

**I SYNERGY GROUP LIMITED
ACN 613 927 361**

NOTICE OF GENERAL MEETING

**General Meeting to be held at
Ground Floor, 16 Ord Street, West Perth, WA
on Monday, 18 September 2017
commencing at 11:00am (WST).**

Important

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

NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Shareholders of I Synergy Group Limited will be held at Ground Floor, 16 Ord Street, West Perth, WA on Monday, 18 September 2017 commencing at 11:00am (WST).

The Explanatory Statement that accompanies and forms part of this Notice of Meeting describes in more detail the matters to be considered.

Business

Resolution 1: Approval of Share Buyback

To consider and, if thought fit, pass the following Resolution as an **ordinary resolution**:

"That, for the purposes of section 257C of the Corporations Act, and for all other purposes, approval is given to the Company to conduct an on-market buyback of up to 18,559,364 Shares during the twelve (12) month period from the date of the General Meeting and on the terms set out in the Explanatory Memorandum."

By order of the Board



Joel Ives
Company Secretary
I Synergy Group Limited

17 August 2017

EXPLANATORY STATEMENT

Important information

This Explanatory Statement has been prepared for the information of the shareholders of I Synergy Group Limited ACN 613 927 361 (**Company**) in connection with the Resolution to be considered at the General Meeting to be held at Ground Floor, 16 Ord Street West Perth on Monday, 18 September 2017, commencing at 11:00 am (WST).

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company, which is material to a decision on how to vote on the Resolution in the accompanying Notice of Meeting.

This Notice and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their professional adviser prior to voting.

Interpretation

Capitalised terms which are not otherwise defined in this Notice and Explanatory Statement have the meanings given to those terms under the Definitions section.

References to “\$” and “A\$” in this Notice and Explanatory Statement are references to Australian currency unless otherwise stated.

References to time in this Notice and Explanatory Statement relate to the time in Perth, Western Australia.

Proxies

Please note that:

- a Shareholder entitled to attend and vote at the General Meeting is entitled to appoint a proxy;
- a proxy need not be a Shareholder;
- a Shareholder may appoint a body corporate or an individual as its proxy;
- a body corporate appointed as a Shareholder’s proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder’s proxy; and
- Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company’s representative. The authority may be sent to the Company or its share registry in advance of the General Meeting or handed in at the General Meeting when registering as a corporate representative.

To vote by proxy, please complete and sign the enclosed Proxy Form and send by post to the Company at Ground Floor, 16 Ord Street, West Perth WA 6005, so that it is received by no later than 11:00 am (WST) on Saturday, 16 September 2017. Proxy Forms received later than this time will be invalid.

Voting entitlements

In accordance with Regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth), the Board has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the register of Shareholders as at 11:00 am (WST) on Saturday, 16 September 2017. Accordingly, transactions registered after that time will be disregarded in determining a Shareholder's entitlement to attend and vote at the General Meeting.

REGULATORY INFORMATION

Resolution 1 – Approval of Share Buyback

Background

Resolution 1 is an ordinary resolution which seeks approval of an on-market buyback of up to 18,559,364 Shares, representing 10% of the current issued share capital of the Company (**Share Buyback**).

If approved, the Share Buyback will enable the Company to utilise any of its surplus financial resources, which are not immediately required for other uses, to purchase its own Shares on market. The Share Buyback is designed to stabilise the market price of the Company's Shares, which management believe to be undervalued, and to enhance investors' confidence.

Other things being equal, the proposed Share Buyback will result in a lower number of the Company's Shares being used for the purposes of computing the Company's earnings per Share (EPS). Therefore, the Share Buyback will improve the EPS, which in turn is expected to have a positive impact on the market price of the Company's Shares trading on the ASX.

Shareholder approval

Under the Corporations Act, a listed company can buy back its own shares on market if the buyback does not materially prejudice its ability to pay its creditors and it follows the procedures set out in the Corporations Act. Shareholder approval is required if all of the shares bought back in the last 12 months are more than 10% of the minimum number of shares on issue at any time during the last 12 months (**10/12 Limit**).

Approval is sought for an on-market buyback of Shares of up to 18,559,364 Shares by the Company, representing 10% of the current issued capital. Given the Company was incorporated on 28 July 2016 and had only 1 Share issued until 22 September 2016, such a buyback would exceed the 10/12 Limit.

Conditions

The Share Buyback is subject to the following conditions:

- (a) Shareholders approving this Resolution; and
- (b) transactions in Shares have been recorded on the ASX on at least 5 trading days in the 3 months preceding each date the Company buys back Shares, as required by Listing Rule 7.29.

Terms

If the conditions to the Share Buyback are satisfied, the terms of the Share Buyback will be as follows:

- (a) All Shareholders are entitled to offer their Shares to be purchased by the Company as part of the Share Buyback.
- (b) The maximum number of Shares to be bought back is 18,559,364 Shares, representing 10% of the current issued share capital of the Company.
- (c) The Company will buy back Shares at a price of:
 - (i) \$0.30 per share; or
 - (ii) 5% greater than the VWAP of the market prices on the last 5 days on which sales in Shares were recorded,

whichever is lower.

- (d) The Share Buyback will occur over the 12 month period following the date of the General Meeting.

