

Notice of General Meeting

BPS Technology Limited ACN 167 603 992

Notice of General Meeting

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Notice is given that the General Meeting of BPS Technology Limited ACN 167 603 992 (**Company**) will be held at:

Location	Bartercard House, Level 2, 121 Scarborough Street, Southport, Queensland, 4215
Date	Monday, 12 September 2016
Time	10.00am (Brisbane Time)

Resolution 1 - Issue of Ordinary Shares (Acquisition)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

‘That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the issue of 2,659,574 Ordinary Shares at a price of \$0.94 per share on or about 15 September 2016 as part consideration for the acquisition of Entertainment Publications of Australia Pty Ltd be approved.’

Note: This resolution is subject to voting exclusions set out at the end of this Notice. Information about the issue of ordinary shares appears in the Explanatory Statement.

Resolution 2 - Issue of Ordinary Shares (Conditional Placement)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

‘That, for the purposes of ASX Listing Rule 7.1, the issue of up to 19,997,064 Ordinary Shares at a price of \$0.94 per share be approved.’

Note: This resolution is subject to voting exclusions set out at the end of this Notice. Information about the issue of ordinary shares appears in the Explanatory Statement.

Resolution 3 - Ratification of Ordinary Shares (Unconditional Placement)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

‘That, for the purposes of ASX Listing Rule 7.4, the issue of 9,258,255 Ordinary Shares on or about 17 August 2016, is approved.’

Note: This resolution is subject to voting exclusions set out at the end of this Notice. Information about the issue of ordinary shares appears in the Explanatory Statement.

VOTING EXCLUSIONS

Item 1 - Issue of Ordinary Shares (Acquisition)

In accordance with the ASX Listing Rules, BPS will disregard any votes cast on Resolution 1 by Ben Johnson, or an associate of that person, and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares if Resolution 1 is passed, unless the vote is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the direction on the proxy form to vote as the proxy decides.

Item 2 - Issue of Ordinary Shares (Conditional Placement)

In accordance with the ASX Listing Rules, BPS will disregard any votes cast on Resolution 2 by any person, or an associate of that person, who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares if Resolution 2 is passed, unless the vote is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the direction on the proxy form to vote as the proxy decides.

Item 3 - Ratification of Ordinary Shares (Unconditional Placement)

In accordance with the ASX Listing Rules, BPS will disregard any votes cast on Resolution 3 by any person, or an associate of any person, who participated in the Unconditional Placement, unless the vote is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the direction on the proxy form to vote as the proxy decides.

Dated 12 August 2016

By order of the Board

A handwritten signature in black ink, appearing to read 'Tony Wiese', written over a horizontal line.

Tony Wiese
Company Secretary

Voting Entitlement and Admission to Meeting

In accordance with Regulation 7.11.37 of the Corporations Regulations 2001 (Cth), for the purpose of determining entitlement to attend and vote and voting rights at the General Meeting, Ordinary Shares shall be taken to be held by persons who are registered as Shareholders as at 7.00pm (Sydney time) on Friday, 9 September 2016. Transactions registered after that time will be disregarded in determining entitlements to attend and vote.

If you have any queries on how to cast your vote, please call the Company Secretary on 07 5561 9010 during business hours.

Voting by Proxy

A Shareholder who is entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy. The proxy need not be a Shareholder of the Company. A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the Shareholder's votes.

If you are a Shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the General Meeting.

To be effective, the proxy must be received at the share registry of the Company no later than 10.00am (Brisbane time) on Friday, 9 September 2016. Proxies must be received before that time by one of the following methods:

Online:	Shareholder may lodge their proxy votes online at www.linkmarketservices.com.au . To lodge your proxy vote online, you will need your secure online access information which is shown on the proxy form.
By Post:	BPS Technology Limited C/- Link Market Services Limited Locked Bag A14 SOUTH SYDNEY, NSW 1235
By Facsimile:	In Australia (02) 9287 0309 From outside Australia +61 2 9287 0309
By Delivery:	BPS Technology Limited C/- Link Market Services Limited 1A Homebush Bay Drive RHODES NSW 2138 or Level 12, 680 George Street SYDNEY NSW 2000

To be valid, a proxy must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

Directing your proxy vote

If you wish to direct your proxy vote on any Resolution, you can mark the "For", "Against" or "Abstain" box online or in Step 2 on the proxy form accordingly.

