



Swift Networks Group Limited
ACN 006 222 395

Notice of Annual General Meeting

**Annual General Meeting to be held at
1 Watts Place, Bentley, WA 6102 on
14 November 2018 commencing at 10.30am (WST).**

Important

This Notice of Annual General 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 ANNUAL GENERAL MEETING

Notice is given that an annual general meeting of the shareholders of Swift Networks Group Limited ACN 006 222 395 (**Company**) will be held at 1 Watts Place, Bentley, WA 6102 on 14 November 2018, commencing at 10.30am (WST).

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

Business

Annual Report

To receive and consider the Annual Report of the Company for the financial year ended 30 June 2018, which includes the Financial Report, the Directors' Report, the Remuneration Report and the Auditor's Report.

Resolution 1: Approval of Remuneration Report

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

"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the financial year ended 30 June 2018 be adopted."

Note: The votes on this Resolution are advisory only and do not bind the Directors or the Company.

Voting exclusion statement

The Company will disregard any votes cast on the Resolution:

- by or on behalf of a member of Key Management Personnel as disclosed in the Remuneration Report;
- by or on behalf of a Closely Related Party of a member of Key Management Personnel; and
- as a proxy by a member of Key Management Personnel or a Closely Related Party,

unless the vote is cast as proxy for a person entitled to vote in accordance with a direction on the Proxy Form or by the Chair pursuant to an express authorisation to exercise the proxy.

Resolution 2: Re-election of Ryan Sofoulis

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

"That, for all purposes, Ryan Sofoulis, who retires by rotation in accordance with clause 11.1(c) of the Constitution and who is eligible and offers himself for re-election, be re-elected as a Director."

Resolution 3: Approval of issue of securities to Director

To consider and, if thought fit, to pass each of the following Resolutions as **ordinary resolutions**:

"That, for the purposes of Listing Rule 10.14, and for all other purposes, approval is given for the Company to issue to Mr Xavier Kris (and/or his nominees):

(i) 2018 STI Rights – 507,307;

(iii) 2018 LTI Performance Rights – 437,818; and

under the Employee Incentive Plan as set out in the Explanatory Statement."

Voting exclusion statement

The Company will disregard any votes cast on this Resolution by all Directors and any of their Associates except Directors that are ineligible to participate in the Plan.

However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the direction on the Proxy Form to vote as the proxy decides

Resolution 4: Approval of 10% Placement Facility

To consider and, if thought fit, to pass the following Resolution as a **special resolution**:

“That, in accordance with Listing Rule 7.1A, and for all other purposes, approval be given for the issue of Equity Securities totaling up to 10% of the issued capital of the Company under and in accordance with Listing Rule 7.1A, on the terms and conditions set out in the Explanatory Statement.”

Voting exclusion statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who may participate in an issue under the 10% Placement Facility and a person who might obtain a benefit (except a benefit solely in the capacity of a Shareholder) if the Resolution is passed, and any associate of those persons.

However, the Company will not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

By order of the Board



Stephen Hewitt-Dutton
Company Secretary
Swift Networks Group Limited

8 October 2018

EXPLANATORY STATEMENT

Important information

This Explanatory Statement has been prepared for the information of the shareholders of Swift Networks Group Limited ACN 006 222 395 (**Company**) in connection with the Resolutions to be considered at the Annual General Meeting to be held at 1 Watts Place, Bentley, WA 6102 on 14 November 2018, commencing at 10.30am (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 Resolutions 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 in the Definitions Section below.

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.

Voting exclusion statements

Certain voting restrictions apply to the Resolutions as detailed beneath the applicable Resolutions in the Notice.

Proxies

Please note that:

- a Shareholder entitled to attend and vote at the Annual 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 Annual General Meeting or handed in at the Annual General Meeting when registering as a corporate representative.

