

ASX Announcement

8 August 2016

Non-renounceable Rights Issue

BISAN is pleased to announce the terms of a fully underwritten non-renounceable rights issue (the "Issue") on the basis of one fully paid ordinary share for every one fully paid ordinary share held by shareholders of BISAN with a registered address in Australia or New Zealand (**Eligible Shareholders**) at 5pm (Sydney time) on 11 August 2016 (**Record Date**).

At the Annual General Meeting of the Company to be held on 18 August 2016, there was a proposal to put to Shareholders a resolution to consolidate the Company's Shares on a one-for-ten basis. The Directors have resolved to withdraw that resolution. Accordingly, the number of Shares that may be issued as a result of the Offer is 451,674,911. The Issue shares will be offered at an issue price of \$0.004 per share.

The Issue will raise approximately \$1,806,700 (before expenses).

The Company will apply funds raised from the Issue to:

- employ personnel (including an investment manager);
- invest further in the Company's current investments to enhance value;
- pursue recovery action in relation to the Company's current investments; and
- make new investments.

The Record Date for entitlements under the Issue is 11 August 2016 and the final date for receipt of applications for shares pursuant to the Issue is 2 September 2016 (subject to variation).

DETAILS OF THE RIGHTS ISSUE

Full details of the Issue are set out in the prospectus released to the ASX and lodged with ASIC today. Key features of the Issue include:

- The Issue offer is on the basis of one fully paid ordinary share for every one fully paid ordinary share held as at the Record Date.
- Issue price at \$0.004 cents per share.
- Non-renounceable and is available to all Eligible Shareholders registered on the Record Date.

- Applications and payment of funds must be received by BISAN on or before 2 September 2016 (subject to variation).
- New shares will be fully paid and rank equally with all existing BISAN shares on issue.
- The Issue is fully underwritten.
- The Offer will include a shortfall facility to be offered to Eligible Shareholders. The placement of the shortfall will be managed on a best endeavours basis by and at the discretion of the Directors. The Directors intend to accept applications for shortfall shares before a request is made under the Underwriting Agreement for the Underwriter to subscribe for Shares.

On completion of the Issue, BISAN will have 903,349,822 shares on issue.

DETAILS OF THE UNDERWRITING

The Issue is fully underwritten by RICT Pty Limited (ACN 137 223 931) (the Underwriter).

Key features of the underwriting are as follows:

- The Underwriter is a related party of Bisan Limited and is controlled by Mr Lei Ding, a Director of Bisan.
- The Underwriter is obliged to subscribe for all of the shortfall shares up to the full amount of the Issue after receiving notice from the Company as to the number of shortfall shares.
- As is normal for underwriting agreements of this nature, the Underwriter has a wide discretion to terminate its obligations under the Underwriting Agreement on the occurrence of a number of events.
- No fees are payable to the Underwriter.

TIMETABLE

An offer document and entitlement form will be sent to Eligible Shareholders on the date referred to in the following timetable.

An indicative timetable of events relating to the Offer and the Annual General Meeting is outlined below. The timetable is indicative only and is subject to change without notice.

Action	Date
Offer announced, Appendix 3B notice lodged with ASX, prospectus lodged with ASIC	8 August 2016
Company sends notice containing information in Appendix 3B to Shareholders	9 August 2016
Shares trade ex-entitlements	10 August 2016
Record Date	11 August 2016
Offer Document and Acceptance Form dispatched to eligible shareholders and lodged with ASX	16 August 2016

Annual General Meeting	18 August 2016
Closing Date for acceptances	2 September 2016
Deferred settlement trading begins	5 September 2016
Notify ASX of undersubscriptions	7 September 2016
Issue of New Shares	9 September 2016
Holding statements are dispatched to Shareholders and deferred settlement ends	9 September 2016
Normal trading for New Shares commences	12 September 2016

This timetable is indicative only and subject to change. Subject to the Corporations Act and ASX Listing Rules, BISAN reserves the right to vary the dates and times in connection with the Issue, including the closing date, without prior notice.

Brett Crowley
Company Secretary