



# Notice of **Annual General Meeting**

## **BSA LIMITED**

ACN 086 412 746

**Date** 25 November 2014

**Time** 12:00pm (AEDT)

**Place** 7 Figtree Drive, Sydney Olympic Park NSW 2127

**NOTICE IS HEREBY GIVEN that the Annual General Meeting (AGM) of shareholders of BSA Limited ACN 088 412 748 ('BSA' or 'the Company') will be held at 7 Figtree Drive, Sydney Olympic Park NSW 2127 on 25 November 2014 at 12:00pm (AEDT).**

## **GENERAL BUSINESS**

**TO RECEIVE AND CONSIDER the Financial Report and reports of the Directors and of the auditor for the financial year ended 30 June 2014.**

## **RESOLUTIONS**

**1. TO ADOPT THE REMUNERATION REPORT on pages 18-26 of the Annual Report**

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

"That, for the purposes of section 250R(2) of the Corporations Act 2001 (Cth), the Remuneration Report for the period ended 30 June 2014 be adopted."

[see the accompanying Explanatory Statement]

**Note: the vote on this resolution is advisory only and does not bind the Directors of BSA.**

### Voting Exclusion Statement – Resolution 1

A vote on this resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- a member of the Key Management Personnel of the Company, details of whose remuneration are included in the Remuneration Report; or
- a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- the voter is the Chairman and the appointment of the Chairman as proxy:
  - does not specify the way the proxy is to vote on the resolution; and

- expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, or if the Company is part of a consolidated entity, for the entity.

## **2. TO RE-ELECT DIRECTOR – MICHAEL GIVONI**

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

“That Michael Givoni, being a Director who has held office for three years, retires by rotation and is eligible for re-election, be re-elected as a Director of the Company.”

[see the accompanying Explanatory Statement]

## **3. TO RE-ELECT DIRECTOR – PAUL TEISSEIRE**

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

“That Paul Teisseire, being a Director who has held office for three years, retires by rotation and is eligible for re-election, be re-elected as a Director of the Company.”

[see the accompanying Explanatory Statement]

## **4. TO ELECT DIRECTOR – NICHOLAS YATES**

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

“That Nicholas Yates, a Director appointed in accordance with Clause 64(2) of the Company’s Constitution, being eligible is elected as a Director of the Company.”

[see the accompanying Explanatory Statement]

## **5. TO ELECT DIRECTOR – MAX COWLEY**

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

“That Max Cowley, a Director appointed in accordance with Clause 64(2) of the Company’s Constitution, being eligible is elected as a Director of the Company.”

[see the accompanying Explanatory Statement]

## **6. RATIFICATION OF AN ISSUE OF SHARES UNDER PLACEMENT MADE ON 22 OCTOBER 2014**

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

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue on 22 October 2014 of a total of 34,329,180 fully paid ordinary shares in the Company at \$0.11 per share to investors, as referred to in the Company’s announcement to the ASX on 15 October 2014, and on the basis set out in section 6 of the Explanatory Statement accompanying the Notice of Meeting, is approved and authorised.”

[see the accompanying Explanatory Statement]

### **Voting Exclusion Statement – Resolution 6**

The Company will disregard any votes cast on this resolution by any persons who participated in the placement, or their respective associates. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

## **7. RESOLUTION TO REFRESH THE EMPLOYEE PERFORMANCE RIGHTS PLAN**

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

“That the issue of securities in accordance with the Employee Performance Rights Plan, a summary of the Rules of which is set out in section 7 of the Explanatory Statement accompanying the Notice of Meeting, be approved for the purposes of ASX Listing Rule 7.2 Exception 9 and for all other purposes.”

[see the accompanying Explanatory Statement]

### **Voting Exclusion Statement – Resolution 7**

The Company will disregard any votes cast on this resolution by any Directors (other than one who is ineligible to participate in the Employee Performance Rights Plan), or their respective associates. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or

- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

#### Proxy Prohibition Statement – Resolution 7

In accordance with section 250BD of the Corporations Act 2001 (Cth), a person appointed as a proxy must not vote on Resolution 7, on the basis of that appointment if the proxy is either:

- a member of the Key Management Personnel for the Company, or a Closely Related Party of a member of Key Management Personnel; and
- the appointment does not specify the way the proxy is to vote on Resolution 7.

However, the above prohibition does not apply if:

- the proxy is the Chairman of the Meeting; and
- the Chairman's appointment expressly authorises the chairperson to exercise the proxy even though the resolution is connected with the remuneration of a member of the Key Management Personnel for the Company.

