



Registered Office: Level 2, 160 Pitt Street Mall, Sydney NSW 2000

Telephone: (02) 9210 7000 Facsimile: (02) 9210 7099

Web: www.bkilimited.com.au

ABN: 23 106 719 868

7 April 2016

ASX Announcement

BKI Investment Company Limited (BKI) – Share Purchase Plan

As announced on Thursday, 31 March 2016, the directors of BKI (**Directors**) are pleased to offer eligible BKI shareholders the opportunity to participate in the BKI Share Purchase Plan (**SPP**).

Details of the SPP are contained in the attached booklet. The booklet and an application form are being mailed to eligible BKI shareholders today.

Applications for shares under the SPP open on Thursday, 7 April 2016 and close at 7pm (AEST) on Thursday, 28 April 2016.

If you have any questions after reading the SPP Offer Booklet you should contact BKI's SPP Information Line on: **1800 009 918** (in Australia) or **+61 1800 009 918** (outside of Australia).

IMPORTANT NOTICE

*This announcement has been prepared for publication in Australia and may not be released or distributed in the United States. This announcement does not constitute an offer, invitation or recommendation to subscribe for or purchase any securities and neither this announcement nor anything contained in it shall form the basis of any contract or commitment. In particular, this announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 (as amended) (**US Securities Act**) or the securities laws of any state of the United States and may not be offered, sold or otherwise transferred in the United States or to, or for the account of, any U.S. Person (as defined in Regulation S under the US Securities Act) except in accordance with an available exemption from, or a transaction not subject to, the registration requirements under the US Securities Act and any other applicable US state securities laws.*



Financial Adviser



Legal Adviser



Share Purchase Plan Offer Booklet

BKI Investment Company Limited (ASX code: BKI)

If you have any questions after reading this document you should contact BKI's SPP Information Line on: 1800 009 918 (in Australia) or +61 1800 009 918 (outside of Australia).

The Share Purchase Plan allows eligible BKI shareholders the opportunity to subscribe for up to \$15,000 worth of new, fully paid, ordinary shares in BKI, without incurring brokerage or other transaction costs.

All SPP Shares will rank equally with existing BKI Shares, including being eligible for any final dividend declared by the Company in respect of the 2016 financial year.

YOU SHOULD READ THIS DOCUMENT IN FULL

This Booklet contains important information. You should read this Booklet in full and seek advice from your stockbroker, accountant or other professional adviser if you have any questions about your investment in BKI or about the impact of the transactions described in this Booklet. This Booklet does not provide financial advice and has been prepared without taking into account your particular objectives, financial situation or needs.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES OR TO U.S. PERSONS



IMPORTANT INFORMATION

This Booklet does not provide financial advice and has been prepared without taking account of any person's investment objectives, financial situation or particular needs. You should consider the appropriateness of participating in the SPP having regard to your investment objectives, financial situation or particular needs. Shareholders should seek independent financial and taxation advice before making any investment decision in relation to these matters.

The offer of SPP Shares is made in accordance with ASIC Class Order 09/425 which grants relief from the requirement to issue a disclosure document for the SPP.

You should be aware that the market price of BKI Shares may rise or fall between the date that the SPP opens and the date that the SPP Shares are issued to you under the SPP. Please refer to section 5 of the Terms and Conditions of the SPP for details of how the Issue Price will be determined by reference to the market price of BKI Shares.

The laws of some countries prohibit or make impracticable participation in the SPP by certain overseas BKI shareholders. Unfortunately shareholders whose address on the register of Shareholders (**Register**) is not in Australia or New Zealand will not be able to participate in the SPP. The SPP does not constitute an offer of shares for sale in any other jurisdiction.

New Zealand

The SPP Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of BKI at the Record Date with registered addresses in New Zealand to whom the offer of SPP Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

This Booklet has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This Booklet is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all

the information that an investment statement or prospectus under New Zealand law is required to contain.

United States

This Booklet may not be released or distributed in the United States. The SPP Shares have not been and will not be registered under the US Securities Act or the securities laws of any other state of the United States. The SPP Shares may not be offered, sold or otherwise transferred in the United States except in accordance with an available exemption from, or a transaction not subject to, the registration requirements under the Securities Act and other applicable US state securities laws.

Key dates^{*}

Record Date (the date that eligibility to participate in the SPP is determined)	7.00pm (AEST) on Wednesday, 30 March 2016
Opening Date	Thursday, 7 April 2016
Closing Date	7.00pm (AEST) Thursday, 28 April 2016
Issue Price Announced to ASX	After close of market on Thursday, 5 May 2016
Issue of SPP Shares	Friday, 6 May 2016
SPP Shares commence trading on ASX	Monday, 9 May 2016
SPP Shares holding statements despatched	Tuesday, 10 May 2016

* BKI reserves the right to vary these times and dates in its absolute discretion.

