

26 August 2016

The Manager
Market Announcements Platform
ASX Limited
20 Bridge Street,
Sydney NSW 2000

Rights Issue – Offer Documents Dispatched

Bluechiip Limited confirms that the Offer Booklet, together with personalised entitlement and acceptance forms, for the non-renounceable rights issue announced by the Company on 15 August 2016, was today sent to all eligible shareholders.

Copies of the documents sent to eligible shareholders are attached.

The rights issue opens today and closes on 9 September 2016. Please refer to the attached documents for more detail.

Yours faithfully



Lee Mitchell
Company Secretary

Non-Renounceable Rights Issue Offer Document

Non-renounceable rights issue of 1 New Share for every 3 Shares held at an issue price of \$0.022 per New Share to raise up to \$1.48 million (before costs) made pursuant to section s.708AA(2) Corporations Act 2001.

Eligible Shareholders may also apply for Shortfall Shares under the Shortfall Facility.

This Offer opens on 25 August 2016 and closes at 5.00pm (Sydney time) on 9 September 2016.

Important Notice

This Offer Document is not a prospectus

It does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered under this Offer Document.

This document is important and requires your immediate attention.

It should be read in its entirety. If you do not understand its content or are in doubt as to the course you should follow, you should consult your stockbroker or professional adviser without delay.

Please read the instructions in this document and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement.

Corporate Directory

Company

Bluechiip Limited
ACN 104 795 922
1 Dalmore Drive
Caribbean Business Park
Scoresby VIC 3179
Telephone: (03) 9763 9763
Facsimile: (03) 9763 9764
www.bluechiip.com

Auditor

Ernst & Young
EY Building
8 Exhibition Street
Melbourne VIC 3000
Telephone: (03) 9288 8000
Facsimile: (03) 8650 7777

Directors

Mr Iain Kirkwood – Non-Executive Chairman
Mr Andrew McLellan – Managing Director
Mr Michael Ohanessian – Non-Executive Director

Company Secretary

Mr Lee Mitchell

Registry

Boardroom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000
PO Box 3993
Sydney NSW 2001
Telephone:
1300 737 760 (in Australia)
+61 29290 9600 (international)
Facsimile: (02) 9279 0664
Website: www.boardroomlimited.com.au

Chairman's Letter

Dear Shareholder

On behalf of Bluechiip, I am pleased to offer you the opportunity to participate in the Offer.

Bluechiip is undertaking a pro rata non-renounceable rights issue of 1 New Share for every 3 Existing Shares held. The issue price of each New Share is \$0.022, representing a discount of 15% to the last price at which Shares traded on ASX in the period ending on Wednesday 10 August 2016, the last trading day before the announcement of this Offer.

If fully subscribed, the Offer will result in the issue of a maximum of 67,125,882 New Shares raising approximately \$1.48 million before expenses of the Offer. The Offer is not underwritten.

The proceeds raised from the Offer will be used to:

- Complete the development through to launch of Bluechiip's technology with partner Genea Biomedx in the Assisted Reproductive Technologies market;
- Complete and convert current evaluation and development trials with pipeline partners in USA, EU and Asia; and
- Meet corporate overheads.

The directors are very happy with the progress made within the business over the past 12 months especially with the continued progress of our OEM partner relationships. Our OEM partner strategy has led to over \$150,000 in sales revenue in the last 4 months of the 2016 financial year and we are now seeing repeat orders from both existing and new partners. Progressing to full release with our partner in the growing IVF market will lead to increasing ongoing revenue.

In July we successfully displayed our tracking technology at the European Society of Human Reproductive Embryology (ESHRE) trade show in Helsinki, Finland, with very positive feedback and are now continuing the development to launch of the products expected early in 2017.

The funds raised through this Entitlement Offer will allow Bluechiip to continue to execute our development program with our partner in the growing IVF market and continue the trials and developments with our significant and increasing pipeline of OEM partners. Through the launch of these products Bluechiip will move to sustainable ongoing revenue through the sale of chips and readers while at the same time, providing valuable validation to existing and new partners.

We are now seeing very real traction and expect this to be recognised in our valuation over the coming year.

Further information regarding Bluechiip and its operations is set out in an ASX announcement released on 15 August 2016 and entitled "Capital Raising Presentation". A copy of this announcement is included with this Offer Document as Annexure A.

A summary of the key investment highlights includes:

- Unique patented technology combining secure wireless tracking with integrated temperature sensing for extreme environments
- \$2b+ bio-preservation / bio-storage target market
- Executed supply agreement with Genea Biomedx in the high value IVF market with global distribution through a major pharmaceuticals company
- Repeat initial revenue from license fees, service and product sales (2nd half FY16 \$150k)
- Pipeline of over 15 partners with initial revenue from developer kits and validation customers
- High sales growth expected in short to medium term on IVF product release early 2017
- Trial and developer agreements in protein crystallography, cell therapies, general biobanking and Auto Identification and Data Capture markets

- Government co-funded projects with University of Melbourne & Swinburne University to make Bluechiip technology adaptable and suitable for various formats with significant value enhancement
- Large adjacent market opportunities

The Offer provides Eligible Shareholders with an opportunity to benefit from the future growth of Bluechiip.

Accompanying this Offer Document is your Entitlement and Acceptance Form which contains details of your Entitlement. It is important that you determine whether to take up, subscribe for any shortfall or do nothing in respect to your Entitlement.

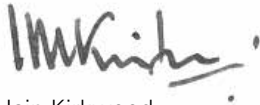
This Offer is non-renounceable which means that Entitlements cannot be sold on ASX. Entitlements not taken up will lapse on the Closing Date and will form part of the Shortfall. In the event of a Shortfall, Eligible Shareholders may apply for additional Shares. For further details on how to apply for additional Shares, please refer to section 2 of this Offer Document. The Company will seek to place any New Shares not applied for by Eligible Shareholders at its discretion.

The Offer closes at 5.00pm on Friday 9 September 2016. To participate you need to ensure you have completed your application by paying Application Monies by BPAY®, or lodging your Entitlement and Acceptance Form with your Application Monies so that they are received before this time.

The Board urges you to read this Offer Document carefully before making a decision in respect to your entitlement.

I commend this Offer to you and thank you for your continued support of Bluechiip.

Yours sincerely,



Iain Kirkwood
Chairman
Bluechiip Limited

Important Dates

Event	Date
Announcement of Offer	Monday 15 August 2016
Lodgement Date – Offer Document, Appendix 3B and cleansing notice lodged with ASX	Wednesday 17 August 2016
Dispatch of Notice containing information required by Appendix 3B to Shareholders	Thursday 18 August 2016
Ex Date – The date on which Existing Shares commence trading without the Entitlement to participate in the Offer	Friday 19 August 2016
Record Date – The date for determining Entitlements of Eligible Shareholders to participate in the Offer (7.00pm (Sydney time))	Monday 22 August 2016
Offer Document sent to Shareholders – Anticipated dispatch of Offer Document and Entitlement and Acceptance Forms – Offer opens	Thursday 25 August 2016
Closing Date – The last day for receipt of Applications (5.00pm (Sydney time))	Friday 9 September 2016
Notify ASX of Shortfall	Wednesday 14 September 2016
Allotment Date – Allotment of New Shares under the Offer	Friday 16 September 2016
Dispatch Date – Anticipated dispatch of holding statements for New Shares	Friday 16 September 2016
Expected commencement of normal trading in New Shares on ASX	Monday 19 September 2016

The above dates and times are indicative only. All times and dates are a reference to Sydney time. Bluechiip Limited reserves the right to vary any of the above dates and times, including closing the Offer early or extending it subject to the Corporations Act, ASX Listing Rules and other applicable laws.

Key Offer statistics

Issue Price per New Share	\$0.022
Total number of New Shares available under the Offer	67,125,882
Maximum total Shares on issue following the Offer	268,503,529
Maximum total proceeds of the Offer (before expenses of the Offer)	\$1.48 million

Key Issues

Question	Answer	Where to find more information
Who is the issuer?	Bluechiip Limited ACN 104 795 922 (Bluechiip)	Section 1
What is the Offer?	Non-renounceable rights issue to raise up to approximately \$1.48 million (before expenses of the Offer). Eligible Shareholders may apply for all or part of their Entitlement under the Offer.	Section 1.2
What are the terms of the Offer?	Eligible Shareholders will be offered 1 New Share for every 3 Existing Shares held at the Record Date, at an issue price of \$0.022 per New Share.	Section 1.3
Can I apply for additional New Shares?	Shareholders who subscribe for their full Entitlement will also have the opportunity to apply for additional New Shares that are not subscribed for in the Offer (Shortfall Facility), subject to the limitations set out in Section 1.4	Section 1.4 and 2.4
What is my entitlement to New Shares?	New Shares rank equally in all respects with Existing Shares from their date of issue.	Section 1.6
How will proceeds be applied?	Net proceeds of the Offer will be used to: <ul style="list-style-type: none"> • complete the development through to launch of Bluechiip's technology with partner Genea Biomedx in the Assisted Reproductive Technologies market; • complete and convert current evaluation and development trials with pipeline partners in USA, EU and Asia; and • meet corporate overheads. 	Section 3.2
Who can invest?	Eligible Shareholders of Bluechiip as at 7:00 pm (Sydney time) on the Record Date (22 August 2016) and who have registered addresses in Australia or New Zealand, or who fall under a specific exemption provided for under the applicable laws of that jurisdiction.	Section 1.3
What are the potential significant risks?	Eligible Shareholders of Bluechiip are exposed to the following risks in acquiring and holding Shares: <ul style="list-style-type: none"> • risks inherent in the Company's programme and development activities, including uncertainty of the outcome of Bluechiip's licensing, marketing and sales programmes; • need for further capital; • fluctuations in margins, price and costs changes; • fluctuations in foreign currency; • product liability claims; • deterioration in share market conditions; and • deterioration in economic and business conditions in Australia. This list is not exhaustive and should be read with Section 4.	Section 4
Is the Offer underwritten?	No.	
What are my alternatives?	You may elect to: <ul style="list-style-type: none"> • take up all or part of your Entitlement; • subscribe for additional New Shares under the Shortfall Facility, if you subscribe for your maximum Entitlement; or • do nothing and allow all of the New Shares representing your Entitlement to lapse and form part of the Shortfall. 	Section 2
How do I exercise my Entitlement?	If you are an Eligible Shareholder and you wish to subscribe for all or some of the New Shares making up your Entitlement you must: <ul style="list-style-type: none"> • complete the Entitlement and Acceptance Form accompanying this Offer Document and forward it with your Application Monies to the Share Registry before the Closing Date; or • pay the Application Monies in respect of the New Shares under your Entitlement you wish to apply for by BPAY® before the Closing Date. 	Section 2.4

Question	Answer	Where to find more information
How do I apply for additional New Shares under the Shortfall Facility?	<p>If you subscribe for all of the New Shares making up your Entitlement and you also wish to apply for additional New Shares, you must:</p> <ul style="list-style-type: none"> (a) complete the accompanying Entitlement and Acceptance Form for additional New Shares under the Shortfall Facility as detailed in section 3, and follow the other steps required in section 2.4; or (b) pay the Application Monies in respect of the additional New Shares by BPAY® before the Closing Date. 	Section 1.4 and 2.4
Can I transfer my Entitlement?	No. The Offer is non-renounceable which means your Entitlement cannot be sold or transferred.	
What happens if I don't participate or I am not an Eligible Shareholder?	<p>If you are not an Eligible Shareholder or you decide not to participate, you do not need to return the Entitlement and Acceptance Form.</p> <p>The Company will seek to place any New Shares in relation to the Entitlements held by Shareholders who are either ineligible to participate in the Offer or who do not exercise their Entitlements under the Shortfall Facility following the close of the Offer.</p> <p>If you do nothing, although you will continue to own the same number of Shares, you will receive no value for your Entitlement and your Shareholding will be diluted.</p>	Sections 1.11 and 2.3
Will the Directors of Bluechiip be taking up their Entitlements?	All Directors are fully supportive of the Offer. All Directors intend to take up their Entitlements in full for their personal or related entities.	
What are the expenses payable by Bluechiip?	The total expenses of the Offer are expected to be approximately \$30,000 (exclusive of GST)	Section 5.1
How can further information be obtained?	<p>If you require advice as to whether to accept your Entitlement, you should seek professional advice from your legal, investment or other professional adviser.</p> <p>If you have any queries about the Offer, your Entitlement and Acceptance Form, or your Entitlement, please contact the Bluechiip Limited Shareholder Information Line on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia) from 8.30am to 5.00pm (Sydney time), Monday to Friday.</p>	Section 1.14

Important Information

This Offer Document is dated 18 August 2016 and was lodged with the ASX on that date. This Offer Document was prepared by Bluechiip Limited (**Bluechiip**). The ASX does not take any responsibility for the contents of this Offer Document

Bluechiip will apply for admission of the New Shares to quotation on ASX within 7 days after the date of this Offer Document. The fact that ASX may grant official quotation of the New Shares is not to be taken in any way as an indication of the merits of Bluechiip or the New Shares.