Members of the Key Management Personnel will not be able to vote as proxy on Resolutions 1 and 3, unless the Shareholder directs them how to vote or, in the case of the Chair, unless the Shareholder expressly authorises him to do so. If a Shareholder intends to appoint a member of the Key Management Personnel (other than the Chair) as their proxy, the Shareholder should ensure that they direct the member of Key Management Personnel how to vote on Resolutions 1 and 3

If a Shareholder intends to appoint the Chair as their proxy for Resolutions 1 and 3, Shareholders can direct the Chair how to vote by marking one of the boxes for Resolutions 1 and 3 (for example, if the Shareholder wishes to vote 'for', 'against' or to 'abstain' from voting). If the Shareholder does not direct the Chair how to vote, then by submitting the Proxy Form, the Shareholder will be expressly authorising the Chair to exercise the proxy in respect of Resolutions 1 and 3 even though it is connected to the remuneration of members of the Key Management Personnel.

To vote by proxy, please complete and sign the enclosed Proxy Form and send by:

- post to the Company at C/- Trident Capital, PO Box Z5183, Perth WA 6831; or
- facsimile to the Company on +61 9218 8875; or
- email to investor@swiftnetworks.com.au.

so that it is received by no later than 10.30am (WST) on 12 November 2018. 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 Annual General Meeting will be the entitlement of that person set out in the register of Shareholders as at 4.00pm (WST) on 12 November 2018. Accordingly, transactions registered after that time will be disregarded in determining a Shareholder's entitlement to attend and vote at the Annual General Meeting.

REGULATORY INFORMATION

1. Annual Report

The Annual Report of the Company for the financial year ended 30 June 2018, which includes the Financial Report, the Directors' Report, the Remuneration Report and the Auditor's Report, will be laid before the Annual General Meeting.

There is no requirement for Shareholders to approve the Annual Report. However, the Chair will allow a reasonable opportunity for Shareholders to ask questions or make comments about the Report and the management of the Company.

A representative of the Company's auditor, BDO Audit (WA) Pty Ltd, is anticipated to be in attendance to respond to any questions raised of the auditor or on the Auditor's Report in accordance with section 250T of the Corporations Act.

2. Resolution 1: Approval of Remuneration Report

Section 249L(2) of the Corporations Act requires a company to inform shareholders that a resolution on the remuneration report will be put at the annual general meeting. Section 250R(2) of the Corporations Act requires a resolution that the remuneration report adopted be put to a vote. Resolution 1 seeks this approval.

In accordance with section 250R(3) of the Corporations Act, Shareholders should note that Resolution 1 is an "advisory only" Resolution which does not bind the Directors or the Company. However, the Directors take the discussion at the meeting and the outcome of the vote into account when considering the Company's remuneration practices.

Following consideration of the Remuneration Report for the financial year ended 30 June 2018, the Chair, in accordance with section 250SA of the Corporations Act, will give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

If at least 25% of the votes cast on a resolution for the adoption of a Remuneration Report are voted against at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution proposing that another general meeting be held within 90 days, at which all of the Company's Directors (other than the Managing Director) would go up for re-election.

The Directors encourage all Shareholders to vote on Resolution 1.

3. Resolution 2: Re-election of Ryan Sofoulis

In accordance with clause 11.1(c) of the Constitution, at every annual general meeting, an election of Directors must be held whereby one or more Directors retire from office by rotation and are eligible for re-election. The Directors to retire are those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement.

Ryan Sofoulis retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-election. Brief background information on Mr Ryan Sofoulis is set out below:

Ryan Sofoulis

Ryan has spent the last 13 years working within the various companies owned by the Sofoulis family. Ryan worked in the accounts department with the ASTIB Group until it was sold in 2011, at which time he became the Company Secretary of Swift Networks. In 2012, Ryan became the Company Secretary of the newly created EITS Global Group and oversaw the

establishment of an international structure spanning over the US, UK, Ireland and Australia. Ryan was appointed as a Director on 19 May 2016.

Directors' recommendations

Other than Mr Ryan Sofoulis, who does not make any recommendation in relation to his own re-election, the Directors unanimously recommend that Shareholders vote in favour of Resolution 2.

