16 February 2017

ASX ANNOUNCEMENT
TPS SMALL SHAREHOLDING SALE FACILITY

Threat Protect Australia Limited (ASX:TPS) (**Company**) announces it has established a small shareholding sale facility (**Sale Facility**) for the Company's shareholders (**Shareholders**) with holdings valued at less than $500, in accordance with Article 6 of the Company's constitution and the ASX Listing Rules.

The Sale Facility is open to Shareholders who hold less than $500 worth of Company shares (**Shares**). Unless eligible Shareholders opt-out of participation in the Sale Facility, these Shareholders will have their Shares sold on market and the proceeds remitted to them free from brokerage and handling fees.

Based on the Company's closing share price of $0.026 on 15 February 2017 (**Record Date**) and the pricing structure set out in the Company's constitution, a small shareholding is therefore TBA Shares or fewer (**Small Shareholdings**). Small Shareholdings represent TBA Shares held by TBA Shareholders.

The Sale Facility will be available to Shareholders holding a Small Shareholding on the Record Date. The sale of these Small Shareholdings will assist the Company to lower its administrative and share registry costs and enable Shareholders with Small Shareholdings to sell their Shares without incurring brokerage costs.

To assist in the process, the Company has appointed Morgans Corporate Limited to act as sale broker for the Sale Facility. All Shares sold under the Sale Facility will be sold at a fixed price of $0.025 per share, being the 5 day VWAP of the Company's shares to 15 February 2017.

A letter and form will be distributed to eligible Shareholders on 21 February 2017, a copy of which is attached to this announcement.

Key dates relevant to the Sale Facility are as follows:

Record Date	**15 February 2017**
Shareholder Mailing Date	**21 February 2017**
Closing Date	**4 April 2017**
Expected Payment Date	**18 April 2017**

For and on behalf of Threat Protect Australia Limited.

Further information please contact:

Simon Whybrow
CFO & Company Secretary
08 9322 2922

21 February 2017

Dear Shareholder,

Sale of your Small Shareholding in Threat Protect Australia Limited

I am writing to advise you that Threat Protect Australia Limited (**TPS** or **Company**) has established a small share sale facility (**Sale Facility**) for holders of parcels of Company shares (**Shares**) with a market value of less than $500 as at 5.00pm (AWST) on 15 February 2017 (**Small Shareholdings**). The Directors have resolved that based on the Company's closing share price of $0.026 on 15 February 2017 and the pricing structure set out in the Company's constitution, holdings of TBA Shares or fewer shall be subject to this Sale Facility. The Sale Facility is established in accordance with the ASX Listing Rules and the Company's constitution.

An ASX announcement notifying the market of this transaction was made on 15 February 2017.

The Company is offering the Sale Facility to assist holders of Small Shareholdings to sell their Shares. Holders of Small Shareholdings who take advantage of the Sale Facility will have their Shares sold without having to pay brokerage fees or act through a broker. Whilst tax consequences from the sale of your shares are your responsibility, the Company will organise payment of the other costs associated with the sale and transfer of your Shares.

To assist in the process, the Company has appointed Morgans Corporate Limited to act as sale broker for the Sale Facility. All Shares sold under the Sale Facility will be sold at a fixed price of $0.024 per share, being the 5 day VWAP to the closing market price for the Company's shares on 15 February 2017.

By facilitating the sale of Small Shareholdings the Company expects to reduce the administrative costs associated with maintaining a large number of Small Shareholdings.

The Company records show that you held TBA or fewer shares (being a Small Shareholding) as at 5.00pm (AWST) on 15 February 2017 (**Record Date**).

Unless you advise the Company that you do NOT wish to sell your Shares through the Sale Facility within six (6) weeks from the date of this letter, the Company will sell your Shares through the Sale Facility. Payment from the sale of these Shares will be sent to you following the Sale Facility settlement or as soon as is practicable.

In the case of a third party announcing a takeover offer of the Company, the Company will not sell your Shares. Consistent with its continuous disclosure obligations, the Company may release to the ASX information that may be material to a shareholder's decision as to whether they wish to retain their Shares. This information will, if released, be available on both the ASX and Company websites.

What do I need to do?

If you wish to sell your Shares without incurring brokerage or handling costs, you do not need to take any action. By refraining from taking any action, after the expiration of the time prescribed in the ASX Listing Rules, you will be deemed to have appointed the Company as your agent to sell all of your shares at a fixed price of

THREAT PROTECT AUSTRALIA LIMITED
ACN 060 774 227 | ABN 36 060 774 227
Unit 1/8 Fisher Street, Belmont WA 6104 | PO Box 561, Belmont WA 6984
Tel: 1300 847 328 | Fax: +61 8 9322 9711 | Email: info@threatprotect.com.au
Website: www.threatprotect.com.au

$0.025 per share. The Company will bear the costs of the sale and the proceeds of the sale will be dealt with as set out in the attached information pack.

If you wish to retain your Shares, you must do one of the following:

1. Complete the enclosed 'Share Retention Form' and return it so that it is received by the Company's share registry, Link Market Services Limited by 5.00pm (AWST) on 4 April 2017; or

2. If you hold shares in multiple holdings, arrange to have these holdings merged into one holding TBA or more shares so that this is reflected on the Company's share register at 5.00pm (AWST) on 4 April 2017.

