21 December 2017

Submit electronically

The Manager
Company Announcements Office
ASX Limited
Level 6, 20 Bridge Street
SYDNEY NSW 2000

NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT

Syntonic Limited ("the **Company**") (ASX: SYT) hereby notifies the ASX under section 708A(5)(e) of the *Corporations Act 2001* (Cth) (**Corporations Act**) on Monday, 18 December 2017 the Company issued 250,000,000 fully paid ordinary shares in respect of the capital raising ("**Capital Raising**") announced to the ASX on 6 December 2017. 14,045,645 shares were issued under its existing placement capacity under ASX Listing Rule 7.1 and 235,954,355 shares were issued under its existing placement capacity under ASX Listing Rule 7.1A.

The Company also issued 133,333,333 unlisted options (increase from 80,000,000 as previously announced on 6 December 2017), exercisable at $0.03, expiring 31 December 2020 to the Lead Manager of the Capital Raising.

An Appendix 3B was lodged on 18 December 2017 and is enclosed in respect of the capital raising.

The Company gives notice pursuant to Section 708A(5)(e) of the Corporations Act that:

1. The shares were issued without disclosure under Part 6D.2, in reliance on and providing notice under Section 708A(5) of the Corporations Act.

2. The Company, as at the date of this notice, has complied with:

   a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
   b) section 674 of the Corporations Act.

3. As at the date of this notice, the only information that is "excluded information" within the meaning of sections 708A(7) and 708A(8) of the Corporations Act to be disclosed under section 708A(6)(e) of the Corporations Act, is a proposed extension of the existing partnership between the Company and Tata Communications (Tata) (refer to ASX announcements dated 10 February 2016 and 1 August 2016), a leading global provider of telecommunications solutions serving the voice, data and next-generation service needs of carriers, enterprises and consumers across the world, pursuant to which it is proposed that Syntonic will grant Tata a world-wide, non-exclusive, limited three-year license to use the Company's new application program interfaces to promote broader and more flexible use of the Tata Sponsored Data Exchange. The broadening of this agreement shows potential to have a significant positive impact on Syntonic's business, specifically by hastening the deployment of the Company's branded product, Freeway, in new geographies, increasing platform revenue with rising SDX usage and deployment, and reducing the costs of customer acquisition, platform hosting and carrier integration. Whilst the Company and Tata are well advanced in negotiations, the proposed arrangement is subject to the execution of formal documentation, and accordingly, remains incomplete. The Company will update shareholders on the outcome of the negotiations and the status of the formal documentation by way of further ASX announcements.

Yours faithfully

[lodged electronically without signature]

Kate Sainty
Joint Company Secretary
Syntonic Limited

Telephone: +61 8 9322 7600

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Syntonic Limited

ABN

68 123 867 765

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	(a) Ordinary Shares (b) Unlisted Options
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	(a) 250,000,000 (b) 133,333,333
3	Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	(a) Ordinary fully paid shares (b) Options with an exercise price of $0.03 and expiring 31 December 2020

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	(a) Yes (b) No, shares issued on the exercise of options will rank equally with existing quoted fully paid ordinary shares
5	Issue price or consideration	(a) $0.02 per share (b) $0.00001 per option – options issued in accordance with Placement announced to ASX on 6 December 2017
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	(a) Issued in respect of capital raising previously announced to ASX on 6 December 2017 (b) As consideration for services provided in respect of Placement
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	1 November 2017
6c	Number of +securities issued without security holder approval under rule 7.1	Total of 147,378,978 securities being: (a) 14,045,645 fully paid ordinary shares (b) 133,333,333 unlisted options
6d	Number of +securities issued with security holder approval under rule 7.1A	(a) 235,954,355 fully paid ordinary shares

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil
6f	Number of +securities issued under an exception in rule 7.2	Nil
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Yes Issue date of 18 December 2017 Issue price of $0.02 15 day VWAP as at 18 December 2017 - $0.024 75% of 15 day VWAP - $0.018 Source of VWAP – ASX (via Comsec)
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Rule 7.1 – 206,552,554 Rule 7.1A – Nil
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	18 December 2017

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the +securities in section 2 if applicable)	1,601,507,554	Ordinary fully paid shares (3,900,000 ordinary fully paid shares currently under holding lock)

+ See chapter 19 for defined terms.

