

ASX ANNOUNCEMENT

25 May 2017

UNMARKETABLE PARCEL SHARE SALE FACILITY

Engenco Limited (ASX:EGN) (**Engenco** or **Company**) announces that it has established a Share Sale Facility (**Facility**) for holders of Unmarketable Parcels of shares in the Company.

The ASX Listing Rules defines an “Unmarketable Parcel” of shares as those with a market value of less than \$500. As at the market close on 22 May 2017 (**Record Date**) an Unmarketable Parcel of shares in Engenco is any shareholding of 2,631 ordinary shares or less, based on the closing price of 19 cents per share.

At the 2016 Annual General Meeting, shareholders voted to amend the Company’s Constitution by providing for the introduction of small shareholding sale provisions. These provisions, which can only be invoked once in any 12-month period, allow Engenco to sell the shares of a shareholder who holds an Unmarketable Parcel of shares, if the shareholder does not elect to opt-out.

The Company is providing the Facility to shareholders of Unmarketable Parcels to sell their shares without incurring any brokerage or handling costs that could otherwise make a sale of their shares uneconomic. The Company will organise remittance of sale proceeds for those shareholders who participate in the Facility. By making this Facility available, the Company expects to reduce the administrative costs associated with maintaining a large number of small shareholdings.

This follows the opportunity given by the Company under its recent Share Purchase Plan for all shareholders, including small shareholders, to subscribe for up to \$15,000 of shares each.

The sale price will be determined once all of the shares under the Facility are sold. Each shareholder will receive their proportionate share of the total sale proceeds for all shares sold under the Facility without brokerage or handling costs.

Timetable

Unmarketable Parcel Record Date	7.00pm (EST) on 22 May 2017
Unmarketable Parcel announcement to ASX	25 May 2017
Letters sent to shareholders holding Unmarketable Parcels	25 May 2017
Closing Date for receipt of Share Retention Form	12 July 2017

Attached is a copy of the Letter and Information Pack sent to all shareholders holding an Unmarketable Parcel of the Company’s shares as at the Record Date.

For further information, please contact:

Kevin Pallas
Managing Director and CEO
T: +61 (0)3 8620 8900
E: kevin.pallas@engenco.com.au

Graeme Campbell
CFO and Company Secretary
T: +61 (0)3 8620 8900
E: graeme.campbell@engenco.com.au

25 May 2017

Dear Shareholder

Sale of Your Unmarketable Parcel of Engenco Limited Shares

I am writing to advise you that Engenco Limited (**Engenco** or **Company**) has established a share sale facility (**Facility**) for eligible small shareholders to sell their shareholding in Engenco without incurring any brokerage or handling costs. This follows the opportunity given by the Company under its recent Share Purchase Plan for all shareholders, including small shareholders, to subscribe for up to \$15,000 of shares each.

The Facility is available to shareholders who, as at 22 May 2017 (**Record Date**), were holders of an Unmarketable Parcel of shares in Engenco. The ASX Listing Rules defines an “Unmarketable Parcel” of shares as those with a market value of less than \$500. As at the market close on the Record Date an Unmarketable Parcel of shares in Engenco is any shareholding of 2,631 ordinary shares or less, based on the closing price of 19 cents per share.

Our records show that you held an Unmarketable Parcel of shares at the Record Date. Unless you advise the Company by 5.00pm (EST) on 12 July 2017 (**Closing Date**) that you do NOT wish to sell your shares, the Company intends to sell your shares through the Facility in accordance with Part 7A of the Company’s Constitution. However, if on the Closing Date the value of your shares has increased such that you no longer hold an Unmarketable Parcel (e.g. due to an increase in the Company’s share price or the number of shares you hold) your shares will not be sold.

The Company will pay all costs of the sale for shareholders with an Unmarketable Parcel who use this Facility, excluding tax consequences from the sale which remain the shareholder’s responsibility. The sale proceeds will be determined once all the shares under the Facility are sold. You will receive an amount per share equal to the total proceeds from all shares sold under the Facility divided by the total number of shares sold under the Facility, without any deduction for brokerage or handling costs.

