take up part of their entitlement will also be diluted but to a lesser extent.
- iv. The Entitlement Offer is fully underwritten by Moelis Australia Advisory Pty Ltd.

Yours Sincerely

A handwritten signature in black ink, consisting of a large loop followed by a horizontal stroke.

Iain Dunstan
Director
BPS Technology Limited

