
Bisan Limited
ACN 006 301 800

Notice of Annual General Meeting

**An Annual General Meeting of the Company will be held
at Level 33, 50 Bridge Street, Sydney on Thursday 10
November 2016
at 10.00 am (Sydney time) (AGM)**

*This Notice of Annual General Meeting should be read in its entirety. If
Shareholders are in doubt as to how they should vote, they should seek
advice from their accountant, solicitor or other professional adviser prior to
voting.*

*Should you wish to discuss any matter please do not hesitate to contact the
Company Secretary by telephone on 0411713555*

BISAN Limited

Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Shareholders of Bisan Ltd (**Company**) will be held at Level 33, 50 Bridge Street, Sydney on Thursday 10 November 2016 at 10.00 (AGM).

The Explanatory Memorandum to this Notice of Annual General Meeting provides additional information on matters to be considered at the AGM. The Explanatory Memorandum and Proxy Form are part of this Notice of Annual General Meeting.

Agenda

The accompanying Explanatory Notes describe the proposed resolutions in detail.

Financial Statements and Reports for the year ended 30 June 2016

To receive and consider the Financial Report, the Directors' Report and the Auditor's Report for the Company and its controlled entities for the year ended 30 June 2016.

Resolution 1 - Adoption of Remuneration Report

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

'That the Remuneration Report contained in the Bisan Limited 2016 Annual Report be adopted.'

Voting Exclusion

In accordance with section 250R(4) of the Corporations Act, the Company will disregard any votes cast in respect of Resolution 1 by:

- A member of Key Management Personnel ("KMP"), details of whose remuneration are included in the Remuneration Report; and
- A Closely Related Party of such a member.

However, the Company will not disregard a vote cast in respect of Resolution 1 if it is cast by a person as proxy appointed in writing that directs the proxy how to vote on Resolution 1, and the vote is not cast on behalf of a member of KMP, details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member. If you are a member of the KMP or a Closely Related Party of a member of the KMP (or are acting on behalf of any such person) and purport to cast a vote on Resolution 1 that vote will be disregarded by the Company (as indicated above). Please read the information in the Proxy Form which deals with the Chairman's voting of proxies on Resolution 1 to adopt the Remuneration Report.

Resolution 2 – Re-election of Mr Avi Kimelman

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

'That, Avi Kimelman, who retires in accordance with the Company's constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company.'

Resolution 3 - Consolidation of Share Capital

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

'That, subject to and conditional on the passing of Resolution 3, pursuant to section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated through the conversion of every 10 Shares into 1 Share and that any resulting fractions of a Share be rounded down to the nearest whole number of Shares (such that the existing 903,349,822 Shares on issue be consolidated to approximately 90,334,982 Shares).'

Note: This resolution takes effect in accordance with the timetable set out in the Explanatory Memorandum accompanying this Notice.

Resolution 4 - Additional Share Issue Capacity under Listing Rule 7.1A

To consider and, if thought fit, to pass with or without amendment, the following resolution as a special resolution:

'That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions described in the Explanatory Statement, which forms part of this Notice of Meeting.'

By order of the Board

Brett Crowley
Company Secretary
Dated: 4 October 2016

Voting Eligibility

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered as Shareholders of the Company on, 8 November 2016 at 7.00pm (Sydney time).

Voting in Person

To vote in person, attend the Annual General Meeting at the time, date and place set out on page 1.

Voting by Proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return it by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Explanatory Memorandum

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at Level 33, 50 Bridge Street, Sydney on 10 November 2016 at 10.00 am (Sydney time).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

2. Financial Statements and Reports

The Corporations Act 2001 (Cth) ("**Corporations Act**") requires the Financial Report, the Directors' Report and the Auditor's Report to be laid before the Annual General Meeting. There is no requirement in the Corporations Act or the Company's constitution for Shareholders to approve or adopt these reports.

Shareholders will be given a reasonable opportunity at the AGM to ask questions and make comments on these Reports and the management of the Company. Shareholders will also be given a reasonable opportunity to ask the auditor questions in relation to the conduct of the audit and the preparation and content of the Auditor's Report.

3. Resolution 1 - Adoption of Remuneration Report

The Directors' Report for the year ended 30 June 2016 contains a Remuneration Report, which sets out the policies of the Company for, and applicable to the remuneration of its officers and senior employees and details the remuneration paid to its officers and senior employees in the financial year ended 30 June 2016.