### **8. TO APPROVE THE ISSUE OF SIGN-ON BONUS TO NICHOLAS YATES**

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

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue to Nicholas Yates of 1,116,667 Rights under the Company's Employee Performance Rights Plan, be approved.”

[see the accompanying Explanatory Statement]

#### Voting Exclusion Statement – Resolution 8

The Company will disregard any votes cast on this resolution by Nicholas Yates and any associate of Nicholas Yates. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

### Proxy Prohibition Statement – Resolution 8

In accordance with section 250BD of the Corporations Act 2001 (Cth), a person appointed as a proxy must not vote on Resolution 8, on the basis of that appointment if the proxy is either:

- a member of the Key Management Personnel for the Company, or a Closely Related Party of a member of KMP; and
- the appointment does not specify the way the proxy is to vote on Resolution 8.

However, the above prohibition does not apply if:

- the proxy is the Chairman of the Meeting; and
- the Chairman's appointment expressly authorises the chairperson to exercise the proxy even though the resolution is connected with the remuneration of a member of the Key Management Personnel for the Company.

### **9. TO APPROVE THE ISSUE OF SHARES BY WAY OF PLACEMENT TO NICHOLAS YATES AND NICHOLAS BENSON**

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

“That for the purposes of ASX Listing Rule, 10.11 and for all other purposes, the issue of 2,727,273 fully paid ordinary shares in the Company to Nicholas Yates and 1,363,636 fully paid ordinary shares in the Company to Nicholas Benson for \$0.11 per share as part of the placement of shares referred to in the Company's announcement to the ASX on 15 October 2014, is approved and authorised.”

[see the accompanying Explanatory Statement]

### Voting Exclusion Statement – Resolution 9

The Company will disregard any votes cast on this resolution by Nicholas Yates and any associate of Nicholas Yates and Nicholas Benson and any associate of Nicholas Benson. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

## IMPORTANT INFORMATION

To assist you in deciding how to vote on the above resolutions, further details, as background information to the resolutions, are set out in the Explanatory Statement accompanying and forming part of this Notice of Meeting.

### Voting Entitlement

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the shareholders eligible to attend and vote at the Annual General Meeting are those persons registered as shareholders at 7:00pm (AEDT) on 23 November 2014. Only those persons will be entitled to attend and vote in respect of that share at the Annual General Meeting.

### Proxy Instructions

- A member entitled to attend and vote at the Annual General Meeting has a right to appoint a proxy;
- The proxy need not be a member of the Company;
- A member who is entitled to cast two or more votes may appoint up to two proxies and, in the case of such an appointment, may specify the proportion or number of votes each proxy is appointed to exercise;
- The proxy form included with this Notice of Meeting must be signed by the member or the member's attorney. Proxies given by corporations must be signed under the hand of a duly authorised officer or attorney. **To be a valid proxy, the executed proxy form and the power of attorney or other authority (if any) under which it is signed (or a certified copy of it) must be lodged (using the reply paid envelope supplied) with the Share Registry – Computershare Investor Services Pty Ltd as soon as possible and in any event by no later than 12.00pm (AEDT) on 23 November 2014, being 48 hours before the time for holding the Meeting.** Any proxy form received after that time will not be valid for the scheduled meeting;

#### **By Mail:**

Computershare Investor Services Pty Ltd  
GPO Box 242 Melbourne  
Victoria 3001 Australia

#### **Alternatively you can fax your form to**

(Within Australia) 1800 783 447  
(Outside Australia) +61 3 9473 2555

**For Intermediary Online subscribers only**  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**

(Within Australia) 1300 850 505

(Outside Australia) +61 3 9415 4000

- If a member appoints two proxies and the appointment does not specify the proportion or number of the member's votes which each proxy may exercise, each proxy may exercise half of the votes; and
- A proxy may decide whether to vote on any motion, except where the proxy is required by law or the Company's constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed how to vote on a resolution, the proxy may vote on that resolution only in accordance with that direction. If a proxy is not directed how to vote on a resolution, the proxy may vote as he or she thinks fit.

#### **Undirected proxies**

- If a member appoints the Chairman of the meeting as the member's proxy and does not specify how the Chairman is to vote on a resolution, except as expressly stated, the Chairman advises that he intends to vote each such proxy as proxy for that member, in favour of the resolution on a poll. Therefore, the Company recommends that shareholders who submit proxies should consider giving 'how to vote' directions to their proxy holder (including the Chairman) on each resolution; and
- **If you complete a proxy form that authorises the Chairman to vote on your behalf as proxy holder, and you do not mark any of the boxes so as to give him directions about how your vote should be cast, then your proxy will automatically become a directed proxy in favour of the resolution to adopt the Remuneration Report, and the Chairman will vote accordingly. If you wish to appoint the Chairman as your proxy holder but you do not want to put him in the position to cast your votes in favour of the Remuneration Report, you should complete the appropriate box on the proxy form, directing him to vote against or abstain from voting on this resolution.**



## Questions from Shareholders

The Chairman of the meeting will allow a reasonable opportunity for stakeholders to ask questions or make comments on the management of the Company at the meeting.