4. Resolutions 3: Approval of issue of Securities to Directors

Resolution 5 seeks the approval of Shareholders to issue Securities to Mr Xavier Kris (and/or his nominees). Approval is sought pursuant to Listing Rule 10.14.

Background

The Company proposes to issue the following Securities to Mr Kris in accordance with the Employee Incentive Plan. The calculation of the awards under the Plan was prepared by independent external consultants. The awards under the Plan were approved by the Company's Remuneration Committee.

Security Description	Number
2018 STI Rights	507,307
2018 LTI Performance Rights	437,818

2018 STI Rights Terms	
Overview	2018 STI Rights are rights to receive Shares when the Rights are exercised.
Amount payable on grant	Nil.
Grant date	5 October 2018
Vesting date	5 October 2018
Vesting Conditions	Nil
Expiry date	5 October 2023
Exercise price	Nil.
Exercise conditions	Nil.
Shares delivered on conversion	1 Share per 2018 STI Right.

Full terms of the 2018 STI Rights are included at Appendix A.

2018 LTI Performance Rights	
Overview	2018 LTI Performance Rights are rights to receive, subject to satisfaction of Vesting Conditions. 2018 LTI Performance Rights can be Equity Settled, Cash Settled or a combination of both, in accordance with the Rules.
Amount payable on grant	Nil.
Grant date	5 October 2018
Measurement Period	3 years from 1 July 2017 to 30 June 2020.
Grant price	Nil
Vesting date	1 July 2020, subject to the satisfaction of the Vesting Conditions.
Vesting Conditions	<p>Rights are to be tested over the Measurement Period using the Company's Total Shareholder Return (TSR) relative to the Small Industrials Total Return Index (SITRI), with a Gate condition that the Company's TSR must be positive.</p> <ul style="list-style-type: none"> • If the Company's TSR is greater than or equal to 200% of the SITRI movement, then 100% of the 2018 LTI Performance Rights will vest. • If the Company's TSR is greater than 100% of the SITRI movement, then the 2018 LTI Performance Rights will vest on a pro rata straight line basis. • If the Company's TSR is less than or equal to 100% of the SITRI movement, then none of the 2018 LTI Performance Rights will vest.
Expiry date	5 October 2023
Exercise price	Nil.
Exercise conditions	Nil.
Shares delivered on conversion	1 Share per 2018 LTI Performance Right, however the Company may elect to pay the entitlement in the form of cash in accordance with the Rules.

Full terms of the Share Appreciation Rights are included at Appendix B.

Section 208 of the Corporations Act

Section 208 of the Corporations Act states that a public company cannot give a "financial benefit" (including an issue of shares and options) to a "related party" of the Company unless one of the exceptions set out in section 210 to 216 of the Corporations Act apply, or the holders of ordinary securities have approved the giving of the financial benefit to the related party in a general meeting.

Mr Kris is a related party of the Company within the meaning specified under section 228 of the Corporations Act. Section 211 of the Corporations Act states that Shareholder approval is not needed to give a financial benefit that is remuneration to be given to a related party of a public company and to give the remuneration would be reasonable given:

- a) The circumstances of the public company giving the remuneration; and
- b) The related party's circumstances (including the responsibilities involved in the office or employment).

It is the view of the Directors that the exception set out in section 211 of the Corporations Act applies in the current circumstances, as the Board (excluding Mr Kris) has formed the view that the proposed issue of securities forms part of reasonable remuneration. In forming this opinion the Board took into consideration that the structure of the Employee Incentive Plan was recommended by independent external consultants, as was the calculation of the awards under the Plan. The awards under the Plan were approved by the Company's Remuneration Committee. Accordingly, the Directors have determined not to seek Shareholder approval under section 208 of the Corporations Act for the issue of securities to Mr Kris.