This Offer Document is not a prospectus

The Offer made pursuant to this Offer Document is for a rights issue of continuously quoted securities (as defined in the Corporations Act 2001 (Cth) (**Corporations Act**)) of the Company. This Offer Document is not a disclosure document for the purposes of Chapter 6D of the Corporations Act.

The Company is offering the securities under this Offer Document without disclosure to investors under Chapter 6D of the Corporations Act pursuant to section 708AA of the Corporations Act. Accordingly, the level of disclosure contained in this Offer Document is significantly less than that required under a prospectus and Eligible Shareholders should consider all relevant facts and circumstances, including their knowledge of the Company and disclosures made to the ASX, and should consult their professional advisors before deciding whether to accept the Offer.

Securities will only be issued on the basis of this Offer Document in accordance with the terms set forth in this Offer Document.

As at the date of this Offer Document, the Company has complied with the:

- Provisions of Chapter 2M of the Corporations Act, as they apply to the Company; and
- Section 674 of the Corporations Act.

No excluded information

As at the date of this Offer Document the Company is not aware of any excluded information of the kind which would require disclosure in this Offer Document pursuant to subsections 708AA (8) and (9) of the Corporations Act.

As an Eligible Shareholder of Bluechiip this Offer Document is important and requires your immediate attention.

You should read the entire Offer Document before deciding whether to invest in the New Shares. Please carefully read the instructions on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement under the Offer. If you have any questions regarding your Entitlement or the Offer, please contact your legal, investment or other professional adviser.

No cooling off rights

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw the application once it has been accepted.

By returning an Entitlement and Acceptance Form, lodging an Entitlement and Acceptance Form with your stockbroker or making payment by BPAY®, you acknowledge that you have received and read this Offer Document, you have acted in accordance with the terms of the Offer detailed in this Offer Document, you agree to all of the terms and conditions as detailed in this Offer Document and you have made your own enquires and assessment as to the assets, liabilities, financial position, profit and losses and prospects of the Company and the rights attaching to New Shares.

Professional advice

The information in this Offer Document is not financial product advice and does not take into account your investment objectives, financial situation or particular needs. It is important that you read this Offer in its entirety before deciding whether to apply for New Shares. In particular, you should consider the risk factors that could affect the performance of Bluechiip, some of which are outlined in Section 4. You should carefully consider these factors in light of your personal circumstances (including financial and taxation issues) and seek professional guidance before deciding whether to apply for New Shares. If you have any questions you should seek professional advice from your legal, investment or other professional adviser.

Foreign jurisdictions

The distribution of this Offer Document in jurisdictions outside Australia or New Zealand may be restricted by law and persons who come into possession of this Offer Document outside Australia or New Zealand should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Offer does not constitute an offer or invitation in any place outside Australia or New Zealand where, or to any person to whom, it would be unlawful to make such an offer or invitation. No action has been taken to register or qualify the New Shares or to otherwise permit an offering of the New Shares outside Australia.

No Guarantee

Neither Bluechiip nor any other party makes any representation or gives any guarantee or assurance:

- (a) as to the performance or success of Bluechiip;
- (b) the rate of income or capital growth from Bluechiip; or
- (c) that there will be no capital loss or particular taxation consequence of investing in Bluechiip.

An investment in Bluechiip is not a deposit or any other type of liability. An investment in Bluechiip is subject to investment risk. These risks are discussed in Section 4.

Investors should note that the past share price performance of Bluechiip provides no guidance as to its future share price performance.

No representations other than in this Offer Document

No person is authorised to give any information or make any representation in connection with the Offer which is not contained in this Offer Document. Any information or representation not contained in this Offer Document may not be relied on as having been authorised by Bluechiip.

Future performance

Except as required by law, and only to the extent so required, neither Bluechiip nor any other person warrants or guarantees the future performance of Bluechiip or any return on any investment made pursuant to this Offer Document.

Privacy

By filling out the Entitlement and Acceptance Form to apply for New Shares, you are providing information to Bluechiip (directly and/or via the Share Registry) that may constitute personal information for the purposes of the *Privacy Act 1988* (Cth). Bluechiip (and the Share Registry on its behalf) collects, holds and uses personal information provided on an Entitlement and Acceptance Form in order to assess your application and administer your holding of Shares.

If you do not provide the information requested in the Entitlement and Acceptance Form, Bluechiip and the Share Registry may not be able to process or accept the form.

Access to your personal information may be provided to other companies within the Bluechiip group and to Bluechiip's agents and service providers on the basis that they deal with such information in accordance with this privacy disclosure statement. You have a right to request access to the personal information that Bluechiip holds about you subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to Bluechiip's share registrar:

Boardroom Pty Limited
Level 12, 225 George Street
SYDNEY NSW 2000
PO BOX 3993
SYDNEY NSW 2001
Email: enquiries@boardroomlimited.com.au

Defined terms

Certain terms and abbreviations used in this Offer Document are defined in the Glossary in Section 6.

References to **Australian dollars** or **\$** are references to the lawful currency of Australia.

Any discrepancies between the totals and the sum of all the individual components in the tables contained in this Offer Document are due to rounding.

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1. Details of the Offer

1.1 Description of the issuer

Bluechiip is the issuer of New Shares under this Offer Document.

1.2 Description of the Offer

The Offer consists of a total of 67,125,882 New Shares to be offered by Bluechiip by way of a non-renounceable rights issue to raise up to approximately \$1.48 million (before expenses of the Offer). This takes the form of a 1 for 3 non-renounceable rights offer.

The Offer is explained in more detail in this Section 1.

1.3 Offer

If you are an Eligible Shareholder, you are being offered an Entitlement to acquire 1 New Share for every 3 Existing Shares held as at the Record Date.

The Issue Price per New Share is \$0.022.

The Entitlements are not renounceable, meaning Eligible Shareholders who do not wish to take up all or part of their Entitlement are unable to sell or transfer their Entitlement.

Eligible Shareholders have the opportunity to subscribe for all, part or none of your Entitlement to New Shares. The Company is also offering to Eligible Shareholders the opportunity to subscribe for Shortfall Shares (which will be in addition to their Entitlement) under the Shortfall Facility

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form. If you have more than one holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each holding.

1.4 Shortfall Facility

The Company is offering Eligible Shareholders the opportunity to subscribe for Shortfall Shares (which will be in addition to their Entitlement) under the Shortfall Facility. Under the Shortfall Facility, Eligible Shareholders will be entitled to apply for Shortfall Shares in excess of their Entitlement, at the same issue price as the New Shares.

The total number of Shortfall Shares available will be determined by the number of Entitlements that have not been taken up under the Offer.

Eligible Shareholders wishing to subscribe for Shortfall Shares must apply for them at the same time as they apply for New Shares under their Entitlement by completing the relevant section of their Entitlement and Acceptance Form or by making payment by BPAY[®] in accordance with the instructions on their Entitlement and Acceptance Form. There is no limit on the number of Shortfall Shares that Eligible Shareholders may apply for under the Shortfall Facility. However, applications under the Shortfall Facility will only be satisfied to the extent that there are Shortfall Shares available.

Shortfall Shares will be allocated as follows:

- the Directors reserve the right to issue the Shortfall Shares to Eligible Shareholders at their discretion and in that regard, intend to exercise that discretion to accept all applications in full;
- Eligible Shareholders will not receive more Shortfall Shares than they have applied for; and
- allocations will be made in such a way that the provisions of the Listing Rules and the Corporations Act, and in particular the takeovers prohibitions in Chapter 6 of the Corporations Act, are complied with.

There is no guarantee that an Eligible Shareholder will receive all of the Shortfall Shares they have applied for under the Shortfall Facility. Should applications for Shortfall Shares exceed the New Shares available, all applications received for Shortfall Shares and accepted by the Directors will be scaled back. If an Eligible Shareholder receives less Shortfall Shares than they have applied for, the Application Monies for those Shortfall Shares which have not been allocated will be returned to the relevant Eligible Shareholders without interest.

To the extent permitted by law, the Directors reserve the right to issue New Shares forming part of any Shortfall at their discretion in accordance with Exception 3 of ASX Listing Rule 7.2.

1.5 No Underwriting

The Offer is not underwritten.

1.6 Ranking of New Shares

The New Shares will be fully paid and rank equally in all respects with Existing Shares from their date of issue.

1.7 Allotment

Bluechiip expects to allot all New Shares on 16 September 2016.

1.8 Application Monies

Until the time of allotment of New Shares, Bluechiip will hold all Application Monies in relation to those New Shares in a purpose specific bank account. Interest earned on any Application Monies (whether or not allotment takes place) will remain the property of Bluechiip.

Application will be made to ASX for quotation of the New Shares to be issued under the Offer within 7 days of the date of this Offer Document. If application is not so made or if quotation of the New Shares is not granted by ASX within 3 months of the date of this Offer, any allotment of New Shares in response to an application made under this Offer will be void, and all Application Monies received will be returned without interest.

1.9 No minimum subscription

There is no minimum subscription for the Offer.

1.10 No entitlement trading

This offer is non-renounceable which means that Entitlements cannot be transferred or traded on the ASX. Any portion of your Entitlement that you decide not to accept will lapse and become part of the Shortfall.

1.11 Foreign Shareholders

This Offer is made only to Eligible Shareholders with a registered address in Australia or New Zealand or such other place in which, or to any person to whom, it would be lawful to make such an offer.

Bluechiip is of the view that it is unreasonable to make the Offer to other overseas Shareholders (**Foreign Shareholders**) having regard to:

- (a) the number of Foreign Shareholders;
- (b) the number and value of New Shares that would be offered to Foreign Shareholders; and
- (c) the cost of complying with overseas legal requirements.

This Offer does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. Bluechiip is not required to make offers under this Offer to Foreign Shareholders. Where this Offer has been dispatched to Shareholders domiciled outside Australia or New Zealand and where the country's securities code and/or legislation prohibits or restricts in any way the making of the offers contemplated by this Offer, this Offer is provided for information purposes only.

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are not resident in Australia or New Zealand are responsible for ensuring that taking up Entitlements under the Offer does not breach regulations in the relevant overseas jurisdiction.

