



A wholly owned subsidiary of BSP Papua New Guinea

Registered Office: Level 12 Suva Central Building, Cnr of Renwick Rd & Pratt Street, Suva, Fiji Islands.
Postal Address: Private Mail Bag Suva Fiji Islands, Telephone (+679) 321 4412, Fax (+679) 321 4422

Market Announcement to South Pacific Stock Exchange

“Announcement – Notice of Annual General Meeting”

About BSP Convertible Notes Limited (BSP CN Fiji):

BSP Convertible Notes Limited (BSP CN Fiji) is a wholly owned subsidiary of Bank of South Pacific Limited (BSP). BSP is a Papua New Guinea based full service Bank with representation in many major Pacific economies. BSP is listed on the Port Moresby Stock Exchange (POMSoX) and has a B+ credit rating from Standard & Poors. BSP Convertible Notes Limited (BSP CN Fiji) is a special purpose vehicle incorporated in Fiji with limited powers under its Memorandum and Articles. It is listed in the South Pacific Stock Exchange (SPSE) in Fiji as **BCN**.



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Thursday 26 April 2018

Announcement – Notice of Annual General Meeting

Our Parent Company, Bank of South Pacific Limited in Port Moresby, PNG has released this market announcement on POMSoX.

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Kevin McCarthy
Director

About BSP Convertible Notes Limited (BSP CN Fiji):

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Bank South Pacific

Bank of South Pacific Limited

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Shareholders of the Bank of South Pacific Limited (the "Company") will be held at the Crowne Plaza Hotel, Hunter Street, Port Moresby NCD on Friday 25th May 2018 commencing at 10.30 a.m. for the purpose of transacting the following business.

Explanatory Note containing information in relation to each of the following resolutions accompanies the Notice of Meeting.

AGENDA

General Business:

Minutes of the Previous Meeting held on 26th May 2017

To receive, consider and accept the Minutes of the previous Annual General Meeting held on 26 May 2017 as a correct record of that meeting.

Ordinary Business:

Item 1 Annual Report including Financial Statements for the Year Ended 31 December 2017

To receive the Annual Report, including the Financial Statements, Director's Report and Auditor's Report, for the Company and its subsidiaries for the year ended 31 December 2017.

Item 2.1 Re-Election of Directors

To elect the following directors:

- (a) Geoff Robb, who retires by rotation and offers himself for re-election as a director of the Company
- (b) Augustine Mano who retires by rotation and offers himself for re-election as a director of the Company

Item 2.2 Election of Directors

To elect the following directors being directors who have been appointed by the board to fill casual vacancies since the last annual meeting:

- (a) Mr. Stuart Davis; and
- (b) Mr. Robert Bradshaw.

Item 3 Appointment of Auditor

To appoint PricewaterhouseCoopers as auditor of the Company from the conclusion of this meeting until the conclusion of the next annual meeting of the Company and that the Board be authorized to fix their remuneration.

Item 4 Increase in Aggregate Fee Limit for Non Executive Directors Fees

Item 5 Any other Business

For your convenience you can download a copy of the Annual Report each from the BSP Website: www.bsp.com.pg (Only direct requests for hard copies will be filled, per proxy form.)

To consider any other business of the day.

By order of the Board of Directors.

Mary Johns
Company Secretary
25th April 2018



EXPLANATORY NOTE

Shareholders Meeting to be held on 25 May 2018

This Explanatory Note is intended to provide shareholders with sufficient information to assess the merits of the resolutions contained in the Notice of Annual General Meeting.

The Directors recommend Shareholders read this Explanatory Memorandum in full before making any decision in relation to the resolutions.

Item 1 Reports

The Annual Report, including the Financial Statements, Director's Report and the Auditor's Report included in the 2017 Annual Report, for the Company and its subsidiaries for the year ended 31 December 2017 are attached to this Explanatory Note for the shareholders to read prior to the meeting.

Neither the Papua New Guinea Companies Act 1997 nor the Company's constitution requires shareholders to vote on such Reports. However, shareholders will be given ample opportunity to raise questions on the Reports at the Meeting.

Item 2.1 Re-Election of Directors:

The Board proposes that Geoff Robb, OAM and Augustine Mano be re-appointed as directors of the Company. The Board considers that each nominee possesses attributes necessary for the development of the Company.

(a) Geoff Robb.

Geoff Robb was appointed at the shareholders' meeting as a director on 22 May 2015.

In accordance with the Company's constitution, and being eligible, Geoff Robb offers himself for re-election by the shareholders.

(b) Augustine Mano

Augustine Mano was appointed at the shareholders' meeting as a director on 22 May 2015.

In accordance with the Company's constitution, and being eligible, Augustine Mano offers himself for re-election by the shareholders.

Item 2.2 Election of Directors:

(a) Stuart Davis

The Board proposes that Mr. Stuart Davis be appointed as director of the Company. Mr. Davis was appointed to the Board in August 2017 after having completed the Fit & Proper Person requirements of the Bank of PNG. The Board considers that Mr. Stuart Davis possesses attributes necessary for the development of the Company.

(b) Robert Bradshaw

The Board proposes that Mr. Robert Bradshaw be appointed as director of the Company. Mr. Bradshaw was appointed to the Board in September 2017 after having completed the Fit & Proper Person requirements of the Bank of PNG. The Board considers that Mr. Robert Bradshaw possesses attributes necessary for the development of the Company.