ASX Listing Rule 10.14

ASX Listing Rule 10.14 provides that a company must not issue equity securities to a director or an associate of a director of the company under an employee incentive scheme without the approval of holders of ordinary securities, or to a person whose relationship with the company or a related party of the company is, in ASX's opinion, such that approval should be obtained. Further, ASX Listing Rule 7.2 (Exception 14) states that approval pursuant to ASX Listing Rule 7.1 is not required if shareholder approval is obtained under ASX Listing Rule 10.14.

Mr Kris is a related party of the Company within the definition specified in ASX Listing Rule 19.12. Accordingly, Shareholder approval is sought under ASX Listing Rule 10.14 to permit the issue Securities to Mr Kris (and/or his nominees) as related parties of the Company on the terms set out in this Explanatory Statement.

The issue of the Securities under Resolution 3 will not affect the capacity of the Company to issue securities in the next 12 months under ASX Listing Rule 7.1, as those Securities (once issued) will be excluded from the calculations under ASX Listing Rule 7.1.

For the purposes of Listing Rule 10.15, the following information is provided to Shareholders in relation to Resolution 5:

(a) Maximum number of securities to be issued

The number of Securities proposed to be issued is as follows:

Security Description	Number
2018 STI Rights	507,307
2018 LTI Performance Rights	437,818

¹ Xavier Kris and/or his nominee

(b) Consideration

The Securities are being issued in accordance with the Employee Incentive Scheme for no cash consideration.

(c) Persons referred to in Listing Rule 10.14 who received securities under the Employee Incentive Plan since the last approval

2017 Employee Incentive Plan Awards to persons referred to in Listing Rule 10.14

Security Description	Mr Kris	Mr Doropoulos
Deferred Options	181,176	-
Class A Performance Rights	452,841	156,174
Class B Performance Rights	452,841	156,174
Share Appreciation Rights ³	452,841	156,174

(d) Persons referred to in Listing Rule 10.14 entitled to participate in the Employee Incentive Plan

Mr Xavier Kris (and/or his nominee).

(e) Loans in relation to acquisition of Options

There are no loans in relation to the acquisition of Securities.

(f) Date by which entity will issue the securities

The Securities will be issued as soon as possible after the Annual General Meeting and in any event, no later than 12 months after the Annual General Meeting (or such later date to the extent permitted by any ASX waiver of the ASX Listing Rules).

(g) Directors' recommendation

Other than Mr Xavier Kris, who does not make any recommendation in relation to the issue of Securities to himself, the Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

5. Resolution 4: Approval of 10% Placement Facility

Resolution 4 is a special resolution which seeks Shareholder approval for the issue of Equity Securities totaling up to 10% of the issued capital of the Company under and in accordance with Listing Rule 7.1A.

Listing Rule 7.1A

Listing Rule 7.1A enables eligible entities to issue Equity Securities totaling up to 10% of its issued share capital through placements over a 12 month period after the entity's annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

As Resolution 4 is a special resolution, at least 75% of the votes cast on Resolution 4 must be cast in favour of the Resolution in order for it to be passed.

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of this Notice, the only quoted Equity Securities that the Company has on issue are its Shares.

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

A is the number of shares on issue 12 months before the date of issue or agreement:

- (a) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (b) plus the number of partly paid shares that became fully paid in the 12 months;
- (c) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (d) less the number of fully paid shares cancelled in the 12 months.

Note: 'A' has the same meaning as in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%.

E is 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 the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1. The actual number of Equity Securities that the Company will have the capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (set out above).

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- the date on which the price at which the Equity Securities are to be issued is agreed; or
- if the Equity Securities are not issued within 5 Trading Days of the date above, the date on which the Equity Securities are issued.

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- the date that is 12 months after the date of the annual general meeting at which the approval is obtained; and
- the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (**10% Placement Period**).

For the purposes of Listing Rule 7.3A, the following information is provided to Shareholders in relation to Resolution 6:

(a) **Minimum price at which the securities may be issued**

The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities 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 Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in Section 5(a)(ii), the date on which the Equity Securities are issued.