David Black of Deloitte Touche Tohmatsu, as the auditor responsible for preparing the Auditor's Report for the year ended 30 June 2014 (or his representative) will attend the meeting. The Chairman of the meeting will allow a reasonable opportunity for the members as a whole to ask the auditor questions at the meeting about:

- The conduct of the audit;
- The preparation and content of the Auditor's Report;
- The accounting policies adopted by the Company in relation to the preparation of the Financial Statements; and
- The independence of the auditor in relation to the conduct of the audit.

To assist the Board of Directors and the auditor of the Company in responding to any questions you may have, please submit any questions you may have headed '**Questions from Shareholders**' to the address below, to be received no later than 5:00pm (AEDT) on 18 November 2014.

In person or by mail:

Registered Office

7 Figtree Drive, Sydney Olympic Park, NSW 2127

By Facsimile: +61 2 8748 2464

As required by section 250PA of the Corporation Act 2001 (Cth), the Company will distribute a list of questions prior to the commencement of the AGM, setting out the questions received and directed to the auditor in writing at least five business days prior to the meeting that the auditor considers relevant to the content of the Audit Report, or the conduct of the audit of the Financial Report, for the year ended 30 June 2014. The Chairman of the meeting will allow reasonable opportunity for the auditor to respond to the questions set out on this list.

## Definitions

Words that are defined in the Glossary have the same meaning when used in this Notice of Annual General Meeting unless the context requires, or the definitions in the Glossary provide, otherwise.

## **Electronic Annual Report**

In accordance with Australian corporations legislation, and in the interests of maximum efficiency and the lowest possible cost to shareholders, the Company is providing printed copies of its 2014 Annual Report only to those shareholders who have specifically made this request. For all other shareholders, an electronic copy of the Company's 2014 Annual Report, together with the Company's ASX announcement, media release and investor pack relevant to the financial performance of the Company for the year ended 30 June 2014, is available on the Company's website [www.bsa.com.au](http://www.bsa.com.au).

## **By Order of the Board**

**Graham Seppelt**  
**Company Secretary**

**Dated: 25 October 2014**  
**Sydney, New South Wales**

# EXPLANATORY STATEMENT

## Financial Statements and Reports

The Corporations Act 2001 (Cth) requires the Annual Report (which includes the Financial Statements and Directors' Declaration), the Directors' Report and the Auditor's Report in respect of the financial year of BSA ended 30 June 2014 to be laid before the 2014 AGM. There is no requirement for a formal resolution on this item. However, shareholders will be given an opportunity at the meeting to ask questions and make comments on these reports and on the business, operations and management of BSA.

### 1. Resolution 1. – Adoption of Remuneration Report

The Directors' Report for the year ended 30 June 2014 contains a Remuneration Report (pages 18 to 26) 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 2014.

While the Corporations Act 2001 (Cth) (section 250R(2)) requires a listed company to put a resolution to its members at its AGM that its Remuneration Report be adopted, the Corporations Act 2001 (Cth) expressly provides that the vote on any such resolution is advisory only and does not bind the Directors or the Company.

However, if at least 25% of the votes cast on the resolution at the 2014 AGM are against adoption of the Remuneration Report, then:

- if comments are made on the Remuneration Report at the 2014 AGM, the Company's Remuneration Report for the financial year ending 30 June 2015 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 2015 AGM, 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 2015 AGM. 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 2014 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 AGM in fulfilment of the obligations of the Company under section 250R(2) of the Corporations Act 2001 (Cth). Shareholders attending the AGM will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.**

**Please read the information under the heading 'Undirected Proxies' which (among other things) deals with the Chairman's voting of proxies on the resolution to adopt the Remuneration Report.**

## **2. Resolution 2. – Re-election of Director Mr Michael Givoni**

Clause 62(3) of the Company's Constitution requires that each director may stay in office for no more than three years without re-election. Therefore, Michael Givoni, being a Director who has been in office for three years, retires by rotation and is eligible for re-election at the AGM on 25 November 2014. In accordance with clause 62(4) of the Company's Constitution, Michael Givoni has submitted himself for re-election at the AGM as a Director. The remaining Directors recommend to shareholders that Mr Givoni be re-elected as Director.