3. Make your own arrangements outside this Sale Facility to purchase additional shares so that you are the registered holder of 19,231 or more shares at 5.00pm (AWST) on 4 April 2017.

The Company makes no recommendation as to whether you should participate in this Sale Facility and this letter does not constitute advice and is not a recommendation to buy, sell or hold shares. Further, the Company does not imply that your Small Shareholdings are not capable of being sold on market. If you are in doubt or require further information regarding possible taxation implications from participation in the Sale Facility, you should consult your legal, financial or taxation advisor.

The attached information pack sets out further details of the Sale Facility, which I recommend you read prior to making your decision.

If you have any questions, please contact the Company Secretary on 08 9322 9711.

Yours sincerely,

Simon Whybrow
CFO & Company Secretary

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What is a Small Shareholding and whom does this program apply to?

The Sale Facility is available to TPS shareholders who at 5.00pm (AWST) on 15 February 2017 (**Record Date**) were holders of ordinary shares in the Company (**Shares**) valued at less than $500 (**Small Shareholding**). Based on a price of $0.026 per share, being the closing price of Shares on the Australian Stock Exchange (**ASX**) on the Record Date and the pricing structure set out in the Company's constitution, a Small Shareholding is any holding of fewer than 19,231 shares. Our records show that you are the holder of a Small Shareholding as at the Record Date and accordingly your shareholding is eligible for this Sale Facility.

What is the sale process?

If you do not take any action and on the Closing Date and you continue to hold a Small Shareholding, your Shares will be sold on your behalf by the Company as soon as practicable after the Closing Date. The Company has appointed Morgans Corporate Limited to act as sale broker for the Sale Facility.

What if my Shares are held in a CHESS Holding?

If your Shares are held in CHESS holding, the Company may, after the Closing Date, initiate a holding adjustment to move your Shares to the issuer sponsored register.

What is the sale price?

All Shares sold under the Sale Facility will be sold at a fixed price of $0.025 per Share, being the 5 day VWAP of the Company's shares to 15 February 2017. The market price of Shares may rise or fall during the period between the date of this letter and the closing date of 4 April 2017; however, this will not affect the price you receive for your Shares under the Sale Facility or whether the Shares will be sold.

How and when will I receive the sales proceeds?

The proceeds to which you are entitled are expected to be remitted to you by 18 April 2017 using the payment method recorded for your holding. The proceeds of the Share sale will be deposited into your bank account if you have previously provided banking instructions to TPS's share registry or alternatively, will be sent to you by cheque at the address last recorded in the Company's register of members.

If I buy more Shares, will I retain my holding?

Yes, the Company will treat any purchase of additional Shares to increase the value of your TPS shareholding to more than $500 as an indication that you do not want your Shares to be sold through the Sale Facility. For a purchase to be an effective notification that you wish to retain your Shares, any additional Shares must be registered by 5.00pm (AWST) on 4 April 2017 under the same name and address and with the same holder number (SRN or HIN) as set out in the accompanying letter.

Important Information

The Company reserves the right to change any of the dates referred to in this shareholder information document or letter to the shareholder by notice to the ASX.

THREAT PROTECT
ABN 36 060 774 227

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

Telephone: 1300 554 474
From outside Australia: +61 1300 554 474
ASX Code: TPS

Website: www.linkmarketservices.com.au

SRN/HIN:

Number of Shares held as at the Record Date, 7:00pm (AEST) on 15 February 2017:

IMPORTANT NOTICE

Please return this slip if you do not wish your Shares in Threat Protect Australia Limited to be sold. If you do not understand this notice you should immediately consult your financial adviser.

SHARE RETENTION FORM

If you wish to retain your Shareholding in Threat Protect Australia Limited ("Threat Protect") you must detach this slip and return it to Threat Protect's Registry, so that it is received no later than 5:00PM (AWST), on 4 April 2017. Slips may be mailed or delivered to the addresses below.

Mailing Address
Threat Protect Australia Limited
C/- Link Market Services Limited
Locked Bag A14
SYDNEY SOUTH NSW 1235

or

Hand Delivery
Threat Protect Australia Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
RHODES NSW 2138
(Do not use this address for mailing purposes)

THIS FORM MUST BE RECEIVED BY LINK MARKET SERVICES LIMITED BY NO LATER THAN 5:00PM (AWST) ON THE 4 APRIL 2017

If you require further information regarding this form, please contact the Threat Protect Australia Limited Information Line on 1300 554 474(within Australia) or +61 1300 554 474 (from outside Australia) between 8:30am and 5:30pm (AEST) Monday to Friday.

THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.

Please detach

THREAT PROTECT
ABN 36 060 774 227

SRN/HIN:

RETENTION SLIP

I/We the Shareholder(s) described above by returning this retention slip, hereby give notice that I/we wish to retain my/our Shareholding in Threat Protect, pursuant to clause 6.4(a)(i) of the Company's Constitution.

✓ **DO NOT SELL MY SHARES**

CONTACT DETAILS – Telephone number	Telephone number – after hours	Contact name
( )	( )	