(b) **Risk of dilution**

If Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the table below. There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of the consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the number of ordinary securities for variable 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 assuming that the Proposed Transaction has completed and the Public Offer is fully subscribed.

The table also shows:

- (i) two examples where variable 'A' has increased, by 50% and 100%. Variable 'A' is based on the number of ordinary securities the Company has on issue at the date of this Notice. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future general meeting; and
- (ii) two examples where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		50% decrease in market price \$0.1775	Current market price \$0.355	100% increase in market price \$0.71
Current variable 'A' 121,312,903	10% voting dilution	12,131,290 Shares	12,131,290 Shares	12,131,290 Shares
	Funds raised	\$2,153,304	\$4,306,608	\$8,613,216
50% increase in current variable 'A' 181,969,355	10% voting dilution	18,196,935 Shares	18,196,935 Shares	18,196,935 Shares
	Funds raised	\$3,229,956	\$6,459,912	\$12,919,824
100% increase in current variable 'A' 242,625,806	10% voting dilution	24,262,581 Shares	24,262,581 Shares	24,262,581 Shares
	Funds raised	\$4,306,608	\$8,613,216	\$17,226,432

Notes:

1. Assumes the Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
2. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
3. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
4. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
6. The market price used is \$0.355, being the closing price of Shares on 21 September 2018.

(c) Date by which the securities may be issued

The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 4 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities of the Company) or Listing Rule 11.2 (disposal of the main undertaking of the Company).

(d) Purposes for which the securities may be issued

The Company may seek to issue the Equity Securities for the following purposes:

- (i) non-cash consideration for the acquisition of new assets and investments. In such circumstances, the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
- (ii) cash consideration. In such circumstances, the Company may apply the funds raised towards, the review and evaluation of new acquisitions and investments (including expenses associated with such acquisitions and investments) and general working capital.

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

(e) **Allocation policy for issues of securities**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of recipients of Equity Securities will be determined on a case-by-case basis having regard to factors including, but not limited to, the following:

- (i) the purpose of the issue;
- (ii) 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;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the financial situation and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Recipients of Equity Securities under the 10% Placement Facility have not been determined at the date of this Notice but are likely to be investors which are sophisticated or professional investors (or both) for the purposes of section 708 of the Corporations Act who are not related parties or associates of a related party of the Company.

(f) **Details of previous issues of securities**

During the 12 months preceding the date of the Annual General Meeting, the Company has issued 8,700,000 Shares, 258,823 Options and 2,218,218 Rights. The ordinary shares issued represent 7.7% of the total number of Equity Securities on issue at the commencement of that period.

Details of all issues of Equity Securities during the 12 month period prior to the date of the Annual General Meeting are set out below.

Issue of Fully Paid Ordinary Shares on Exercise of Options	
Date of issue	Various
Number issued	8,400,000
Class of security	Fully paid ordinary share.
Summary of terms	Each Share ranks equally in all respects with other Shares on issue.
Persons who received securities	Holders of unlisted options
Issue price	\$0.25 per Share.
Discount to market price	N/A
Total cash consideration	\$2,100,000.
Amount of cash spent	\$2,100,000
Use of cash	Working capital.
Intended use of remaining cash	N/A

Issue of Fully Paid Ordinary Shares on Exercise of Options	
Date of issue	23 July and 1 August 2018
Number issued	300,000
Class of security	Fully paid ordinary share.
Summary of terms	Each Share ranks equally in all respects with other Shares on issue.
Persons who received securities	Holders of unlisted options
Issue price	\$0.15
Discount to market price	N/A
Total cash consideration	\$45,000.
Amount of cash spent	\$45,000
Use of cash	Working capital.
Intended use of remaining cash	N/A

