



TESSERENT

ABN 13 605 672 928

For all enquiries:

Phone:



(within Australia) 1300 850 505
(outside Australia) 61 3 9415 4000

Web:



www.investorcentre.com/contact

TNT

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Make your payment:



See overleaf for details of the Offer and how to make your payment

Share Purchase Plan Application Form

Your payment must be received by 5:00pm (AEST) Monday 2 July 2018

This is an important document that requires your immediate attention.

It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

By making payment you agree to be bound by the Constitution of Tesseract Limited and that the submission of this payment constitutes an irrevocable offer by you to subscribe for Tesseract Limited shares on the terms of the Share Purchase Plan (SPP).

In addition, by making payment you certify that the aggregate of the application price paid by you for:

- the New Shares the subject of the payment slip overleaf; and
- any other shares and interests in the class applied for by you under the SPP or any similar arrangement in the 12 months prior to the date of submission of the payment, does not exceed \$15,000.00.

Tesseract Limited may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the SPP whether generally or in relation to any participant or application.

Any determinations by Tesseract Limited will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates. Tesseract Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions or to suspend or terminate the SPP at any time. Any such amendment, suspension or termination will be binding on all Eligible Shareholders even where Tesseract Limited does not notify you of that event.

Step 1: Registration Name & Offer Details

Details of the shareholding and the Offer are shown overleaf.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Make Your Payment

Note that shares may be purchased in increments of \$1,000 subject to purchase of the minimum value and not exceeding the maximum value. You may choose one option only. Note that the amount chosen may be subject to scale back in accordance with the terms of the SPP.

Choose one of the payment methods shown below.

BPAY®: See overleaf. Do not return the payment slip with BPAY payment.

By Mail: Complete the reverse side of this payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to "**Tesseract Limited**" and cross "**Not Negotiable**". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Tesseract Limited Share Purchase Plan Application Form
Payment must be received by 5:00pm (AEST) Monday 2 July 2018

© Registered to BPAY Pty Limited ABN 69 079 137 518


Turn over for details of the Offer →

Share Purchase Plan Application Form

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IND

STEP 1 Registration Name & Offer Details

 For your security keep your SRN/
HIN confidential.

Registration Name: MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000


Entitlement No: 12345678

Offer Details: Record date: **7:00pm (AEST) on Thursday, 24 May 2018**


Minimum value available to purchase: **\$1,000**

Maximum value available to purchase: **\$15,000**

STEP 2 Make Your Payment

 Biller Code: 284430
Ref No: 1234 5678 9123 4567 89

Pay by Mail:

 Make your cheque, bank draft or money order payable to "**Tesseract Limited**" and cross "**Not Negotiable**".

Return your cheque with the below payment slip to:
Computershare Investor Services Pty Limited
GPO BOX 505 Melbourne Victoria 3001 Australia

Contact your financial institution to make your payment from your cheque or savings account.

Lodgement of Acceptance

If you are applying for New Shares and your payment is being made by BPAY, you do not need to return the payment slip below. Your payment must be received by no later than 5:00pm (AEST) Monday 2 July 2018. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Neither Computershare Investor Services Pty Limited (CIS) nor Tesseract Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

If you are paying by cheque, bank draft or money order the payment slip below must be received by CIS by no later than 5:00pm (AEST) Monday 2 July 2018. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for shareholders in Australia. Other Eligible Shareholders will need to affix the appropriate postage. Return the payment slip below with cheque attached. Neither CIS nor Tesseract Limited accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

Detach here - - -

Purchase Details for Tesseract Limited

Amount between \$1,000 and \$15,000 in
\$1,000 increments at \$0.07 per New
Share.

A\$



You may apply for securities in \$1,000 increments from a minimum of \$1,000 up to a maximum of \$15,000.