The Chairman intends to vote undirected proxies in favour of this Resolution 2.

Michael Givoni's details are set out in the 2014 Annual Report.

## **3. Resolution 3. – Re-election of Director Mr Paul Teisseire**

Clause 62(3) of the Company's Constitution requires that each director may stay in office for no more than three years without re-election. Therefore, Paul Teisseire, being a Director who has been in office for three years, retires by rotation and is eligible for re-election at the AGM on 25 November 2014. In accordance with clause 62(4) of the Company's Constitution, Paul Teisseire has submitted himself for re-election at the AGM as a Director. The remaining Directors recommend to shareholders that Mr Teisseire be re-elected as Director.

The Chairman intends to vote undirected proxies in favour of this Resolution 3.

Paul Teisseire's details are set out in the 2014 Annual Report.

#### **4. Resolution 4. – Election of Director Mr Nicholas Yates**

Under Clause 64(1) of the Company's Constitution, the Directors have power at any time, and from time to time, to appoint any other person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director appointed under this clause must retire from office, and will be eligible for election, at the next AGM following their appointment.

On 10 March 2014, Nicholas Yates was appointed a Director by the Board of directors. Accordingly, Nicholas Yates seeks election as a director of the Company. The remaining Directors recommend to shareholders that Mr Yates be elected as Director.

The Chairman intends to vote undirected proxies in favour of this Resolution 4.

Nicholas Yates' details are set out in the 2014 Annual Report.

#### **5. Resolution 5. – Election of Director Mr Max Cowley**

Under Clause 64(1) of the Company's Constitution, the Directors have power at any time, and from time to time, to appoint any other person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director appointed under this clause must retire from office, and will be eligible for election, at the next AGM following their appointment.

On 10 April 2014 Max Cowley was appointed a Director by the Board of directors as the representative of the Company's largest shareholder, Birketu Pty Ltd. Accordingly, Max Cowley seeks election as a director of the Company. The remaining Directors recommend to shareholders that Mr Cowley be elected as Director.

The Chairman intends to vote undirected proxies in favour of this Resolution 5.

Max Cowley's details are set out in the 2014 Annual Report.

#### **6. Resolution 6. – Ratification of an Issue of Shares under Placement made on 22 October 2014**

Under Resolution 6, shareholder ratification is being sought for the issue of 34,329,180 Shares at \$0.11 per Share, ranking equally in all respects with all other Shares on issue. The Shares were issued to a number of professional and sophisticated investors of the Company, who were chosen through a process undertaken on behalf of the Company by Canaccord Genuity (Australia) Limited. The placement was announced to the market on 15 October 2014 and the Shares under the placement were issued on 22 October 2014.

The placement raised a total of approximately \$3.8 million before costs and expenses, which will be used to strengthen the Company's financial position, reduce the cost of financing its business and provide a stable platform to support its continuing growth.

ASX Listing Rule 7.1 prevents a listed company from issuing securities in any 12 month period which, when aggregated with the other securities issued within that 12 month period, exceed 15% of the number of ordinary shares on issue at the beginning of the 12 month period, unless the issue falls within one of the nominated exceptions or the approval of the issue by the members of the company in general meeting is obtained.

The placement was conducted within the 15% threshold.

ASX Listing Rule 7.4 permits an issue by a company of securities made without approval under ASX Listing Rule 7.1 to be treated as having been made with approval for the purpose of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 and the company's members subsequently ratify it. The effect of such ratification is to enable the Company's 15% placement capacity going forward to be calculated by reference to the Company's enlarged share capital taking into account the placement, and any securities issued under an exception in ASX Listing Rule 7.2 or with shareholder approval.

Shareholder approval of Resolution 6 will provide the Company with added flexibility in raising funds because it:

- renews the Company's capacity to issue further shares and options without exceeding the 15% limit in ASX Listing Rule 7.1; and
- allows the Company to issue further shares, rights and options at short notice (without exceeding the 15% limit in ASX Listing Rule 7.1) and without seeking further shareholder approval, where the resulting delay could compromise the success of a commercial transaction.

The Directors unanimously recommend that Shareholders vote in favour of this Resolution 6.

The Chairman intends to vote undirected proxies in favour of this Resolution 6.

## **7. Resolution 7. - Resolution to Refresh the Employee Performance Rights Plan**

### **Background to the Employee Performance Rights Plan**

At the 2008 Annual General Meeting of the Company held on 25 November 2008, shareholders approved the introduction of the Employee Performance Rights Plan (the "Plan") commencing in the 2008/2009 financial year, being a new incentive Plan designed to increase the motivation of eligible key staff (an "Eligible Employee") and to create a stronger link between increasing shareholder value and employee reward.

