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**I SYNERGY GROUP LIMITED**

**ACN 613 927 361**

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**NOTICE OF ANNUAL GENERAL MEETING**

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**TIME:** 10.00 am (WST)

**DATE:** Friday, 3 July 2020

**PLACE:** Ground Floor, 16 Ord Street, West Perth, WA 6005 and via teleconference

*Due to the ongoing COVID-19 pandemic, Shareholders will only be able to attend and participate in the Meeting via teleconference.*

*This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.*

*The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meetings are those who are registered Shareholders at 10.00 am (WST) on 1 July 2020.*

## NOTICE OF ANNUAL GENERAL MEETING

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Notice is given that an Annual General Meeting of I Synergy Group Limited (ACN 613 927 361) (**Company**) will be held at 10 am (WST) on Friday, 3 July 2020 at Ground Floor, 16 Ord Street, West Perth, WA 6005 and via teleconference. Details of the teleconference will be made available to Shareholders online prior to the Meeting via ASX announcement.

The Explanatory Statement provides additional information on matters to be considered at the Meeting. The Explanatory Statement and the Proxy Form each form part of the Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company at 10.00am (WST) on 1 July 2020.

Terms and abbreviations used in the Notice are defined in **Schedule 1**.

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### 1. FINANCIAL STATEMENTS AND REPORTS

To consider the Annual Report of the Company and its controlled entities for the financial year ended 31 December 2019, which includes the Financial Report, the Directors' Report and the Independent Auditor's Report.

The reports referred to above are included in the 31 December 2019 Annual Report sent to those Shareholders who elected to receive a hard copy.

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### 2. RESOLUTION 1 – REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

*“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as set out in the Company's Annual Report for the financial year ended 31 December 2019, on the terms and conditions in the Explanatory Statement”.*

**Voting exclusion statement:** The Company will disregard any votes cast (in any capacity) in favour of the Resolution by or on behalf of a member of the Key Management Personnel whose remuneration is disclosed in the Remuneration Report or a Closely Related Party of those persons (which includes their spouse, child, dependent, other family members and any controlled company), unless the vote is cast as a proxy for a person who is entitled to vote on this Resolution in accordance with a direction on the Proxy Form or by the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution and expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

**Note:** In accordance with the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (“spill resolution”) that another meeting be held within 90 days at which all of the Company's directors (other

than the Managing Director) must go up for re-election. For further information, please refer to the Explanatory Statement.

The Chair intends to vote any undirected proxies in favour of this Resolution. In exceptional circumstances, the Chair may change his or her voting intention on the Resolution, in which case an ASX announcement will be made.

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**3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR DERRICK DE SOUZA**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That for the purposes of clause 11.1 of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Derrick De Souza, having been appointed as a Director on 20 May 2020, retires and being eligible, is elected as a Director of the Company."*

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**4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR JEFFREY LEE**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That for the purposes of clause 11.1 of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Jeffrey Lee, having been appointed as a Director on 20 May 2020, retires and being eligible, is elected as a Director of the Company."*

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**5. RESOLUTION 4 – APPROVAL OF 10% PLACEMENT CAPACITY**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

*"That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of Equity Securities under this Resolution (except a benefit solely by reason of being a Shareholder), or any Associates of those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- |      |  |
|------|--|
| (i)  | the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and |
| (ii) | the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.   |

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**6. RESOLUTION 5 – AMENDMENT TO THE CONSTITUTION**


To consider and if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

*"That, pursuant to and in accordance with section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to modify its Constitution by making the amendment contained in the document tabled at the Meeting and signed by the Chairman for the purposes of identification, with effect from the close of the Meeting."*

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**DATED: 29 MAY 2020**

**BY ORDER OF THE BOARD**

  
**HARRY MILLER**  
**COMPANY SECRETARY**

## Proxy Appointment and Voting Instructions

### Proxy Form

To vote by proxy, please complete and sign the relevant enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

If you wish to appoint the Chair as your proxy, mark the appropriate box on the Proxy Form. If you appoint the Chair as your proxy, he or she can only cast your votes on Resolution 1 (Adoption of the Remuneration Report) if you expressly authorise him or her to do so. If the person you wish to appoint as your proxy is someone other than the Chair, please write the full name of that person on the Proxy Form. If you leave this section blank, or your named proxy does not attend the Meeting, the Chair will be your proxy. A proxy need not be a Shareholder of the Company.

