

13 December 2018

Dear Sirs

### Appendix 3B – Issue of securities and 708A(5) Notice

Bluechiip Limited [ASX: BCT], confirms that it has today issued 3,817,000 fully paid ordinary shares (**New Shares**) and 7,173,475 performance rights (**Performance Rights**) as detailed in the attached Appendix 3B.

The New Shares have been issued following the vesting and exercise of performance rights granted in 2015, 2016 and 2017 under the Bluechiip Performance Rights Plan and previously approved at the Company's 2015, 2016 and 2017 Annual General Meetings respectively.

The Performance Rights have been issued to the Managing Director and other employees and form part of their long-term incentive arrangements as detailed in the attached Appendix 3B. The Performance Rights issued to the Managing Director were approved at the Company's recent AGM.

The Company also advises that 375,000 2015 Performance Rights previously granted to the Managing Director have expired without being exercised (as the relevant performance conditions were not satisfied).

The Company intends to apply for quotation of the New Shares. Accordingly, the Company gives notice pursuant to section 708A(5)(e) of the *Corporations Act 2001 (Cth)* (**Act**) that:

1. the New Shares have been issued without disclosure to investors under the Act;
2. as at the date of this notice, the Company has complied with:
  - (a) the provisions of Chapter 2M of the Act as they apply to the Company; and
  - (b) section 674 of the Act; and
3. as at the date of this notice, there is no information that is "excluded information" (within the meaning of sections 708A(7) and 708A(8) of the Act).

Yours sincerely



**Lee Mitchell**

**Company Secretary**  
**Bluechiip Limited**

## About Bluechiip Limited

Bluechiip has developed a wireless tracking solution for the healthcare and life science, security, defence and manufacturing industries which represents a generational change from current methods such as labels (hand-written and pre-printed), barcodes (linear and 2D) and microelectronic integrated circuit (IC)-based RFID (Radio Frequency Identification).

The unique tag is based on MEMS technology and contains no electronics. The tag can either be embedded or manufactured into a storage product, such as vials or bags. Easy identification, along with any associated information from the tag such as temperature can be detected by a reader, which can also sense the temperature of the tagged items. The traditional identification technologies have significant limitations. Whereas a barcode requires a visible tag or line-of-sight optical scan, bluechiip® technology does not. Unlike labels, barcodes and RFID, the bluechiip® technology can sense the temperature of each item a tag is attached to, or embedded in.

The bluechiip® technology has initial applications in the healthcare industry particularly those businesses which require cryogenic storage facilities (biobanks and biorepositories). bluechiip® offers the only technology that enables accurate and reliable tracking of products including stem cells, cord blood, and other biospecimens. In addition to functioning in extreme temperatures, the bluechiip® tracking solution can survive autoclaving, gamma irradiation sterilization, humidification, centrifuging, cryogenic storage and frosting.

The bluechiip® technology has other healthcare applications in pathology, clinical trials and forensics. Several other key markets outside of healthcare include cold-chain logistics/supply chain, security/defence, industrial/manufacturing and aerospace/aviation.

Further information is available at [www.bluechiip.com](http://www.bluechiip.com)

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

**BLUECHIIP LIMITED**

ABN

79 104 795 922

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |  |
|---|---|--|
| 1 | +Class of +securities issued or to be issued  | (a) Fully paid ordinary shares ( <b>Shares</b> )<br>(b) Performance Rights (not to be quoted)  |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | (a) 3,817,000 Shares;<br>(b) 7,173,475 Performance Rights granted to the Managing Director and other employees under the Bluechiip Performance Rights Plan |

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+ See chapter 19 for defined terms.

3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)

- (a) Fully paid ordinary shares ranking equally with all other ordinary shares on issue
- (b) Performance Rights granted under the Bluechiip Limited Performance Rights Plan (**Plan**).

The Performance Rights were granted for no consideration and no consideration is payable for the provision of shares on vesting.

The vesting of Performance Rights will be subject to a TSR (total shareholder return) performance condition measured over 1, 2 and 3-year periods as specified below. To the extent that the relevant performance condition is not satisfied, the Performance Rights will lapse.

Subject to the terms of the Plan the Performance Rights granted entitle each participating employee to 1 ordinary share for each vested Performance Right as at the relevant vesting date.

Performance Rights vest only if the relevant performance condition is fulfilled

Subject to continued employment and achievement of the TSR hurdles below the Performance Rights will vest as follows:

- Up to 15% in 1 year (on 30 August 2019) based on TSR performance from 1 July 2018 to 30 June 2019;
- Up to 25% in 2 years (on 30 August 2020) based on TSR performance from 1 July 2018 to 30 June 2020;
- Up to 60% in 3 years (on 30 August 2021) based on performance from 1 July 2018 to 30 June 2021;

The number of Performance Rights that will vest following each performance period above will be determined by the Company's Relative Total Shareholder Return (**TSR**) performance. Relative TSR is defined as the Company's TSR performance when ranked relative to the movement in the S&P/ASX Small Ordinaries Accumulation Index (**AXSOA**) for the 1, 2 and 3 year Measurement Periods above. No Performance Rights will vest unless the

relevant TSR exceeds the AXSOA benchmark for that period. The number of performance rights vesting depend on the extent by which the Company's relative TSR exceeds the AXSOA benchmark.

The TSR conditions applying to Performance Rights will be tested only once, and so any of the Performance Rights that do not meet the relevant TSR performance condition will lapse at the end of the relevant performance period and will not be re-tested

All Performance Rights are also subject to an overriding condition that the financial performance of the Company, in the absolute discretion of the Board, has been satisfactory.