Entitlement No: 12345678

Payment must be received by 5:00pm (AEST) Monday 2 July 2018

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Contact Details

Contact Name _____ Daytime Telephone _____

Cheque Details

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

123456789123456789+0000000001-3051+14



5 June 2018

TNT

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Tesseract Limited Share Purchase Plan – Terms

Introduction and summary

The Board of Directors of Tesseract Limited (**Tesseract** or the **Company**) is pleased to advise you of the introduction of a Share Purchase Plan (**Plan**), details of which are set out below.

The basis of the Plan is that it allows you as an eligible shareholder in the Company (irrespective of the size of your shareholding) to purchase up to \$15,000 worth of fully paid ordinary shares (**Shares**) in Tesseract at a discounted price per share, direct from the Company, free of all brokerage and commission. The Plan is non-renounceable, which means you cannot sell your right to purchase Shares.

An application form and reply paid envelope are enclosed with this letter. You can also take up your entitlement to Shares online.

The Board advises that the directors intend to take up their full entitlements to Shares for themselves or their eligible associated entities.

The Offer is made without a Prospectus or the type of disclosure seen in a Prospectus. Accordingly you should use your own knowledge concerning the Company and its operations as disclosed to ASX before making a decision whether or not to invest under the Offer.

Use of Funds

Funds raised will be used for the following purposes:

- To focus on growth of the Channel distribution strategy for CyberBiz growth.
- To continue the development of Tesseract's core technology based on market requirements;
- To expand the sales team with a focus on exploiting the demand generated from the compliance obligations that will impact all businesses including Tesseract's targeted SMB's from the Notifiable data breach legislation; and
- For working capital and general corporate purposes



Key dates

The important dates in relation to this offer are as follows:

Record date to determine entitlement to participate	24 May 2018
Plan opens – dispatch of offer documents and Cleansing Notice	5 June 2018
Plan closes – announcement of results (subject to Board discretion to extend or reduce the closing date or cancel the Plan)	2 July 2018
Allot new shares	10 July 2018
Dispatch of allotment confirmations and refunds (if any)	17 July 2018

What you need to do

Participation in the Plan is entirely optional. If you wish to participate you must complete the enclosed application form and pay for your shares on or before the closing date of **2 July 2018** using one of the prescribed payment methods set out on the form. You should note that the Directors of Tesserent have the ability to extend the closing date, close the Plan early, or cancel the Plan.

You can choose how much to invest provided the investment is in multiples of \$1,000.00.

If you do not wish to participate you need do nothing and your right to participate will expire on 2 July 2018.

Summary of Key Terms

As a general rule, when a company issues shares, it must issue a disclosure document such as a prospectus. As a prospectus is a lengthy and costly document, ASIC grants an exception from the prospectus requirements where a company establishes a Share Purchase Plan which is open to all shareholders equally (no matter how many shares they own) and where only a small amount is raised from each shareholder, being no more than \$15,000.00.

Tesserent has determined that the Plan will be available to all shareholders registered on 24 May 2018 and whose registered address is in Australia or New Zealand. The Directors of Tesserent have determined that it is commercially unviable to extend the Plan to other jurisdictions. As you have received this document you are an eligible shareholder.

There are a number of advantages to shareholders in participating in the Plan:

- There are no brokerage or other fees payable by you;
- As the Plan is open to all shareholders equally, smaller shareholders are not diluted if they participate;

- The price at which shares will be issued under the Plan is approximately a 15% discount to the volume-weighted average closing price for the five days of trading of Shares preceding the announcement of the Offer.

You should note that, because Tesseract is not required to issue a prospectus in relation to this offer, the types of disclosures and due diligence that would ordinarily accompany a prospectus are not made. You should therefore rely upon your own knowledge of Tesseract and disclosures already made by it to ASX, or alternatively seek professional advice, before deciding whether to participate in the Plan.

Details of the offer

The following are the details of the offer.

