



ENTELECT LIMITED
ASX: ESN

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28 April 2014

ASX/Media Release (ASX:ESN)

Share Sale Facility for Unmarketable Share Parcels

Entellect Limited (the **Company** or **Entellect**) is pleased to advise that it is implementing a share sale facility for shareholders to sell their small shareholding without incurring any brokerage or handling costs.

This facility is available to shareholders who at 7:00pm (Melbourne time) on 24 April 2014 (**Record Date**) were holders of ordinary shares in Entellect valued at less than \$500 based on a price of \$0.002 per share, being the closing price of shares on the Australian Securities Exchange on the Record Date.

A copy of the correspondence being sent to eligible shareholders is attached.

-Ends

For further information please contact:

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E: james.kellett@entellect.com.au

Sophie Karzis, Company Secretary
Entellect Limited
T: (03) 9286 7500
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28 April 2014

Dear Entellect Shareholder

Share sale facility for holders of less than a marketable parcel of Entellect shares

Entellect Limited (**Entellect** or the **Company**) is pleased to offer eligible shareholders the opportunity to sell their small shareholding without incurring any brokerage or handling costs.

This offer applies to shareholders who at 7:00pm (Melbourne time) on 24 April 2014 (**Record Date**) were holders of ordinary shares in Entellect valued at less than \$500 (**less than a marketable parcel**) based on a price of \$0.002 per share, being the closing price of shares on the Australian Securities Exchange (**ASX**) on the Record Date.

Entellect is offering this facility as it provides the following benefits:

- Entellect shareholders of a less than a marketable parcel have the opportunity to sell their shares without incurring a brokerage or handling cost which, in proportion to the value of their holding, may otherwise render a sale unattractive or uneconomical; and
- The expense and administration involved in maintaining shareholders with less than a marketable parcel, such as the cost of printing and mailing shareholder notices and share registry costs, is reduced. As at the date of this letter, the Company has 4,396 shareholders of which approximately 3,850 hold less than a marketable parcel of shares that in aggregate represent approximately 1.53% of Entellect's issued share capital.

Based on a price of \$0.002 per share, being the closing price of Entellect shares on the ASX on the Record Date, a holding of less than 250,000 shares represented less than a marketable parcel. Our records show that you hold less than a marketable parcel of shares as at the Record Date, and accordingly your shareholding is eligible for this facility. You may choose to sell your holding or retain your existing holding.

Pursuant to clause 12 of Entellect's Constitution and the ASX Listing Rule 15.13, the Company may notify eligible shareholders that it intends to sell their holding unless they complete and return the enclosed Share Retention Form by 5.00 pm (Melbourne time) on Tuesday 10 June 2014 (**Closing Date**). This letter and the Share Retention Form which accompanies this letter, satisfy the notice requirements under ASX Listing Rule 15.13 and clause 12.1(b) of Entellect's Constitution.

Your options

As a shareholder who holds a less than a marketable parcel of Entellect shares, your options are described below:

1. Sell your holding

If you wish to sell your Entellect shares without incurring brokerage or handling costs, you do not need to take any action. Entellect is authorised under clause 12 of its Constitution to sell your shares following the Closing Date if the value of your shares remains at less than \$500 at the Closing Date (based on the closing price of Entellect shares on that day).

Your shares will be pooled with other shares under this facility and sold as soon as practicable after the Closing Date in the manner described below.

In the interests of providing shareholders who are eligible to participate in the facility with certainty as to the proceeds they will receive from the sale of their shares, the Directors have appointed Redhill Capital Partners (Singapore) Pte Ltd (**Redhill**) as broker and underwriter to the share sale facility, and have negotiated with Redhill a fixed sale price of \$0.002, being the closing price of shares on the ASX on the Record Date (**Sale Price**). After the Closing Date, Redhill will sell all shares available under the facility either on or off market; to the extent that there are any shares remaining under the facility which remain unsold, Redhill (and/or its nominees) may subscribe for the remaining shares.

Accordingly, the price you will receive for each share sold through this facility will be \$0.002 per share. All participants who have their shares sold will receive the same sale price per share. You should note that there is a risk that the market value of your shares may increase between the Record Date and Closing Date, due to an increase in the Entellect share price. Consequently, the sale proceeds which you receive (based on the fixed Sale Price) may be less than the market value of your shares at that time.

Sale proceeds will be paid to you in Australian dollars either by cheque or direct credit as per your existing direct credit instruction recorded on the register as soon as practicable following the sale of your shares. Payment is expected to be remitted within 15 business days of the Closing Date. A transaction confirmation statement will be sent to you confirming the number of your shares sold and the price and total sale proceeds you have received.

If your shares are held in a CHESS holding, Entellect may, after the Closing Date initiate a holding adjustment to move your shares to the issuer sponsored subregister for the purpose of this facility.

Any tax consequences arising from the sale of your shares will be your responsibility. If the market value of your shares increases between the record date and closing date, due to the increase in Entellect's share price, so that at the closing date the value of your shares previously identified by Entellect as being a less than a marketable parcel is no longer less than \$500 (i.e. their value becomes equal to or greater than \$500), Entellect will not sell your shares.