7 April 2016

Letter from the Chairman of BKI Investment Company Limited

Dear Shareholder,

On behalf of the Directors, I am pleased to offer you the opportunity to participate in BKI Investment Company Limited's (**BKI**) Share Purchase Plan (**SPP**) which was announced on Thursday, 31 March 2016. The purpose of the SPP is to provide BKI with additional funds to increase its investment portfolio. The SPP allows eligible BKI shareholders the opportunity to subscribe for up to \$15,000 worth of new, fully paid, ordinary shares in BKI (**SPP Shares**), without incurring brokerage or other transaction costs.

The SPP issue price will be the lower of \$1.60¹ or a 2.5% discount to the volume weighted average price (**VWAP**) of BKI Shares traded on the Australian Securities Exchange (**ASX**) over the 5 trading days prior to the day the SPP Shares are issued under the SPP. Therefore, the maximum price that Eligible Shareholders will pay is \$1.60 per SPP Share.

All SPP Shares will rank equally with existing ordinary, fully paid BKI Shares (**BKI Shares**), including being eligible for any final dividend declared by the Company in respect of the 2016 financial year.

Under the SPP, eligible BKI shareholders may elect to apply for up to \$15,000 worth of SPP Shares. The minimum application under the SPP is \$2,500. Applications under the SPP can only be made in increments of \$2,500.

Participation in the SPP is optional and open to Eligible Shareholders who are holders of BKI Shares at 7.00pm (AEST) on Wednesday, 30 March 2016 (the **Record Date**). The terms and conditions of the SPP are provided in this booklet (**Booklet**). Also enclosed is a personalised application form (**Application Form**).

The SPP opens on Thursday, 7 April 2016 and is expected to close at 7.00pm (AEST) on Thursday, 28 April 2016.

To apply for SPP Shares, you must either:

- › complete and return the Application Form, together with payment via cheque; or
- › make a payment directly via Bpay (you do not need to return an Application Form under this option).

On behalf of the Board, I invite you to consider participating in the SPP and thank you for your ongoing support of BKI.

Yours sincerely



Robert Millner
Chairman

¹ Calculated by applying a 2.50% discount to the VWAP of BKI Shares traded on ASX over the 5 trading days up to and including the Record Date (i.e. Tuesday, 22 March 2016 to Wednesday, 30 March 2016), rounded to the nearest half cent.

Key SPP information

You should read this section in conjunction with the attached Terms and Conditions of the SPP.

1. What is the Share Purchase Plan or SPP?

The SPP is a way in which a Shareholder who is a registered holder of BKI Shares at 7.00pm (AEST) on Wednesday, 30 March 2016 with an address on the Register in either Australia or New Zealand, provided that such Shareholder is not in the United States or acting for the account or benefit of any U.S. person. (**Eligible Shareholders**) of BKI may subscribe for up to \$15,000 worth of SPP Shares without incurring brokerage or other transaction costs.

2. What will the proceeds under the SPP be used for?

The funds will be used to pursue the objective of increasing liquidity, lowering the MER and continuing to deliver on our investment strategy by investing for the long term in profitable, high income producing, well managed companies.

3. Do I have to participate in the SPP?

No. Participation in the SPP is entirely voluntary.

If you do not wish to participate in the SPP, do nothing.

4. What is the Issue Price of the SPP Shares?

The SPP issue price will be the lower of:

- (a) \$1.60 which is a 2.50% discount to the VWAP of BKI Shares traded on ASX over the 5 trading days up to and including the Record Date (i.e. Tuesday, 22 March 2016 to Wednesday, 30 March 2016), rounded to the nearest half cent; or
- (b) a 2.50% discount to the VWAP of BKI Shares traded on ASX over the 5 trading days prior to the day the SPP Shares are issued under the SPP (i.e. Friday, 29 April 2016 to Thursday, 5 May 2016), rounded to the nearest half cent.

Therefore the maximum price that Eligible Shareholders will pay is \$1.60 per SPP Share.

The market price of BKI Shares may rise or fall between the date of this Booklet and the time of issue of SPP Shares.

The number of SPP Shares issued to an applicant will be determined by dividing the value of the SPP Shares applied for by the Issue Price. If this calculation produces a fractional number, the number of SPP Shares issued will be rounded up to the nearest whole SPP Share.

5. Who is eligible to participate in the SPP?

Shareholders are eligible to participate in the SPP if they are registered holders of BKI Shares at the Record Date with a registered address in either Australia or New Zealand, provided that such shareholder is not in the United States, or acting for the account or benefit of a U.S. Person (**Eligible Shareholder**).

