

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

Schrole Group Ltd

ABN

27 164 440 859

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 | Fully paid ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 156,250,000 |
| 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) | Fully paid ordinary shares |

+ See chapter 19 for defined terms.

4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> 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 	Yes
5	Issue price or consideration	\$0.008 (0.8 cents) per share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	To raise additional funds to increase the Company's business development and in-house software development capability to support the rollout of strategic initiatives, including launching new revenue generating products
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	23 May 2018
6c	Number of +securities issued without security holder approval under rule 7.1	93,112,977
6d	Number of +securities issued with security holder approval under rule 7.1A	63,137,023

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 VWAP date: 26 April 2019 Issue date: 3 May 2019 15 day VWAP: \$0.010603 75% of VWAP: \$0.007952 Discount to VWAP: 24.5% Source: Orient Capital Pty Ltd				
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	7.1: 1,592,557 7.1A: 0 Total: 1,592,557				
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.	3 May 2019				
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>554,316,176</td><td>Fully paid ordinary shares</td></tr></table>	Number	+Class	554,316,176	Fully paid ordinary shares
Number	+Class					
554,316,176	Fully paid ordinary shares					
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	<table><tr><td>233,304,055</td><td>Fully paid ordinary shares escrowed for 24 months from quotation</td></tr></table>	233,304,055	Fully paid ordinary shares escrowed for 24 months from quotation		
233,304,055	Fully paid ordinary shares escrowed for 24 months from quotation					

+ See chapter 19 for defined terms.

93,000,000	B Class performance shares subject to Class B milestones as detailed in Prospectus dated 18 August 2017, expiring 5 years from issue, escrowed for 24 months from quotation
150,000,000	C Class performance shares subject to Class C milestones as detailed in Prospectus dated 18 August 2017, expiring 5 years from issue, escrowed for 24 months from quotation
4,720,000	Performance Rights with a nil exercise price expiring 5 years from issue
13,560,000	Performance Rights with a nil exercise price and with Tranche B Performance Rights vesting conditions as detailed in the Company's prospectus dated 3 July 2018, expiring 5 years from issue
22,600,000	Performance Rights with a nil exercise price and with Tranche C Performance Rights vesting conditions as detailed in the Company's prospectus dated 3 July 2018, expiring 5 years from issue
25,707,927	Vendor options with exercise price of \$0.04 and expiring 3 years from issue date, escrowed for 24 months from quotation.

Number	+Class
71,292,073	Unlisted options with exercise price of \$0.04 and expiring 3 years from issue date, escrowed for 12 months from issue;
28,250,000	Unlisted options with exercise price of \$0.02, expiring 3 years from issue date, escrowed for 24 months from quotation
50,000,000	Unlisted options with exercise price of \$0.03, expiring 3 years from issue date, escrowed for 24 months from quotation
21,750,000	Unlisted options with exercise price of 0.02, expiring 3 years from quotation, escrowed for 12 months from issue
7,000,000	Unlisted options with exercise price of \$0.03, expiring 3 years after issue date, escrowed for 24 months from quotation
7,000,000	Unlisted options with exercise price of \$0.04 (and vesting only if 10-day VWAP of the Company's share is \$0.04), expiring 3 years after issue date, escrowed 24 months from quotation

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

N/A

Part 2 - Pro rata issue – 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

+ See chapter 19 for defined terms.

- (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

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) – questions 38-42 not applicable

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.

Sign here:



Date: 3 May 2019

(~~Director~~/Company secretary)

Print name:

Nick Allan

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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 – Not applicable

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	580,050,231
Add the following: <ul style="list-style-type: none"> 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 <p><i>Note:</i></p> <ul style="list-style-type: none"> 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 	47,000,000 [Issued 27 Sep 2018 on conversion of Series A Performance Shares issued under IPO Prospectus, under LR7.2 Exception 4] 4,320,000 [Issued 12 Nov 2018 on conversion of performance rights issued under Cleansing Prospectus, under 7.2 Exception 9]
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	0
“A”	631,370,231

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	94,705,534
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 <i>not counting</i> those issued: <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 Note: <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	93,112,977 [Subject of this release]
“C”	93,112,977
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	94,705,534
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	93,112,977
Total [“A” x 0.15] – “C”	1,592,557 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ 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” <i>Note: number must be same as shown in Step 1 of Part 1</i>	631,370,231
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	63,137,023
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 <i>Notes:</i> <ul style="list-style-type: none"> • 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 	63,137,023 [Subject of this release]
“E”	63,137,023

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	63,137,023
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	63,137,023
Total [“A” x 0.10] – “E”	0 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.