Shareholder approval to refresh the Plan is sought to allow the issue of Rights outside of the restrictions imposed by ASX Listing Rule 7.1.

ASX Listing Rule 7.1 prevents a listed company from issuing securities in any 12 month period which, when aggregated with other securities issued within that 12 month period, exceed 15% of the number of ordinary shares on issue at the beginning of the 12 month period, unless the issue falls within one of the nominated exceptions or the approval of the issue by the members of the company in general meeting is obtained.

The applicable exception is contained in ASX Listing Rule 7.2 Exception 9. The effect of shareholder approval of the Plan under that Exception is that the issue of new securities under the Plan will not count towards the 15% cap under ASX Listing Rule 7.1. Approval under the Exception lasts for 3 years and shareholders are now being asked to approve the refreshing of the Plan.

### **Summary of the Rules of the Plan**

Under the Rules of the Plan:

- securities may be offered under the Plan and the Board has discretion to determine who is offered the opportunity to participate;
- generally, securities are subject to a holding restriction and cannot be traded unless certain performance conditions are met or as otherwise specified at the time of the relevant award after acquisition by the participant.
- once Rights have been exercised by an Eligible Employee (subject to Performance Conditions being met), the Company may make non-refundable contributions to the Plan Company to either:
  - fund the subscription of a new Plan Share; or
  - the acquisition on the ASX of an existing share and transfer to the Participant of that share, to which the Participant is entitled under the Rights.

A summary of the Rules of the Plan is set out below. Please refer to the full copy of the Rules for all terms and conditions. The specific terms of a particular grant, including any Performance Conditions, will be contained in the Invitation and associated documentation sent to the Eligible Employee.

**Plan Rules** – the Employee Performance Rights Plan Rules establish the Plan.

- a. **Eligible Employees** – members of the Company's staff deemed eligible to participate in the Plan, at the discretion of the Board.

- b. **Rights** – grants under the Plan will be a grant of rights to acquire Shares. The grant may comprise one or several tranches.
- c. **Invitation to Participate** – under the Plan Rules the Board may invite selected Eligible Employees to apply for Rights to acquire Shares in the Company.
- d. **Rights are non-transferable** – a Right granted to a Participant is not transferable and may not otherwise be dealt with, except with the Board’s approval, or by operation of law on death or legal incapacity.
- e. **Exercise Price** – the Exercise Price (if any) will be an amount determined by the Board from time to time, fixed at the date of grant or determined by application of methodology approved by the Board.
- f. **Exercise of Rights** – Rights to acquire Shares will not be exercisable until the end of the final measurement period, and until those Rights have satisfied all vesting conditions and all performance hurdles established by the Board. This is subject to a number of exceptions (including death, cessation of employment, takeovers and schemes of arrangement). The Rights will have a specified life determined by the Board. The initial grant of Rights (the “Grant Date”) will have a life terminating five (5) years after the Grant Date or such other date as determined by the Board (the “Expiry Date”).

The Board will prescribe the date when performance under the hurdle is measured for each tranche.

On or after the end of the final measurement period and provided any performance hurdle prescribed by the Board has been achieved and, where applicable, to the extent it has been achieved, the Plan Participant may then acquire Shares by exercising the Rights.

A Right lapses if it is not exercised by the Expiry Date.

- g. **Plan Company** – the Plan Company is Computershare Plan Co Pty Limited ACN 098 404 696 or any other company that the Board may approve from time to time. After Rights are exercised, the Plan Company will subscribe for new Shares or acquire Shares in the ordinary course of trading on the ASX for Participants, as directed from time to time by the Board.



- h. Early Cessation of Employment due to Retirement, Redundancy or Termination** – if, in the opinion of the Board, the Participant in respect of whom Rights are issued ceases Employment with the Company prior to the Exercise Date as a result of Retirement, Redundancy or Termination by the Company other than for cause, all Vested Rights on and from the date of cessation of Employment until the expiry of thirty (30) days after that date and any Rights that are not Vested on the date of cessation of Employment will be forfeited, subject to the discretion of the Board.
- i. Early Cessation of Employment due to Termination for Cause** – if, in the opinion of the Board, Employment ceases because of Termination for Cause, being for serious misconduct or fraud, any Vested Rights remaining unexercised will be forfeited, subject to the discretion of the Board.
- j. Early Cessation of Employment due to Resignation** – if, in the opinion of the Board, Employment ceases because of the Participant resigning in circumstances other than Redundancy, Retirement, Termination or Termination for Cause, the Participant may exercise all Vested Rights as at the date of cessation of Employment and any Rights that are not Vested on the day of cessation of Employment will be forfeited, subject to the discretion of the Board.
- k. Early Cessation of Employment due to death or Incapacity** – if the Employment ceases because of the Participant's death or Incapacity, any Vested Rights may be exercised by the estate from the date of death until the expiry of twelve (12) months after that date.
- l. Early cessation for other causes** – if, in the opinion of the Board, the Employment ceases for any reason other than death, Retirement, Redundancy, Incapacity, Termination, Termination for Cause, or resignation as referred to above, all Rights whether Vested or not and remaining unexercised shall be forfeited as at the date of cessation of Employment, subject to the discretion of the Board.
- m. Forfeiture of Shares** - Any Right or interest in any Shares under the Plan is forfeited to the Plan Company by a Participant (and any person claiming through the Participant) on the Participant's cessation of employment because of a Termination for Cause.

