



31 October 2013

The Manager
Company Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

ASX ANNOUNCEMENT: AMBERTECH LIMITED (AMO) (The Company)

As required by ASX Listing Rule 3.17A.1, attached is a copy of a notice received under section 249N of the Corporations Act (Act) by the Company on 29 October 2013 from shareholders holding more than 5% of votes that may be cast at a general meeting proposing four resolutions be considered at a general meeting (249N Notice). A members' statement prepared pursuant to section 249P to the Act accompanied the 249N Notice and is also attached.

Also attached is the Company's response.

Yours sincerely

Robert Glasson
Company Secretary
31 October 2013

Talon A Pty Ltd and Nanyang Australia I Limited

Both of Level 34, AMP Tower

50 Bridge Street

Sydney NSW 2000

29 October 2013

The Chairman and Board of Directors

Ambertech Limited

Unit 1, 2 Daydream Street

Warriewood NSW 2102

Gentlemen

We write to you jointly as Talon A Pty Ltd as Trustee of AK Fund 1 and as Nanyang Australia I Limited. As you are aware each of these entities holds 5% or more of the share capital of Ambertech Limited ("Company").

These two shareholders each request, pursuant to section 249N of the *Corporations Act 2001* (Cth), that the Company hold a general meeting to move the following resolutions:

- (a) Resolution 1: "that Mr Peter Robert Chapman be appointed as a Director of the Company with immediate effect";
- (b) Resolution 2: "that, subject to, at the time this resolution is approved by members the Company having at least three directors (excluding Mr Edwin Francis Goodwin), Mr Edwin Francis Goodwin be removed from office as a Director of the Company with immediate effect";
- (c) Resolution 3: "that, subject to, at the time this resolution is approved by members the Company having at least three directors (excluding Mr David Rostil Swift), Mr David Rostil Swift be removed from office as a Director of the Company with immediate effect"; and
- (d) Resolution 4: "that, subject to, at the time this resolution is approved by members the Company having at least three directors (excluding Mr Peter Francis Wallace), Mr Peter Francis Wallace be removed from office as a Director of the Company with immediate effect".

We attach, pursuant to section 249P of the *Corporations Act 2001* (Cth), a Members' Statement which sets out the background and context to the above-mentioned Resolutions 1 to 4 and we request that the Company provide all members with a copy of this Members' Statement at the same time the proposed resolutions are provided.

In view of the fact that an AGM has been called we believe that it would be appropriate for the above-mentioned resolutions, and the Members' Statement, to be added to the agenda for the AGM to be held on 26 November 2013 in order to avoid the cost and distraction of calling an additional general meeting to consider Resolutions 1 to 4.

Please identify any information or assistance that you require in order to have these resolutions and the Members' Statement put before members at the next available opportunity.

A handwritten signature in black ink, appearing to read 'Peter Chapman', written over a dotted line.

Peter Chapman

Director

Talon A Pty Ltd

As trustee for

AK Fund I

A handwritten signature in black ink, appearing to read 'Peter Chapman', written over a dotted line.

Peter Chapman

Director

Nanyang Australia I Limited

MEMBER STATEMENT

Dear fellow AMO shareholder

Entities managed by Accretion Investment Management Pty Ltd ("Accretion") own 20.43% of the ordinary shares in Ambertech Limited ("AMO" or the "Company").

We have requested that the Company hold a General Meeting to consider resolutions to appoint myself as a new Director and to remove three of the current Directors to implement a process of board renewal. The passing of all resolutions would lower costs and reduce the size of the Board to something more appropriate given the scale of the Company. We have made this request after careful consideration and discussion with some members of the current Board over a period of 18 months.

Shareholders have suffered substantial value destruction as measured by share price (a decline of over 80%) for the nine year period since the listing of the Company at \$1.00 per share in late 2004. For the last two financial years, being FY 2012 and FY 2013, the Company has reported aggregate losses of \$8.45m before taxation benefits. The Company has not paid a dividend to shareholders since a modest payment of \$0.005 cents per share made in March 2011. The last sale price of \$0.20 per share represents only just over 50% of the stated Net Tangible Assets per share of \$0.352 as at 30 June 2013. We also note a failure to meet medium term targets (articulated in 2008 and 2009 as growth of 5-10% pa and EBIT/revenue ratio of 8-10%).

