

21 June 2019

Ms. Penelope Reid
Adviser, ASX Listings Compliance
ASX Compliance Pty Ltd
Level 40, Central Park
152-158 St. Georges Terrace
Perth, WA 6000

By email: listingscomplianceperth@asx.com.au

Dear Ms Reid

Response to ASX Query Letter

Syntonic Limited (**SYT**) refers to your letter dated 14 June 2019 (**Letter**) and provides the following responses to your queries.

- 1 The Company reviewed the voting exclusions as set out in the Notice of Meeting for each resolution prior to the Meeting and reviewed the shareholder attendance register as shareholders arrived at the Meeting to determine the eligibility of the attendees to vote on each Resolution, and to ensure that no attendees or known associates that were excluded from any of the resolutions voted on that particular resolution.
- 2 The company secretary manually reviewed the proxies as they were received from shareholders prior to the Meeting and determined their eligibility to vote by taking into consideration the voting exclusion statements for each resolution as set out in the Notice of Meeting.
- 3 No, it did not.
- 4 Not applicable.
- 5 The Company chose not to have the share registry or auditors, or some other independent party oversee, or validate the result of, the processes referred to in questions 1 and 2 as:
 - (a) it had completed a review of the voting exclusions prior to the Meeting;
 - (b) a representative of its legal advisors was in attendance at the Meeting to answer any queries (if required); and
 - (c) it considered that in the event of any queries as to the oversight or validation of the results of the Meeting or the processes followed at the Meeting, it would be in a position to address them at the Meeting.
- 6 For the following reasons:
 - (a) as each resolution was put to voting on a show of hands by eligible shareholders able to vote on the resolutions at the Meeting;
 - (b) as the result of each resolution reflected the valid proxy voting numbers that were confirmed prior to the Meeting; and
 - (c) after addressing all questions from shareholders in attendance no poll was called.

- 7 Refer Annexure A the list of all persons that participated in SYT's December Placement. **This information is not for release to market.**
 - (a) Refer Annexure A.
 - (b) Refer Annexure A.
- 8 Refer Annexure B the list of all persons that participated in SYT's April Placement. **This information is not for release to market.**
 - (a) Refer Annexure B.
 - (b) Refer Annexure B.
- 9 The commitment shares were issued to Obsidian Global Partners LLC (**Obsidian**). Obsidian did not attend the Meeting or submit a proxy.
- 10 The initial convertible notes were allotted to Obsidian. Obsidian did not attend the Meeting or submit a proxy.
- 11 The conversion shares were allotted to Obsidian. Obsidian did not attend the Meeting or submit a proxy.
- 12 The replacement convertible notes were allotted to Obsidian. Obsidian did not attend the Meeting or submit a proxy.
- 13 This allotment has not yet been completed, however it is anticipated they will be allotted to Obsidian. Obsidian did not attend the Meeting or submit a proxy.
- 14 All of the directors are eligible to participate in the Incentive Option Plan.
 - a) None of the directors attended the meeting, save for Dr Gary Greenbaum who attended by conference call.
 - b) Proxies were submitted in respect of shareholdings that Dr Gary Greenbaum and Mr Rahul Agarwal have a relevant interest in. The proxies were directed to abstain from voting on Resolution 8.
- 15 The options were issued to Mr Gavin Dunhill.
 - a) Mr Dunhill did not attend the Meeting
 - b) Mr Dunhill's lodged a proxy for the Meeting, and the proxy was directed to abstain from the voting on resolution 9.

Yours sincerely



Mr Steven Wood
Joint Company Secretary
Syntonic Limited



14 June 2019

Mr Steven Wood and Mr Edward Meagher
Joint Company Secretaries
Syntonic Limited
945 Wellington Street
West Perth WA 6005

By email: sw@grangeconsulting.com.au; edm@grangeconsulting.com.au

Dear Mr Wood and Mr Meagher

Syntonic Limited ('SYT'): ASX Query Letter

ASX refers to the following:

- A. SYT's notice of general meeting and proxy form ("Notice of Meeting") released on the ASX Market Announcements Platform ("MAP") on 9 May 2019 with respect to its general meeting to be held on 7 June 2019 ("Meeting"). The Notice of Meeting proposed nine resolutions under and for the purposes of the Listing Rules. Each of those resolutions was accompanied by the voting exclusion statement required by the ASX Listing Rules. In addition, resolution 8 (Adoption of New Incentive Option Plan) also included a voting exclusion statement required by the section 250BD of the Corporations Act.
- B. SYT's announcement titled "Results of Meeting" released on MAP on 7 June 2019 ("Original Meeting Results"), disclosing the results of the Meeting.
- C. SYT's announcement titled "Results of Meeting – Revised" released on MAP on 7 June 2019, disclosing an amended version of the Original Results ("Revised Meeting Results"). The announcement states that the Original Meeting Results incorrectly included 287,766,859 proxy votes 'for' resolutions 1 and 2, and these votes should have been recorded as 'abstain/excluded', though the correction would not have changed the results of the Meeting. Each resolution considered at the Meeting was passed on a show of hands.
- D. In the Revised Meeting Results, both resolutions 1 and 2 have the same number of proxy votes recorded as 'Abstain/Excluded' even though the resolutions relate to different share placements conducted by SYT. The Revised Meeting Results also show the same number of proxy votes as 'Abstain/Excluded' for each of resolutions 3 – 7 inclusive.

Request for Information

Having regard to the above, pursuant to listing rule 18.7, ASX asks SYT to respond separately to each of the following questions and requests for information.