- a. The price at which shares will be issued under the Plan of \$0.07 is an approximately 15% discount to the volume-weighted average closing price for the five days of trading of Shares preceding the announcement of the Plan.
- b. The maximum entitlement for each shareholder is \$15,000.00, subject to special arrangements for custodians referred to below. You may apply for less than the maximum entitlement, but you must apply in the multiples of \$1,000.00. The company is not able to issue fractions of Shares, and therefore Shares to be issued will be rounded down to the nearest whole number. You cannot apply for more than \$15,000.00 worth of Shares.
- c. The offer is open to all shareholders of Tesseract on its shareholder register at 7.00pm (AEST) on 24 May 2018 whose registered address is in Australia or New Zealand. The offer is non-renounceable.
- d. Where a trustee, custodian or nominee is a registered holder of Tesseract shares and is expressly noted on the share register as holding those shares on account of another person ("**a Beneficiary**"), the Beneficiary will be taken to be the registered holder of those shares. In this instance, an application or issue of Shares under the Plan to the trustee, custodian or nominee (**Custodian**) will be taken to be an application or an issue to the Beneficiary. Eligible Custodians who hold shares for Beneficiaries on the Record Date may apply for up to a maximum amount of \$15,000.00 worth of Shares in respect of each Beneficiary, subject to the Custodian certifying to the Company:
 - that the Custodian is (directly or indirectly) an Eligible Shareholder on behalf of one or more Beneficiaries;
 - the number of Beneficiaries instructing the Custodian (directly or indirectly) to participate;
 - the name and address of each participating Beneficiary;
 - in respect of each participating Beneficiary:
 - (i) the number of shares that the Custodian holds (directly or indirectly) on their behalf;and


- (ii) the dollar amount of Shares they instructed the Custodian to apply for on their behalf;
 - (iii) for each participating Beneficiary, that the application price for the Shares applied for on the Beneficiary's behalf, and any other Shares applied for on that Beneficiary's behalf (directly or indirectly) under a similar arrangement in the previous 12 months, does not exceed \$15,000.00;
- that a copy of these Terms and Conditions was given to each participating Beneficiary; and
 - where the Custodian holds shares on behalf of a Beneficiary indirectly, through one or more interposed Custodians, the name and address of each interposed Custodian.

By completing and submitting the personalised application form which accompanies this Plan, a Custodian certifies the above.

Please contact Computershare Investor Services Pty Limited on **1300 850 505 (within Australia)** or **+61 3 9415 4000 (outside Australia)**, during usual business hours Monday to Friday, to obtain the relevant certification material and submit this together with the completed personalised Application Form.

- e. If two or more persons are registered as the joint holders of Shares they are taken to be a single holder, and a certification given by any of them is taken to be a certification given by all of them.
- f. Shares to be issued will be ordinary fully paid Shares and will be issued on the same terms and conditions, and have the same rights, as your current Shares.
- g. The number of Shares to be issued will be determined by dividing the dollar amount applied for by an Eligible Shareholder by the subscription price of \$0.07, rounded down to the nearest whole number.
- h. The number of Shares that could be issued as a proportion of the current issued capital will depend on the number of eligible shareholders who take up the offer and the amounts that they apply for.
- i. Under the ASX Listing Rules, as issues of Shares under the Plan does not count towards Tesserent's general ability to issue up to 15% of its issued capital in a 12 month period, provided:
 - the total number of Shares issued under the Plan does not exceed 30%; and
 - any discount offered does not exceed 20% of the VWAP for the 5 trading days before the record date of 24 May 2018 (but as noted, the actual discount is approximately 15%).

As there are currently approximately 118.5 million Shares on issue, the maximum number of Shares issued under the Plan cannot exceed approximately 35.5 million to comply with this Listing Rule.

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- j. While the amount that may be raised under the Plan is not known at the date of this offer, the Tesseract Board is aware of the potential dilutive impact of the Plan and given the Listing Rule requirements referred to above, the Board retains the discretion to impose a limit on the amount raised under the Plan. If the Board imposes a limit and applications are received in excess of this limit, the Board may scale back applications.
- k. A decision on whether or not to scale back applications in excess of any limit imposed will be made after the Offer Closing Date referred to above. The decision will be final and binding and the Board will determine the most appropriate method of scaling back applications.

