

16 December 2016

The Manager
Market Announcements Platform
ASX Limited
20 Bridge Street,
Sydney NSW 200

By E-lodgement

Appendix 3B

Bluechiip Limited ("Bluechiip" or the "Company") (ASX:BCT) advises that a total of 6,650,650 new fully paid ordinary shares have been issued as detailed in the accompanying Appendix 3B.

Confirmation under section 708(5)(e) of the Corporations Act 2001 ("Act")

The Company hereby notifies ASX under section 708A(5)(e) of the Act that:

1. the shares were issued without disclosure to investors under Part 6D.2 of the Act;
2. the Company is providing this notice under paragraph (5)(e) of section 708A of the Act;
3. as at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
4. as at the date of this notice, the Company has complied with section 674 of the Act; and
5. as at the date of this notice, there is no information that is "excluded information" (within the meaning of sections 708A(7) and 708A(8) of the Act.

Yours sincerely



Lee Mitchell
Company Secretary
Bluechiip Limited

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

BLUECHIP LIMITED

ABN

79 104 795 922

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | <div>(a) Fully paid ordinary shares (Shares)</div> <div>(b) Performance Rights (not to be quoted)</div> |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <div>(a) 6,650,650 Shares;</div> <div>(b) 3,000,000 Performance Rights granted to the Managing Director</div> |

+ See chapter 19 for defined terms.

<p>3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)</p>	<p>(a) Fully paid ordinary shares ranking equally with all other ordinary shares on issue</p> <p>(b) Performance Rights granted under the Bluechiip Limited 2016 Performance Rights Plan (Plan).</p> <p>The Performance Rights were granted for no consideration and no consideration is payable for the provision of shares on vesting.</p> <p>The vesting of Performance Rights will be subject to a TSR (total shareholder return) performance condition measured over 1, 2 and 3 year periods as specified below. To the extent that the relevant performance condition is not satisfied, the Performance Rights will lapse.</p> <p>Subject to the terms of the Plan the Performance Rights granted entitle the Managing Director to 1 ordinary share for each Performance Right as at the relevant vesting date.</p> <p>Performance Rights vest only if the relevant performance condition is fulfilled</p> <p>Subject to continued employment and achievement of the TSR hurdles below the Performance Rights will vest as follows:</p> <ul style="list-style-type: none"> - Up to 33% in 1 year (on 30 August 2017) based on TSR performance from 1 July 2016 to 30 June 2017; - Up to 33% in 2 years (on 30 August 2018) based on TSR performance from 1 July 2016 to 30 June 2018; - Up to 33% in 3 years (on 30 August 2019) based on performance from 1 July 2016 to 30 June 2019; <p>The number of Performance Rights that will vest following each performance period above will be determined by the Company's Relative Total Shareholder Return (TSR) performance. Relative TSR is defined as the Company's TSR performance when ranked relative to the movement in the ASX All Ordinaries</p>
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+ See chapter 19 for defined terms.

Accumulation Index (AORD) for the Measurement Period. No Performance Rights will vest unless the relevant TSR exceeds the AORD benchmark for that period. The number of performance rights vesting depend on the extent by which the Company's relative TSR exceeds the AORD benchmark.

The TSR conditions applying to Performance Rights will be tested only once, and so any of the Performance Rights that do not meet the relevant TSR performance condition will lapse at the end of the relevant performance period and will not be re-tested

All Performance Rights are also subject to an overriding condition that the financial performance of the Company, in the absolute discretion of the Board, has been satisfactory.

Unvested Performance Rights granted will lapse where the performance conditions are not met during the performance period, or if the Managing Director ceases to be an Eligible Employee, (unless for a qualifying reason or the Board otherwise determines).