The current Directors have been in place during this entire period of value destruction.

We note that the Company has faced a number of external challenges in recent years due to changes in the marketplaces in which it operates. These challenges include continued caution with discretionary spend of retail consumers and adverse trends in the average value of units of product shipped. However we believe that the incumbent Board has failed to develop and communicate to shareholders a successful strategic response to changing market conditions. In our view the actions of the current Board in recent years are best characterised as tactical operational changes (incremental headcount reductions as an example) rather than long term strategic decisions which may provide an appropriate return on the Net Assets of the Company.

In our view, new leadership is required for the Company to develop and execute a strategy which is appropriate given the changed external market conditions. It is essential to first halt and then reverse the destruction of shareholder value which has occurred over the past nine years. If elected, my intentions as a Director would be to bring a fresh perspective to Board discussions and to encourage the development of sustainable strategies which could lead to improved economic outcomes for shareholders.

We strongly encourage you to vote for the appointment of myself and the removal of three of the current Directors to implement a process of Board renewal and reduce overhead costs.

Peter Robert Chapman

I am a private equity investment manager with over 27 years' experience as a manager of investments in, and acting as a Director of, small and medium sized businesses in Australasia. During the past 27 years I have been a Director of 14 companies with turnovers ranging from \$2-500 million pa. My objective as an investment manager and/or Director is to improve outcomes for shareholders through a focus on financial performance, strategic planning and ensuring that each business has a management team in place with skills and experience appropriate to the nature of its activities.



31 October 2013

Mr Peter Chapman
Director
Talon A Pty Ltd <ATF AK Fund 1>
& Nanyang Australia I Limited
Level 34, AMP Tower
50 Bridge Street
Sydney NSW 2000

Dear Mr Chapman

I refer to your letter dated 29 October 2013 to the Chairman and Board of Directors, Ambertech Limited (the **Company**). The Board has requested that I respond on their behalf.

The Company notes that Talon A Pty Ltd and Nanyang Australia I Limited together hold at least 5% of the votes that may be cast at a general meeting and as such, we confirm that the notice received under section 249N of the Corporations Act (**Act**) by the Company on 29 October 2013 is valid (**249N Notice**). The 249N Notice sets out four resolutions to be considered at a general meeting (**249N Resolutions**)

The Company notes that pursuant to section 249O of the Act, the 249N Resolutions are to be considered at the next general meeting that occurs more than 2 months after the 249N Notice is given (ie after 29 December 2013).

The Company also notes that pursuant to 203D of the Act, notice of the intention to move a resolution for removal of a director (as is the subject of three of the 249N Resolutions) must be given at least 2 months before the meeting is to be held.

Finally, the Company notes that pursuant to section 6.1(m)(iii) of the Company's constitution and ASX Listing Rule 14.3, any nomination for a directorship (as is the subject of one of the 249N Resolutions) must be provided to the Company at least 35 business days prior to the date of general meeting at which directors are to be elected.

As you would be aware, on 25 October 2013 the Company issued a Notice for its Annual General Meeting (**AGM Notice**) to be held on 26 November 2013 (**2013 AGM**). The AGM Notice was sent to shareholders in compliance with the notice requirements of section 249HA the Act and section 13.5(a)(i) of the Company's constitution.

Accordingly, the 249N Resolutions cannot be considered by the 2013 AGM because sections 249O and 203D of the Act, section 6.1(m)(iii) of the Company's constitution and ASX Listing 14.3 as described above would be breached.



Ambertech

In accordance with section 249O of the Act, the 249N Resolutions will be considered at the next general meeting of the Company to be held after the general meetings convened to be held on 26 November 2013.

As required by ASX Listing Rule 3.17A.1, a copy of the notice received under section 249N of Act will be released to the ASX and for completeness of disclosure, a copy of this response will be released commensurately.

Yours sincerely

Robert Glasson
Company Secretary
31 October 2013