Employee Incentive Scheme Performance Rights	
Date of issue	30 October 2017
Number issued	(i) Class A 739,406 (ii) Class B 739,406
Class of security	Class A and Class B performance Rights
Summary of terms	Performance Rights are rights to receive Shares in the event that certain Vesting Conditions are met and the Performance Rights are exercised. Full terms of the Performance Rights were contained in the 2017 Notice of Annual General Meeting.
Persons who received securities	Executive staff of the Company.
Issue price	Nil
Discount to market price	N/A
Non-cash consideration	Issued under the terms of the Employee Incentive Scheme approved at the 2017 Annual General Meeting.
Current Value	\$575,575

Deferred Options	
Date of issue	30 October 2017
Number issued	258,823
Class of security	Options Exercise 0c, Expiry 5 September 2022
Summary of terms	Options Exercise 0c, Expiry 5 September 2022
Persons who received securities	Executive staff of the Company.
Issue price	\$Nil
Discount to market price	N/A
Non-cash consideration	Issued under the terms of the Employee Incentive Scheme approved at the 2017 Annual General Meeting.
Current Value	\$129,412

Share Appreciation Rights	
Date of issue	30 October 2018
Number issued	739,406
Class of security	Share Appreciation Rights
Summary of terms	Share Appreciation Rights are rights to receive the value equal to the increase in the value of a Share above the applicable grant price in the event that certain Vesting Conditions are met and the Share Appreciation Rights are exercised. Share Appreciation Rights can be Equity Settled, Cash Settled or a combination of both, in accordance with the Rules.
Persons who received securities	Executive staff of the Company.
Issue price	\$Nil
Discount to market price	N/A
Non-cash consideration	Issued under the terms of the Employee Incentive Scheme approved at the 2017 Annual General Meeting.
Current Value	\$333,755

Directors' recommendations

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

DEFINITIONS

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

10% Placement Facility has the meaning given in Section 5.

10% Placement Period has the meaning given in Section 5.

Annexure means an annexure to this Explanatory Statement.

Annual Report means the annual report of the Company for the financial year ended 30 June 2018.

ASIC means the Australian Securities and Investments Commission.

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

Auditor's Report means the auditor's report contained in the Annual Report.

Board means the board of Directors.

Chair means the chairperson of the Meeting.

Closely Related Party means a closely related party of a member of Key Management Personnel as defined in section 9 of the Corporations Act, being:

- (a) a spouse or child of the member;
- (b) a child of that member's spouse;
- (c) a dependent of that member or of that member's spouse;
- (d) anyone else who is one of that member's family and may be expected to influence that member, or be influenced by that member, in that member's dealings with the Company;
- (e) a company that is controlled by that member; or
- (f) any other person prescribed by the regulations.

Company means Swift Networks Group Limited ACN 006 222 395.

Constitution means the constitution of the Company.

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

Director means a director of the Company.

Directors' Report means the directors' report contained in the Annual Report.

Equity Securities has the meaning given in the Listing Rules.

Explanatory Statement means this explanatory statement incorporated in this Notice.

Financial Report means the financial report contained in the Annual Report.

Key Management Personnel means the key management personnel of the Company as defined in section 9 of the Corporations Act and Australian Accounting Standards Board accounting standard 124, being 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 official listing rules of ASX.

Meeting or **Annual General Meeting** means the Annual General Meeting of Shareholders to be held on 14 November 2018 10.30am (WST).

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

Option means an option to acquire a Share.

Proxy Form means the proxy form attached to this Notice.

Remuneration Report means the remuneration report contained in the Annual Report.

Resolution means a resolution contained in the Notice.

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

Shareholder means a holder of one or more Shares.

Trading Day has the meaning given in the Listing Rules.

VWAP means volume weighted average price.

WST means Western Standard Time, being the time in Perth, Western Australia.

APPENDIX A

The 2018 STI Rights ("Rights") entitle the holder to subscribe for Shares on the terms and conditions set out below.

Entitlement

Each 2018 STI Right entitles the holder of the Right to be issued one fully paid ordinary share in the Company, for no cash consideration, on these terms of issue including the performance condition(s) set out below.

No cash consideration

The Rights will be granted for no cash consideration.