Tesseract will bank all application funds received and, if applications are scaled back, will return excess funds to applicants without interest following the scale back on or about 17 July 2018. By applying for Shares under the Plan, shareholders authorise Tesseract to refund money by using the payment instructions recorded on the Tesseract registry.

- l. The offer under the Plan will close at 5.00pm (AEST) 2 July 2018, subject to the right of the Tesseract Board to shorten or extend the closing date, or cancel the Plan at its sole discretion. Applications will only be accepted by either BPAY payment using the details set out on the Application Form, or receipt of the original, duly executed Application Form enclosed accompanied by the full subscription price. Eligible Shareholders wishing to pay by cheque, bank draft or money order must follow the instructions on the Application Form, provide a cheque, bank draft or money order payable to **'Tesseract Share Purchase Plan A/C'** crossed 'Not Negotiable'. Except for payment made by BPAY, Application Forms must be received by the Closing Date. Applicants can use the reply paid envelope, or forward applications to the following address:

Tesseract Limited – Share Purchase Plan
c/- Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001
Australia

Payment by BPAY®

Eligible Shareholders wishing to pay by BPAY are able to do so using the specific biller code and customer reference numbers detailed on their Application Form.

If you choose to pay via BPAY you are not required to submit your Application Form.

Your payment will not be accepted after 5:00pm (AEST) on 2 July 2018 and no Shares will be issued to you in respect of that application. If you have multiple holdings, you will have multiple BPAY reference numbers. To ensure you receive your Shares in respect of that holding, you must use the specific biller code and the customer reference number shown on each personalised Application Form when paying for any Shares that you wish to apply for in respect of that holding.



If you inadvertently use the same Customer Reference Number for more than one of your applications, you will be deemed to have applied only for the application to which that Customer Reference Number applies and any excess amount will be refunded.

Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. You may also have your own limit on the amount that can be paid via BPAY. It is your responsibility to check that the amount you wish to pay via BPAY does not exceed your limit.

- m. The proposed use of the funds raised is outlined at the beginning of this document.
- n. Tesserent will issue Shares under the Plan as set out in the Key Dates section of this letter, or within 10 days of any shortened or extended Closing Date to applicants, provided an applicant's cheque has cleared. No Shares will be issued to applicants whose cheques have not cleared.

Risk

While the subscription price was at a discount to the market price of Shares when the Plan was announced, subscription under the Plan is a speculative investment and the market price may change between the date you apply for Shares and the issue of Shares to you. Accordingly, the value of Shares applied for may rise or fall.

This offer is made under ASIC Class Order 09/425 which grants relief to certain listed companies (including Tesserent) from the requirement to prepare a prospectus concerning the Plan. This letter is therefore not a prospectus and does not require the types of disclosures required under the Corporations Act. You must rely on your own knowledge of Tesserent, previous disclosures made by Tesserent to ASX or consult your professional adviser when deciding whether or not to accept the offer and participate in the Plan. Previous announcements to ASX are available at www.asx.com.au.

Acknowledgements

By applying for Shares under the Plan, each shareholder acknowledges as follows:

- a. You have read and accepted the terms of the Plan in full.
- b. If you make an application under the Plan it is irrevocable and unconditional.
- c. You agree to be bound by the provisions of Tesserent's Constitution.
- d. You authorise Tesserent and its Officers to correct any minor defect or omission on your Application Form.
- e. You agree that the governing law applicable to the Plan is the laws of the State of Victoria, Australia.



Further information

For any further information concerning participation in the Plan, please contact the Tesserent Limited Shareholder Information Line on **1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia)**, during usual business hours Monday to Friday.

Yours faithfully

Robert Langford
Chairman