6. How much can I invest?

Eligible Shareholders may apply for a parcel of SPP Shares up to a maximum of \$15,000.

The minimum application under the SPP is \$2,500. Applications under the SPP can only be made for one of the following amounts (subject to a discretionary scale back described further below): \$2,500, \$5,000, \$7,500, \$10,000, \$12,500, or \$15,000.

7. Can my offer under the SPP be transferred to a third party?

No. The offer is non-renounceable and cannot be transferred.

8. How do I apply for SPP Shares?

If you wish to participate in the SPP, you need to do one of the following.

Option 1: Pay by Cheque

Please complete the enclosed Application Form and return it with your cheque made payable to **BKI Investment Company Limited – SPP**, drawn on an Australian financial institution and crossed “Not Negotiable” in the enclosed reply paid envelope to: **Advanced Share Registry Services, PO Box 1156, Nedlands WA 6909**

Your completed Application Form and cheque must be received by the Registry prior to the close of the SPP Offer at 7.00pm (AEST) on Thursday, 28 April 2016. Shareholders in New Zealand will need to apply in Australian dollars and affix the appropriate postage to the reply paid envelope.

Option 2: Pay via Bpay®

To pay via Bpay you will need to:

- › be an account holder with an Australian financial institution;
- › use the personalised reference number shown on your Application Form which is required to identify your shareholding; and
- › ensure that your payment is received by the Registry before 7.00pm (AEST) on Thursday, 28 April 2016.

9. Will the SPP Shares be eligible for the final dividend offered by the Company for the 2016 financial year ending 30 June?

Yes. All SPP Shares will be eligible to receive the final dividend for the year ended 30 June 2016.

10. What do I do if I am a Custodian?

Custodians should refer to the terms and conditions, particularly sections 4.6–4.9.

11. Will I receive notification of my issue?

Yes. Advanced Share Registry Limited trading as Advanced Share Registry Services (the **Registry**) will send you a holding statement on or around Tuesday, 10 May 2016 which will include details of the number of SPP Shares issued to you and the Issue Price of the SPP Shares.

12. Where can I get more information on the SPP?

If you have any questions in relation to how to participate in the SPP, please contact BKI's SPP Information Line on **1800 009 918 (in Australia) or +61 1800 009 918 (outside of Australia)** or consult your financial or other professional adviser.

Terms and conditions of the SPP

Important Notice: If you participate in the SPP by completing and returning the Application Form or by making a payment by Bpay, you are accepting the risk that the market price of BKI Shares may change between the Record Date, the date on which you send in the Application Form or make a payment by Bpay and the date the SPP Shares are issued (**Issue Date**).

Set out below are the terms and conditions of the BKI SPP.

Please read these terms and conditions carefully, as you will be bound by them in participating in the SPP. Shareholders accepting the offer to participate in the SPP will also be bound by the constitution of BKI.

Capitalised terms used in these terms and conditions are either defined in the body of these terms and conditions or specifically in the Glossary below.

The Key SPP Information section of this Booklet and the Application Form forms part of these terms and conditions.

1. OFFER

- 1.1 BKI offers each Eligible Shareholder the opportunity to purchase up to \$15,000 worth of SPP Shares under the SPP subject to and in accordance with the terms and conditions set out below.
- 1.2 In these terms and conditions, the “**SPP Offer**” means the offer in clause 1.1.
- 1.3 The SPP Offer opens on Thursday, 7 April 2016 and closes at 7.00pm (AEST) on Thursday, 28 April 2016.
- 1.4 If you choose not to participate in the SPP, your right to participate lapses at 7.00pm (AEST) on Thursday, 28 April 2016 (or such other date as BKI determines).
- 1.5 The SPP Offer is non-renounceable and non-transferable and, therefore, Eligible Shareholders cannot transfer their right to purchase SPP Shares to a third party.
- 1.6 The SPP Offer to each Eligible Shareholder (whether as a Custodian or on its own account) is made on the same terms and conditions.
- 1.7 All references to \$ or dollars in this Booklet are references to Australian dollars unless otherwise indicated.

2. ELIGIBLE SHAREHOLDERS

- 2.1 You are eligible to participate in the SPP Offer if you:
 - (a) were registered on the Register as a holder of BKI Shares (**Shareholder**) at 7.00pm (AEST) on Wednesday, 30 March 2016;
 - (b) had an address on the Register in either Australia or New Zealand at that time; and
 - (c) are not in the United States and are not acting for the account or benefit of a U.S. Person.
- 2.2 The SPP Offer is not made to Shareholders with an address on the Register outside of Australia or New Zealand.