Vesting Date and Expiry Date

The Rights vest immediately. Each Right will expire at 5.00pm (WST) on the date 5 years from the Grant Date of the Right (Expiry Date)

Lapse

If a Right is not exercised by the relevant expiry date, then the Rights will automatically lapse.

Exercise

Subject to satisfaction of the vesting conditions and any required approvals being received, Rights may only be exercised by notice in writing to the Company (**Exercise Notice**). Any Exercise Notice for a Right received by the Company will be deemed to be a notice of the exercise of that Right as at the date of receipt. No exercise price, or share issue price, is payable by the holder and the Company must issue the number of Shares, update the share register and issue and send to the holder an updated holding statement within 5 business days after receiving the notice.

Shares issued on exercise

The Share issued upon vesting will rank equally in all respects with the Company's ordinary shares and the Company will apply to the ASX for official quotation of the Shares after they are issued.

Shareholder and regulatory approvals

Notwithstanding any other provision of these terms and conditions, exercise of Rights into Shares will be subject to the Company obtaining all required (if any) Shareholder and regulatory approvals for the purpose of issuing the Shares to the holder. If exercise of the Rights would result in any person being in contravention of section 606(1) of the Corporations Act then the exercise of each Right that would cause the contravention will be deferred until such time or times that the exercise would not result in a contravention of section 606(1) of the Corporations Act. Holders must give notification to the Company in writing if they consider that the exercise of the Rights may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the exercise of the Rights will not result in any person being in contravention of section 606(1) of the Corporations Act.

Participation in new issues

There are no participation rights or entitlements inherent in the Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Rights.

Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares which must be issued on the exercise of an Right will be increased by the number of Shares which the holder would have received if the holder had exercised the Right before the record date for the bonus issue.

Adjustment for rights issue

If the Company makes a rights issue of Shares pro rata to existing Shareholders there will be no adjustment to these terms and conditions.

Adjustments for reorganisation

If there is any reconstruction of the issued share capital of the Company, the rights of the holders may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

Quotation

The Company will not apply for quotation of the Rights on ASX.

Transferability

Rights can only be transferred with the prior written consent of the Company, which consent may be withheld in the Company's sole discretion.

Compliance with laws

If the Corporations Act, the Listing Rules or the Constitution conflicts with these terms and conditions, or these terms and conditions do not comply with the Corporations Act, the Listing Rules or the Constitution, the holder authorises the Company to do anything necessary to rectify such conflict or non-compliance, including but not limited to unilaterally amending these terms and conditions.

APPENDIX B

The 2018 LTI Performance Rights ("Performance Rights") entitle the holder to subscribe for Shares on the terms and conditions set out below.

Entitlement

Each Performance Right entitles the holder of the Performance Right to be issued one fully paid ordinary share in the Company, for no cash consideration, on these terms of issue including the performance condition(s) set out below.

No cash consideration

The Performance Rights will be granted for no cash consideration.

Vesting

If the Board determines, in its sole discretion, that the performance conditions for a class of Performance Rights set out below have been satisfied prior to the relevant expiry date then that class of Performance Rights will vest and be exercisable into Shares on a one for one basis.

Performance Condition	Vesting and Expiry Date
<p>Performance Rights are to be tested over the Measurement Period using the Company's Total Shareholder Return (TSR) relative to the Small Industrials Total Return Index (SITRI), with a Gate condition that the Company's TSR must be positive.</p> <ul style="list-style-type: none">• If the Company's TSR is greater than or equal to 200% of the SITRI movement, then 100% of the 2018 LTI Performance Rights will vest.• If the Company's TSR is greater than 100% of the SITRI movement, then the 2018 LTI Performance Rights will vest on a pro rata straight line basis.• If the Company's TSR is less than or equal to 100% of the SITRI movement, then none of the 2018 LTI Performance Rights will vest. <p>Measurement Period 3 years from 1 July 2017 to 30 June 2020.</p>	<p>Vesting 1 July 2020, subject to the satisfaction of the Vesting Conditions</p> <p>Expiry 5 October 2023</p>

Lapse

If a performance condition is not satisfied by the relevant expiry date, then the relevant class of Performance Rights will automatically lapse.