2. Retain your existing holding

If you wish to retain your existing holding then you must do one of the following:

- Complete and return the attached Share Retention Form to Entellect's registered office so that it is received by the Closing Date of 5.00 pm (Melbourne time) on Tuesday 10 June 2014;
- Make your own arrangements outside this facility to purchase additional Entellect shares so that the value of your registered holding is at least \$500 on the Closing Date.
- If you hold Entellect shares in multiple holdings (i.e. in more than one shareholder reference number (SRN) or holder identification number (HIN), arrange to have those holdings merged into one holding with a value of at least \$500 so that this is reflected on Entellect's share register at 7:00pm (Sydney time) on the Closing Date.

If you successfully take one of these steps, Entellect will not be entitled to sell your shares.

Important Information

Entellect reserves the right to extend the dates referred to in this letter by notice to the ASX.

Entellect is not bound to sell any or all of the shares that may be available for it to sell under this facility. None of Entellect, the broker/underwriter appointed to sell the shares, nor any other person involved in the facility shall be liable for failure to sell the shares at a particular price. The price of Entellect shares is subject to change and an up-to-date price can be obtained from the ASX website (www.asx.com.au) under the code "ESN".

Entellect does not make any recommendation or provide any advice to you regarding whether to sell your holding under this facility or retain your existing holding.

If you are in doubt about what to do, you should consult your legal, financial or taxation advisor.

If you have any queries, please contact the Company on +61 3 9286 7500 between the hours of 9.00am and 5.00pm (Melbourne time) Monday to Friday.

Yours faithfully

On behalf of the Board of Entellect Limited



Sophie Karzis
Company Secretary

Share Retention Form

IMPORTANT: This is an important document and requires your immediate attention. Entellect Limited (**Company**) is implementing a share sale facility for holders of parcels of the Company's shares valued at less than \$500 (**Share Sale Facility**). Further details regarding the Share Sale Facility are set out in the letter to you from the Company dated 28 April 2014, which accompanies this form. If you do not want the parcel of shares in the Company referred to below sold under the Share Sale Facility, you must complete this form and return it so that it is received by the Company's registered office no later than 5.00 pm (Melbourne time) on Tuesday 10 June 2014 (**Closing Date**). If you are in any doubt as to how to deal with this form, you should consult your professional adviser.

If your holding of the Company's shares increases to more than \$500 by on market purchases or otherwise, then your holding will not be sold under the Share Sale Facility.

A Number of shares held as at Record Date

The number of shares that you held at 7:00pm (Melbourne time) on 24 April 2014 (**Record Date**)

B Retention of shares

I/We refer to the letter from the company dated 28 April 2014 and hereby give notice that we would like to retain my/our shares.

C Contact details (Enter your contact details below)

CONTACT NAME	TELEPHONE WORK	TELEPHONE HOME	EMAIL ADDRESS
	()	()	

D Shareholder Signature

By signing and returning this form, I/we confirm that I/we understand that my/our shares will **NOT BE SOLD** under the Sale Facility.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Day Month Year

\		\ 2014
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**This form must be received by no later than 5.00pm Melbourne time on
10 June 2014**

Additional information

How to complete this form

- A. This is the number of shares that you held at 7pm Melbourne time on 24 April 2014.
- B. If you would like to retain your shares, please mark the box on the front of this form and return it to the Company's share registry in accordance with the lodgement instructions below. If this form is not received by 5.00pm Melbourne time on 10 June 2014, and you have not otherwise validly notified the Company that you wish to retain your shares, the Company will be entitled to sell your shares on your behalf. **IF YOU WOULD LIKE THE COMPANY TO SELL YOUR SHARES, YOU SHOULD NOT COMPLETE THIS FORM.**
- C. Enter your **contact details** so we may contact you regarding your form.
- D. The form **must** be signed. In the spaces provided you must sign this form as follows:

Individual: Where the holding is in only one name, this form is to be signed by the securityholder.

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

Power of Attorney: To sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. **Please indicate the office held by signing in the appropriate place.**

Lodgement of this Form

If you wish to retain your shares, this form must be completed and returned to the Company's registered office by no later than 5.00pm Melbourne time on 10 June 2014. If you are returning your form by post, please allow sufficient time for collection and delivery by postal services. The postal rule does not apply, which means that to be valid your completed form must be received by no later than 5.00pm Melbourne time on 10 June 2014.

Mailing address:

Entellect Limited
C/- Corporate Counsel
Level 1, 61 Spring Street
Melbourne VIC 3000

Delivery address:

Entellect Limited
C/- Corporate Counsel
Level 1, 61 Spring Street
Melbourne VIC 3000

Consolidation of shareholdings

If you have more than one holding on the Entellect Limited register, you should consider consolidating them. For further information regarding this, please contact Entellect Limited on +61 3 9286 7500.

Privacy Statement

Entellect Limited advises that Chapter 2C of the *Corporations Act 2001* (Cth) requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your share holding and if some or all of the information is not collected then it might not be possible to administer your share holding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting the Company on + 61 3 2986 7500.