- n. Change in control of Shares** – a change in control of Shares means that the replacement of the majority of the Board is imminent or will result in a person having a relevant interest in more than 50% of Shares on issue.  
Where there is publicly announced any proposal (whether by takeover bid, scheme of arrangement or otherwise) in relation to BSA Limited, which the Board reasonably believes may lead to a change in control of BSA Limited, then:
- 50% of Rights granted within the last three years which are not Vested will be Vested, as soon as the Board forms the opinion that the transaction(s) the subject of the proposal (whether by takeover bid, scheme of arrangement or otherwise) will occur; and
  - up to the other 50% of Rights granted within the last three years which are not Vested may be Vested by the Board as determined in its absolute discretion.
- o. Bonus issue of Shares** – If Shares are issued pro rata to the Company's shareholders generally by way of bonus issue (other than in place of dividends or by way of dividend reinvestment) involving capitalisation):
- a Participant is entitled, on exercise of a Right, to a transfer of Shares, in addition to the Plan Shares that relate to the Right immediately before the bonus issue;
  - the number of additional Shares that the Participant has a right to acquire under paragraph (a) is the number that would have been issued to a shareholder who, at the date for determining entitlements under the bonus issue, held Shares equal in number to the Plan Shares mentioned in paragraph (a); and
  - no consideration is payable for the additional bonus Shares.
- p. Rights issue of Shares** - If Shares are offered pro rata for subscription by the Company's shareholders generally by way of a rights issue, the Board may make such adjustments to the number of Shares relating to a Right or the Exercise Price as it considers appropriate in its discretion or where there is no Exercise Price:
- the Participant shall be entitled to be granted Options for nil consideration in respect of each Right held by the Participant immediately before the rights issue and

the Company will issue to the Participant or procure the issue to the Participant of a statement setting out the number of Options granted and the Exercise Price; and

- the number of additional Plan Shares that the Participant has the right to acquire under paragraph (a) is the number that would have been issued to a shareholder who, at the date for determining entitlements under the rights issue, held Shares equal in number to the Rights held by the Participant immediately before the rights issue; and
  - any Options granted to a Participant pursuant to paragraph (a) shall be subject to the same Performance Conditions as the Rights held by the Participant referred to in paragraph (b) and shall only be exercised in the same circumstances as those Rights in accordance with Rule 6 and subject to the payment to the Plan Company of the Exercise Price for each Plan Share to be issued to, or acquired by, the Participant.
- q. Takeover or Scheme of Arrangement** – if either of these events occur in relation to the Company, then the Participant will be entitled to exercise any Rights that Vested prior to the date of the takeover or scheme of arrangement and may be entitled to exercise some or all of the remaining Rights subject to the terms of the grant for that Employee.
- r. Performance Conditions** – the Board may determine that, in respect of any grant, Rights will be granted under the Plan only where a Performance Condition is attained.
- s. Restrictions on disposal** – the Board may implement an appropriate procedure to restrict the disposal by a Participant of any Shares acquired resulting from the exercise of a Right. The Participant undertakes to comply with any restrictions imposed by the Board.
- t. Source of Shares** – Shares required for the purposes of the Plan may be sourced either by issuing new Shares or by acquiring existing Shares. After Rights are exercised, the Plan Company will subscribe for new Shares or acquire Shares in the ordinary course of trading on the ASX for Participants, as directed from time to time by the Board.
- u. Payment for Shares** - any costs associated with Shares issued or purchased for the purposes of the Plan will be paid by the Company. Any Exercise Price payable on the exercise of an option will be paid by the Participant.

