

12 May 2015

ASX/Media Release (ASX:ESN)

Addendum to Notice of Extraordinary General Meeting

Entellect Limited (**Entellect** or the **Company**) **encloses** an addendum (**Addendum**) to the Notice of Meeting and Explanatory Memorandum dated 24 April 2015 for the Company's Extraordinary General Meeting of Entellect which is to be held on 28 May 2015 (**Original Notice**).

This Addendum has the effect of varying and replacing Resolution 10 in the Original Notice, and should be read in conjunction with the Original Notice.

The Addendum varies Resolution 10 in the following ways:

- Resolution 10 is now conditional upon shareholders approving the proposed share consolidation the subject of Resolution 2.
- A maximum of 45,000,000 shares will be issued under the proposed placement the subject of Resolution 10 (**Proposed Placement**).
- Entellect proposes to issue 1 free attaching option for each share issued under the Proposed Placement. The terms of these attaching options are detailed in the Addendum.
- The issue price of shares issued under the Proposed Placement will be the price that is 75% of the volume weighted average price for Entellect shares traded on the ASX over the last 5 days on which sales in shares were recorded before the day on which the issue is made.

The enclosed Addendum has been despatched to all shareholders today. Entellect confirms that there have been no changes to the proxy form despatched to shareholders on 28 April 2015, or the date and time of the Extraordinary General Meeting.

Entellect Limited confirms that the details of the Extraordinary General Meeting are as follows:

Date: Thursday 28 May 2015

Time: 11.30 am (Melbourne time)

Place: Grant Thornton
Wills Room, The Rialto
Level 30, 525 Collins Street
Melbourne Victoria 3000

For further information please contact:

Sophie Karzis, Company Secretary
Entellect Limited
T: (03) 9286 7500
E: sk@ccounsel.com.au

Addendum to notice of extraordinary general meeting and explanatory statement

Entellec Limited

ACN 009 221 783

Date: Thursday 28 May 2015

Time: 11.30 am (Melbourne time)

Place: Grant Thornton
Wills Room, The Rialto
Level 30, 525 Collins Street
MELBOURNE, Victoria 3000

Important Notice:

This document is an addendum (**Addendum**) to the Notice of Meeting and Explanatory Memorandum dated 24 April 2015 for the Extraordinary General Meeting of Entellec Limited to be held on 28 May 2015 (**Original Notice**). This Addendum has the effect of varying and replacing Resolution 10 in the Original Notice, and should be read in conjunction with the Original Notice. There have been no changes to the proxy form despatched to shareholders on 28 April 2015.



ADDENDUM TO THE NOTICE OF EXTRAORDINARY GENERAL MEETING

This is an Addendum to the Notice of Meeting and Explanatory Memorandum dated 24 April 2015, relating to the Extraordinary General Meeting of Entellect Limited to be held at Grant Thornton, Wills Room, The Rialto, Level 30, 525 Collins Street on 28 May 2015 at 11.30 am (Melbourne time)

Important Note to Shareholders:

This document is an addendum (**Addendum**) to the Notice of Meeting and Explanatory Memorandum dated 24 April 2015 for the Extraordinary General Meeting of Entellect Limited to be held on 28 May 2015 (**Original Notice**). This Addendum should be read in conjunction with the Original Notice, and has the effect of varying Resolution 10 in the Original Notice as follows:

- Resolution 10 of the Original Notice is replaced by Resolution 10 in this Addendum (**Replacement Resolution 10**).
- The explanation for Resolution 10 in the Explanatory Memorandum of the Original Notice is replaced by the explanation in this Addendum (**Replacement Explanation**) and the relevant definitions in the Original Notice are replaced by the definitions in this Addendum (**Replacement Definitions**).

Words that are defined in the Original Notice have the same meaning when used in this Addendum, unless otherwise specified. There have been no changes to the proxy form despatched to shareholders on 28 April 2015.

REPLACEMENT RESOLUTION 10

Resolution 10	Approval of issue of Proposed Placement Securities under Proposed Placement
Description	Resolution 10 is subject to Shareholder approval of the Consolidation the subject of Resolution 2. Resolution 10, which is an ordinary resolution, seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of 45,000,000 Shares (post-Consolidation) and 45,000,000 free Proposed Placement Attaching Options (post-Consolidation) to the Proposed Placement Subscribers under the Proposed Placement, without using the Company's 15% placement capacity under ASX Listing Rule 7.1.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution : <i>THAT, subject to Shareholder approval of the Consolidation in Resolution 2, for the purposes of ASX Listing Rule 7.1 and for all other purposes Shareholders approve the issue of 45,000,000 Proposed Placement Shares (post-Consolidation) and 45,000,000 free Proposed Placement Attaching Options (post-Consolidation), to the Proposed Placement Subscribers or their nominee(s), on such terms as more particularly described in the Explanatory Memorandum accompanying this Notice.</i>
Voting Exclusion	The Company will disregard any votes cast on this resolution by: (a) the Proposed Placement Subscribers and their nominee(s); (b) any person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this resolution is passed; and (c) any associates of the persons named in sub-paragraphs (a) and (b).