Proxy Voting by the Chairman

If you appoint the Chairman of the meeting as your proxy or the Chairman is appointed as your proxy by default, and you do not specify how the Chairman is to vote on any of Resolutions 1 and 2, the Chairman as your proxy will vote **in favour** of that resolution on a poll.

Voting by Attorney

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company's Share Registry no later than 10.00am (Brisbane time) on Friday, 9 September 2016.

Corporate Representatives

A body corporate which is a Shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the Meeting. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative should bring to the Meeting a properly executed letter or other document confirming its authority to act as the company's representative in accordance with the requirements set out in the proxy form.

Explanatory Statement

BPS Technology Limited ACN 167 603 992 (BPS or Company)

This Explanatory Statement accompanies the Notice of General Meeting of the Company to be held at Bartercard House, Level 2, 121 Scarborough Street, Southport, Queensland, 4215 on Monday, 12 September 2016 at 10.00am (Brisbane time).

The Explanatory Statement has been prepared to assist Shareholders in determining how to vote on the resolutions set out in the Notice of Meeting and is intended to be read in conjunction with the Notice of Meeting.

Acquisition and Placement

1. Background and rationale

As announced by the Company on 12 August 2016, BPS has entered into share purchase agreements with Ben Johnson (**Vendor**) to acquire all of the shares in Entertainment Publications of Australia Pty Ltd ACN 065 011 903 and Entertainment Publications Limited (932184) (**Acquisition**).

The consideration for the Acquisition is to be paid by:

- (i) \$22,500,000 in cash; and
- (ii) issue of shares in BPS worth \$2,500,000 at the Placement Price (as defined below), (being the **Acquisition Shares**).

To fund the cash element of the consideration the Company is undertaking a capital raising by a placement of shares to sophisticated investors such that a disclosure document is not required under Chapter 6D of the Corporations Act (**Placement**). The Company is also undertaking a non-underwritten security purchase plan to raise up to approximately \$3,000,000. Any excess funds raised under the Placement and security purchase plan will be used to supplement working capital.

The number of Ordinary Shares to be issued under the Placement is up to 29,255,319 Ordinary Shares (**Placement Shares**). The issue price of the Placement Shares is expected to be \$0.94 (**Placement Price**).

2. Acquisition

The Acquisition provides the Company a strategic foothold in the tourism and hospitality network. The Vendor has agreed to remain as Chair of the acquired entities for a period of at least 12 months to assist with the transition of the business. Further detail in relation to the Acquisition is set out in the announcements made by the Company on 12 August 2016.

Part of the consideration for the Acquisition is the issue of \$2,500,000 worth of Ordinary Shares at the Placement Price. As noted the Placement Price is \$0.94 therefore the number of Acquisition Shares will be 2,659,574.

If Resolution 1 is approved, the Acquisition Shares will be issued on completion of the Acquisition, expected to be on or about Thursday, 15 September 2016.

3. Approval - ASX Listing Rules 7.1 (15% Rule) and 7.1A (10 % Placement Facility)

In addition to the 15% Rule discussed above, ASX Listing Rule 7.1A enables "eligible entities" to issue equity securities up to 10% of its issued share capital through placements over a 12 month period after Shareholders

have approved the additional capacity (**10 % Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% capacity under ASX Listing Rule 7.1.

Shareholders approved the 10% Placement Facility at the 2015 Annual General Meeting held on 16 October 2015.

Under ASX Listing Rules 7.1 and 7.1A, the Company must not issue equity securities that total more than 25% of its Ordinary Shares in a 12 month period without the approval of Shareholders (**25% Combined Limit Rule**).

The Company's capacity under the 25% Combined Limit Rule is such that the proposed issue of Placement Shares is likely to exceed the combined 25% limit.

9,258,255 Placement Shares are able to be issued under the 25% limit (**Unconditional Placement Shares**). However, member approval is required for the issue of up to 19,997,064 Placement Shares (**Conditional Placement Shares**).