3. JOINT HOLDERS/CUSTODIANS

- 3.1 If two or more persons are registered on the Register as jointly holding BKI Shares, they are taken to be a single registered holder of BKI Shares for the purposes of determining whether they are an Eligible Shareholder and a certification given by any of them is taken to be a certification given by all of them.
- 3.2 Subject to these terms and conditions, Eligible Shareholders who are Custodians may participate in the SPP on behalf of each Eligible Beneficiary on whose behalf the Custodian is holding BKI Shares.

4. APPLICATIONS FOR SPP SHARES

- 4.1 The minimum application amount under the SPP Offer is \$2,500.
- 4.2 Applications under the SPP Offer may only be made for one of the following amounts (subject to the discretionary scale back described in clause 9): \$2,500, \$5,000, \$7,500; \$10,000, \$12,500, or \$15,000.
- 4.3 BKI does not intend to scale back any applications under the SPP unless required to in order to comply with the ASX Listing Rules.
- 4.4 No brokerage or other transaction costs will apply to the acquisition of SPP Shares.
- 4.5 Eligible Shareholders who wish to apply for SPP Shares must either:
- (a) complete the enclosed Application Form and forward it with a cheque drawn on an Australian financial institution made payable to “**BKI Investment Company Limited – SPP**” and crossed “Not Negotiable” in the enclosed business reply envelope to:
- Advanced Share Registry Services
PO Box 1156
Nedlands WA 6909
- Your completed Application Form and cheque must be received prior to 7.00pm (AEST) on Thursday, 28 April 2016. Shareholders in New Zealand will need to apply in Australian dollars and affix the appropriate postage to the reply paid envelope; or
- (b) make a payment via Bpay in accordance with the instructions on the Application Form so that it is received prior to 7.00pm (AEST) on Thursday, 28 April 2016.
- To pay via Bpay you will need to:
- › be an account holder with an Australian financial institution;
 - › use the personalised reference number shown on your Application Form which is required to identify your shareholding; and
 - › ensure that your payment is received by the Registry before 7.00pm (AEST) on Thursday, 28 April 2016.
- You can only make payment via Bpay if you are the holder of an account with an Australian financial institution that supports Bpay transactions.
- If you are paying via Bpay there is no need to return the Application Form but you will be taken to have made the statements and certifications that are set out in the Application Form.
- 4.6 Eligible Shareholders who receive more than one offer under the SPP (for example, because they hold BKI Shares in more than one capacity or in different registered holdings) may apply on different Application Forms for SPP Shares but may not apply for SPP Shares with an aggregate value of more than \$15,000.
- 4.7 The SPP is being extended to Eligible Shareholders who are custodians (as defined in paragraph 14 of ASIC Class Order 09/425) (**Custodians**) and who wish to apply for SPP Shares on behalf of a person for whom that Custodian held BKI Shares on behalf of that person on the Record Date and who is not, or is not acting for the account or benefit of any U.S. Person (**Eligible Beneficiary**).
- 4.8 If you wish to subscribe for SPP Shares as a Custodian for one or more Eligible Beneficiaries, you must also complete and submit a certificate complying with ASIC Class Order 09/425 (**Custodian Certificate**) that contains further certifications and details (required under the terms of ASIC Class Order 09/425) before your application will be accepted. Applications by Custodians that are not accompanied by a duly completed Custodian Certificate will be rejected.
- 4.9 By applying as a Custodian on behalf of Eligible Beneficiaries to purchase SPP Shares, you certify (amongst other things) for each Eligible Beneficiary that the application price for the SPP Shares applied for on their behalf, and any other BKI Shares applied for on their behalf under a similar arrangement in the previous 12 months has not exceeded \$15,000.
- 4.10 Each Custodian must not participate in the SPP on behalf of, and must not distribute this Booklet or any documents relating to this SPP, to a U.S. Person.
- 4.11 BKI and its officers and agents, may accept or reject your application for SPP Shares at its discretion including, without limit, if:
- (a) your application does not comply with these terms and conditions;

- (b) it appears you are not an Eligible Shareholder;
- (c) your Application Form and cheque or Bpay payment is not received by the Registry by the Closing Date;
- (d) if paying by cheque, your Application Form is incomplete or incorrectly completed or is otherwise determined by BKI to be invalid;
- (e) your cheque is dishonoured or has been incorrectly completed;
- (f) it appears that you are applying to purchase more than \$15,000 worth of SPP Shares in aggregate (including as a result of BKI Shares you hold directly, jointly or through a custodian or nominee arrangement); or
- (g) payment of the application monies is not submitted in Australian currency or, if payment is made by cheque, the cheque is not drawn on an Australian financial institution.

4.12 If you are entitled to a refund of all or any of your application monies, the refund will be paid to you, without interest, as soon as is practicable.