Please note that the sale price you are paid for your shares may be different from the share price appearing in the media or on the ASX on a day the sale occurs, and may not be the best execution price on the trading day or trading days over which your shares are sold or at any other time during the operation of the Facility. The sale price will depend on a number of factors, including market conditions at the time of sale.

Timetable

Unmarketable Parcel Record Date	7.00pm (EST) on 22 May 2017
Unmarketable Parcel announcement to ASX	25 May 2017
Letters sent to shareholders holding Unmarketable Parcels	25 May 2017
Closing Date for receipt of Share Retention Form	5.00pm (EST) 12 July 2017

What do you need to do if you wish to sell your Unmarketable Parcel?

You do not need to take any action. Your shares will be sold through the Facility after the Closing Date and your portion of the proceeds received from all of the shares sold under the Facility will be paid to you.

What do you need to do if you wish to retain your Unmarketable Parcel?

If you wish to retain your shares, you must complete and return the enclosed Retention of Shares Form before the Closing Date, being 5.00pm (EST) on 12 July 2017. Alternatively, you can increase your shareholding so that you hold more than \$500 value of Engenco shares at the Closing Date.

If you need help deciding what to do or if you require information regarding the financial, legal or tax consequences of participating in the Facility, you should consult your legal, financial, taxation or other professional adviser.

The attached Information Pack sets out further details of the Facility, which you should read before making any decision.

Should you wish to discuss any information contained in this letter further, do not hesitate to contact the Company Secretary on +61 (0)3 8620 8900.

Yours faithfully



Vince De Santis
Chairman
Engenco Limited

INFORMATION PACK – ENGENCO LIMITED UNMARKETABLE PARCEL SHARE SALE FACILITY

What is the Share Sale Facility?

The Share Sale Facility (**Facility**) is a share sale arrangement which Engenco Limited (**Engenco** or **Company**) has established to sell shares held by its shareholders who hold shares in the Company valued at less than \$500 (**Unmarketable Parcel**) as at 7.00pm (EST) 22 May 2017 (**Record Date**).

Why is the Facility being offered?

The Company is providing the Facility to allow shareholders with a small size holding to dispose of their shares without incurring brokerage or handling costs, or who might otherwise find it difficult to sell their shares due to the small size of their holding.

What are the benefits of selling through the Facility?

Shareholders who utilise the Facility will have their shares sold without incurring any brokerage or handling costs. Any tax consequences arising from the sale of your shares will be your responsibility.

What should I do if I wish to sell my Unmarketable Parcel of shares?

You do not need to take any action. Your shares will be sold through the Facility after 12 July 2017 (**Closing Date**) and your portion of the proceeds received from all of the shares sold under the Facility will be paid to you.

What should I do if I wish to retain my Unmarketable Parcel of shares?

If you wish to retain your shares, you must complete and return the enclosed Retention of Shares Form before the Closing Date, being 5.00pm (EST) on 12 July 2017. Alternatively, you can increase your shareholding so that you hold more than \$500 value of Engenco shares at the Closing Date.

Where do I send my Retention of Shares Form?

Post: PO Box 52
Collins Street West VIC 8007

Delivery: Suite 913, Exchange Tower
530 Little Collins Street
Melbourne
VIC 3000
Australia

Facsimile: +61 8 9315 2233

Email: registrar@securitytransfer.com.au

How much will I receive from the sale of my shares?

You will receive an amount per share equal to the total proceeds from all shares sold under the Facility divided by the total number of shares sold under the Facility, without any deduction for brokerage or handling costs.

Please note that the sale price you are paid for your shares may be different from the share price appearing in the media or on the ASX on a day the sale occurs, and may not be the best execution price on the trading day or trading days over which your shares are sold or at any other time during the operation of the Facility. The sale price will depend on a number of factors, including market conditions at the time of sale.

When will my shares be sold under the Facility?

The sale of shares under the Facility is expected to occur as soon as practicable after the Closing Date.

Does Engenco have the right to sell my shares?