### Corporate Shareholders

Corporate Shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- two directors of the company;
- a director and a company secretary of the company; or
- for a proprietary company that has a sole director who is also the sole company secretary, that director.

### Corporate Representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's share registry before the Meeting or at the registration desk on the day of the Meeting.

### Votes on Resolutions

You may direct your proxy how to vote by placing a mark in the 'FOR', 'AGAINST' or 'ABSTAIN' box opposite the Resolution. All your votes will be cast in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolutions by inserting the percentage or number of Shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the Resolutions, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

### Voting Restrictions That May Affect Your Proxy Appointment

Due to the voting exclusions that may apply to certain items of business, the Key Management Personnel and their Closely Related Parties will not be able to vote your proxy on Resolution 1 (Adoption of the Remuneration Report) unless you have directed them how to vote or, in the case of the Chair, if you expressly authorise him or her.

### **Chair Voting Undirected Proxies**

If the Chair is your proxy, the Chair will cast your votes in accordance with your directions on the Proxy Form. If you do not mark any of the boxes on the Resolutions, then you expressly authorise the Chair to vote your undirected proxies at his/her discretion.

As at the date of this Notice, the Chair intends to vote undirected proxies FOR each of the Resolutions. In exceptional cases the Chair's intentions may subsequently change and in this event, the Company will make an announcement to the market.

### **Voting Eligibility – Snapshot Date**

The Company may specify a time, not more than 48 hours before the Meeting, at which a “snapshot” of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the Meeting.

The Directors have determined that all Shares of the Company that are quoted on ASX at 10.00am WST on Wednesday, 1 July 2020 shall, for the purpose of determining voting entitlements at the Meeting, be taken to be held by the persons registered as holding the Shares at that time. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

### **Defined terms**

Capitalised terms used in the Notice and the Explanatory Statement are defined in the Glossary.

### **Questions from Shareholders**

Shareholders may submit questions that relate to the formal items of business in the Notice in advance of the Meeting to the Company. Should you have any questions, please send these in advance of the Meeting addressed to the Company Secretary via email at [hmillier@ventnorcapital.com](mailto:hmillier@ventnorcapital.com) by 10am (WST) on 26 June 2020.

As required under section 250PA of the Corporations Act, the Company will make available at the Meeting those questions directed to the Auditor received in writing at least 5 business days prior to the Meeting, being questions which the Auditor considers relevant to the content of the Auditor's report or the conduct of the audit of the annual financial report for the year ended 31 December 2019. The Chair will allow a reasonable opportunity for the Auditor to respond to the questions set out on this list.

### **Questions Regarding the Notice of Meeting**

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9482 0511.

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## EXPLANATORY STATEMENT

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### 1. INTRODUCTION

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

The Explanatory Statement forms part of the Notice which should be read in its entirety. It contains the terms and conditions on which the Resolutions will be voted.

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### 2. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution and section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 31 December 2019.

There is no requirement for Shareholders to approve the Annual Report. The reports referred to above are included in the Annual Report sent to those Shareholders who elected to receive a hard copy. A copy of the report is also available on the ASX company announcements website at <https://www.asx.com.au/asx/share-price-research/company/IS3>.

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### 3. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

#### 3.1 Adoption

In accordance with section 250R(2) of the Corporations Act, the Company must put a resolution that the Remuneration Report as set out in the Directors' Report of the annual financial report of the Company for the financial year ending 31 December 2019 be adopted to vote at the Annual General Meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

The chair of the meeting must allow a reasonable opportunity for discussion of the Remuneration Report at the Annual General Meeting.

#### 3.2 Spill resolution

In accordance with the Corporations Act, if at least 25% of the votes cast on the Resolution are voted **against** adoption of the Remuneration Report in two consecutive annual general meetings, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (**Spill Resolution**) at the second annual general meeting, if at the first of those annual general meetings a Spill Resolution was not put to a vote.