Exercise

Subject to satisfaction of the vesting conditions and any required approvals being received, Performance Rights may only be exercised by notice in writing to the Company (**Exercise Notice**). Any Exercise Notice for a Performance Right received by the Company will be deemed to be a notice of the exercise of that Performance Right as at the date of receipt. No exercise price, or share issue price, is payable by the holder and the Company must issue the number of Shares, update the share register and issue and send to the holder an updated holding statement within 5 business days after receiving the notice.

Shares issued on exercise

The Share issued upon vesting will rank equally in all respects with the Company's ordinary shares and the Company will apply to the ASX for official quotation of the Shares after they are issued.

Shareholder and regulatory approvals

Notwithstanding any other provision of these terms and conditions, exercise of Performance Rights into Shares will be subject to the Company obtaining all required (if any) Shareholder and regulatory approvals for the purpose of issuing the Shares to the holder. If exercise of the Performance Rights would result in any person being in contravention of section 606(1) of the Corporations Act then the exercise of each Performance Right that would cause the contravention will be deferred until such time or times that the exercise would not result in a contravention of section 606(1) of the Corporations Act. Holders must give notification to the Company in writing if they consider that the exercise of the Performance Rights may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the exercise of the Performance Rights will not result in any person being in contravention of section 606(1) of the Corporations Act.

Participation in new issues

There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.

Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares which must be issued on the exercise of an Performance Right will be increased by the number of Shares which the holder would have received if the holder had exercised the Performance Right before the record date for the bonus issue.

Adjustment for rights issue

If the Company makes a rights issue of Shares pro rata to existing Shareholders there will be no adjustment to these terms and conditions.

Adjustments for reorganisation

If there is any reconstruction of the issued share capital of the Company, the rights of the holders may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

Quotation

The Company will not apply for quotation of the Performance Rights on ASX.

Transferability

Performance Rights can only be transferred with the prior written consent of the Company, which consent may be withheld in the Company's sole discretion.

Compliance with laws

If the Corporations Act, the Listing Rules or the Constitution conflicts with these terms and conditions, or these terms and conditions do not comply with the Corporations Act, the Listing Rules or the Constitution, the holder authorises the Company to do anything necessary to rectify such conflict or non-compliance, including but not limited to unilaterally amending these terms and conditions.

LODGE YOUR VOTE

 **EMAIL**
investor@swiftnetworks.com.au

 **BY MAIL**
Swift Networks Group Limited
C/- Trident Capital
PO Box Z5183
Perth WA 6831 Australia

 **BY FAX**
+61 8 9218 8875

 **ALL ENQUIRIES TO**
Telephone: +61 8 6103 7595



X99999999999

PROXY FORM

I/We being a member(s) of Swift Networks Group Limited and entitled to attend and vote hereby appoint:

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 of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:30am (WST) on Wednesday, 14 November 2018 at 1 Watts Place, Bentley, WA 6102 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolutions 1 & 3: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1 & 3, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

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 ☒.

Resolutions

For Against Abstain*

1 Approval of Remuneration Report

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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2 Re-election of Ryan Sofoulis

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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3 Approval of issue of securities to Directors

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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4 Approval of 10% Placement Facility

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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* 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.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and 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 and the *Corporations Act 2001* (Cth).

SW1 PRX1801C

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

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. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may 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 item 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 items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares 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; and
- (b) return both forms together.

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, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge 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. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a 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.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:30am (WST) on Monday, 12 November 2018**, being not 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.

Proxy Forms may be lodged:



EMAIL

investor@swiftnetworks.com.au



BY MAIL

Swift Networks Group Limited
C/- Trident Capital
PO Box Z5183
Perth WA 6831
Australia



BY FAX

+61 8 9218 8875

**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.**