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>(a) Yes.</p> <p>(b) No.</p> <p>A grant of a Performance Right will not give the holder a legal or beneficial interest in ordinary fully paid Bluechiip shares until that Performance Right vests.</p> <p>Prior to vesting, Performance Rights do not carry a right to vote, receive dividends or generally participate in other corporate actions.</p> <p>When Performance Rights have vested, ordinary fully paid Bluechiip shares will be allocated. These shares will rank equally with existing Bluechiip shares.</p>
5	<p>Issue price or consideration</p>	<p>(a) 6,650,000 Shares were issued at a price of \$0.022 each (including 550,273 Shares which were issued in satisfaction of cash amounts otherwise payable for the provision of corporate advisory services provided to the Company, including in relation to the Company's recent Rights Issue).</p> <p>(b) Nil</p>
6	<p>Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The performance rights comprise the LTI component of the remuneration for the Managing Director.</p>
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
6b	<p>The date the security holder resolution under rule 7.1A was passed</p>	<p>25 November 2016</p>

+ See chapter 19 for defined terms.

6c	Number of +securities issued without security holder approval under rule 7.1	550,273 Shares
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil
6f	Number of +securities issued under an exception in rule 7.2	6,100,377 Shares the subject of this Appendix 3B (LR 7.2 – exception 14 – approved by shareholders on 25 November 2016) 3,000,000 Performance Rights the subject of this Appendix 3B (LR 7.2 – exception 14 – approved by shareholders on 25 November 2016)
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Refer to Annexure 1
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	16 December 2016

+ See chapter 19 for defined terms.

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	Number	+Class
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	271,378,839 Fully paid ordinary Shares

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	(a) 4,000,000 (b) 3,000,000 (c) 1,500,000 (a) 2016 Performance Rights held by Bluechiip employees (b) 2016 Performance Rights held by the Managing Director (c) 2015 Performance Rights held by the Managing Director

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
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Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A

+ See chapter 19 for defined terms.

16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A

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27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Issue date	N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of ⁺securities
(tick one)

(a) ☒ ⁺Securities described in Part 1

(b) ☐ All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

⁺ See chapter 19 for defined terms.

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of +securities for which +quotation is sought N/A
- 39 +Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?
- If the additional +securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
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+ See chapter 19 for defined terms.

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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another ⁺security, clearly identify that other ⁺security)

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42 Number and ⁺class of all ⁺securities quoted on ASX (including the ⁺securities in clause 38)

Number	⁺ Class

Quotation agreement

1 ⁺Quotation of our additional ⁺securities is in ASX's absolute discretion. ASX may quote the ⁺securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the ⁺securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those ⁺securities should not be granted ⁺quotation.
- An offer of the ⁺securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any ⁺securities to be quoted and that no-one has any right to return any ⁺securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the ⁺securities be quoted.
- If we are a trust, we warrant that no person has the right to return the ⁺securities to be quoted under section 1019B of the Corporations Act at the time that we request that the ⁺securities be quoted.

⁺ See chapter 19 for defined terms.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 16 December 2016
(Company Secretary)

Print name: Lee Mitchell

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	169,319,280
Add the following: <ul style="list-style-type: none"> Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval Number of partly paid +ordinary securities that became fully paid in that 12 month period Note: <ul style="list-style-type: none"> Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 	<ul style="list-style-type: none"> 11,250,000 issued by private placement on 21 December 2015 (approved by shareholders under LR 7.4 on 25 November 2016) 8,421,066 Shares issued under the Company's SPP on 25 February 2016 (LR 7.2 exception 15); 4,385,965 Shares issued by private placement on 7 March 2016 (approved by shareholders under LR 7.4 on 25 November 2016) 8,001,336 Shares issued by private placement on 18 May 2016 (approved by shareholders under LR 7.4 on 25 November 2016) 238,686 Shares issued on 23 September 2016 (approved by shareholders under LR 7.4 on 25 November 2016). 63,111,856 Shares issued under the Company's Rights Issue on 23 September 2016 (LR 7.2 Exceptions 1 and 3) 6,100,377 Shares the subject of this Appendix 3B (LR 7.2 – exception 14 – approved by shareholders on 25 November 2016)
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	270,828,566

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	40,624,285
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of ⁺equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	550,273 Shares issued on 16 December 2016 (the subject of this Appendix 3B)
“C”	550,273
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	40,624,285
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	550,273
Total [“A” x 0.15] – “C”	<p>40,074,012</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	270,828,566
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	27,082,856
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of ⁺ equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“E”	0

⁺ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	27,082,856
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	0
Total [“A” x 0.10] – “E”	27,082,856 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.