Item 3 **Appointment of Auditor**

The Board proposes that PricewaterhouseCoopers be appointed auditor of the Company from the conclusion of this meeting until the conclusion of the next annual meeting of the Company and that the Board be authorized to fix their remuneration.

Item 4 **Increase in Aggregate Fee Limit for Non Executive Directors Fees**

The Shareholders approved the increase in the aggregate fees of the Non-Executive Directors from K2,000, 000, 000.00 to K2, 500,000 at the 2015 Annual Meeting. The increase in fees at the time included the Bank and its wholly subsidiary, BSP Capital Limited, BSP Finance Limited and its subsidiaries BSP Finance (PNG) Limited and BSP Finance (Fiji) Limited.

The Board at its Meeting on 2nd March 2018, authorized the increase in the aggregate fees from K2, 500, 000.00 to K4, 500,000.00 subject to the approval of the shareholders at the 2018 Annual Meeting

The increase in fees includes the Bank and its wholly owned subsidiaries, BSP Capital Limited, BSP Finance Limited and its subsidiaries BSP Finance (PNG) Limited, BSP Finance (Fiji) Limited, BSP Finance Solomon Islands Ltd, Bank of South Pacific Tonga Ltd, Bank South Pacific Samoa Ltd, Bank South Pacific (Vanuatu) Ltd and BSP Life (PNG) Ltd. The Board wishes to retain its existing members and appoint talented individuals to better serve shareholders and other stakeholders.

The significant growth in BSP's total assets and profitability and the increased responsibilities across the South Pacific in the countries where the Bank operates has materially increased each Directors role and responsibility in ensuring appropriate management of the Company in the terms of internationally accepted corporate governance principles.

The non-executive Directors receive no other benefits other than Directors fees and Committee Fees to which they are appointed.

Item 5 **Any other Business**

SAVE OUR TREES AND KEEP OUR PLANET GREEN

For your convenience you can download a copy of the Annual Report each year from the BSP Website: www.bsp.com.pg

(Only direct requests for hard copies will be filled-per proxy form)

To consider any other business of the day.

By order of the Board of Directors.



LODGE YOUR VOTE

By Mail:
 PNG Registries Limited
 Level 2, AON Haus
 PO Box 1265
 PORT MORESBY NCD
 Papua New Guinea

By Email:
brenda@online.net.pg

By Fax: (+675) 321 6379

All enquiries to Telephone: (+675) 321 6377 or 321 6378

«Reg_Line_1»
 «Reg_Line_2»
 «Reg_Line_3»
 «Reg_Line_4»
 «Reg_Line_5»
 «Reg_Line_6»

SRN: «Holding_No»

SHAREHOLDER PROXY FORM

I/We, being a shareholder(s) of Bank of South Pacific Limited and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

The Chairman of the Meeting
 (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name/s of the person/s or body/ies corporate (no more than 2 proxies can be appointed and proxies cannot include the registered shareholder) you are appointing as your proxy

OR failing the person named above, or if no person is named, the chairman of the meeting, to act generally at the Meeting as the Shareholder's proxy to vote for the Shareholder and on the Shareholder's behalf at the Annual General Meeting of Shareholders of the Company to be held at 10:30am (Port Moresby time) on Friday, 25th May, 2018 at Crowne Plaza Hotel, Hunter Street, Port Moresby NCD, Papua New Guinea and at any adjournment of that meeting.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting.

Please read the voting instructions overleaf before marking any boxes with an

STEP 2

VOTING DIRECTIONS

ORDINARY BUSINESS

		For	Against	Abstain *
Item 1	Annual Report and Financial Statements for FYE 2017	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2.1 (a)	Re-Election of Director - Geoffrey John Robb	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2.1 (b)	Re-Election of Director - Augustine Sanga Mano	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2.2 (a)	Election of Director - Stuart Arthur Davis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2.2 (b)	Election of Director - Robert Bradshaw	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	Appointment of External Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4	Increase in Aggregate Fee Limit of Non-Executive Directors Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SAVE OUR TREES AND KEEP OUR PLANET GREEN

In future if you wish to receive a hard copy of the Annual Report please tick this box
 If you do not tick this box, a hard copy will not be mailed to your registered address.

For your convenience you can download a copy of the Annual Report each year from the BSP Website: www.bsp.com.pg

STEP 3

SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Security Holder 1 (Individual)

Joint Security Holder 1 (Individual)

Joint Security Holder 2 (Individual)

Sole Director & Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the Shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution (under its Common Seal)

HOW TO COMPLETE THIS FORM

1 Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please make the correction on the form. **Please note: you cannot change ownership of your shares using this form.**

2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in section A. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in section A. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

3 Votes on Items of Business

You should direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any items of business. **Please note: if you mark more than one box on an item your vote on that item will be invalid.**

4 Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the holders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary.

If a representative of the Company/Corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporation Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry.

Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below by **10:30am on Wednesday, 23rd May 2018, being no later than 48 hours before the commencement of the meeting.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Completed and signed Proxy Form may be lodged:

By mail:

PNG Registries Limited
PO Box 1265
PORT MORESBY NCD
Papua New Guinea

By Fax: (+675) 321 6379

By Email: brenda@online.net.pg

By Hand: PNG Registries Limited, Level 2, AON Haus, McGregor Street, Port Moresby, NCD

If you would like to attend and vote at the Annual General Meeting, please bring this form with you.
This will assist in registering your attendance.