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the Directors who were in office when the Directors' report (as included in the Company's annual financial report for the financial year ended immediately

before the second annual general meeting) was approved, other than the managing Director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

As this is the Company's first Annual General Meeting, a Spill Resolution will not be required at the Meeting in any event.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 31 December 2019.

### 3.3 Proxy restrictions

Shareholders appointing a proxy for this Resolution should note the following:

Proxy	Directions given	No directions given
Key Management Personnel <sup>1</sup>	Vote as directed	Unable to vote <sup>3</sup>
Chair <sup>2</sup>	Vote as directed	Able to vote at discretion of Proxy <sup>4</sup>
Other	Vote as directed	Able to vote at discretion of Proxy

**Notes:**

<sup>1</sup> Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.

<sup>2</sup> Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).

<sup>3</sup> Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

<sup>4</sup> The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

### 3.4 Directors' recommendations

The Board declines to make a recommends on Resolution 1 as each Director has a material personal interest in the outcome of the Resolution.

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## 4. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR DERRICK DE SOUZA

### 4.1 Constitutional requirements

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 year, whichever is the longer.

Clause 11.1 of the Constitution provides that the person appointed to fill a casual vacancy or as an addition to the existing number of Directors, holds office until the next annual general meeting after the appointment and is then eligible for re-election.



## 4.2 Background on Mr De Souza

Mr De Souza was appointed to the board on 20 May 2020 and in accordance with Clause 11.1 of the Constitution and ASX Listing Rule 14.4 will retire and being eligible, seeks election as a Director from Shareholders.

Mr De Souza's qualifications and experience are set out in the 'Board Changes' Announcement released to the ASX on 22 May 2020.

## 4.3 Directors' recommendations

The Board (excluding Mr De Souza) recommends that Shareholders vote in favour of Resolution 2. The Chair intends to exercise all available proxies in favour of Resolution 2.

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## 5. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR JEFFREY LEE

### 5.1 Constitutional requirements

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 year, whichever is the longer.

Clause 11.1 of the Constitution provides that the person appointed to fill a casual vacancy or as an addition to the existing number of Directors, holds office until the next annual general meeting after the appointment and is then eligible for re-election.

### 5.2 Background on Mr Lee

Mr Lee was appointed to the board on 20 May 2020 and in accordance with Clause 11.1 of the Constitution and ASX Listing Rule 14.4 will retire and being eligible, seeks election as a Director from Shareholders.

Mr Lee's qualifications and experience are set out in the 'Board Changes' Announcement released to the ASX on 22 May 2020.

### 5.3 Directors' recommendations

The Board (excluding Mr Lee) recommends that Shareholders vote in favour of Resolution 3. The Chair intends to exercise all available proxies in favour of Resolution 3.

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## 6. RESOLUTION 4 – APPROVAL OF 10% PLACEMENT CAPACITY

### 6.1 Background

ASX Listing Rule 7.1A provides that an Eligible Entity (defined below) may seek Shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities (as defined below) equal to 10% of its issued capital (**10% Placement Capacity**) without using that company's existing 15% annual placement capacity granted under ASX Listing Rule 7.1.

If Shareholders approve Resolution 4, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 7.1 below).

The effect of Resolution 4 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 4 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 4 for it to be passed.

The Chair intends to exercise all available proxies in favour of Resolution 4.

## **6.2 Applicable Listing Rules**

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000,

**(Eligible Entity).**

The Company is an Eligible Entity.

## **6.3 Information on Additional Placement Facility**

As at the date of this Notice, the Company currently has on issue 183,268,088 Shares and the last recorded closing price of the Shares on 20 May 2020 was 11 cents. The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$20,159,490.

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of quoted Equity Securities on issue, being Shares (ASX Code: IS3).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$\text{Additional Placement Capacity} = (A \times D) - E$$

where:

A = the number of fully paid ordinary securities on issue 12 months before the issue date or date of agreement to issue:

- plus the number of fully paid ordinary securities issued in the 12 months under an exception in Listing Rule 7.2;
- plus the number of partly paid ordinary securities that became fully paid in the 12 months;
- plus the number of fully paid ordinary securities issued in the 12 months with approval of holders of ordinary securities under Listing Rule 7.1 or Listing Rule 7.4;
- less the number of fully paid ordinary securities cancelled in the 12 months.

