

29 January 2016

Australian Securities Exchange
For immediate release
By electronic transmission

MaxSec announces fully underwritten Rights issue to raise circa \$4.1 million

MaxSec Group Limited (**MaxSec** or the **Company**) is pleased to announce that it is undertaking a pro-rata fully Underwritten Non-renounceable Rights Issue (**Offer** or **Rights Issue**).

Key highlights of the Rights Issue:

- **Fully Underwritten Non-renounceable Rights Issue to raise circa \$4.1 million**
- **Rights issue on a 1:2 basis at an issue price of \$0.03 per share**
- **Funds raised will contribute towards expanding headcount, global sales footprint and working capital for product orders**

The Offer is fully Underwritten **by KTM Capital Pty Ltd (KTM Capital)**. Funds raised from the Offer will be used to fund the expansion of MaxSec's headcount, expanding our international business development activities, including in new and adjacent security market sectors including security transportation and logistics verticals, and provide general working capital to drive product sales.

Commenting on the Rights Issue, MaxSec CEO Mr Geoffrey Cleaves said:

"The fully Underwritten Rights Issue we are launching today will enable MaxSec to expand our global footprint of business development and specialist product resources and pursue significant adjacent market opportunities. In addition, it also provides the Company with the flexibility to fully capitalise on the future growth opportunities of the combined group and positions MaxSec as a leading provider of security industry products and services.

"We are very pleased to have KTM Capital fully underwriting the offer. This level of support is very encouraging and, we believe, reflects the growth prospects for the MaxSec group.

"The Board has taken a conscious decision to minimise dilution to existing shareholders. As such, a rights issue was favoured over a share placement as this allows supportive shareholders to participate in the future growth of the business."

The Rights Issue will raise approximately \$4.1 million before costs and the new shares will rank equally with shares currently on issue. All shareholders are encouraged to take part in the Rights Issue. The Rights Issue is fully underwritten by KTM Capital. The Offer Document including an Entitlement and Acceptance Form will be mailed to shareholders on 8 February 2016.

Indicative timetable

EVENT	DATE (2016)
Announcement of the Offer	Pre-market 29 January
Lodgement of the following documents with ASX: <ul style="list-style-type: none"> an Appendix 3B; this Offer Document; and a cleansing notice under section 708AA(2)(f) of the Corporations Act. 	Pre-market 29 January
Letter sent to Option holders	29 January
Notice sent to Shareholders containing ASX Appendix 3B details and indicative timetable	1 February
“Ex” date where the Company’s existing shares will commence trading without the entitlement to participate in the Offer	3 February
Record date to determine Entitlements under the Offer	5.00pm (Sydney time) 5 February
Opening Date for the Rights Issue	8 February
Mailing of Offer Document and Entitlement and Acceptance Form to Eligible Shareholders	
Last day to extend Rights Issue Closing Date	12 February
Closing Date for the Rights Issue	17 February
Shares quoted on a deferred settlement basis	18 February
ASX notified of under subscriptions	19 February
New Shares for which valid applications have been received and accepted by the Company will be issued	22 February
Deferred settlement trading ends	22 February
Normal trading of New Shares on ASX expected to commence	23 February
Mail out of holding statements for the New Shares	25 February

*Dates and times are indicative only and subject to change without notice.

*Detailed information regarding the Rights Issue will be sent to shareholders in accordance with the timetable above.

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For more information, contact:

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About MaxSec Group Limited

MaxSec Group Limited, through its BQT Solutions divisions, is a leading designer, developer and global provider of quality, reliable Mifare® Classic®, Mifare Plus®, Mifare DESFire® EV1 and miPASS® secure smart card and reader systems, biometric scanners, locking and other security products. For more information, visit our website at www.maxsec.com.