5. ISSUE PRICE

5.1 The Issue Price will be the lower of:

- a) \$1.60 which is a 2.50% discount to the VWAP of BKI Shares traded on ASX over the 5 trading days up to and including the Record Date (i.e. Tuesday, 22 March 2016 to Wednesday, 30 March 2016), rounded to the nearest half cent; or
- b) a 2.50% discount to the VWAP of BKI Shares traded on ASX over the 5 trading days prior to the day the SPP Shares are issued under the SPP (i.e. Friday, 29 April 2016 to Thursday, 5 May 2016), rounded to the nearest half cent, (**Issue Price**).

Therefore the maximum price that Eligible Shareholders will pay is \$1.60 per SPP Share.

5.2 The current BKI Share price can be obtained from the ASX and is listed in the financial and business section of major daily newspapers circulating in Australia.

5.3 You agree to pay the Issue Price per SPP Share for the number of SPP Shares calculated under clause 6, or if there is a scale-back, the number of SPP Shares calculated under clause 9.

6. NUMBER OF SPP SHARES TO BE ISSUED

6.1 If you apply for SPP Shares, you will apply for a certain value, rather than a certain number, of SPP Shares. If your application is accepted, BKI will divide the value of your application monies by the Issue Price (as determined under clause 5.1) in order to determine the number of SPP Shares which, subject to the scale back, will be issued to you.

6.2 If this calculation produces a fractional number, the number of SPP Shares issued will be rounded up to the nearest whole SPP Share.

7. ISSUE

7.1 SPP Shares will be issued on the Issue Date.

7.2 All SPP Shares will rank equally with existing BKI Shares as at the Issue Date, including being eligible for any final dividend declared by the Company in respect of the 2016 financial year.

7.3 BKI will apply to ASX for the quotation of SPP Shares. It is anticipated that SPP Shares will be quoted on the ASX shortly after the Issue Date.

7.4 The Registry will send you a holding statement, confirming the issue of SPP Shares, on or around Tuesday, 10 May 2016.

8. ACKNOWLEDGEMENTS

By returning an Application Form with a cheque or making a payment via Bpay, you:

- (a) irrevocably and unconditionally agree to the terms and conditions of the SPP and the terms and conditions of the Application Form and agree not to do any act or thing that would be contrary to the spirit, intention or purpose of the SPP;

- (b) warrant that all details and statements in your application are true and complete and not misleading;
- (c) agree that your application will be irrevocable and unconditional (that is, it cannot be withdrawn even if the market price of the BKI Shares is less than the Issue Price);
- (d) warrant that you are an Eligible Shareholder and are eligible to participate in the SPP;
- (e) acknowledge that no interest will be paid on any application monies held pending the issue of SPP Shares or subsequently refunded to you for any reason;
- (f) acknowledge that BKI and its officers and agents, are not liable for any consequences of the exercise or non-exercise of its discretions referred to in these terms and conditions;
- (g) acknowledge and agree that:
 - (i) you are not in the United States and are not acting for the account or benefit of a U.S. Person;
 - (ii) the SPP Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States, and accordingly, the SPP Shares may not be offered, sold or otherwise transferred in the United States or to, or for the account of, any U.S. Person except in accordance with an available exemption from, or a transaction not subject to, the registration requirements of the Securities Act and any other applicable US state securities laws;
 - (iii) you have not, and will not, send this Booklet or any materials relating to the SPP to any U.S. Person;
 - (iv) if in the future you decide to sell or otherwise transfer the SPP Shares, you will only do so in the regular way for transactions on the ASX where neither you nor any person acting on your behalf know, or have reason to know, that the sale has been pre-arranged with, or that the purchaser is, a U.S. Person; and
 - (v) if you are acting as a trustee, nominee or Custodian, each beneficial holder on whose behalf you are participating is resident in Australia or New Zealand, and you have not sent this Booklet, or any materials relating to the SPP, to any person outside Australia and New Zealand;
- (h) if you are applying on your own behalf (and not as a Custodian), acknowledge and agree that:
 - (i) you are not applying for SPP Shares with an application price of more than \$15,000 under the SPP (including by instructing a Custodian to acquire SPP Shares on your behalf under the SPP);
 - (ii) the total of the application price for the following does not exceed \$15,000:
 - (A) the SPP Shares the subject of the application;
 - (B) any other BKI Shares issued to you under the SPP or any similar arrangement in the 12 months before the application (excluding BKI Shares applied for but not issued);
 - (C) any other SPP Shares which you have instructed a Custodian to acquire on your behalf under the SPP; and
 - (D) any other BKI Shares issued to a Custodian in the 12 months before the application as a result of an instruction given by you to the Custodian to apply for BKI Shares on your behalf under an arrangement similar to the SPP;
- (i) if you are a Custodian and are applying on behalf of an Eligible Beneficiary on whose behalf you hold BKI Shares, acknowledge and agree that:
 - (i) you are a Custodian (as that term is defined in ASIC Class Order 09/425);
 - (ii) you hold BKI Shares (directly or indirectly) on behalf of one or more Eligible Beneficiaries;
 - (iii) you held BKI Shares on behalf of the Eligible Beneficiary as at the Record Date who has instructed you to apply for SPP Shares on their behalf under the SPP;
 - (iv) each Eligible Beneficiary on whose behalf you are applying for SPP shares has been given a copy of this Booklet;
 - (v) the application price for the SPP Shares applied for on behalf of the Eligible Beneficiary, and any other BKI Shares applied for on their behalf under a similar arrangement in the previous 12 months (excluding shares applied for but not issued), does not exceed \$15,000; and
 - (vi) the information in the Custodian Certificate submitted with your Application Form is true, correct and not misleading;
- (j) accept the risk associated with any refund that may be despatched to you by direct credit or cheque to your address shown on the Register;

