

13 December 2016

CAPITAL MANAGEMENT - CONVERTIBLE NOTES

Highlights:

- **BPS exercises its right to make an early redemption of all existing Convertible Notes**
- **New issue of \$5m convertible note to Alceon Liquid Strategies**

BPS Technology Limited ("Company", "BPS" or "BPS Technology") is pleased to announce that it has successfully redeemed all of the Existing Convertible Notes.

The Company has also issued a new Convertible Note ("Note") with a total value of \$5 million on terms that are, in the Board's opinion, more favourable to the Company compared to the previous Convertible Notes. The new Note will be issued solely to Alceon Liquid Strategies Pty Ltd, a member of the Alceon Group and manager of the Alceon High Conviction Absolute Return Fund. Key terms of the Note are as follows:

- Face value: \$5,000,000
- Interest rate: 7.5% per annum
- Term: 24 months
- Conversion Price: \$1.00 per Ordinary Share¹

The Note provides additional financial flexibility for BPS to execute its business objectives and accelerate growth in key strategic areas. Mr. Trevor Dietz, CEO of BPS Technology said "We are very pleased with the further investment by Alceon Liquid Strategies and excited by the financial capacity that the Note delivers for us. This will enable us to execute on our substantial existing opportunities with Entertainment, Bartercard and buqci and to further explore growth opportunities that present themselves to BPS Technology."

Mr. Daniel Chersky, Head of Alceon Liquid Strategies, commented "Alceon is pleased to add to our existing equity investment in BPS via this Note. We believe Trevor and his team are building a significant business and are excited about this strategic investment for our group."

For more information, please contact:

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1. If the Company raises additional equity during the period of the Note, the Conversion Price may be adjusted to be the lower of \$1.00 per Ordinary Share or the price at which the Company raises additional equity.



About BPS Technology Limited (ASX: BPS): BPS Technology Limited is a leading provider of technology platforms and management systems in the Digital Payments space helping to drive customers to its SME merchants. BPS earns revenues on transactions over the platforms via its subsidiaries Bartercard, Entertainment, bucqi and TESS. BPS platforms serve 36,000 merchants and 550,000 customers through a network of 18,000 Not-For-Profit organisations.

About Alceon Group: Alceon is an alternative investment manager established in 2010 with current funds under management exceeding \$1 billion across asset classes including real estate, private equity and listed equities. Alceon invests capital for wholesale clients including high net worth individuals, family offices, superannuation funds and corporates. Alceon has a team of over 30 investment and operations professionals with offices in Sydney, Melbourne, Brisbane and Perth. For more information, visit www.alceon.com.au.