Return of a duly completed Entitlement and Acceptance Form will be taken by Bluechiip to constitute a representation that there has been no breach of such regulations.

The offer contained in this Offer to Shareholders with registered addresses in New Zealand is made in reliance on the Security Act (Overseas Companies) Exemption Notice 2002 (New Zealand). Members of the public in New Zealand who are not Shareholders on the Record Date are not entitled to apply for any New Shares.

1.12 Market price of Shares

The latest recorded price at which Shares traded on ASX in the period ending on 10 August 2016 (being the last trading day before the announcement of the Offer) was \$0.026.

The highest and lowest prices at which Shares traded on ASX during the 1 month prior to the announcement of the Offer were \$0.03 and \$0.025 respectively. The volume-weighted average price at which Shares traded on ASX in this period was \$0.0274.

1.13 Taxation

The taxation consequences of investing in the New Shares will depend on your particular circumstances. It is your responsibility, as a potential investor, to make your own enquiries concerning the taxation consequences of an investment in Bluechiip. See Section 5.4 for a general discussion of taxation issues. If you are in doubt as to the consequences of an investment, you should consult with your taxation or other professional adviser before investing.

1.14 Enquiries

If you require advice as to whether to accept your Entitlement, you should seek professional advice from your legal, investment or other professional adviser.

If you have any queries about the Offer, your Entitlement and Acceptance Form, or your Entitlement, please contact the Bluechiip Limited Shareholder Information Line on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia) from 8.30am to 5.00pm (Sydney time), Monday to Friday.

2 Action required by Eligible Shareholders

2.1 Actions required

Your Entitlement is shown on the accompanying Entitlement and Acceptance Form. Before taking any action in relation to the Offer, you should read this Offer Document in its entirety, and seek professional advice from your accountant, stockbroker, lawyer or other professional adviser.

You may:

- (a) take up all of your Entitlement;
- (b) take up all of your Entitlement and apply for additional New Shares under the Shortfall Facility;
- (c) take up part of your Entitlement and allow the balance to form part of the Shortfall which will be dealt with in accordance with the Shortfall Facility; or
- (d) do nothing and allow all of the New Shares representing your Entitlement to lapse in which case your Entitlement will form part of the Shortfall and dealt with in accordance with the Shortfall Facility.

2.2 What happens if I accept my full Entitlement?

If you take up your full Entitlement under the Offer, you will not have your shareholding in Bluechiip diluted by the Offer. You will also be eligible to apply for additional New Shares under the Shortfall Facility.

2.3 What happens if I do nothing?

If you do not take up your full Entitlement, your proportional shareholding in Bluechiip will be diluted and you will receive no value for your Entitlement.

2.4 Completion of Entitlement and Acceptance Form

You may accept your Entitlement following the dispatch of this Offer Document (expected to be Thursday 18 August 2016). Bluechiip will accept applications until the Closing Date.

If you decide to take up all or part of your Entitlement, please complete and return the Entitlement and Acceptance Form with the requisite Application Monies or pay your Application Monies via BPAY® by following the instructions set out on the Entitlement and Acceptance Form. Bluechiip will treat you as applying for as many New Shares as your payment will pay for in full.

All acceptances for New Shares under the Shortfall Facility must either be made on the enclosed personalised Entitlement and Acceptance Form, or by paying Application Monies via BPAY® in accordance with instructions set out in the Form. A Shareholder may only make an application for additional Shares under the Shortfall Facility if the Shareholder applies for their maximum Entitlement of New Shares under the Offer.

In either case, Entitlement and Acceptance Forms must be accompanied by cheque, bank draft or money order in Australian dollars drawn on an Australian branch of an Australian bank for the Issue Price of the New Shares for which application is made. All cheques must be made payable to "Bluechiip – Rights Offer Account" and crossed "Not Negotiable". Do not forward cash. Receipts for Application Monies will not be issued.

Completed Entitlement and Acceptance Forms and accompanying cheques must be returned to the following address and received no later than 5.00 pm (Sydney time) on Friday 9 September 2016:

Bluechiip Limited
 c-/ Boardroom Pty Limited
 PO Box 3993
 Sydney NSW 2001 Australia

A reply paid envelope is enclosed for your convenience. If mailed in Australia, no postage stamp is required.

If you are paying by BPAY®, please make sure to use the specific Biller Code and unique Customer Reference Number (CRN) on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form, please only use the CRN specific to the Entitlement on that Form. If you are paying by BPAY® payment, you do not need to mail the personalised Entitlement and Acceptance Form.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 5:00pm (Sydney time) on Friday 9 September 2016 (subject to variation). You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment, and you should therefore take this into consideration when making payment.

You should read this Offer Document in its entirety before deciding to take up your Entitlement.

The Directors reserve the right to issue New Shares forming part of any Shortfall at their discretion as set out above and in accordance with Exception 3 in ASX Listing Rule 7.2.

Shares issued under the Shortfall will be issued at the same price and on the same terms as the New Shares offered under a Shareholder's Entitlement.

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Facility and may be placed at the discretion of the Directors as noted above.

2.5 Acceptance of applications under the Offer

Completing and lodging an Entitlement and Acceptance Form for the Offer is a binding offer by you to Bluechiip to subscribe for the number of New Shares specified in the Entitlement and Acceptance Form at the Issue Price on the terms and conditions set out in this Offer and the Entitlement and Acceptance Form. Once lodged it cannot be withdrawn.

An application may be accepted in respect of the full amount, or any amount less than that specified in the Entitlement and Acceptance Form, without further notice to the relevant Eligible Shareholder. Acceptance of an application will give rise to a binding contract with acceptance to take place after the quotation of the New Shares on ASX.

No stamp duty, brokerage or commission is payable by applicants.

2.6 Representations by Acceptance

By completing and returning an Entitlement and Acceptance Form, in addition to the other representations set out elsewhere in this Offer Document and in the Entitlement and Acceptance Form you:

- (a) represent that you are an Eligible Shareholder;
- (b) agree to be bound by the terms of this Offer Document and the Company's constitution;
- (c) authorise the Company to register you as the holder(s) of New Shares allotted to you;
- (d) acknowledge that once the Company receives your Entitlement and Acceptance Form, you may not withdraw your Entitlement and Acceptance Form or Application Monies except as required by law;
- (e) declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- (f) agree to apply for and be issued up to the number of New Shares specified in the Entitlement and Acceptance Form or for which you have paid via BPAY® at the issue price of \$0.022 per New Share;
- (g) declare that you were the registered holder(s) at the Record Date of the Shares indicated on your personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- (h) acknowledge that this Offer Document is not a prospectus, does not contain all of the information that you require in order to assess an investment in the Company and is given in the context of the Company's past and ongoing continuous disclosure announcements to ASX;
- (i) acknowledge the statement of risks in Section 4 of this Offer Document and that investments in the Company are subject to risk;
- (j) represent and warrant that the law of any place does not prohibit you from being given this Offer Document and the Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Offer;
- (k) represent and warrant that you are not in the United States and you are not acting for the account or benefit of a person in the United States; and
- (l) you understand and acknowledge that neither the Entitlements nor New Shares have been, or will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States and the Entitlements may not be issued to, purchased or traded by, or taken up or exercised by, and the New Shares may not be offered or sold to, persons in the United States or persons who are acting for the account of a person in the United States.

3 Purpose and effect of the Offer

3.1 Overview

If the Offer is fully subscribed:

- (a) the New Shares issued pursuant to the Offer will constitute approximately 25% of the total number of issued Shares immediately after the allotment of the New Shares; and
- (b) the total number of Shares on issue after the Offer will be 268,503,529 Shares on the basis that it is fully subscribed.

If fully subscribed, the Offer will provide Bluechiip with net proceeds of up to approximately \$1.45 million after issue expenses of approximately \$30,000. Please refer to Section 3.3 for further information regarding the effect of the Offer on the capital structure.

3.2 Use of Funds

The proceeds raised from the Offer will be used as follows:

- To complete the development through to launch of Bluechiip's technology with partner Genea Biomedx in the Assisted Reproductive Technologies market;
- To complete and convert current evaluation and development trials with pipeline partners in USA, EU and Asia; and
- Towards meeting corporate overheads.

3.3 Impact on Bluechiip's capital structure

The table below shows the current structure of Bluechiip and the capital structure on completion of the Offer:

	Number of Shares	Percentage of post-Offer Shares
Existing Shares	201,377,647	75%
New Shares (maximum)	67,125,882	25%
Total immediately after Offer	268,503,529	100%

3.4 Control issues arising from the Offer

The Offer is a pro-rata offer so that if all Eligible Shareholders take up their Entitlements the voting power of all Eligible Shareholders will remain substantially the same. In that event, there will be no actual or potential effect or consequences arising from the Offer on the control of the Company.

However, the proportional shareholdings of Shareholders who are not resident in Australia and New Zealand may be diluted as those Shareholders are not entitled to participate in the Offer. Additionally, if an Eligible Shareholder does not take up their entitlement in full, there may be a dilutionary effect on that Shareholder's proportional shareholdings (which may occur as a result of the placement of any Shortfall by the Directors. In the event of a Shortfall, the Directors reserve the right to place the Shortfall at their sole discretion subject to the provisions of the Corporations Act and the Listing Rules.

3.5 Dilution

Shareholders should note that if they do not participate in the Offer, their aggregate holdings are likely to be diluted (if the Offer is fully subscribed) by approximately 25% (as compared to their holdings and number of Shares on issue as at the date of this Offer Document).

Examples of how the dilution may impact Shareholders are set out below:

Holder	Holding as at Record date	Approx. % at Record date	Entitlements under the Offer	Holdings if Offer not taken up	Approx. % post offer
Shareholder 1	15,000,000	7.45%	5,000,000	15,000,000	5.59%
Shareholder 2	6,000,000	2.98%	2,000,000	6,000,000	2.23%
Shareholder 3	1,000,000	0.49%	333,333	1,000,000	0.37%
Shareholder 4	100,000	0.05%	33,333	100,000	0.04%

Note: This is based on a share capital of 201,377,647 Shares as at the date of this Offer Booklet and the dilution effect is the maximum percentage on the assumption that those Entitlements that are not accepted are placed under the Shortfall Facility.

3.6 Pro forma balance sheet

Set out below is a pro forma Statement of Financial Position of Bluechiip on successful completion of the Offer (assuming the Offer is fully subscribed). It is based on Bluechiip's unaudited financial statements as at 30 June 2016.

Bluechiip Statement of Financial Position	As at 30 June 2016 (Unaudited)	Offer (fully subscribed)	Proforma position
	\$'000	\$'000	\$'000
Assets			
Cash and cash equivalents	488	1,447	1,935
Trade and other receivables	726	-	726
Other current assets	145	-	145
Inventory	382	-	382
Total current assets	1,741	1,447	3,188
Property, plant and equipment	88	-	88
Total non-current assets	88	-	88
Total assets	1,829	1,447	3,276
Liabilities			
Trade and other payables	212	-	212
Interest-bearing loans and borrowings	504	-	504
Employee entitlements	50	-	50
Total current liabilities	766	-	766
Employee entitlements	24	-	24
Total non-current liabilities	24	-	24
Total liabilities	790	-	790
Net assets	1,039	1,447	2,486
Equity			
Share capital	21,374	-	21,374
Issue of ordinary shares pursuant to Offer	4,718	1,477	6,195
Accumulated losses	(25,053)	(30)	(25,083)
Total equity	1,039	1,447	2,486

4 Risk factors

4.1 Overview

There are a number of factors, both specific to Bluechiip and of a general nature, which may affect the future operating and financial performance of Bluechiip and the outcome of an investment in Bluechiip. There can be no guarantees that Bluechiip will achieve its stated objectives, that forecasts will be met or that forward looking statements will be realised.