- (k) are responsible for any dishonour fees or other costs BKI may incur in presenting a cheque for payment which is dishonoured;
- (l) agree to be bound by the constitution of BKI (as amended and as it may be amended from time to time in the future);
- (m) acknowledge that none of BKI, its advisers or agents, has provided you with any financial product or investment advice or taxation advice in relation to the SPP, or has any obligation to provide such advice;
- (n) authorise BKI, and its officers and agents, to do anything on your behalf necessary for SPP Shares to be issued to you in accordance with these terms and conditions;
- (o) acknowledge that BKI may at any time irrevocably determine that your application is valid, in accordance with the terms and conditions of the SPP, even if the Application Form is incomplete, contains errors or is otherwise defective; and
- (p) authorise BKI, and its officers and agents, to correct minor or easily rectified errors in, or omissions from, your Application Form and to complete the Application Form by the insertion of any missing minor detail.

9. SCALE BACK

- 9.1 BKI may in its absolute discretion undertake a scale-back of applications for SPP Shares to the extent and in the manner it sees fit.
- 9.2 If there is a scale-back you may receive less than the parcel of SPP Shares for which you have applied.
- 9.3 If a scale-back produces a fractional number of SPP Shares when applied to your parcel, the number of SPP Shares you will be allotted will be rounded up to the nearest whole number of SPP Shares.
- 9.4 If there is a scale-back, the difference between the application monies received from you, and the number of SPP Shares allocated to you multiplied by the Issue Price, will be refunded to you without interest.
- 9.5 BKI does not intend to scale back any applications under the SPP unless required to in order to comply with the ASX Listing Rules.

10. DISPUTE RESOLUTION

- 10.1 BKI may settle, in any manner it deems appropriate, any difficulties, anomalies, or disputes which may arise in connection with the operation of the SPP whether generally or in relation to any participant or any application for SPP Shares, and its decision shall be conclusive and binding on all participants and other persons to whom the determination relates.
- 10.2 The powers of BKI under these terms and conditions may be exercised by the Directors or any delegate or representative of the Directors.

11. VARIATION AND TERMINATION

- 11.1 BKI reserves the right at any time to, and may in its absolute discretion:
 - (a) amend or vary these terms and conditions;
 - (b) waive strict compliance with any provision of these terms and conditions;
 - (c) withdraw the SPP Offer or suspend or terminate the SPP;
 - (d) vary the timetable for the SPP, including the Closing Date; and
 - (e) not accept an application, not issue SPP Shares or issue SPP Shares to a value less than that applied for under the SPP by an Eligible Shareholder (including a Custodian applying on behalf of its Eligible Beneficiaries).
- 11.2 In the event that the SPP is withdrawn or terminated all application monies will be refunded. No interest will be paid on any money returned to you.