Unvested Performance Rights granted will lapse where the performance conditions are not met during the performance period, or if the employee ceases to be an Eligible Employee, (unless for a qualifying reason or the Board otherwise determines).

4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

(a) Yes.

(b) No.

A grant of a Performance Right will not give the holder a legal or beneficial interest in ordinary fully paid Bluechiip shares until that Performance Right vests and is exercised.

Prior to vesting and exercise, Performance Rights do not carry a right to vote, receive dividends or generally participate in other corporate actions.

When Performance Rights have vested and are exercised, ordinary fully paid Bluechiip shares will be allocated. These shares will rank equally with existing Bluechiip shares.

5 Issue price or consideration

(a) Nil.

(b) Nil

+ See chapter 19 for defined terms.

6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The Shares and performance rights comprise the LTI component of the overall remuneration for the Managing Director and the relevant participating employees.
6a	Is the entity an *eligible entity that has obtained security holder approval under rule 7.1A?  If Yes, complete sections 6b – 6h in relation to the *securities the subject of this Appendix 3B, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	26 November 2018
6c	Number of *securities issued without security holder approval under rule 7.1	Nil
6d	Number of *securities issued with security holder approval under rule 7.1A	Nil
6e	Number of *securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	(a) 3,817,000 Shares issued on vesting of Performance Rights – approved by shareholders on 23 October 2015, 25 November 2016 and 13 November 2017) (LR 7.4, LR 10.11 and LR 7.2 (exceptions 9 and 14)).  (b) 2,283,105 2018 Performance Rights issued to the Managing Director with shareholder approval– approved by shareholders on 26 November 2018 (LR 10.11 and LR 7.2 (exception 14)).
6f	Number of *securities issued under an exception in rule 7.2	4,890,370 2018 Performance Rights issued to Bluechiip employees (LR 7.2 – exception 9 – approved by shareholders on 25 November 2016)
6g	If *securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the *issue date and both values. Include the source of the VWAP calculation.	N/A

6h If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements

N/A
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6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements

Refer to Annexure 1
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7 +Issue dates

Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.

Cross reference: item 33 of Appendix 3B.

12 December 2018
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	Number	+Class
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Fully paid ordinary Shares

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	(a) 2018 Performance Rights held by the Bluechiip MD and other employees (all the subject of this Appendix 3B) (b) 2017 Performance Rights held by the Bluechiip MD and other employees (c) 2016 Performance Rights held by the Bluechiip MD and other employees

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+ See chapter 19 for defined terms.

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) N/A

## Part 2 - Pro rata issue

11 Is security holder approval required? N/A

12 Is the issue renounceable or non-renounceable? N/A

13 Ratio in which the +securities will be offered N/A

14 +Class of +securities to which the offer relates N/A

15 +Record date to determine entitlements N/A

16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? N/A

17 Policy for deciding entitlements in relation to fractions N/A

18 Names of countries in which the entity has security holders who will not be sent new offer documents  
N/A  
Note: Security holders must be told how their entitlements are to be dealt with.  
Cross reference: rule 7.7.

19 Closing date for receipt of acceptances or renunciations N/A

20 Names of any underwriters N/A

21 Amount of any underwriting fee or commission N/A

22 Names of any brokers to the issue N/A



23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Issue date	N/A

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of +securities  
(tick one)

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+ See chapter 19 for defined terms.

(a)  +Securities described in Part 1

(b)  All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional +securities

### Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

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42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)

Number	+Class

### Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.

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+ See chapter 19 for defined terms.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 13 December 2018  
(Company Secretary)

Print name: Lee Mitchell

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# Appendix 3B – Annexure 1

## Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

### Part 1

<b>Rule 7.1 – Issues exceeding 15% of capital</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	397,033,377
<p><b>Add</b> the following:</p> <ul style="list-style-type: none"> <li>• Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>• Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>• Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	<ul style="list-style-type: none"> <li>• 53,963,430 Shares issued on 14 September 2018 by way of private placement (approved by shareholders on 26 November 2018 under LR 7.4)</li> <li>• 39,256,909 Shares issued on 14 September 2018 by way of private placement under LR 7.1A (approved by shareholders on 26 November 2018 under LR 7.4)</li> <li>• 33,091,519 Shares issued on 4 October 2018 pursuant to SPP (LR 7.2 exception 15)</li> <li>• 1,000,000 Shares issued on 12 December 2018 to the Managing Director (approved by shareholders on 26 November 2018 under LR 10.11 and LR 7.2 (exception 14)) (Shares the subject of this Appendix 3B)</li> <li>• 2,817,000 Shares issued on 12 December 2018 to Bluechiip employees under (LR 7.2 – exception 9 – approved by shareholders on 25 November 2016) (Shares the subject of this Appendix 3B)</li> </ul>
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
<b>“A”</b>	527,162,235

+ See chapter 19 for defined terms.

<b>Step 2: Calculate 15% of “A”</b>	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply</b> “A” by 0.15	79,074,335
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	nil
“C”	0
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
“A” x 0.15  <i>Note: number must be same as shown in Step 2</i>	79,074,335
<b>Subtract</b> “C”  <i>Note: number must be same as shown in Step 3</i>	0
<b>Total</b> [“A” x 0.15] – “C”	79,074,335  <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	527,162,235
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	52,716,223
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <i>Notes:</i> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	0
<b>“E”</b>	0

+ See chapter 19 for defined terms.

**Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A**

<p>"A" x 0.10</p> <p><i>Note: number must be same as shown in Step 2</i></p>	<p>52,716,223</p>
<p><b>Subtract "E"</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>	<p>0</p>
<p><b>Total</b> ["A" x 0.10] – "E"</p>	<p>52,716,223</p> <p><i>Note: this is the remaining placement capacity under rule 7.1A</i></p>