This Section 4 describes certain, but not all, risks associated with an investment in Bluechiip. Prior to making an investment decision, prospective investors should carefully consider the following risk factors, as well as the other information contained in this Offer or of which they are otherwise aware.

4.2 Specific Risk Factors

The risks associated with an investment in Bluechiip include the following:

(a) Ability to commercialise the Bluechiip Technology

Development and commercialisation programmes involve long lead times, and while the Company's programme for its innovative tracking technology is materially advanced, there are numerous risks inherent in the Company's programme and development activities, including:

- uncertainty of the outcome of Bluechiip's licensing, marketing and sales programmes;
- difficulties or delays in Bluechiip's further development of its technology; and
- general uncertainty and resistance relating to the development of a new technologies and the level and speed of uptake of those technologies and of products utilising those technologies.

The Bluechiip innovative tracking technology requires further development as part of its commercialisation, which by its nature is uncertain in its outcome, expensive and time consuming. There may be difficulties or delays in the commercialisation process and progress is dependent on many factors, including its corporate partners and contractors. These persons may not perform to expectation or at all. No assurance can be given that the Company's product commercialisation efforts will be successful, that any required regulatory approvals will be obtained or that its products will achieve market acceptance. Further, despite a number of development trials of Bluechiip's innovative tracking technology having already been conducted, development is on-going and is likely to require additional trials. There is no guarantee that these trials will be successful or will not need to be reviewed and/or repeated.

(b) Market acceptance

Market acceptance of Bluechiip's technology and products is uncertain. These uncertainties can be caused by: difficulties and delays in marketing the technology and products (or any new product developed by the Company); and the advancement of new competitive products. There can be no assurance that Bluechiip's technology and products will be successful in the market place, or that the sale of the Company's products will be profitable for the Company.

(c) Future demand for product

The Company is a relatively new market entrant and its technology and products are only now being commercialised. There is a risk that the Company's estimates of future demand for its technology and products are overstated or may not be able to be achieved. There is no reliable information regarding penetration of products of the nature contemplated by the Company in the relevant markets. Failure by the Company to achieve customer acceptance of its technology and products will have a material adverse effect on the future results of the Company.

(d) Additional requirements for capital and funding

The Directors are of the opinion that, taking into account the funds to be raised under the Offer, the Company will have sufficient working capital to carry out its short term objectives.

However, the Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its current activities, the Company may require further financing in addition to the amounts raised under this Offer.

Any additional equity finance will dilute shareholdings and debt financing may involve restrictions on financing and operating activities. There can be no assurance that the Company will be able to raise such capital on favourable terms or at all. If the Company is unable to obtain such additional capital, it may not be able to exploit or pursue growth opportunities.

(e) Reliance on key personnel and need to attract qualified staff

The Company is dependent on its senior management, the loss of whose services could materially and adversely affect the Company and impede the achievements of its growth and development objectives.

Because of the nature of the Company's business, its success will depend in part upon its ability to attract and retain suitably qualified senior management and staff over time.

(f) Protection of intellectual property

The Company relies on a combination of patents, trade secrets, copyright and other intellectual property rights together with licences, non-disclosure and confidentiality agreements and other contractual relationships with its employees, affiliates, suppliers and distributors to establish and protect its proprietary rights.

There is no assurance at any time that any such right can be formally established, that pending patent applications will proceed to grant, that the measures taken by the Company will be adequate to protect its proprietary technology, that any intellectual property rights will provide the Company with any competitive advantages and will not be challenged by third parties or that the rights of others will not materially adversely affect the Company's ability to do business, its financial condition and the results of its operations. The Company's proprietary rights may not prevent the independent development of competing technologies or the independent development or sale of competing products.

(g) Uncertainty of future profitability

The Company's ability to operate profitably in the future will depend on its ability to distribute its products and sell to customers. This will depend on the ultimate demand for its products by consumers which cannot be guaranteed.

Other factors that will determine the Company's profitability are its ability to manage its costs, to execute its development and growth strategies, economic conditions in the markets the Company operates, competitive factors and regulatory developments. Accordingly, the extent of future profits, if any, and the time required to achieve a sustained profitability is uncertain. Moreover, the level of such profitability cannot be predicted.

4.3 General risk factors

(a) Share market conditions

The New Shares may trade on ASX at higher or lower prices than the Issue Price following issue. There can be no guarantee that the price of the New Shares will increase.

The price at which the New Shares trade on ASX may be affected by the financial performance of Bluechiip and by external factors over which Bluechiip have no control. Bluechiip does not warrant the future performance of New Shares or any return on investments in those securities.

(b) Economic conditions

The operating and financial performance of Bluechiip is influenced by a variety of general economic and business conditions including the level of inflation, international share markets, interest rates and exchange rates, government fiscal, monetary and regulatory policies.

A prolonged deterioration in general economic conditions, including an increase in interest rates or a decrease in consumer and business demand, could be expected to have a material adverse impact on Bluechiip's business or financial situation.

5 Additional information

5.1 Expenses of the Offer

Expenses connected with the Offer are being borne by Bluechiip. The approximate expenses of the Offer including legal fees, registry fees, printing fees and other general costs are estimated to be \$30,000 (exclusive of GST).

5.2 Disclosure

This Offer Document contains an Offer to subscribe for continuously quoted securities (as defined in the Corporations Act) of Bluechiip and has been prepared in accordance with Section 708AA(2)(f) of the Corporations Act.

In broad terms, Section 708AA relates to rights issues by certain listed companies that do not require the provision of a prospectus or other disclosure document to investors under Part 6D.2 of the Corporations Act. Accordingly, the level of disclosure in this Offer Document is significantly less than that required in a prospectus. Eligible Shareholders should therefore rely upon their own knowledge of Bluechiip, refer to disclosures already made by it to ASX, and refer to their professional adviser before deciding to accept the Offer.

5.3 Continuous Disclosure and Documents Available for Inspection

Bluechiip is a disclosing entity within the meaning of the Corporations Act 2001 and is, and has for the past twelve months been, subject to regular reporting and disclosure obligations.

Bluechiip believes that it has fully complied with the general and specific requirements as set forth by the ASIC and ASX in relation to continuous disclosure, which includes the provisions of Chapter 2M of the Corporations Act as they apply to Bluechiip and Section 674 of the Corporations Act.

Copies of documents lodged with ASIC in relation to Bluechiip may be obtained from, or inspected at, an office of the ASIC.

5.4 Taxation

Set out below is a summary of the Australian tax implications of the Offer for Eligible Shareholders who are residents of Australia for tax purposes and who hold their Shares as capital assets.

The summary below also does not take account of any individual circumstances of any particular Eligible Shareholder.

Eligible Shareholders should seek specific advice applicable to their own particular circumstances from their own financial or tax advisers.

The summary below does not necessarily apply to Eligible Shareholders who hold their Shares as assets used in carrying on a business or who may carry on the business of security trading, banking or investment. The summary below does not necessarily apply to Eligible Shareholders whose Shares are held as revenue assets or trading stock. The summary below is based on the law in effect as at the date of this Information.

(a) Issue of Entitlements

Subject to the qualifications noted above, the issue of the Entitlements will not itself result in any amount being included in the assessable income of an Eligible Shareholder.

(b) Exercise of Entitlements

Eligible Shareholders who exercise their Entitlements and subscribe for New Shares will acquire those shares with a cost base for capital gains tax (**CGT**) purposes equal to the Offer Price payable by them for those shares plus any non-deductible incidental costs they incur in acquiring those shares, but will not make any capital gain or loss, or assessable income, from exercising the Entitlements or subscribing for the New Shares.

(c) New Shares

Eligible Shareholders who exercise their Entitlements will acquire New Shares. Any future distributions made in respect of those New Shares will be subject to the same taxation treatment as distributions made on Shares held in the same circumstances.

On any future disposal of New Shares, Eligible Shareholders may make a capital gain or capital loss, depending on whether the capital proceeds of that disposal are more than the cost base or less than the reduced cost base of the New Shares. The cost base of those shares is described above.

New Shares will be treated for the purposes of the CGT discount as having been acquired when the Eligible Shareholder exercised the Entitlement to subscribe for them. Accordingly, in order to benefit from the CGT discount in respect of a disposal of those shares, they must have been held for at least 12 months after those dates before the disposal occurs.

(d) Other Australian taxes

No Australian Goods and Services Tax (GST) or stamp duty is payable in respect of the grant or exercise of the Entitlements or the acquisition of New Shares.

5.5 Rounding of Entitlements

Where fractions arise in the calculation of Entitlements, they will be rounded down to the nearest whole number of New Shares.

5.6 Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Offer that is not contained in this Offer Document.

Any information or representation that is not in this Offer Document may not be relied on as having been authorised by Bluechiip or any of their related bodies corporate in connection with the Offer. Except as required by law, and only to the extent so required, none of Bluechiip or any other person, warrants or guarantees the future performance of Bluechiip or any return on any investment made pursuant to this Offer Document.

6 Glossary

Application	means a valid application by way of an Entitlement and Acceptance Form made to subscribe for a specified number of New Shares under the Offer.
Application Monies	means the monies received from applicants for New Shares in accordance with this Offer Document.
ASIC	means the Australian Securities and Investments Commission.
ASX	means the ASX Limited (ABN 98 008 624 691).
ASX Listing Rules or Listing Rules	means the listing rules of ASX.
Bluechiip	means Bluechiip Limited ACN 104 795 922.
Board	means the board of directors of Bluechiip.
Business Day	means a day on which ASX is open for trading.
Closing Date	means 5.00 pm on Friday 9 September 2016.
Constitution	means the constitution of Bluechiip as amended from time to time.
Corporations Act	means the Corporations Act 2001 (Cth).
Directors	means the directors of Bluechiip.
Eligible Shareholder	means a person who is a Shareholder at 7.00 pm (Sydney time) on the Record Date who is not a Foreign Shareholder.
Entitlement	means the right of an Eligible Shareholder to subscribe for New Shares under the Offer.
Entitlement and Acceptance Form	means the personalised form attached to or accompanying this Offer Document.
Existing Shares	means Shares on issue immediately before the Record Date.
Foreign Shareholder	means a Shareholder described in Section 1.11.
GST	means goods and services tax.
Issue Price	means the issue price of \$0.022 per New Share.
New Shares	means the Shares offered under this Offer Document.
Offer	means the offer of Entitlements to New Shares under this Offer Document.
Offer Document	means this document and any supplementary or replacement Offer Document in relation to this document.
Offer Period	means the period starting on the dispatch of this Offer Document and ending at 5.00 pm on the Closing Date.
Record Date	means the date for determining Entitlements under the Offer, being 7.00pm (Sydney time) on Monday 22 August 2016.
Rights Issue	means the issue of New Shares upon receipt of valid acceptances under the Offer.
Rights Offer	means the offer of Entitlements to New Shares under this Offer Document.
Share	means an ordinary share in Bluechiip.
Shareholder	means a holder of Shares.
Share Registry or Registry	means Boardroom Pty Limited ABN 14 003 209 836.
Shortfall	means the shortfall in applications by Eligible Shareholders for New Shares under their Entitlements or under the Shortfall Facility (if any).
Shortfall Facility	means the facility described in section 1.4 of this Offer Document, entitling certain Shareholders to apply for additional New Shares that are not subscribed for by other Shareholders under their Entitlements under the Offer.
Shortfall Shares	means such number of New Shares offered under the Offer for which valid Applications have not been received on the exercise of an Entitlement.