Issues of equity securities made with the prior approval of members are also not subject to the 25% Combined Limit Rule. Accordingly, if Resolutions 1 and 2 are passed, the Conditional Placement Shares and the Acquisition Shares will not be counted towards the 25% Combined Limit Rule in respect of the issue of equity securities in the upcoming 12 month period.

If Resolution 3 is passed, the Unconditional Placement Shares will be taken to be issued with shareholder approval and will therefore not be counted towards the 25% Combined Limit Rule in respect of the issue of equity securities in the upcoming 12 month period.

4. Terms of the Acquisition Share issue and the Placement Share issue

- (a) Number of Acquisition Shares to be issued - 2,659,574 Ordinary Shares.
- (b) Number of Unconditional Placement Shares issued and to be ratified – 9,258,255 Ordinary Shares.
- (c) Number of Conditional Placement Shares to be issued – up to 19,997,064 Ordinary Shares.
- (d) Issue price – \$0.94 per Placement Share and Acquisition Share.
- (e) Terms– the Placement Shares and the Acquisition Shares will be issued on the same terms as existing Ordinary Shares. The Acquisition Shares will be subject to escrow until the earlier of the announcement to the ASX of the Company's full year financial results for the year ending 30 June 2017 and 30 September 2017.
- (f) Allottees - the Allottees of Placement Shares under the issue are sophisticated and institutional investor clients of Moelis Australia Advisory Pty Limited. The Allottee of the Acquisition Shares is Ben Johnson.
- (g) Use of funds - the Placement Shares are being issued to assist with the funding of the acquisition of the Target Companies and to supplement working capital. The Acquisition Shares are being issued as part consideration of the acquisition of Entertainment Publications of Australia Pty Ltd.
- (h) Date of issue - the Unconditional Placement Shares were issued on or around Friday, 19 August 2016. If Shareholders approve Resolution 2, the Conditional Placement Shares will be issued on or about [Wednesday, 14 September 2016], or in any event no later than 3 months after this resolution is passed. If Shareholders approve Resolution 1, the Acquisition Shares will be issued on completion of the Acquisition which is expected to be on or around 15 September 2016.

Recommendation

The Board unanimously recommends that Shareholders vote **in favour** of Resolutions 1, 2 and 3.

Glossary of Terms

The following terms and abbreviations used in the Notice of Meeting, this Explanatory Statement and the Proxy Form have the following meanings:

ASX means ASX Limited ACN 008 624 691.

ASX Listing Rules means the official listing rules of ASX.

Board means the board of Directors of the Company.

Company or **BPS** means BPS Technology Limited ACN 167 603 992.

Corporations Act means Corporations Act 2001 (Cth).

Directors means all of the directors of the Company as at the date of this Notice of Meeting.

Explanatory Statement means this Explanatory Statement.

Meeting means the general meeting of Shareholders to be held on [Monday, 12 September 2016] commencing at 10.00am (Brisbane time).

Notice of Meeting means the notice of the meeting which accompanies the Explanatory Statement.

Ordinary Shares means fully paid ordinary shares in the capital of the Company.

Resolution means a resolution in the Notice of Meeting.

Shareholder means registered holders of Shares.

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL

 BPS Technology Limited
 C/- Link Market Services Limited
 Locked Bag A14
 Sydney South NSW 1235 Australia

BY FAX

+61 2 9287 0309


BY HAND

 Link Market Services Limited
 1A Homebush Bay Drive, Rhodes NSW 2138

ALL ENQUIRIES TO

Telephone: +61 1300 554 474


X99999999999

PROXY FORM

I/We being a member(s) of BPS Technology Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY


the Chairman of the Meeting (mark box)
OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

 or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Extraordinary General Meeting of the Company to be held at **10:00am on Monday, 12 September 2016 at Bartercard House - Level 2 / 121 Scarborough Street, Southport, Queensland, 4215** (the **Meeting**) and at any postponement or adjournment of the Meeting.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.
Please read the voting instructions overleaf before marking any boxes with an ☒.

Resolutions

For Against Abstain*
1 Issue of Ordinary Shares (Acquisition)

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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2 Issue of Ordinary Shares (Conditional Placement)

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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3 Ratification of Ordinary Shares (Unconditional Placement)

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

 This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).


HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am on Saturday, 10 September 2016**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MAIL

BPS Technology Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE EXTRAORDINARY GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**