While the Corporations Act (section 250R(2)) requires a listed company to put a resolution to its members at its Annual General Meeting that its Remuneration Report be adopted, the Corporations Act expressly provides that the vote on any such resolution is advisory only and does not bind the Directors or the Company. However, under recent changes to the Corporations Act, if at least 25% of the votes cast on the resolution at the 2016 Annual General Meeting are against adoption of the Remuneration Report, then:

- If comments are made on the Remuneration Report at the 2016 Annual General Meeting, the Company's Remuneration Report for the financial year ending 30 June 2017 will be required to include an explanation of the Board's proposed action in response or, if no action is proposed, the Board's reasons for this; and
- If subsequently, at the Company's 2017 Annual General Meeting, at least 25% of the votes cast on the resolution for adoption of the Remuneration Report for the relevant financial year are against its adoption, the Company will be required to put to shareholders a resolution proposing that a General Meeting (Spill Meeting) be called to consider the election of Directors of the Company (Spill Resolution). The Spill Meeting must be held within 90 days of the date of the 2017 Annual General Meeting. For any Spill Resolution to be passed, more than 50% of the votes cast on the resolution must be in favour of it. If a Spill Resolution is passed, all of the Directors (other than any Managing Director) will cease to hold office immediately before the end of the Spill Meeting unless re-elected at that meeting.

The Remuneration Report forms part of the Directors' Report for the year ended 30 June 2016 and is made in accordance with a unanimous resolution of the Directors. While noting that each Director has a personal interest in their remuneration, as described in the Remuneration Report, the Board unanimously recommends that the shareholders vote in favour of adopting the Remuneration Report.

Resolution 1 is put to the shareholders at the Annual General Meeting in fulfilment of the obligations of the Company under section 250R(2) of the Corporations Act. Shareholders attending the Annual

General Meeting will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

4. Resolution 2 – Re-election of Avi Kimelman

The ASX Listing Rules and the Constitution of the Company require each Director to be re-elected every three years and also that an election of Directors be held each year. Avi Kimelman is a current Director of the Company who is retiring and, being eligible, seeks re-election in accordance with the Company's Constitution.

5. Resolution 3 - Consolidation of share capital

Section 254H of the Corporations Act provides that a company may, by resolution passed in general meeting, convert all or any of its shares into a larger or smaller number. ASX Listing Rule 7.22.1 provides that if any entity proposes to reorganise its capital, it must advise shareholders of certain matters. These matters are set out below.

As at the date of this Notice, the Company has 903,349,822 Shares on issue. This large number of Shares imposes a number of disadvantages on the Company, including administrative cost and inconvenience and a negative perception associated with a potentially low share price, precluding investment from institutional investors who may be limited by their charters or mandates.

The Directors believe that a consolidation of the Shares would assist in eliminating or mitigating these disadvantages and would create a more efficient capital structure and enable a more appropriate share price for a listed entity of the Company's size.

If approved, the consolidation will reduce the Shares on issue from 903,349,822 Shares to approximately 90,334,982. As the consolidation applies equally to all Shareholders, individual shareholdings will be reduced in the same ratio as the total number of Shares (subject only to rounding of fractions). It follows that the consolidation will have no material effect on the percentage interest of each individual Shareholder in the Company..

The Listing Rules also require that the number of options on issue be consolidated in the same ratio as the ordinary capital of the Company and the exercise price be amended in inverse proportion to that ratio. If Resolution 3 is passed, the number of Options on issue will be reduced as follows:

- (a) quoted options exercisable at 1.5 cents per option expiring 30/06/2018 will be reduced from 207,099,651 to approximately 20,710,075. The exercise price will become 15c per share.
- (b) unquoted options exercisable at 5 cents per option expiring 31/12/2018 will be reduced from 37,130,895 to approximately 3,713,112. The exercise price will become 50c per share.

Rounding

Where any Shareholders have a holding which is not a multiple of 10 and would otherwise result in a fractional entitlement post consolidation, the fractional entitlement will be rounded down to the next whole number of Shares.

Holding Statements

From the date of the consolidation, all holding statements for Shares will cease to have any effect, except as evidence of entitlement to a certain number of Shares on a post-consolidation basis. After the consolidation becomes effective, the Company will arrange for new holding statements to be issued to Shareholders. It is the responsibility of each Shareholder to check the number of Shares held prior to disposal.

Timetable

The indicative timetable for the Share Consolidation is set out below. This indicative timetable is subject to change without notice.

Announcement of consolidation. The notice of meeting containing the proposed resolution for the consolidation is announced to the ASX and dispatched to shareholders.	5 October 2016
Annual General Meeting to consider the Resolution	10 November 2016
Notification to ASX of results of Annual General Meeting	10 November 2016
Last day for trading in pre-consolidated shares	11 November 2016
Trading in Shares on a post consolidated deferred settlement basis would ordinarily occur	14 November 2016
Last day to register transfers of shares on a pre-consolidated basis	15 November 2016
Share Consolidation record date	15 November 2016
Despatch date	22 November 2016
Normal trading begins	23 November 2016

6. Resolution 4 – Additional Share Issue Capacity under Listing Rule 7.1A

ASX Listing Rule 7.1A enables small to mid-cap listed companies to seek shareholder approval by special resolution to issue equity securities equivalent to an additional 10% of the number of ordinary securities on issue by way of placements over a 12 month period (**10% Placement Facility**). This is in addition to the existing 15% placement capacity permitted by ASX Listing Rule 7.1.