Bluechiip Ltd (ASX:BCT)

Capital Raising Presentation
1-for-3 Non-renounceable Rights Issue
August 2016



Unique patented MEMS technology combining secure wireless tracking with integrated temperature sensing for extreme environments



Disclaimer

Material used in this presentation is a summary of available information, and while given in good faith, is professional opinion only. Any investor in Bluechiip Limited (BCT) should refer to all BCT ASX releases and statutory reports before considering investment in the company.

Certain information may have been derived from third parties and though BCT has no reason to believe that it is not accurate, reliable or complete, it has not been independently audited or verified by BCT.

Any forward-looking statements in this presentation involve subjective judgment and analysis and are subject to uncertainties, risks and contingencies, many of which are outside control of, and maybe unknown to, BCT. Neither BCT, nor its officers, employees and advisors make or give any representation, warranty or guarantee in relation to this presentation.

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Bluechip

Sample tracking for extreme environments using MEMS sensors

The Company

- Founded in 2003
- Listed on Australian Securities Exchange (ASX) in 2011
- Head office in Melbourne, Australia
- Global Distribution Network
- Key manufacturing partners in Europe, UK and Malaysia.
- OEM Partnering agreement in Assisted Reproductive Technologies (ART) and IVF
- Strong IP portfolio – 24 granted patents, 6 pending in 9 patent families



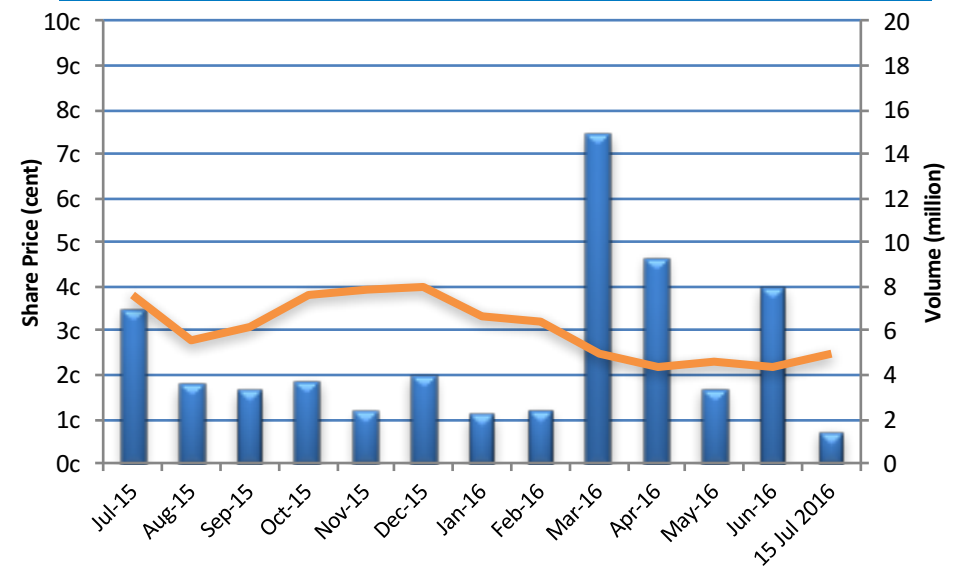


Corporate overview

Top Shareholders

Pulitano Family	9.04%
Dr. Stephen Woodford	7.64%
Chairman & Entities	7.13%
Australian Executor Trustees Limited	5.76%
Roshi Blue Pty Ltd & Entities	5.09%
Top 20 Shareholders	49.15%
Founder	2.12%

Share Price



Summary

Number of Shareholders	706	Market Cap. (30 Jun'16)	\$5.03m
Share Price (30 Jun'16)	2.5c	Net Cash (30 Jun'16)	\$0.49m
Shares on Issue (30 Jun'16)	201,377,647	Enterprise Value (30 Jun'16)	\$4.54m



Our Team

Board

Iain Kirkwood

Chairman

Experienced investor and non-executive director (listed and unlisted). Iain has considerable practical and operational experience gained from a successful financial career spanning 35 years including in resources, manufacturing and latterly healthcare in Australia, Britain and the USA. Iain has been a major shareholder in Bluechiip for over 5 years.

Andrew McLellan

Managing Director

Experienced in innovation and commercialisation combined with significant technical and operational background. Andrew has held senior positions including as VP of Business Development in North America and Director at Leica Microsystems (previously Vision BioSystems a division of the publicly listed Vision Systems), and as CEO of the Advanced Manufacturing Co-operative Research Centre (AMCRC)

Michael Ohanessian

Non-executive Director

CEO and Managing Director of Praemium Ltd, Michael brings executive experience in technology-related businesses. Previously CEO of Vision BioSystems Michael led the technology commercialisation into global markets before its parent Vision Systems was acquired by US based Danaher Corp. Michael brings a mixture of operational, strategic and leadership capabilities to his role at Bluechiip.

Team

Scott Turner

Engineering Manager

Dr Ian Johnston

Product Engineering Manager, MEMS (EU)

Irvin Teoh

Finance Manager

Oscar Val

Technical Sales and Marketing Manager

David White & Hugh Douglas

Business Development North America (US)



Unique patented technology
combining secure wireless
tracking with integrated
temperature sensing for extreme
environments

*Differentiated technology to labels,
barcodes and RFID*





Bluechiip

Sample tracking for extreme environments using MEMS sensors

Our Product : Chip + Reader + Software

- Unique technology, superior to labels, barcodes and RFID
- Operates reliably down to -196°C
- Instant sample temperature sensing
- Gamma resistant
- Reduces human error
- Increases productivity
- Extremely difficult to copy
- Applications in niche markets, e.g. cryogenic storage and biobanking





Core Technology | Chiip

MEMS smart Chiip

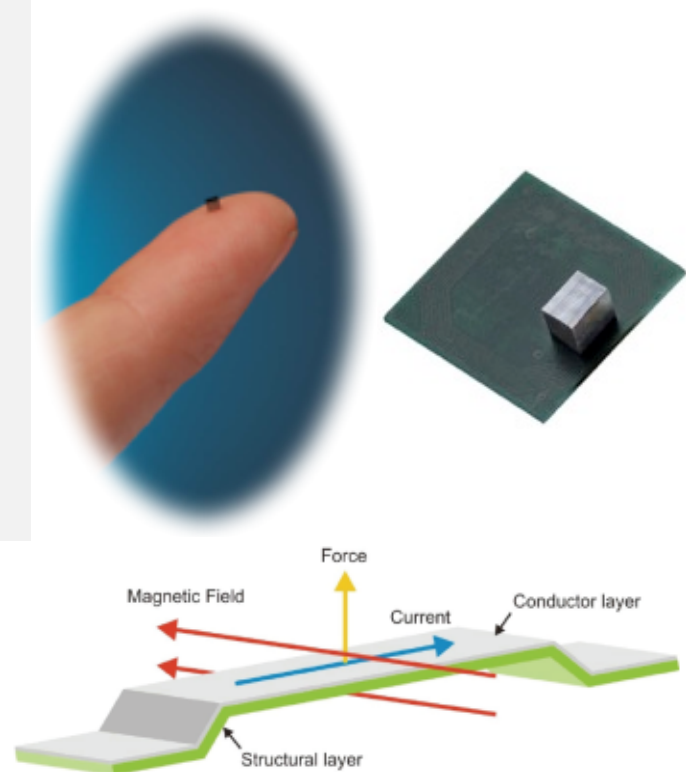
Micro-Electro Mechanical Systems (MEMS) is a manufacturing technology used to make micro devices with features less than the width of a human hair

- Functional at Cryogenic temperatures (-196°C)
- Unique ID coded into each Chiip at manufacture
- Provides temperature when polled by reader
- Reading time under 0.5 second, even through frost
- Gamma resistant
- Can be molded into any plastic

MEMS chips are superior to RFID in harsh environments

Most RFID tags use integrated circuit (IC) technology with electrical components sensitive to damage by temperature extremes and gamma radiation.

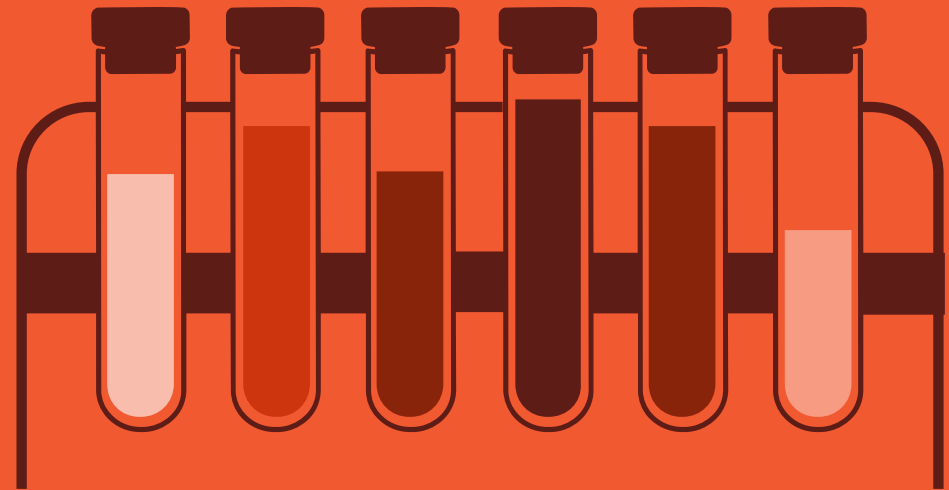
MEMS devices contains micromechanical components that are rugged and able to withstand exposure to wide temperature ranges and gamma radiation.





Market Opportunities

300+ million biosamples per annum, 2+ billion in storage

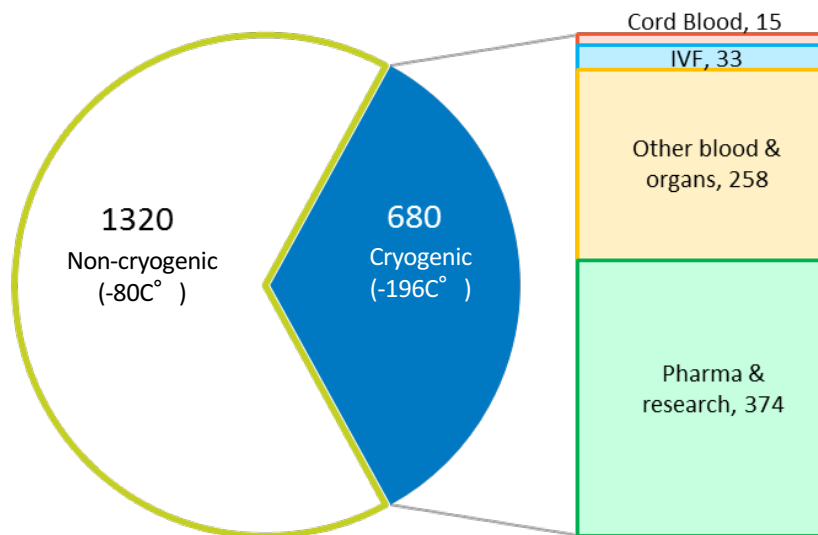




Primary Market Opportunity

Global Biopreservation Market Greater than \$2B in 2015

Biobanking samples (millions)

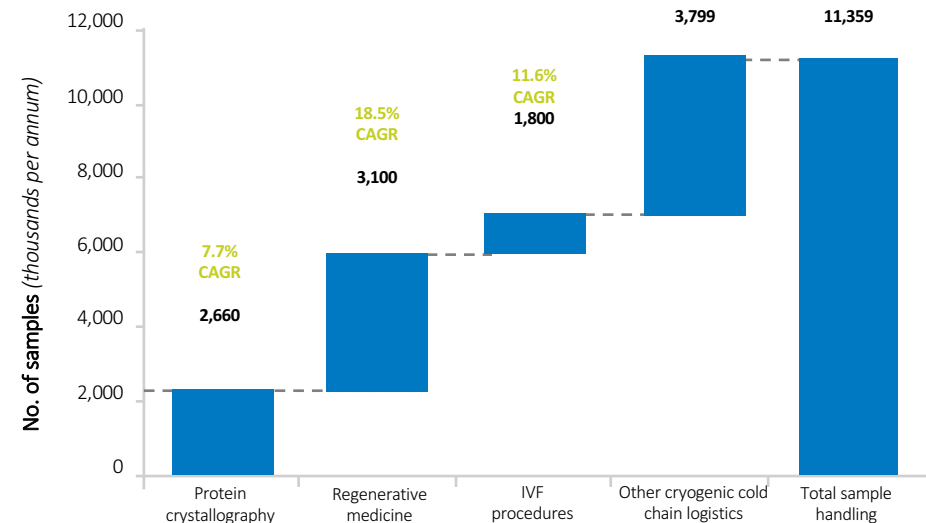


Total biobanking: 2B samples

Cryogenic biobanking: 680M samples

Note: Cryogenic biobanking is a segment of the biobanking market which stores samples at cryogenic temperatures (-196C) for extended periods. The market is dominated by human samples for biomedical applications.