Engenco has the right under its Constitution (Part 7A) and ASX Listing Rule 15.13 to sell the Unmarketable Parcels of shares, unless those shareholders elect to retain their shares by returning their Retention of Shares Form by the Closing Date.



What if the share price of the Company's shares changes between the Record Date and the Closing Date?

If Engenco's share price on the ASX increases between the Record Date and the Closing Date, such that at the Closing Date the value of your shares is greater than \$500, your shares will not be sold under the Facility and you will retain your shares.

What if I purchase more shares in the Company?

If you increase your shareholding so that it is valued at \$500 or more by the Closing Date, the Company will not sell your shares under the Facility.

When and how will I receive my sale proceeds?

The proceeds to which you are entitled from the sale of your shares will be remitted to you by cheque as soon as practicable after the sale.

Important Notes

This Information Pack and accompanying letter do not constitute advice, nor a recommendation to buy, sell or hold shares in the Company, nor that the Facility is the best way to sell your shares. If you are in doubt about what to do, you should consult your legal, financial, taxation or other professional adviser.

Engenco reserves the right to change any of the dates referred to in the accompanying letter, this Information Pack or the Share Retention Form by written notice to the ASX. The Company may, before a sale of shares is completed under the Facility, suspend or terminate the Facility, either generally or in specific cases.

NOTICE OF RETENTION OF SHARES FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

REGISTERED OFFICE:
LEVEL 22
535 BOURKE STREET
MELBOURNE VIC 3000
AUSTRALIA

ENGENCO LIMITED

ABN 99 120 432 144

SHARE REGISTRY:
Security Transfer Australia Pty Ltd

All Correspondence to:
PO Box 52
Collins Street West VIC 8007

T: 1300 992 916 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au



«Post_zone»
«Company_code» «Sequence_number»

«Holder_name»
«Address_line_1»
«Address_line_2»
«Address_line_3»
«Address_line_4»
«Address_line_5»

Code:	EGN
Holder Number:	«Holder_number»
Shares Held:	«Securities_1»
Record Date:	22 MAY 2017

RETENTION OF SHARES CLOSING AT 5:00PM EST 12 JULY 2017

I/We the Shareholder(s) described above by signing this form, hereby give notice that I/we wish to retain my/our shareholding in Engenco Limited, pursuant to Part 7A of the Engenco Limited Constitution.

Security Holder(s) Signature(s). This section must be signed for your instructions to be executed.

Individual or Security Holder	Individual or Security Holder	Individual or Security Holder
<input style="width: 100%; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text"/>
Sole Director & Sole Company Secretary	Sole Director & Sole Company Secretary	Sole Director & Sole Company Secretary

Notes:

- For full details, please read the Notice dated 25 May 2017.
- If you wish to retain your shareholding in the Company, please sign this notice in the space provided and return it to the Company's share registry by 5:00pm EST 12 July 2017.
- Notice in respect of a corporation must be executed in accordance with the constitution of that corporation.
- Notices signed under power of attorney or by the executor of an estate must be accompanied by a copy of that power or letters of administration, as the case may be, unless previously lodged for noting.
- In the case of holdings held by two or more persons, all holders must sign.

My/Our contact details in case of enquiries are:

NAME	TELEPHONE NUMBER
<input style="width: 100%; height: 20px;" type="text"/>	(<input style="width: 15%; height: 20px;" type="text"/>) <input style="width: 75%; height: 20px;" type="text"/>

EMAIL ADDRESS

<p>IF YOU WISH TO RETAIN YOUR SHARES <u>PLEASE RETURN THIS NOTICE TO THE COMPANY'S SHARE REGISTRY:</u></p> <p>Security Transfer Australia Pty Ltd POST: PO BOX 52 Collins Street West VIC 8007</p> <p>DELIVERY: Suite 913, Exchange Tower 530 Little Collins Street MELBOURNE VIC 3000 AUSTRALIA</p> <p>Facsimile +61 8 9315 2233 Email: registrar@securitytransfer.com.au</p>	<p style="text-align: center;">REGISTRY DATE STAMP</p> <p style="text-align: center;">E & O.E.</p>
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PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.