- v. **Issued Capital not to exceed 5%** – the number of Shares that may be issued under all of the Company’s employee share plans (assuming all options and rights to acquire Shares are fully exercised), must not exceed 5% of the issued capital of the Company at anytime. This limit is applied in accordance with the requirements of the ASIC Class Order CO03/184 concerning employee share schemes.
- w. **Amendments to Plan Rules** – subject to the provisions of the Plan and the ASX Listing Rules, the Board may amend the Plan Rules or the other Terms of Grant. However, the Rules may not be amended if, broadly, in the Board’s opinion the amendment would materially reduce the Rights of a Participant in respect of Rights already granted.

Exceptions to this permit amendment for the purpose of complying with State or Commonwealth legislation, the Company’s constitution or the Listing Rules. Also, to address possible adverse tax implications for Participants generally or any Group Company.

A copy of the Plan Rules is available at no cost on request to the Company Secretary.

#### **Other information about the Plan**

Since the last approval of the Plan for the purposes of Exception 9 in ASX Listing Rule 7.2 (which was at the Company’s 2008 Annual General Meeting), 15,739,434 Rights have been issued. Of the Rights issued, 11,557,500 lapsed without vesting, 2,224,934 Rights vested and the Rights have been exercised and 1,417,000 Rights remain on issue and which are subject to vesting conditions from 14 November 2014.

The Directors unanimously recommend that Shareholders vote in favour of this Resolution 7.

The Chairman intends to vote undirected proxies in favour of this Resolution 7.

#### **8. Resolution 8. – Approve the Issue of Sign-on Bonus to Nicholas Yates**

Under the employment agreement between the Company and Nicholas Yates (the Company’s Managing Director and Chief Executive Officer) as announced to the market on 10 March 2014, the Company agreed to grant to Mr Yates, by way of a one-off sign-on bonus, such number of Rights as determined by the Board, in its absolute discretion, being of a total value equal to 20% of Mr Yates’ Fixed Annual Remuneration and subject to receiving any required shareholder approvals or regulatory consent. The quantum of Rights to be issued to Nicholas Yates has been assessed by the Board in accordance with its discretion as 1,116,667 Rights.

The Rights are proposed to be issued under the BSA Employee Performance Rights Plan by 31 December 2014 and in any event within 12 months of this meeting, will vest on 1 July 2015 provided that Nicholas Yates remains an employee of the Company. Mr Yates may then exercise the Rights, which will entitle him to receive one Share per Right exercised.

Shareholder approval is sought for the grant of 1,116,667 Rights to Nicholas Yates.

Shareholder approval is required under ASX Listing Rule 10.14 because Mr Yates is a Director of the Company. Mr Yates is the only Director who is entitled to participate in the Plan. Participation in the Plan is limited to employees of the Company.

If shareholder approval of the grant of 1,116,667 Rights to Nicholas Yates is obtained under ASX Listing Rule 10.14, shareholder approval is not required to avoid the issue of those Rights counting towards the Company's 15% limit under ASX Listing Rule 7.1. (ASX Listing Rule 7.1 is more fully described in relation to Resolutions 6 and 7, above).

There is no consideration payable by Mr Yates either on issue or exercise of the Rights. The Company will bear all costs associated therewith.

These are the first Rights to be issued to a director or their associates since the shareholder approval of the grant of 4,500,000 Rights to Stephen Nash at the Annual General meeting held on 15 November 2011. None of Mr Nash's Rights were exercised because the vesting conditions were not met, and all of his Rights have now lapsed.

Other features of the Rights, which are consistent with the Plan Rules, include:

- i. the Rights will not be listed on the ASX and will be issued for no consideration;
- ii. any Shares allocated on exercise of the Performance Rights will rank equally in all respects with the Company's other Shares on issue, and
- iii. the Company will apply to the ASX for official quotation of any Shares which are issued on exercise of the Performance Rights.

There is no loan scheme in relation to the Plan.

The Directors (other than Nicholas Yates) recommend that the Shareholders vote in favour of Resolution 8. Nicholas Yates does not wish to make a recommendation, owing to his interest in the resolution.

The Chairman intends to vote undirected proxies in favour of this Resolution 8.

## **9. Resolution 9. – Approve the Issue of Placement Shares to Nicholas Yates and Nicholas Benson**

Part of the placement announced by the Company on 15 October 2014 included the proposal to issue 2,727,273 Shares to the Company's Managing Director and Chief Executive Officer, Mr Nicholas Yates, and to issue 1,363,636 Shares to the Company's Chief Financial Officer, Mr Nicholas Benson.

The Company is seeking Shareholder approval of the issue of these Shares for the purposes of ASX Listing Rule 10.11 (since Mr Yates is a Director of the Company) and for reasons of good corporate governance.

The issue of shares to Mr Yates and Mr Benson under the placement was made conditional on such Shareholder approval being obtained.