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the +securities in section 2 if applicable)	1,008,035,992	Ordinary fully paid shares (escrowed until 20 July 2018)
		333,333,334	Unlisted performance shares (each convertible into one ordinary share upon satisfaction of the relevant performance milestone on or before 8 July 2018 and escrowed until 20 July 2018)
		25,000,000	Unlisted broker options (each convertible into one ordinary share for $0.02 on or before 8 July 2019 and escrowed until 20 July 2018)
		15,000,000	Unlisted broker options (each convertible into one ordinary share for $0.06 each on or before 24 November 2019)
		2,000,000	Unlisted incentive stock options (each convertible into one ordinary share for $0.04 on or before 30 September 2019)
		2,000,000	Unlisted incentive stock options (each convertible into one ordinary share for $0.08 on or before 30 September 2019)
		35,000,000	Unlisted incentive stock options (each convertible into one ordinary share for $0.03 on or before 28 February 2027)
		7,000,000	Unlisted incentive stock options (each convertible into one ordinary share for $0.026 on or before 22 September 2027)
		133,333,333	Unlisted broker options (each convertible into one ordinary share for $0.03 on or before 31 December 2020)

+ See chapter 19 for defined terms.

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable

Part 2 - Pro rata issue

11	Is security holder approval required?	Not applicable
12	Is the issue renounceable or non-renounceable?	Not applicable
13	Ratio in which the +securities will be offered	Not applicable
14	+Class of +securities to which the offer relates	Not applicable
15	+Record date to determine entitlements	Not applicable
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
17	Policy for deciding entitlements in relation to fractions	Not applicable
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Not applicable
19	Closing date for receipt of acceptances or renunciations	Not applicable
20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable

+ See chapter 19 for defined terms.

24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not applicable
25	If the issue is contingent on security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Not applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do security holders sell their entitlements *in full* through a broker?	Not applicable
31	How do security holders sell *part* of their entitlements through a broker and accept for the balance?	Not applicable
32	How do security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	+Issue date	Not applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(*tick one*)

(a) ☒ +Securities described in Part 1

(b) ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35	☐	If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
36	☐	If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories 1 - 1,000 1,001 - 5,000 5,001 - 10,000 10,001 - 100,000 100,001 and over
37	☐	A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	
39	+Class of +securities for which quotation is sought	
40	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	

+ See chapter 19 for defined terms.

41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)	

		Number	+Class
42	Number and +class of all +securities quoted on ASX (*including* the +securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those +securities should not be granted +quotation.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

[lodged electronically without signature]

Sign here: .... Date: 18 December 2017

(~~Director/~~Company Secretary)

Print name: Kate Sainty

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	2,188,976,800
Add the following: • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period *Note:* • *Include only ordinary securities here – other classes of equity securities cannot be added* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	166,666,666 ordinary shares (5 January 2017) 3,900,000 allotment for director fees (1 December 2017)
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
"A"	2,359,543,546

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of "A"	
"B"	0.15 *[Note: this value cannot be changed]*
Multiply "A" by 0.15	353,931,532
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period *not counting* those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 *Note:* • *This applies to equity securities, unless specifically excluded – not just ordinary securities* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	14,045,645 ordinary shares – Placement – capital raising (18 December 2017) 133,333,333 unlisted options – Placement (18 December 2017)
"C"	147,378,978
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15 *Note: number must be same as shown in Step 2*	353,931,532
Subtract "C" *Note: number must be same as shown in Step 3*	147,378,978
Total ["A" x 0.15] – "C"	206,552,554 *[Note: this is the remaining placement capacity under rule 7.1]*

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
"A" *Note: number must be same as shown in Step 1 of Part 1*	2,359,543,546
Step 2: Calculate 10% of "A"	
"D"	0.10 *Note: this value cannot be changed*
Multiply "A" by 0.10	235,954,355
Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A *Notes:* • *This applies to equity securities – not just ordinary securities* • *Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed* • *Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained* • *It may be useful to set out issues of securities on different dates as separate line items*	235,954,355 ordinary shares – Placement – capital raising (18 December 2017)
"E"	235,954,355

+ See chapter 19 for defined terms.

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 *Note: number must be same as shown in Step 2*	235,954,355
Subtract "E" *Note: number must be same as shown in Step 3*	235,954,355
Total ["A" x 0.10] – "E"	Nil *Note: this is the remaining placement capacity under rule 7.1A*

+ See chapter 19 for defined terms.