Cryogenic transport and handling



Annual biobanking: 300M samples

Cryogenic handling: 11M samples

Note: Cryogenic transport refers to supply, transport and handling from long term storage facilities to application sites as well as short term storage and manipulation of samples at cryogenic temperatures (e.g. personalised medicine and protein crystallography).

Sources: Visual Fuse and MarketsandMarkets 2014



Biobanking today

300+ million biosamples per annum, 2+ billion in storage



High volume
processing



Dual
labelling



Emerging guidelines
(ISBER, CAP etc)
including
temperature



Increasing demand
for Cryogenic
storage



Biobank tracking technology is not keeping up with the increasing value of biosamples



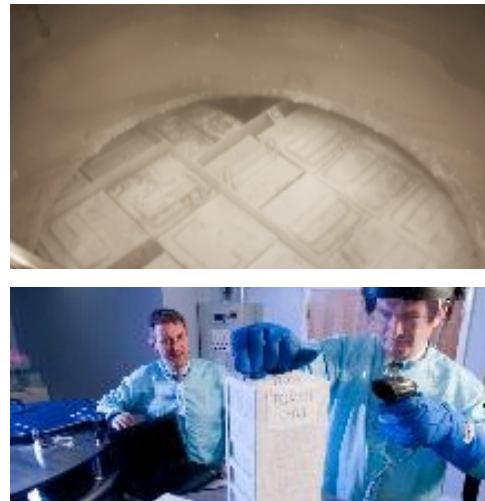
Tissue

Blood

IVF Sperm/Eggs










Plasma

StemCell





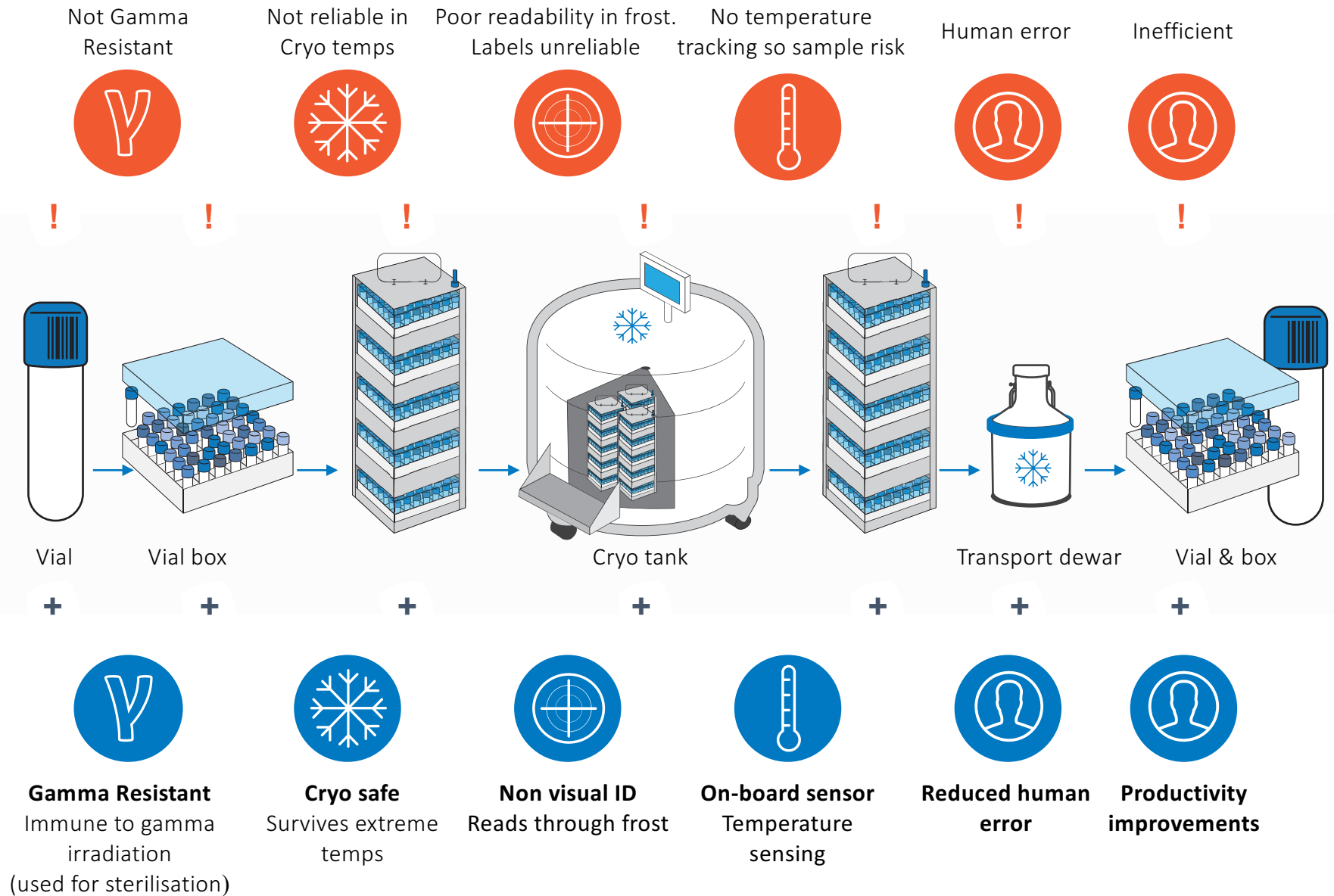
Alternative technologies

	LABELS	BARCODES	RFID	BLUECHIP
 Gamma Resistant				
 Cryo safe Survives extreme temps				
 Non visual ID Reads through frost				
 On-board sensor Temperature sensing				
 Reduced human error				
 Productivity improvements				

Current Issues

Current Biobank Process

Bluechip Solutions



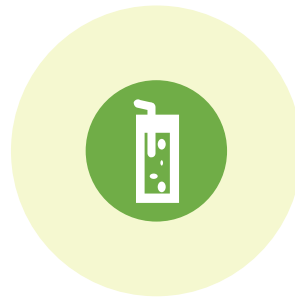


Other addressable markets



Cold Chain Logistic Pharmaceuticals

Item level **temperature tracking** of pharmaceuticals through-out the cold chain cycle.



Cold Chain Logistics Food

Item level **temperature tracking** of frozen and temperature sensitive food stuffs through-out the cold chain cycle.



Industrial and Manufacturing

High **temperature tracking**, structural health monitoring, tracking of tools and parts that are exposed to ionizing radiation or **gamma radiation** including sterilised medical devices, disposables and some food products.



Security & Defence

Anti counterfeiting fashion, food and high value commercial items. Cloning a bluechiip® tag is extremely difficult. tracking of tools and parts that are exposed to **ionizing radiation**, security and defense.

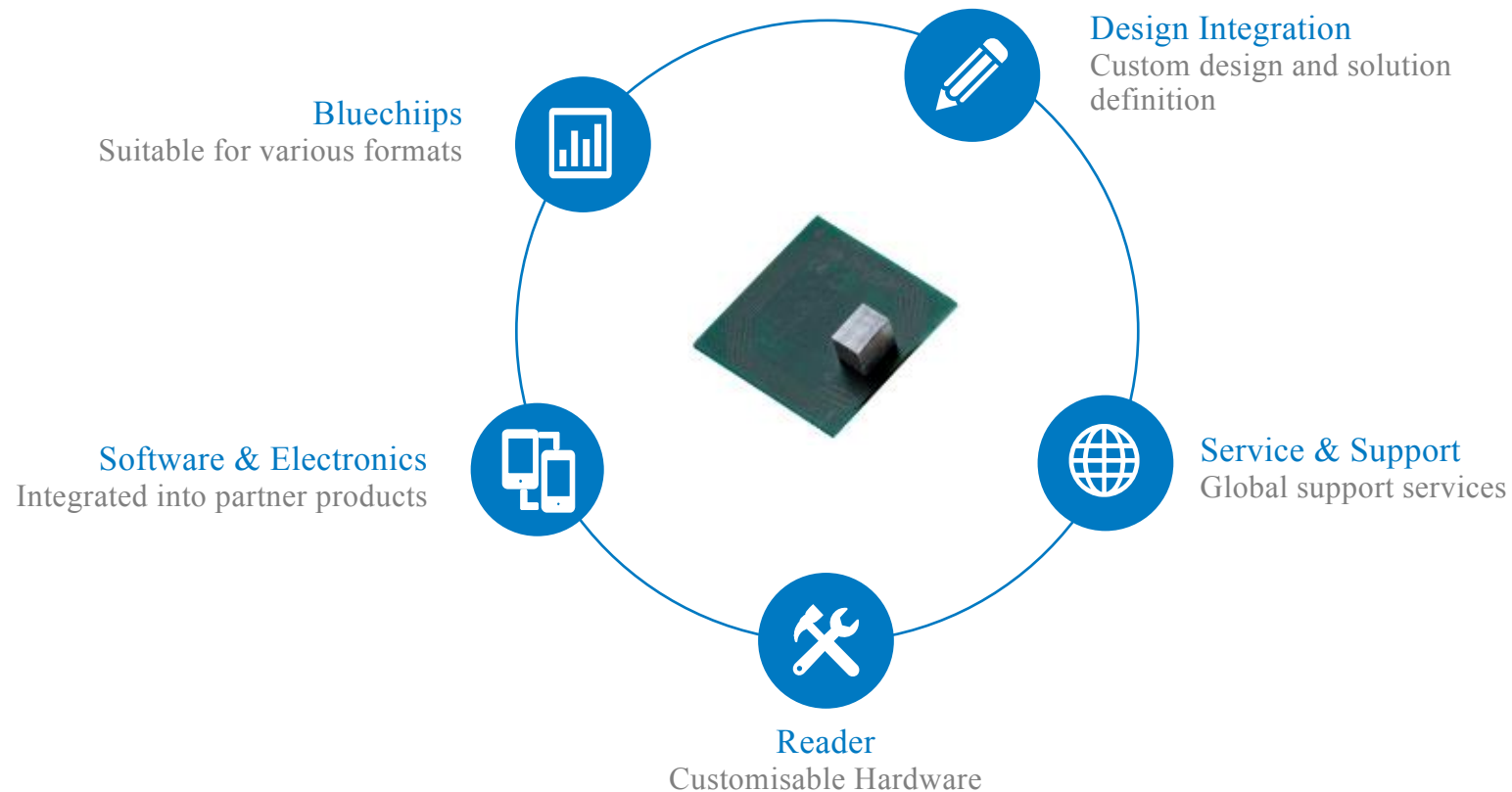


Strategic Progress and Sales Pipeline





Embedded solutions for OEM partners





Genea Biomedx License & Supply Agreement



ASX Announcement

For immediate release
3 December 2015



ASX Announcement

For immediate release
Thursday 7 July 2016

Bluechiip & Genea Biomedx License and Supply Agreement

Bluechiip Limited (ASX:BCT, "Bluechiip" or the "Company"), leader in the development of sample tracking technology for harsh environments, and Australian fertility innovator Genea Biomedx, have entered into a license and supply agreement to incorporate Bluechiip's sample tracking technology into Genea Biomedx's range of Assisted Reproductive Technology (ART) instruments used in IVF clinics across the globe.