The Shares will be issued to Mr Yates and Mr Benson at an issue price of \$0.11 per Share, payable in cash, which is the same issue price payable by other investors under the placement and by Shareholders under the entitlement offer announced by the Company on 15 October 2014.

Pursuant to and in accordance with ASX Listing Rule 10.13, the following additional information is provided in relation to the issue of the Shares to Nicholas Yates and Nicholas Benson:

If Shareholder approval of the issue of 2,727,273 Shares to Mr Yates is obtained for the purposes of ASX Listing Rule 10.11, Shareholder approval is not required to avoid the issue of those Shares counting towards the Company's 15% limit under ASX Listing Rule 7.1 (ASX Listing Rule 7.1 is more fully described in relation to Resolutions 6 and 7, above).

If Shareholder approval of the issue of 2,727,273 Shares to Mr Yates and 1,363,636 Shares to Mr Benson is obtained, the Company will issue the Shares no later than 1 month after the Annual General Meeting.

The Shares that are issued will rank equally in all respects with the Company's other Shares on issue. Funds raised from the placement will be used to strengthen the Company's balance sheet and to provide increased working capital.

The Directors (other than Nicholas Yates) recommend that the Shareholders vote in favour of Resolution 9. Nicholas Yates does not wish to make a recommendation, owing to his interest in the resolution.

The Chairman intends to vote undirected proxies in favour of this Resolution 9.

## GLOSSARY

Annual General Meeting means the Annual General Meeting of Shareholders of the Company to be held on 25 November 2014.

ASX means ASX Limited ACN 008 624 691.

Board means the Board of Directors of the Company from time to time.

Business Day has the same meaning as in the ASX Listing Rules.

Closely Related Party means a closely related party of KMP of the Company.

Company means BSA Limited ABN 50 088 412 748.

Director means a Director of the Company.

Explanatory Statement means this document which accompanies the Notice of Annual General Meeting.

KMP means Key Management Personnel of the Company.

Resolution means each Resolution set out in the Notice of Annual General Meeting.

Rights performance rights under the Company's Employee Performance Rights Plan.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of shares in the Company.

## **BSA Limited - Corporate**

### **Registered Office (Sydney)**

7 Figtree Drive

Sydney Olympic Park NSW 2127

P +61 2 8748 2400

F +61 2 8748 2577

E [corporate@bsa.com.au](mailto:corporate@bsa.com.au)

W [www.bsa.com.au](http://www.bsa.com.au)

## **Share Registry**

Computershare Investor Services

GPO Box 2975

Melbourne VIC 3001 Australia

P 1300 85 05 05

P +61 3 9415 4000

F +61 3 9473 2500

## **Auditor**

Deloitte Touche Tohmatsu

Eclipse Tower

Level 19, 60 Station Street

Parramatta NSW 2150

## **Banker**

National Australia Bank

255 George Street

Sydney NSW 2000





**BSA Limited**  
ABN 50 088 412 748

**Lodge your vote:**



**By Mail:**

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**

(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

┌ 000001 000 BSA  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

**Proxy Form**

**For your vote to be effective it must be received by 12:00pm (AEDT) Sunday, 23 November 2014**

**How to Vote on Items of Business**

All your securities will be voted in accordance with your directions.

**Appointment of Proxy**

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

**Signing Instructions**

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

**Attending the Meeting**

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**Turn over to complete the form →**



View the annual report or update your securityholding, 24 hours a day, 7 days a week:

**[www.investorcentre.com](http://www.investorcentre.com)**

- Access the annual report**
- Review your securityholding**
- Update your securityholding**

**Your secure access information is:**

**SRN/HIN: I9999999999**



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE  
 FLAT 123  
 123 SAMPLE STREET  
 THE SAMPLE HILL  
 SAMPLE ESTATE  
 SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of BSA Limited hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of BSA Limited to be held at 7 Figtree Drive, Sydney Olympic Park NSW 2127 on Tuesday, 25 November at 12:00pm (AEDT) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 1, 7 and 8 (except where I/we have indicated a different voting intention below) even though Items 1, 7 and 8 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 1, 7 and 8 by marking the appropriate box in step 2 below.

## STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 To Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 To re-elect Director - Michael Givoni	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 To re-elect Director - Paul Teisseire	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 To elect Director - Nicholas Yates	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 To elect Director - Max Cowley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Ratification of an Issue of Shares under Placement made on 22 October 2014	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Resolution to Refresh the Employee Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Approve the Issue of Sign-on Bonus to Nicholas Yates	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Approve the Issue of Placement Shares to Nicholas Yates and Nicholas Benson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /

BSA

999999A

Computershare +