Related parties' right to participate in the Share Buyback

Section 208(1)(a) of the Corporations Act prohibits a company from giving a financial benefit to a related party of the company without the approval of shareholders by a resolution passed at a general meeting at which no votes are cast in relation to the resolution in respect of any shares held by the related party or by an associate of the related party.

No Director intends to sell into the Share Buyback and it is not envisaged that any other related party will sell into the Share Buyback.

However, to the extent that a related party does participate in the Share Buyback, the Company considers that the proposed purchase of Shares from the related parties under the Share Buyback falls within the 'arm's length' exception in section 210 of the Corporations Act for the following reasons and, therefore, Shareholder approval is not required:

- to the extent the related parties wish to participate in the Share Buyback, they will only be entitled to sell their Shares back to the Company on the same terms (including the buy-back price set out above) as those that apply to other Shareholders who are not related parties of the Company;
- the ability of the Related Parties to participate in the Share Buyback may assist the Company to obtain the advantages of the Share Buyback set out below;
- the impact on the proportion of Shares held by continuing Shareholders at completion of the Share Buyback will be the same irrespective of whether the Related Parties participate in the Share Buyback; and
- the terms of the purchase of shares from the Related Parties would be reasonable in the circumstances if the Company were dealing at arm's length.

Financial effect

The Company intends to utilise its cash reserves (including from any future profits) to pay for the Shares it buys back. No funds raised under the Company's initial public offer of Shares under the Prospectus will be used to pay for the Shares that the Company buys back.

The financial effect of the Share Buyback will be to deplete the Company's cash reserves. Against this, the share capital of the Company will be reduced with a likely beneficial increase of earnings per share.

Shares will not be bought back under the Share Buyback if it would materially prejudice the Company's ability to pay its creditors.

Advantages of the Share Buyback

The key advantages of the Share Buyback are as follows:

- (a) the creation of a period of liquidity for Shareholders to sell Shares back to the Company, where that liquidity would not otherwise be available to Shareholders;
- (b) the promotion of a more efficient capital structure; and
- (c) continuing Shareholders will control a larger proportion of Shares.

Disadvantages of the Share Buyback

The key disadvantages of the Share Buyback are as follows:

- (a) it reduces the cash balance of the Company, limiting future investment opportunities;
- (b) it is on a selective rather than equal access basis. However, all Shareholders are entitled to offer their Shares to be purchased by the Company as part of the Share Buyback; and
- (c) at completion of the Share Buyback, the percentage holding of Shares controlled by Dato Teo Chee Hong may be increased from 78.28% to 86.98%, as a consequence of the Share Buyback providing him with further control over the Company.

Participating in the Share Buyback may have financial, taxation, or other ramifications for Shareholders depending upon each such Shareholder's personal circumstances. The Board recommends that before participating in the Share Buyback, Shareholders should obtain their own professional advice.

Director's recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

DEFINITIONS

In this Notice of Meeting and Explanatory Statement, the following terms have the following meanings:

ASX means ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires.

Board the board of Directors.

Share Buyback means the on-market share buyback to be conducted by the Company on the terms set out in the Explanatory Memorandum.

Chair means the chairperson of the Meeting.

Company means I Synergy Group Limited ACN 613 927 361.

Corporations Act Corporations Act 2001 (Cth).

Director a director of the Company.

Explanatory Statement the explanatory statement incorporated in this Notice.

General Meeting the general meeting of the Company to be held on Monday, 18 September 2017 at Ground Floor, 16 Ord Street, West Perth WA.

Listing Rules the listing rules of ASX.

Notice or **Notice of Meeting** means the notice of general meeting incorporating this Explanatory Statement.

Prospectus means the prospectus dated 20 October 2016 issued by the Company (including the supplementary prospectuses dated 9 December 2016 and 19 January 2017).

Proxy Form the proxy form accompanying this Notice.

Resolution the resolution set out in this Notice.

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

Shareholder a holder of a Share.

VWAP means volume weighted average price.

WST Western Standard Time in Australia.

All Correspondence to:

✉ **By Mail:** I Synergy Group Limited
PO Box 902
West Perth, WA 6872

📠 **By Fax:** +61 8 9482 0505

💻 **Online:** www.boardroomlimited.com.au

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:00am AWST on Saturday 16 September 2017.**

TO VOTE ONLINE

- STEP 1: VISIT** www.votingonline.com.au/is3gm2017
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

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

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11:00am AWST on Saturday 16 September 2017**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

💻 Online	www.votingonline.com.au/is3gm2017
📠 By Fax	+61 8 9482 0505
✉ By Mail	I Synergy Group Limited PO Box 902 West Perth, WA 6872
👤 In Person	I Synergy Group Limited Ground Floor, 16 Ord Street, West Perth, WA 6005

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

I Synergy Group Limited

ACN 613 927 361

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Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of I Synergy Group Limited and entitled to attend and vote hereby appoint:

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the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the General Meeting of I Synergy Group Limited to be held at I Synergy Group Limited, Ground Floor, 16 Ord Street, West Perth, WA 6005 on Monday 18 September 2017 at 11:00am AWST and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chair of the Meeting intends to vote undirected proxies in favour of each of the items of business.

STEP 2 VOTING DIRECTIONS

* 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 vote will not be counted in calculating the required majority if a poll is called.

Resolution 1 Approval of Share Buyback

For **Against** **Abstain***

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STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2017