Bluechiip displays OEM IVF tracking product at major trade show in Helsinki

7 July 2016





Bluechip IVF Transport Cooler

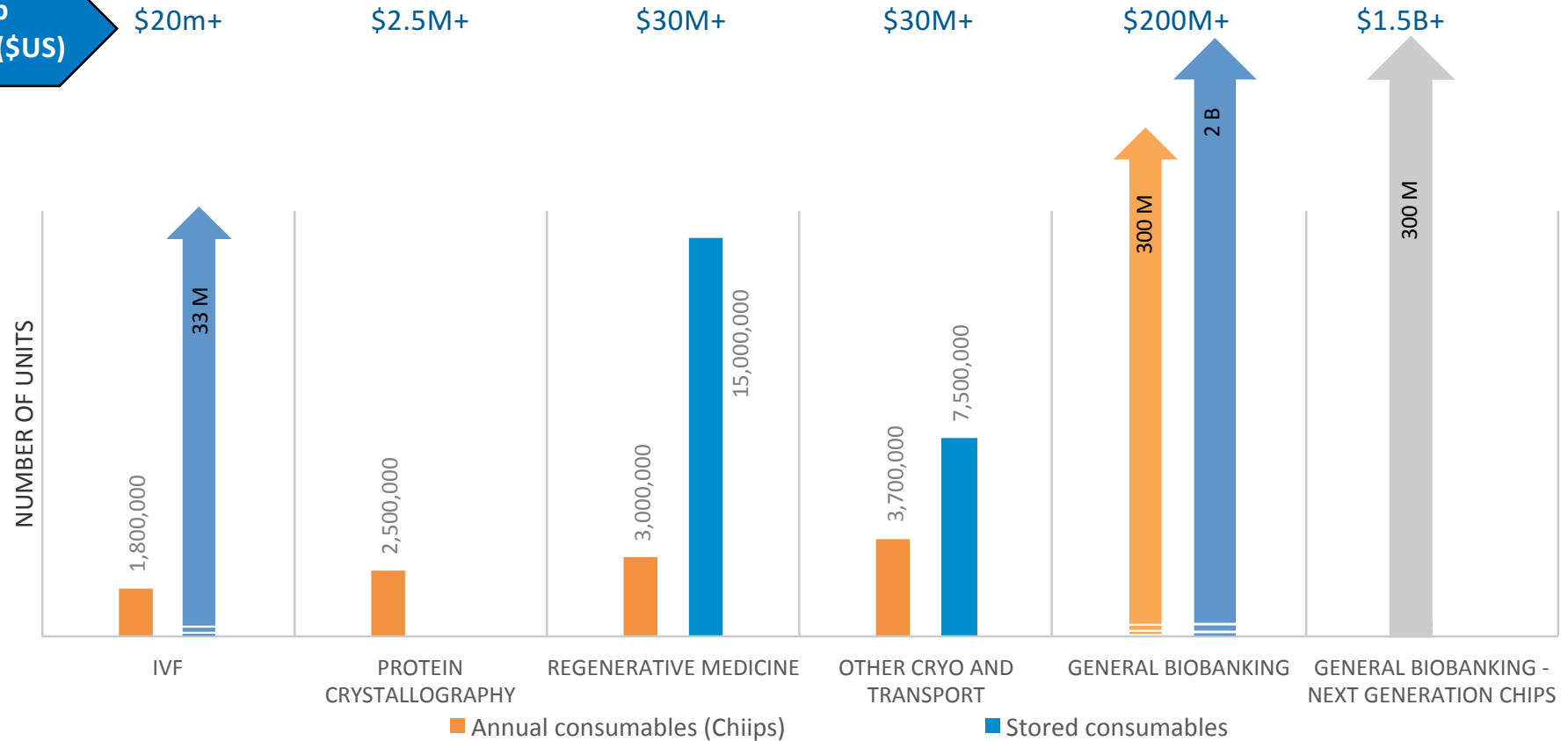
Active ID and Temperature Recording in Liquid Nitrogen -196°C





High Value Target Markets

Bluechip
opportunity (\$US)



OEM PIPELINE CLIENTS	Agreement Dec 2015 Revenue Mar 2016 Displayed July '16 Target Launch Q1 '17	Executed agreement Evaluation in progress Validation Customers	Executed agreement Evaluation in progress Validation customers	Evaluation agreements & developer kits in progress	Developer kits sold with multiple vendors & validation customers	R&D Development. High value over temperature sensors
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Our Sales



CASE STUDY:



Peter Mac
Peter MacCallum Cancer Centre
Victoria Australia

METHOD

Bluechiip tracking devices were attached to five cryocyte cryopreservation bags.

All bags were transferred to a cryogenic storage tank. Each bag underwent five consecutive freeze-thaw steps.

RESULTS

All bags were successfully identified without the need to manually lift and visually check the patient identification label.

The Bluechiip tracking technology provided localised temperature information during the retrieval process.

Faster and more consistent search times compared to manual methods.

Bags were maintained in more ideal, less disrupted conditions compared to manual methods.



Targeted Sales & Pipeline Progress



Target Market	Market Size by Samples	Bluechiip Opportunity USD (Licence fee's, R&D services, Bluechiips & Readers)	OEM Partner Progress >15 partners in pipeline	Timing
Assisted Reproductive Technology (IVF)	1.8m IVF Cycles/yr, 33m samples in storage	\$20m+	Developer Kit Delivered Supply Agreement Executed Due Diligence Complete - Licence Fee received Trade show demonstration – R&D Fee received Target Launch Q1 '17	July '15 Dec '15 Mar '16 July '16 Q1 '17
Protein Crystallography	2.5m Samples/yr	\$2.5m+	Executed agreement and delivery of trial kit Evaluation in progress End Validation Customers in place	Q4 '15
Regenerative Medicine	3m samples/yr 15m+ in storage	\$30-50m+	Executed agreement and delivery of trial kit Evaluation in progress Validation customers	Q4 '15
Other cryogenic cold chain logistics	3.5-7.5m samples/yr >250m in storage	\$30m+	Multiple evaluation agreements Developer kits delivered	Q1-3 '16
General Biobanking	300m+ samples/yr >2B in storage	\$200m+	Developer kits sold with multiple vendors End validation customer sales	

Future Core Technology and Adjacent Market Opportunities

High value over temperature sensors	300m+	\$1.5B+	Government co-funded R&D Development
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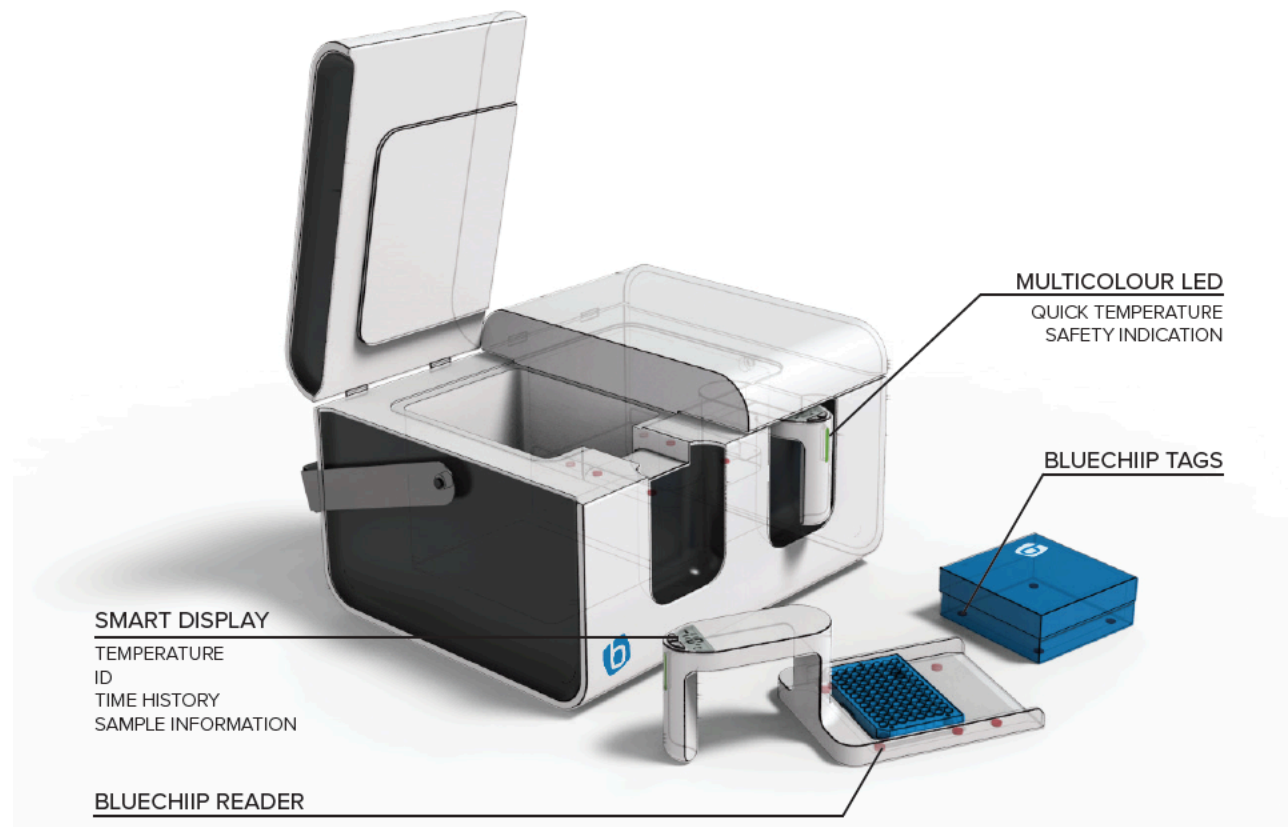
Product Pipeline - Readers



BLUE TRAY



A cryogenic smart sample transport solution providing continuous temperature and ID monitoring of cryoboxes fitted with bluechiip® tags. The Blue Tray provides immediate tracking direct from your storage tower, into the cold transport box which neatly accommodates the Blue Tray for a fully integrated package. All data is logged onboard and the display provides feedback of temperature, ID, time, and sample information. The transport box features excellent insulating properties in a rugged package which will ensure samples are kept at safe temperatures for many hours.