D = 10%

E = the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or 7.4.

#### 6.4 Listing Rule requirements

Pursuant to and in accordance with Listing Rule 7.3A, the following information is provided in relation to the proposed approval of the Additional Placement Facility:

(a) Minimum price at which Equity Securities may be issued

The issue price of any Equity Security under the Additional Placement Facility will not be less than 75% of the VWAP for securities in the same class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the securities are to be issued is agreed; or
- (ii) if the securities are not issued within 5 trading days of the date above, the date on which the securities are issued.

(b) Risk of economic and voting dilution

If Resolution 4 is passed and the Company issues securities under the Additional Placement Facility, then there is a risk to existing Shareholders of economic and voting dilution, including the risk that:

- (i) the market price for Equity Securities in the same class may be significantly lower on the issue date of the new Equity Securities than on the date of this Meeting; and
- (ii) the new Equity Securities may be issued at a price that is at a discount to the market price for Equity Securities in the same class on the issue date or the new Equity Securities may be issued in consideration for the acquisition of a new asset.

The table below identifies the potential dilution to existing Shareholders following the issue of Equity Securities under the Additional Placement Facility (based on the formula set out above) using different variables for the number of issued Shares and the market price of Shares.

The numbers are calculated on the basis of the latest available market price of Shares before the date of this Notice and the current number of Shares on issue.

Variable A in Listing Rule 7.1A		Nominal issue price		
		\$0.055 (50% decrease in market price)	\$0.11 (market price)	\$0.22 (100% increase in market price)
<b>Current issued capital A = 183,268,088 Shares</b>	Shares issued under LR 7.1A	18,326,809	18,326,809	18,326,809
	Voting dilution	10%	10%	10%
	Funds raised	\$1,007,974	\$2,015,949	\$4,031,898
<b>50% increase in issued capital A = 274,902,132 Shares</b>	Shares issued under LR 7.1A	27,490,213	27,490,213	27,490,213
	Voting dilution	10%	10%	10%
	Funds raised	\$1,511,962	\$3,023,923	\$6,047,847
<b>100% increase in issued capital A = 366,536,176 Shares</b>	Shares issued under LR 7.1A	36,653,618	36,653,618	36,653,618
	Voting dilution	10%	10%	10%
	Funds raised	\$2,015,949	\$4,031,898	\$8,063,796

This table has been prepared on the following assumptions:

- the latest available market price of Shares, being the closing price as at 20 May 2020, was \$0.11;
- the Company issues the maximum number of equity securities available under the Additional Placement Facility;

3. existing Shareholders' holdings do not change from the date of this Meeting to the date of the issue under the Additional Placement Facility;
4. the Company issues Shares only and does not issue other types of equity securities (such as Options) under the Additional Placement Facility; and
5. the impact of placements under Listing Rule 7.1 or following the exercise of options is not included in the calculations.

(c) Date by which Equity Securities may be issued

- (i) the date that is 12 months after the date of the Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking),

(d) Purpose for which Equity Securities may be issued

The Company may seek to issue Equity Securities under the Additional Placement Facility for the following purposes:

- (i) cash consideration to fund business growth, to acquire new assets or make investments, to develop the Company's existing assets and operations and for general working capital; and

(e) Allocation policy

The Company's allocation policy for the issue of Equity Securities under the Additional Placement Facility will depend on the prevailing market conditions at the time of the proposed issue. The allottees will be determined on a case-by-case basis having regard to the factors such as:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the new securities on the control of the Company;
- (iii) the financial situation and solvency of the Company;
- (iv) prevailing market conditions; and
- (v) advice from corporate and other advisors.

As at the date of this Notice, the Company has not identified any proposed allottees of Equity Securities using the Additional Placement Facility. However, the eventual allottees may include existing substantial Shareholders, other Shareholders and/or new investors.

None of the allottees will be a related party or an associate of a related party of the Company. Existing Shareholders may or may not be entitled to subscribe for Equity Securities under the Additional Placement Facility and it is possible that their shareholding will be diluted.