A company is eligible to seek shareholder approval for this additional placement capacity if it satisfies both of the following criteria at the date of the AGM:

- a) it has a market capitalisation of \$300 million or less; and
- b) it is not included in the S&P/ASX 300 Index.

The Company currently satisfies both the above criteria, and it is anticipated that it will also satisfy both these criteria at the date of the Meeting.

Accordingly, Resolution 4 seeks Shareholder approval by special resolution for the issue of such number of equity securities as calculated under the formula in ASX Listing Rule 7.1A.2, at an issue price as permitted by ASX Listing Rule 7.1A.3, to such persons as the Board may determine, on the terms as described in this Explanatory Statement, which forms part of the Notice of Meeting.

At the date of this Notice, the Company has on issue 903,349,822 Shares. If the Share Consolidation in Resolution 3 is approved, the number of Shares on issue will be reduced from 903,349,822 Shares to approximately 90,334,982. The following references to Shares are references to that number of Shares after the Share Consolidation occurs pursuant to Resolution 3.

If Resolution 4 is approved the Company will have the capacity to issue:

- (i) 13,550,247 equity securities under ASX Listing Rule 7.1; and

- (ii) subject to Shareholder approval being sought under Resolution 4, 9,033,498 equity securities under ASX Listing Rule 7.1A.

The actual number of equity securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the equity securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

The effect of Resolution 4 will be to allow the Directors to issue the equity securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1. The Placement Period is the period set out in ASX Listing Rule 7.1A.1, being the date which is first to occur of 12 months after the date of the meeting (10 November 2017) or the date that shareholders approve a transaction under ASX Listing Rules 11.1.2 or 11.2.

Information required by ASX Listing Rule 7.3A

For the purposes of ASX Listing Rule 7.3A, the following information is provided:

- The minimum price at which the equity securities will be issued will be no less than 75% of the volume weighted average market price for ordinary shares calculated over the 15 trading days on which trades are recorded immediately before:
 - a) the date on which the price at which the securities are to be issued is agreed; or
 - b) if the securities are not issued within five trading days of the date in paragraph (a), the date on which the shares are issued.
- If Resolution 4 is approved by Shareholders and the Company issues securities under the 10% Placement Facility, the existing Shareholders face the risk of economic and voting dilution as a result of the issue of shares which are the subject of this resolution, to the extent that such shares are issued; including:
 - a) the market price of ordinary shares may be significantly lower on the issue date than on the date on which this approval is being sought; and
 - b) the shares may be issued at a price that is at a discount to the market price for those shares on the issue date, or the shares may be issued as part consideration for the acquisition of a new asset,which may have an effect on the amount of funds raised by the issue of the shares.
- The following table gives examples of the potential dilution of existing ordinary shareholders based on the current market price of shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of the Notice.

The table also shows:

 - (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
 - (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

No. of Shares on Issue ¹	Dilution			
	Issue price (per Share)	\$0.015 50% decrease in Issue Price	\$0.03 Issue Price	\$0.06 100% increase in Issue Price
90,334,982 (Current)	Shares issued	9,033,498	9,033,498	9,033,498
	Funds raised	\$1,355,025	\$2,710,049	\$5,420,099
135,502,473 (50% increase)	Shares issued	13,550,247	13,550,247	13,550,247
	Funds raised	\$2,032,537	\$4,065,074	\$8,130,148
180,669,964 (100% increase)	Shares issued	18,066,996	18,066,996	18,066,996
	Funds raised	\$2,710,049	\$5,420,099	\$10,840,198

¹ Variable "A" in Listing Rule 7.1A.2

The table has been prepared on the following assumptions:

- (i) Resolutions 3 and 4 are approved.
 - (ii) The Company issues the maximum number of shares available under the 10% Placement Facility in Listing Rule 7.1A.
 - (iii) No options over ordinary shares are exercised before the date of issue of ordinary shares under Listing Rule 7.1A.
 - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
 - (v) The table shows only the effect of issues of Equity Securities under ASX Listing Rule 7.1A, not under the 15% placement capacity available under ASX Listing Rule 7.1.
 - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
 - (vii) The issue price is \$0.03. This is the closing price of the Shares on ASX on 26 September 2016 (being \$0.003) adjusted for the 10:1 consolidation.
- If any of the shares being approved by this resolution are issued, they will be issued during the Placement Period, that is, within 12 months of the date the AGM, i.e. by 10 November 2017, and the approval being sought by this resolution will cease to be valid if Shareholders approve a transaction under ASX Listing Rules 11.1.2 or 11.2 prior to 10 November 2017.
 - The shares will be issued to raise capital for the purposes set out in section 4.3 of the Company's rights issue prospectus dated 15 August 2016. These purposes include the employment of additional personnel, the making of new investments and working capital. A proportion of the shares may be issued for non-cash consideration and in such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.
 - The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon issue of any equity securities.
 - The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of any equity securities that may be issued have not been determined as at the date of this Notice, but may include existing Shareholders as well as new Shareholders who are not related parties or associates of the Company. Any potential allottees will be determined on a case-by-case basis having regard to factors including, but not limited to, the following:
 - the methods of raising funds that are available to the Company and balancing interest from potential allottees with the interests of existing Shareholders;
 - the effect of the issue of the Shares on the control of the Company. Allocation will be subject to takeover thresholds;
 - the financial situation and solvency of the Company and its projected need for working capital at any given time; and
 - advice from corporate, financial and broking advisors (if applicable).

Previous Approval under ASX Listing Rule 7.1A

- The Company previously obtained Shareholder approval under Listing Rule 7.1A at its 2014 Annual General Meeting held on 28 November 2014.
- In the twelve months preceding the date of the proposed 2016 Annual General Meeting, the Company has issued 509,089,029 ordinary shares which represents 56.36% of the total number of Shares on issue at the commencement of the 12 month period (being 10 November 2015).
- 57,414,118 Shares were issued at \$0.004 on 11 January 2016 under Listing Rule 7.1. The shares were issued to professional and sophisticated investors.
- 451,674,911 Shares were issued at \$0.004 on 9 September 2016 pursuant to a pro rata rights issue. The shares were issued to Bisan shareholders who subscribed for the offer and to the underwriters who took up the shortfall (see ASX announcement on 9 September 2016).
- Funds raised from the issues in the previous 12 months totalled \$2,036,356. As at 28 September 2016, the Company had total cash and cash equivalents of \$982,000. Funds expended during the 12 months has been primarily the making of investments as set out in the 2016 Annual Report, the acquisition of Endeavour Securities (Australia) Limited and working capital.
- A voting exclusion statement in respect of Resolution 4 is included below. As of the date of this Notice, the Company has not approached any specific existing Shareholder or security holder or an identifiable class of existing security holder to participate in an issue of shares. Therefore, no existing Shareholders' votes will be excluded be excluded from voting on Resolution 4.

Resolution 4 is a special resolution. For a special resolution to be passed, at least 75% of the votes cast by shareholders entitled to vote on Resolution 4 must be in favour of the resolution.

Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

Voting exclusion statement

The Company will disregard any votes cast on Resolution 4 by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this resolution is passed. At this point in time, there are no potential allottees to whom shares may be issued under this resolution.

BISAN LIMITED
ACN 006 301 800

PROXY FORM

The Company Secretary
BISAN Limited

By post and delivery:

By facsimile: 02 92333307

Suite 904, 37 Bligh Street
Sydney NSW 2000

I/We

¹ _____

of _____

being a Shareholder/Shareholders of the Company and entitled to attend and vote, hereby appoint ² _____

or if no person is named or failing such appointment the chairman of the Annual General Meeting as my/our proxy to act generally and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 10.00 am (Sydney time) on 10 November 2016 at Level 33, 50 Bridge Street Sydney NSW and at any adjournment thereof in the manner indicated below or, in the absence of indication, as he thinks fit. If 2 proxies are appointed, the proportion or number of votes of this proxy is authorised to exercise is * []% of the Shareholder's votes*/ [] of the Shareholder's votes. (An additional Proxy Form will be supplied by the Company, on request.)

INSTRUCTIONS AS TO VOTING ON THE RESOLUTIONS

The proxy is to vote on the Resolutions referred to in the Notice as follows:

		For	Against	Abstain *
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Avrohom Kimelman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Consolidation of Share Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Additional Share Issue Capacity under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The chairman intends to vote all available proxies in favour of each Resolution.

* If you mark the Abstain box for a particular Resolution, you are directing you 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.

Authorised signature/s

This section **must** be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

Individual or Shareholder 1

Sole Director and Sole Company
Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

¹Insert name and address of Shareholder

² Insert name and address of proxy

*Omit if not applicable

Proxy Notes:

A Shareholder entitled to attend and vote at the Annual General Meeting may appoint a person as the Shareholder's proxy to attend and vote for the Shareholder at that Annual General Meeting. If the Shareholder is entitled to cast 2 or more votes at the Annual General Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Annual General Meeting, the representative of the body corporate to attend the Annual General Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

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

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission on 02 92333307 or by post or delivery to Suite 904, 37 Bligh Street Sydney, NSW 2000 not less than 48 hours prior to the time of commencement of the Annual General Meeting.