Use of Proceeds

The proceeds raised from the Offer will be used to:

- ✓ Complete development of products in Assisted Reproductive Technologies Market with our first OEM partner Genea Biomedx;
- ✓ Complete current evaluation and development trials with pipeline customers in USA, EU and Asia;
- ✓ Launch and roll-out the first range of IVF products through partners; and
- ✓ Corporate overheads.



Investment Highlights

- Unique patented technology combining secure wireless tracking with integrated temperature sensing for extreme environments
- \$2b+ bio-preservation/bio-storage target market
- Executed supply agreement with Genea Biomedx in the high value IVF market with global distribution through a major pharmaceuticals company
- Repeat initial revenue from license fees, service and product sales (2nd half FY16 \$150k);
- Pipeline of over 15 partners with initial revenue from developer kits and validation customers
- High revenue growth expected in short to medium term on IVF product release early 2017
- Trial and developer agreements in protein crystallography, cell therapies, general biobanking and Auto Identification and Data Capture markets
- Government co-funded projects with University of Melbourne & Swinburne University to make Bluechiips adaptable and suitable for formats with significant value enhancement
- Large adjacent market opportunities



Summary of Rights Issue

A summary of the key information in respect of the Rights Issue is shown in the table below. Shareholders should read the Offer Booklet in its entirety before deciding to participate in the Rights Issue.

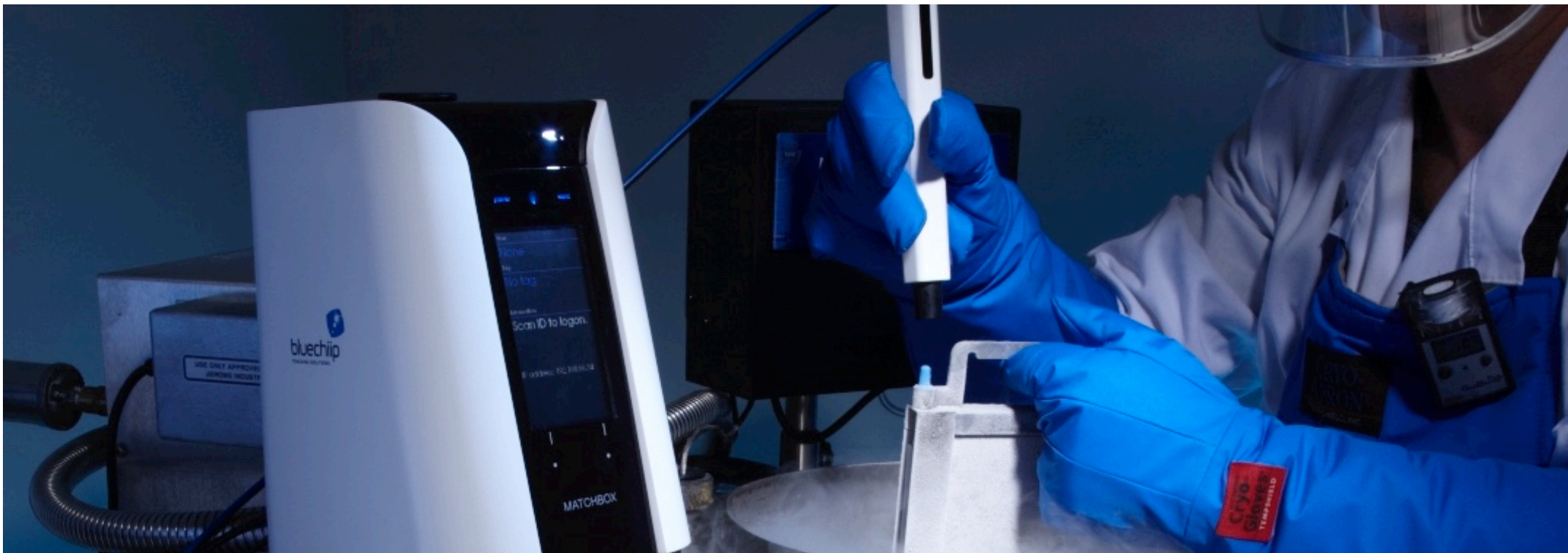
Ratio:	One New Share for every three existing ordinary Shares (Non-renounceable)
Issue Price:	\$0.022 per share
Number of New Shares:	67,125,882
Gross Proceeds:	\$1,480,000 (If fully subscribed)



Summary of Rights Issue

KEY DATES (INDICATIVE)

15 August 2016	Announcement Date Appendix 3B lodged with ASX
19 August 2016	Ex Date
22 August 2016	Record Date
25 August 2016	Dispatch of offer documents Rights Issue opens
9 September 2016	Rights Issue Closing Date
14 September 2016	Shortfall Notification Date
16 September 2016	Settlement Date



Contact

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Mob: +61 (0)457 823 470

Email: andrew.mclellan@bluechiip.com

www.bluechiip.com

ENTITLEMENT AND ACCEPTANCE FORM

Entitlement No.

Subregister

SRN/HIN.

Number of Shares held at
7.00pm (Sydney time) on 22
August 2016

**Offer Closes: 9 September 2016 at 5.00pm
(Sydney time)**

NON-RENOUNCEABLE ENTITLEMENT OFFER OF UP TO 67,125,882 NEW SHARES AT AN ISSUE PRICE OF \$0.022 PER NEW SHARE ON THE BASIS OF 1 NEW SHARE FOR EVERY 3 ORDINARY SHARES HELD, PAYABLE IN FULL UPON ACCEPTANCE OF THIS RETAIL OFFER.

A Rights Acceptance

If you wish to accept your **FULL ENTITLEMENT** please complete and return this form **WITH YOUR PAYMENT FOR THE AMOUNT SHOWN BELOW**. The return of this form by the close date with payment will constitute acceptance of the Offer. Your signature is only required when an alteration to your address is indicated by you over the page.

Entitlement to New Shares on the basis of 1 New Share for every 3 Ordinary Shares held	Price Per Share	Amount Payable for Full Acceptance, at \$0.022 per New Share
	\$0.022 per Share =	

If you wish to accept **PART OF YOUR ENTITLEMENT ONLY** please complete this form showing in the box below the **NUMBER OF NEW SHARES BEING ACCEPTED** and the appropriate amount payable.

Number of New Shares accepted	Price Per Share	Amount Payable
	\$0.022 per Share =	\$

B Application for Shortfall Shares (if available)

If you wish to apply for Shortfall Shares please insert the number of Shortfall Shares in the box below and the appropriate amount payable. These Shortfall Shares will only be allotted if available. The Directors reserve the right to Scaleback Applications for Shortfall Shares as they see fit.

Number of Shortfall Shares Applied for	Price Per Share	Amount Payable
	\$0.022 per Share =	\$

C Payment

Payment may only be made by BPAY or cheque. Cash will not be accepted via the mail or at the Bluechiip Limited Share Registry. Payments cannot be made at any bank.

Payment Option 1 - BPAY



Biller Code: 248617

Ref:

Telephone & Internet Banking - BPAY®

Contact your bank, credit union or building society to make this payment from your cheque or savings account.

More info: www.bpay.com.au

© Registered to BPAY Ltd ABN 69 079 137 518

- To pay via BPAY please contact your participating financial institution.
- If paying by BPAY you do not need to return the Entitlement and Acceptance Form.
- If paying by BPAY the amount of your payment received in the account divided by the issue price will be deemed to be the total number of shares you are applying for.

Payment Option 2 – Cheque (Record cheque details below)

DRAWER	CHEQUE NO.	BSB NO.	ACCOUNT NO.	AMOUNT \$AUD
				\$

- Only cheques or bank drafts in Australian dollars and drawn on a bank or financial institution in Australia will be accepted.
- Your cheque or bank draft must be made payable to "Bluechiip Limited" and crossed "Not Negotiable."
- Please ensure that you submit the correct amount. Incorrect payments may result in your application being rejected.

THIS FORM CONTINUES OVERLEAF

D Contact Details

CONTACT NAME	TELEPHONE WORK	TELEPHONE HOME	EMAIL ADDRESS
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By submitting this Entitlement and Acceptance Form or by using the BPAY facility to accept the Offer, I/We represent and warrant that I/we have read and understood the Offer Document to which this Entitlement and Acceptance Form relates and declare that this Application is completed and lodged according to the Offer Document and the instructions on the reverse of the Entitlement and Acceptance Form and declare that all details and statements made by me/us are complete and accurate. I/We agree to be bound by the constitution of Bluechiip Limited and agree to the terms and conditions of the Offer. I/We represent and warrant that I/we have not relied on any other information provided by the Company other as set out in the Offer Document when making my/our decision to invest.

The Offer to which this Entitlement and Acceptance Form relates does not constitute an offer to any person who is not an Eligible Shareholder This Entitlement and Acceptance Form does not constitute an offer in the United States of America (or to, or for the account or benefit of, US Persons) or in any jurisdiction in which, or to any persons to whom it would not be lawful to make such an offer.

LODGEMENT INSTRUCTIONS TO APPLICANTS

Please read these instructions carefully

ACCEPTANCE OF YOUR ENTITLEMENT IN FULL OR IN PART

Multiply the number of New Shares for which you are applying by \$0.022, and then fill in the acceptance details, where necessary, in the space provided on the front of this form. Complete your cheque details on the front of this form and send your cheque/draft and completed form to:

Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

Telephone No. 02 9290 9600
Facsimile No. 02 9279 0664

If you do not deal with your Entitlement it will lapse at 5.00pm (Sydney time) on 9 September 2016.

PAYMENT – AUSTRALIAN RESIDENTS

Cheque or Draft

All cheques or drafts (expressed in Australian currency) are to be made payable to “Bluechiip Limited” and crossed “Not Negotiable”.

BPAY

If you make payment using BPAY you must contact your Australian bank, credit union or building society to make this payment from your cheque or savings account. For more information: www.bpay.com.au. Refer to the front of this form for the Biller Code and Customer Reference Number. Payments must be received by BPAY before **5.00pm (Sydney time) on 9 September 2016**.

PAYMENT – OVERSEAS RESIDENTS

Overseas shareholders who are permitted to apply for shares must obtain a draft in Australian currency payable on a bank in Australia, or where the shareholder has an account with a bank in Australia, by a cheque drawn on that bank within Australia.

The Australian currency draft should be attached to your completed form and the document mailed to:

Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

OVERSEAS SHAREHOLDERS ARE ADVISED TO ENSURE THEIR DOCUMENTS ARE POSTED TO AUSTRALIA BY AIRMAIL.

Personal cheques drawn on overseas banks in Australian or any foreign currency will not be accepted. These will be returned and the acceptance deemed to be invalid.

INTERPRETATION

Terms used in this Entitlement and Acceptance Form have the same meaning as defined in the Offer Document

CHANGES OF ADDRESS SUPPORTED BY YOUR SIGNATURE(S)

If your address is not exactly as shown, please provide details below. This is only relevant for Issuer Sponsored registered holdings. CHES holders must notify your sponsoring broker for amendments to holdings on the CHES Subregister.

CHANGE OF ADDRESS DETAILS – ISSUER SPONSORED ONLY		
SIGN HERE FOR ADDRESS AMENDMENTS:		

Shareholder 1 (Individual) /
Sole Director & Sole Company
Secretary

Joint Shareholder 2 (Individual) /
Director

Joint Shareholder 3 (Individual) /
Director/Company Secretary
(Delete one)

Privacy Statement:

Boardroom Pty Limited advises that Chapter 2C of the *Corporations Act 2001* (Cth) requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your share holding and if some or all of the information is not collected then it might not be possible to administer your share holding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on the Entitlement and Acceptance Form.

Our privacy policy is available on our website (<http://www.boardroomlimited.com.au/privacy.html>).