If the Additional Placement Facility is used to acquire new assets or investments, then it is likely that the allottees will be the vendors of these assets/investments.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities under the Additional Placement Facility.

- (f) Equity securities issued under previous placement facility approval

The Company has not previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A.

## **6.5 Directors' recommendation**

The Board unanimously recommends that Shareholders vote in favour of Resolution 4 as it will provide the Company with the flexibility to raise additional capital.

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## **7. RESOLUTION 5 – AMENDMENT TO THE CONSTITUTION**

### **7.1 General**

Under section 136(2) of the Corporations Act, a company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 5 seeks the approval of Shareholders to modify the Company's Constitution by inserting a new definition and new Article 3.9 as set out in Section 7.2 below.

A copy of the amended constitution is available for review by Shareholders at the office of the Company. A copy of the amended constitution can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

Resolution 5 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

### **7.2 Proposed amendment**

ASX is proposing to introduce a number of changes to the escrow regime in the Listing Rules in December 2019 to make aspects of the listing process and ongoing compliance with the Listing Rules more efficient for issuers and for ASX.

Amongst these, ASX is proposing to introduce a two-tier escrow regime where ASX can and will require certain more significant holders of restricted securities and their controllers to execute a formal escrow agreement in the form of Appendix

9A, as is currently the case. However, for less significant holdings, ASX will instead permit entities to rely on a provision in their constitution imposing appropriate escrow restrictions on the holder of restricted securities and to simply give a notice to the holder of restricted securities in the form of a new Appendix 9C advising them of those restrictions.

Accordingly, the Company is seeking Shareholder approval to amend the Constitution to meet the requirements of proposed amended Listing Rules 9 and 15.12 as follows:

Insert a new defined term in Article 1:

*"Restricted Securities has the meaning given to it by the Listing Rules."*

Insert new Article 3.9:

"3.9            *Restricted Securities*

- (a)    *While the Company is on the official list of ASX, the Company must recognise and comply with the Listing Rules with respect to Restricted Securities.*
  
- (b)    *Notwithstanding the generality of Article 3.9(a):*
  - (i)    *a holder of Restricted Securities must not dispose of, or agree or offer to dispose of, the securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX;*
  
  - (ii)    *if the Restricted Securities are in the same class as quoted securities, the holder will be taken to have agreed in writing that the Restricted Securities are to be kept on the Company's issuer sponsored subregister and are to have a holding lock applied for the duration of the escrow period applicable to those securities;*
  
  - (iii)    *the Company will refuse to acknowledge any disposal (including, without limitation, to register any transfer) of Restricted Securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX;*
  
  - (iv)    *a holder of Restricted Securities will not be entitled to participate in any return of capital on those securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX; and*
  
  - (v)    *if a holder of Restricted Securities breaches a restriction deed or a provision of the Constitution restricting a disposal of the Restricted Securities, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those securities for so long as the breach continues."*

### 7.3 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 5.

For personal use only



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## GLOSSARY

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\$ means Australian dollars.

**10% Placement Capacity** has the meaning given to that term in Section 6.1 of this Explanatory Statement.

**Annual General Meeting** or **Meeting** means the meeting convened by the Notice of General Meeting.

**Annual Report** means the annual report of the Company for the 2019 financial year, including the annual financial report, the Directors' report and the Auditor's report for the financial year ended 31 December 2019.

**ASIC** means the Australian Securities and Investments Commission.

**Associate** has the meaning given to that term in the Listing Rules.

**ASX** means ASX Limited.

**Board** means the current board of directors of the Company.

**Business Day** means a day that is not a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, or a day that is not an ASX trading day.

**Chair** means the chairperson of the Meeting.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth) – currently are none prescribed.

**Company** or **I Synergy** means I Synergy Group Limited (ACN 613 927 361).

**Company Secretary** means the Company's Company Secretary.

**Constitution** means the Company's Constitution as at the date of this Notice.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** means a director of the Company.

**Equity Securities** means a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**Key Management Personnel** those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

**Listing Rules** means the Listing Rules of ASX.

**Notice of Annual General Meeting** or **Notice** means the Notice of Annual General Meeting to which this Explanatory Statement is attached.