12. PRIVACY POLICY

- 12.1 Chapter 2C of the Corporations Act 2001 (Cth) (**Corporations Act**) requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. This information must continue to be included in the public register if you cease to be a securityholder. The Privacy Act 1998 (Cth) does not alter these statutory obligations.
- 12.2 BKI and the Registry may collect personal information to process your application, implement the SPP and administer your BKI shareholding. If you do not provide us with your personal information, we may not be able to process your application, implement the SPP or administer your BKI shareholding. The personal information contained in the Register is also used to facilitate payments and corporate communications (including financial results, annual reports and other information to be communicated to BKI shareholders) and to ensure compliance with legal and regulatory requirements, including Australian taxation laws and the Corporations Act. In addition, we may use your personal information (including your email address) to contact you on an ongoing basis in order to provide you with marketing information (including information about investment opportunities or products and services) we think would be of interest to you, including by mail, email, SMS and telephone. By completing and returning the Application Form, you consent to us using your information to contact you on an ongoing basis in order to provide you with corporate communications and marketing information, including by mail, email, SMS and telephone. You may request not to receive any marketing communications from BKI by contacting Jaime Pinto on +612 9210 7000.
- 12.3 Your personal information may be disclosed to joint investors, the Registry, to securities brokers, to third party service providers, including print and mail service providers, technology providers and professional advisers, to related entities of BKI and its agents and contractors, and to ASX and other regulatory authorities or otherwise and in any case, where disclosure is required or allowed by law (which may include disclosures to the Australian Taxation Office and other government or regulatory bodies or where you have consented to the disclosure). In some cases, the types of organisations referred to above to whom your personal information may be disclosed may be located overseas.
- 12.4 Advanced Share Registry Limited's privacy policy is available on their website: <http://www.advancedshare.com.au/privacy-policy.aspx>.

13. UNDERWRITING

The SPP is not underwritten.

14. BROKER STAMPING FEE

- 14.1 BKI will pay a broker stamping fee (**Broker Fee**) to market participants of ASX (**Brokers**) equal to 1% (exclusive of GST) of the application amount of SPP Shares, to Brokers who submit a valid claim for a Broker Fee on successful applications for SPP Shares, capped at a maximum Broker Fee of \$150. The minimum Broker Fee will be \$25 payable to Brokers who submit a valid claim for a Broker Fee on successful applications for SPP Shares.
- 14.2 The Broker Fee will be payable to any Broker who submits to the Registry the Registry's broker fee claim form (**Claim Form**) validly completed by no later than 5.00pm (Sydney time) on the day which is 5 business days after the Closing Date. Claim Forms may be obtained from the Registry by contacting Advanced Share Registry Services on +61 8 9389 8033.

15. GOVERNING LAW

These terms and conditions are governed by the laws in force in New South Wales. Any dispute arising out of, or in connection with, these terms and conditions, or the SPP Offer, will be determined by the courts of New South Wales. By accepting the SPP Offer, you agree to submit to the non-exclusive jurisdiction of the courts in New South Wales. Other terms and conditions, rights and obligations of SPP Shares are contained in the constitution of BKI. The terms and conditions of the SPP prevail to the extent of any inconsistency with the Application Form.



BKI INVESTMENT
COMPANY LIMITED

Registered Office
Level 2, 160 Pitt Street Mall
Sydney NSW 2000
Telephone: (02) 9210 7000
Facsimile: (02) 9210 7099

Postal Address
GPO Box 5015
Sydney NSW 2001

www.bkilimited.com.au

All Registry communications to:

Advanced Share Registry Ltd
PO Box 1156
Nedlands WA 6909
Tel: (61 8) 9389 8033
Fax: (61 8) 9262 3723

Investor website: www.advancedshare.com.au

Record Date: 7.00 pm (AEST) on 30 March 2016
Offer opens: 7 April 2016
Offer closes: 7.00 pm (AEST) on 28 April 2016

HOW DO I APPLY FOR SPP SHARES UNDER THE SPP?

- › Carefully read the Share Purchase Plan Offer Booklet (**SPP Booklet**) accompanying this form and the Important Information and further instructions on the reverse of this form.
- › Decide on the amount of SPP Shares you wish to apply for.
- › Pay for the SPP Shares in accordance with the instructions outlined in the SPP Booklet and the further instructions on the reverse of this form.
 - Option 1: Paying by BPAY® or Option 2: Paying by Cheque.**
 - › Payments must be made in Australian dollars.

PAYMENT OPTIONS

Option 1: Paying by Bpay®

If paying by BPAY®, you do **NOT** need to complete or return this Application Form below. By paying by BPAY® you will be deemed to have made the statements and certifications that are set out in the Important Information notice on the reverse of this form.

Payment must be received by the Registry by BPAY® by 7:00pm (AEST) on 28 April 2016. By paying by BPAY®, you will be deemed to have completed an Application Form for the number of SPP Shares the subject of your application payment. If you make a payment by BPAY® and BKI Investment Company Limited ("BKI") receives an amount which is not equal to either A\$2,500, A\$5,000, A\$7,500 A\$10,000, A\$12,500 or A\$15,000, BKI may round down the dollar amount of SPP Shares that you are applying for to the next lowest parcel at their discretion. Your payment must be for a minimum of A\$2,500.



Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account.

More info: www.bpay.com.au

© Registered to Bpay Pty Ltd ABN 69 079 137 518

Option 2: Paying by Cheque

If paying by cheque, complete and return the Application Form with your payment.

