

25 November 2019

ASX Limited  
Company Announcement Office  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

## Scheme of Arrangement – update on conditions precedent

Konekt Limited (ASX: KKT) (“Konekt”) provides the following update on its proposed recommended scheme of arrangement (“Scheme”) pursuant to which all of the issued share capital of Konekt is proposed to be acquired by Advanced Personnel Management International Pty Ltd (“APM”).

The Scheme is subject to satisfaction of a number of conditions precedent (“Conditions”). These Conditions must be satisfied or waived on or before the second hearing (“Second Court Date”) at the Federal Court of Australia (“Court”), which is listed for Monday, 9 December 2019 (AEST).

Konekt is pleased to advise of the receipt of counterparty consent from the Department of Social Services (“the Department”) to the change of control that will result from the implementation of the Scheme in relation to the Disability Employment Services Grant Agreement (“DES Agreement”) on terms and conditions reasonable to Konekt. The DES Agreement is a “Key Contract” for the purposes of the second amended and restated scheme implementation deed between Konekt and APM executed on 22 November 2019 (“Second Amended SID”).

The Konekt Directors (who collectively hold approximately 23.3% of the Konekt shares on issue as at the date of this announcement) continue to unanimously recommend that you vote in favour of the Scheme in the absence of a Superior Proposal (as that term is defined in the scheme implementation deed) and provided that the Independent Expert continues to consider the Scheme to be fair and reasonable and in the best interests of Konekt Shareholders. In relation to the recommendation of Damian Banks, Konekt shareholders should have regard to the fact that, if the Scheme is implemented, Mr Banks will become entitled to cash amounts described in section 3 of the supplementary scheme booklet dated 22 November 2019 (“Supplementary Scheme Booklet”). The Supplementary Scheme Booklet was released on ASX on 22 November 2019 and has been dispatched to Konekt shareholders.

### **About Konekt Group**

*With 700 staff and over 107 branches across Australia, Konekt is one of the largest integrated employment placements, workplace injury management and workplace health solutions providers in Australia. Konekt's focus is on helping organisations, individuals and government to maximize workforce participation and productivity, and minimize the impact of workplace injury. We help organisations minimise workplace costs, resulting in increased participation, reduced workers' compensation premiums and safer workplaces. Konekt Employment is a leading jobactive, NEIS and DES provider, with Konekt Workcare assisting injured workers returning to the workforce.*

The Scheme Meeting will be held at 10.00am on Tuesday, 3 December 2019 at the offices of Gilbert + Tobin, Level 35, Tower Two, International Towers Sydney, 200 Barangaroo Avenue, Barangaroo NSW 2000.

Konekt encourages shareholders to read the Supplementary Scheme Booklet in its entirety (along with the Scheme Booklet) before deciding whether or not to vote in favour of the Scheme at the Scheme Meeting. Konekt also encourages shareholders to note the key events and indicative dates as set out in the Scheme Booklet.

If, you have any further questions in relation to the Scheme, the Supplementary Scheme Booklet or the Scheme Booklet, please contact the Konekt Limited Shareholder Information Line on 1300 671 080 or +61 2 8022 7954 between 9.00am and 5.00pm (Sydney time), Monday to Friday.

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