**Officer** means a Director of the Company or such other person within the meaning of that term as defined by the Corporations Act.

**Option** means an option which entitles the holder to subscribe for one Share.

**Proposed Constitution** has the meaning given in Section 11.1

**Proxy Form** means the proxy form accompanying the Notice.

**Remuneration Report** means the remuneration report appearing in the Annual Report.

**Resolution** means a resolution set out in the Notice.

**Section** means a section of this Explanatory Statement.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of a Share.

**VWAP** means volume weighted average price.

**WST** means Western Standard Time as observed in Perth, Western Australia.

**Investor ID**

## Proxy Form – Annual General Meeting

I/We being a Shareholder entitled to attend and vote at the Meeting, hereby appoint

*(Name of Proxy)*

 OR 

The Chair as my/our proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Annual General Meeting to be held at 10:00 am on 3 July 2020 at Ground Floor, 16 Ord Street, West Perth WA 6005 and via teleconference, and at any adjournment thereof.

**The Chair intends to vote all available proxies in favour of all Resolutions.** If you have appointed the Chair as your proxy (or the Chair becomes your proxy by default), and you wish to give the Chair specific voting directions on a Resolution, you should mark the appropriate box(es) opposite those Resolutions in the panel below (directing the Chair to vote for, against or to abstain from voting).

**Important for Resolution 1.** If I/we have appointed the Chairman as my/our proxy or the Chairman becomes my/our proxy by default, by signing and submitting this Proxy Form I/we expressly authorise the Chairman to exercise my/our proxy in respect of Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of Key Management Personnel or their Closely Related Parties and even if the Chairman has an interest in the outcome of Resolution 1 and that votes cast by the Chairman, other than as proxy holder, would be disregarded because of that interest.

**The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.**

Unless indicated otherwise by ticking the "for," "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

### VOTING ON BUSINESS OF THE ANNUAL GENERAL MEETING

Resolutions	For	Against	Abstain
1 Approval of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – Mr Derrick De Souza	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Director – Mr Jeffrey Lee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Amendment to the Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.*

### SIGNATURE OF SHAREHOLDER(S):

**Individual or Shareholder 1**
**Shareholder 2**
**Shareholder 3**




 Sole Director or  
Sole Director / Company Secretary

Director

Director / Company Secretary

Contact Name: \_\_\_\_\_

Contact Ph (daytime): \_\_\_\_\_

## Instructions for Proxy Form

### 1. Your name and address

Please print your name and address as it appears on your holding statement and the Company's share register. If Shares are jointly held, please ensure the name and address of each joint shareholder is indicated. Shareholders should advise the Company of any changes. Shareholders sponsored by a broker should advise their broker of any changes. Please note you cannot change ownership of your securities using this form.

### 2. Appointment of a proxy

You are entitled to appoint no more than two proxies to attend and vote on a poll on your behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of your voting rights. If you appoint two proxies and the appointment does not specify this proportion, each proxy may exercise half of your votes.

If you wish to appoint the Chair of the Annual General Meeting as your proxy, please mark the box. If you leave this section blank or your named proxy does not attend the Annual General Meeting, the Chair will be your proxy. A proxy need not be a Shareholder.

### 3. Voting on Resolutions

You may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item your vote will be invalid on that item.

### 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 shareholders should sign.
- **(Power of attorney)** If you have not already lodged the power of attorney with the Company's share registry, 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. If the company (pursuant to section 204A of the Corporations Act) does not have a company secretary, as sole director can also sign alone. Otherwise this form must be signed by a director jointly with either another director or a company secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission.

### 5. Return of a Proxy Form

To vote by proxy, please complete and sign the enclosed Proxy Form (and any power of attorney and/or second Proxy Form) and return by:

- post to the Company at PO Box 902, West Perth WA 6872
- by hand delivery at Ground Floor, 16 Ord Street, West Perth WA 6005
- by email at [hmillerventnorcapital.com](mailto:hmillerventnorcapital.com)

so that it is received by no later than 10:00 am (WST) on 1 July 2020.

**Proxy Forms received later than this time will be invalid.**