- A. Tick the box beside the amount you wish to apply for, either A\$2,500, A\$5,000, A\$7,500 A\$10,000, A\$12,500 or A\$15,000.
- B. Enter your cheque details. The amount of your application payment should be equal to the amount applied for in section A. Cheques must be drawn on an Australian financial institution in Australian currency, made payable to '**BKI Investment Company Limited – SPP**' and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque for an amount that is not equal to either A\$2,500, A\$5,000, A\$7,500 A\$10,000, A\$12,500 or A\$15,000, BKI may round down the dollar amount of SPP Shares that you are applying for to the next lowest parcel at their discretion. Your payment must be for a minimum of A\$2,500.
- C. Enter your contact telephone number and email at which we may contact you regarding your application for SPP Shares, if necessary.

A I/we wish to purchase a parcel of SPP Shares to the dollar amount of (tick one box only):

A\$2,500 **OR** A\$5,000 **OR** A\$7,500 **OR** A\$10,000 **OR** A\$12,500 **OR** A\$15,000

B Make your cheque payable to '**BKI Investment Company Limited – SPP**' and crossed 'Not Negotiable'

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$.00
Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque		

C

<input type="text"/>	<input type="text"/>
Telephone Number – Business Hours	Contact Name
<input type="text"/>	<input type="text"/>
Telephone Number – After Hours	Email Address

IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase SPP Shares under the SPP, there is no need to take action.
3. Please ensure you have read and understood the SPP Terms and Conditions in the SPP Booklet and this Important Information, before you make the application payment by BPAY® or you submit your Application Form with your application payment.
4. This SPP is non-renounceable. Applications can only be accepted in the name printed on the Application Form.
5. This Application Form does not constitute an offer to sell, or the solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be illegal. The securities have not been, and will not be, registered under the U.S. Securities Act of 1933 (the Securities Act), or the securities laws of any state or other jurisdiction of the United States. Accordingly, the securities may not be offered or sold, directly or indirectly, in the United States. The Application Form must not be distributed to, or relied upon or completed by, persons in the United States or who are acting for the account or benefit of persons in the United States (including nominees or custodians who hold on behalf of persons in the United States).
6. By returning the Application Form with payment to the registry or making payment by BPAY®, you represent, warrant and acknowledge that:
 - › you have read and understood the SPP Terms and Conditions in the SPP Booklet and that you make the representations and warranties and agree to the terms and conditions set out therein; and
 - › you are in Australia or New Zealand and not in the United States, and not acting for the account or benefit of a person in the United States, and you have not sent any offering materials relating to the SPP to any such person.
7. If you are a custodian, trustee or nominee within the definition of “custodian” in ASIC Class Order [CO 09/425] you must complete and submit an additional certificate certifying the matter sets out in paragraph 9 of ASIC Class Order [CO 09/425] (the “**Certificate**”) before your application for SPP Shares is accepted. The Certificate can be obtained by contacting the Registry: 08 9389 8033 (in Australia) or +61 8 9389 8033 (outside of Australia). Applications received by custodians that are not accompanied by the Certificate will be rejected.
8. For applicants that are not required to complete the Certificate, by submitting the Application Form (with a cheque) or making payment by BPAY®, **you certify** that the aggregate of the payment made by you for:
 - › the parcel of SPP Shares indicated on the Application Form or BPAY® payment; and
 - › any other SPP Shares applied for by you, or which you have instructed a Custodian to acquire on your behalf under the SPP or any other similar arrangement in the 12 months prior to the date of submission of the Application Form or payment by BPAY® does not exceed A\$15,000.
9. BKI reserves the right to make amendments to this Application Form where appropriate.
10. Applicants are not assured of receiving the SPP Shares for which they have applied as BKI may scale back applications in accordance with the SPP Booklet.

How to Lodge your Application Form and Application Payment

The Application Form and the application payment for the SPP Shares must be received by the Registry no later than the closing date shown overleaf. If paying by BPAY® you do not need to complete or return the Application Form. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

Mailing Address

Advanced Share Registry
PO Box 1156
Nedlands WA 6909

OR Hand Delivery (Please do not use this address for mailing purposes)

Advanced Share Registry
110 Stirling Highway
Nedlands WA 6009

Make sure you send your Application Form and application payment allowing enough time for mail delivery, so Advanced Share Registry Services Ltd receives them no later than 7:00 pm (AEST) on 28 April 2016. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. BKI reserves the right not to process any Application Forms and application payments received after the closing date referred to above.

If you require information on how to complete this Application Form, please contact the Registry on: 08 9389 8033 (in Australia) or +61 8 9389 8033 (outside of Australia).