	<p>However, the Company will not disregard a vote if it is cast by:</p> <p>(d) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or</p> <p>(e) the chair of the meeting as proxy for a person entitled to vote, in accordance with a direction on a proxy form to vote as the proxy decides.</p>
--	---

REPLACEMENT EXPLANATION

Resolution 10	Approval of issue of Proposed Placement Securities under Proposed Placement
Explanation	Resolution 10, which is an ordinary resolution and is conditional on Shareholders approving the Consolidation the subject of Resolution 2, seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of 45,000,000 Proposed Placement Shares (post-Consolidation) and 45,000,000 Proposed Placement Attaching Options (post-Consolidation), under the Proposed Placement, without using the Company's 15% placement capacity under ASX Listing Rule 7.1.
Reason for Resolution 10	The effect of Resolution 10 will be to allow the Company to raise funds via the issue of the Proposed Placement Securities during the period of 3 months after the Extraordinary General Meeting (or a longer period if allowed by ASX) without using the Company's 7.1 Capacity.
Specific information required by ASX Listing Rule 7.3	<p>In accordance with ASX Listing Rule 7.3, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.1, the following information is provided to shareholders:</p> <p>Maximum no. of securities to be issued 45,000,000 Shares (post-Consolidation) and 45,000,000 Proposed Placement Attaching Options (post-Consolidation).</p> <p>Date by which securities will be issued If Shareholder approval is obtained for Resolution 10, the Company will issue the Proposed Placement Securities as soon as is practicable after the Extraordinary General Meeting, or in any event no later than 3 months after the date of the Extraordinary General Meeting (or such longer period of time as ASX may in its discretion allow).</p> <p>Issue price per security The Proposed Placement Shares will be issued for a fixed price per Share calculated as 75% of the volume weighted average market price for Shares, calculated over the last 5 days on which sales in Shares were recorded before the day on which the issue is made.</p> <p> The Proposed Placement Attaching Options will be issued for nil cash consideration as free attaching Options to the Proposed Placement Shares on a 1-for-1 basis.</p> <p>Recipient of issue The Directors intend that the Proposed Placement Securities be issued and allotted to various sophisticated investors and professional investors introduced to the Company by the Company's advisors and/or invited by the Company to participate in the Proposed Placement.</p>

	<p>Terms of securities The Proposed Placement Shares will be fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</p> <p>Each Proposed Placement Attaching Option will be exercisable on or before the 3 year anniversary of the date on which it was issued, at a 100% premium to the issue price of the Share to which it attaches. The Company will not apply to ASX for quotation of the Proposed Placement Attaching Options. The underlying Shares issued upon the exercise of the Proposed Placement Attaching Options will rank equally with all existing Shares on issue in the Company.</p> <p>Use of funds raised The Company will raise funds from the issue of the Proposed Placement Securities, and intends to apply \$300,000 of these funds to the redemption of convertible notes and the balance of the funds to enhancement and marketing of the Company's KNeoWORLD products in the US and Asia.</p> <p>Voting Exclusion Statement A voting exclusion statement applies to this item of business, as set out in the Notice.</p>
Board Recommendation	As stated above, the Directors believe that it is in the best interests of the Company to preserve its 7.1 Capacity whilst raising funds to support the working capital requirements of the Company. The Directors unanimously recommend that Shareholders vote in favour of Resolution 10.
Chairman's available proxies	The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 10.

REPLACEMENT DEFINITIONS

Definitions	
Proposed Placement	Means the capital raising placement the subject of Resolution 10, which the Company proposes to undertake subject to obtaining Shareholder approval for the Consolidation the subject of Resolution 2, under which the Company proposes to issue the Proposed Placement Securities
Proposed Placement Attaching Options	Means the 45,000,000 Options (post-Consolidation) to be issued under the Proposed Placement.
Proposed Placement Securities	Means the Proposed Placement Shares and the Proposed Placement Attaching Options.
Proposed Placement Shares	Means the 45,000,000 Shares (post-Consolidation) to be issued under the Proposed Placement.

Dated 12 May 2015

By order of the Board of Entellect Limited



Sophie Karzis
Company Secretary