1. Please explain in detail the process that SYT followed to determine the eligibility of shareholders to vote on the resolutions considered at the Meeting for those shareholders who attended the Meeting in person and, in particular, to ensure that those shareholders who were the subject of a voting exclusion statement did not vote in person on that resolution.
2. Please explain in detail the process that SYT followed to determine the eligibility of shareholders to vote on the resolutions considered at the Meeting for those shareholders who lodged proxies in relation to the Meeting and, in particular, to ensure that those shareholders who were the subject of a voting exclusion statement were excluded from the number of proxy votes for the resolution in the Original Meeting Results and the Revised Meeting Results.

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3. Did SYT have its auditors or registry or some other independent party oversee, or validate the results of, the processes referred to in questions 1 and 2 above?
 4. If the answer to question 3 is “yes”, please provide a copy of any report from the auditors, registry or other independent party confirming the results of their oversight or validation.
 5. If the answer to question 3 is “no”, please explain why SYT chose not to have its auditors or registry or some other independent party oversee, or validate the results of, the processes referred to in questions 1 and 2.
 6. Please explain why the chair of the Meeting chose to put the resolutions considered at the Meeting to a vote by show of hands rather than by a poll, when those resolutions were all subject to voting exclusion statements.
 7. Please provide a list of all persons who participated in SYT’s “December Placement”, as defined in the Notice of Meeting, and indicate on that list:
 - a. whether the person attended the Meeting in person and, if they did, whether they voted on the show of hands on resolution 1 and, if they did, whether they voted for or against the resolution;
 - b. whether the person lodged a proxy for the Meeting and, if they did, whether the proxy was directed to vote for, against, or in their discretion, on resolution 1.
 8. Please provide a list of all persons who participated in SYT’s “April Placement” referred to in resolution 2 of the Notice of Meeting and indicate on that list:
 - a. whether the person attended the Meeting in person and, if they did, whether they voted on the show of hands on resolution 2 and, if they did, whether they voted for or against the resolution;
 - b. whether the person lodged a proxy for the Meeting and, if they did, whether the proxy was directed to vote for, against, or in their discretion, on resolution 2.
 9. Please provide a list of all persons who participated in the issue of the commitment shares referred to in resolution 3 of the Notice of Meeting and indicate on that list:
 - a. whether the person attended the Meeting in person and, if they did, whether they voted on the show of hands on resolution 3 and, if they did, whether they voted for or against the resolution;
 - b. whether the person lodged a proxy for the Meeting and, if they did, whether the proxy was directed to vote for, against, or in their discretion, on resolution 3.
 10. Please provide a list of all persons who participated in the issue of the initial convertible notes referred to in resolution 4 of the Notice of Meeting and indicate on that list:
 - a. whether the person attended the Meeting in person and, if they did, whether they voted on the show of hands on resolution 4 and, if they did, whether they voted for or against the resolution;
 - b. whether the person lodged a proxy for the Meeting and, if they did, whether the proxy was directed to vote for, against, or in their discretion, on resolution 4.
 11. Please provide a list of all persons who participated in the issue of the conversion shares referred to in resolution 5 of the Notice of Meeting and indicate on that list:
 - a. whether the person attended the Meeting in person and, if they did, whether they voted on the show of hands on resolution 5 and, if they did, whether they voted for or against the resolution;
 - b. whether the person lodged a proxy for the Meeting and, if they did, whether the proxy was directed to vote for, against, or in their discretion, on resolution 5.

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12. Please provide a list of all persons who participated in the issue of the replacement convertible notes referred to in resolution 6 of the Notice of Meeting and indicate on that list:
 - a. whether the person attended the Meeting in person and, if they did, whether they voted on the show of hands on resolution 6 and, if they did, whether they voted for or against the resolution;
 - b. whether the person lodged a proxy for the Meeting and, if they did, whether the proxy was directed to vote for, against, or in their discretion, on resolution 6.
 13. Please provide a list of all persons who participated in the issue of the tranche 2 convertible notes referred to in resolution 7 of the Notice of Meeting and indicate on that list:
 - a. whether the person attended the Meeting in person and, if they did, whether they voted on the show of hands on resolution 7 and, if they did, whether they voted for or against the resolution;
 - b. whether the person lodged a proxy for the Meeting and, if they did, whether the proxy was directed to vote for, against, or in their discretion, on resolution 7.
 14. Please provide a list of all directors who are eligible to participate in the new incentive option plan referred to in resolution 8 of the Notice of Meeting and indicate on that list:
 - a. whether the director attended the Meeting in person and, if they did, whether they voted on the show of hands on resolution 8 and, if they did, whether they voted for or against the resolution;
 - b. whether the director lodged a proxy for the Meeting and, if they did, whether the proxy was directed to vote for, against, or in their discretion, on resolution 8.
 15. Please provide a list of all persons who participated in the prior issue of options referred to in resolution 9 of the Notice of Meeting and indicate on that list:
 - a. whether the person attended the Meeting in person and, if they did, whether they voted on the show of hands on resolution 9 and, if they did, whether they voted for or against the resolution;
 - b. whether the person lodged a proxy for the Meeting and, if they did, whether the proxy was directed to vote for, against, or in their discretion, on resolution 9.
 16. If SYT is not able to provide the lists referred to in questions 7 – 15 above, please explain why not.

When and where to send your response

This request is made under, and in accordance with, listing rule 18.7. Your response in relation to the above queries is required as soon as reasonably possible and, in any event, by not later than 9.00am AWT on Friday 21 June 2019.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under listing rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at ListingsCompliancePerth@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This will allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

SYT should note that if ASX is not satisfied that the resolutions purportedly passed at the Meeting were validly passed and that votes that should have been disregarded were in fact disregarded, ASX is likely to require SYT to seek fresh approvals under the Listing Rules.

Should you have any queries in relation to the above, please let me know.

Yours sincerely

Penelope Reid
Adviser, Listings Compliance (Perth)