



**SCHROLE GROUP LTD  
ACN 164 440 859**

## **NOTICE OF GENERAL MEETING**

**The General Meeting of the Company will be held at 142  
Hasler Road, Osborne Park, Western Australia on Tuesday,  
24<sup>th</sup> September 2019 at 10:30am (WST).**

*The Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.*

*Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by email on +61 8 9230 7077.*

**Shareholders are urged to attend or vote by lodging the proxy form accompanying the Notice.**

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# SCHROLE GROUP LIMITED

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## NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of Shareholders of Schrole Group Limited (**Company**) will be held at the offices of the Company, at 142 Hasler Road, Osborne Park, Western Australia, 6017 on Tuesday, 24th September 2019 at 10:30am (WST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of the Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company on Sunday, 22<sup>nd</sup> September 2019 at 10:30am (WST).

Terms and abbreviations used in the Notice are defined in Schedule 1.

## AGENDA

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### 1. Resolution 1 - Ratification of issue under Listing Rule 7.1 - Capital Raising Shares

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

*"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 93,112,977 Shares issued under Listing Rule 7.1 on the terms and conditions in the Explanatory Memorandum."*

#### Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or an associate of that person (or those persons).

However, the Company need not disregard a vote if:

- (a) 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
- (b) 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.

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### 2. Resolution 2- Ratification of issue under Listing Rule 7.1A- Capital Raising Shares

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

*"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 63,137,023 Shares issued under Listing Rule 7.1A on the terms and conditions in the Explanatory Memorandum."*

#### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or an associate of that person (or those persons).

However, the Company need not disregard a vote if:

- (a) 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
- (b) 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.

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### **3. Resolution 3 - Approval to issue Placement Shares**

To consider and, if thought fit, to pass with or without amendment the following resolution as an ordinary resolution:

*"That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 100,000,000 Placement Shares on the terms and conditions set out in the Explanatory Memorandum."*

#### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder) or any of their respective associates.

However, the Company need not disregard a vote if:

- (a) 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
- (b) 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**



Nick Allan  
Company Secretary  
Schrole Group Limited  
Dated: 23<sup>rd</sup> August 2019

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# SCHROLE GROUP LIMITED

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## EXPLANATORY MEMORANDUM

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### 1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the offices of the Company, at 142 Hasler Road, Osborne Park, Western Australia, 6017 on Tuesday, 24th September 2019 at 10:30am (WST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Action to be taken by Shareholders
Section 3	Ratification of issue under Listing Rule 7.1 - Capital Raising Shares
Section 4	Ratification of issue under Listing Rule 7.1A- Capital Raising Shares
Section 5	Approval to issue Placement Shares
Schedule 1	Definitions

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### 2. Action to be taken by Shareholders

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

A Proxy Form is accompanying the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company 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.

The Chair intends to exercise all available proxies in favour of all Resolutions.

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### **3. Resolution 1 - Ratification of issue under Listing Rule 7.1 - Capital Raising Shares**

#### **3.1 General**

As announced on 26 April 2019 the Company received firm commitments to raise up to \$1,250,000 (before costs) via a placement of 156,250,000 Shares at an issue price of \$0.008 per share (**Capital Raising Shares**) to institutional and sophisticated investors (**Capital Raise**).

On 3 May 2019 the Company announced the issue of the Capital Raising Shares as follows:

- (a) 93,112,977 Shares issued pursuant to the Company's 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval; and
- (b) 63,137,023 Shares issued pursuant to the Company's 10% annual limit, permitted under Listing Rule 7.1A.

The \$1,250,000 raised through the Capital Raise has been or will be applied towards increasing the Company's business development and in-house software development capability to support the rollout of strategic initiatives, including launching new revenue generating products.

Resolution 1 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the 93,112,977 Capital Raising Shares issued under the Listing Rule 7.1.

#### **3.2 Listing Rules 7.1**

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

#### **3.3 Listing Rule 7.4**

Listing Rule 7.4 provides an exception to Listing Rules 7.1 and 7.1A. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rules 7.1 and 7.1A (and provided that the previous issue did not breach Listing Rules 7.1 and 7.1A), those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rules 7.1 and 7.1A, as applicable.

The effect of Resolution 1 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### **3.4 Specific information required by Listing Rule 7.5**

Pursuant to, and in accordance with, Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Capital Raising Shares under Resolution 1:

- (a) a total of 93,122,977 Capital Raising Shares were issued pursuant to Listing Rule 7.1;
- (b) the Capital Raising Shares were issued at an issue price of \$0.008 per Share;
- (c) the Capital Raising Shares were issued to Sophisticated and Professional Investors, none of whom is a related party of the Company;
- (d) the Capital Raising Shares were issued as fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (e) the proceeds raised from the issue of the Capital Raising Shares has been or will be used towards increasing the Company's business development and in-house software development capability to support the rollout of strategic initiatives, including launching new revenue generating products; and
- (f) a voting exclusion statement is included in the Notice.

### **3.5 Additional information**

Resolution 1 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 1.

The Chair intends to exercise all available proxies in favour of Resolution 1.

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## **4. Resolution 2- Ratification of issue under Listing Rule 7.1A - Capital Raising Shares**

### **4.1 General**

As noted in Section 3.1, the Company recently completed a Capital Raising, pursuant to which 63,127,023 Capital Raising Shares were issued under Listing Rule 7.1A.

Resolution 2 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the 63,137,023 Capital Raising Shares issued under the Listing Rule 7.1A.

### **4.2 Listing Rules 7.1A and 7.4**

Listing Rule 7.1A provides that an eligible entity may seek shareholder approval at its annual general meeting to allow it to issue Equity Securities comprising up to 10% of its issued capital. The Company obtained this approval at its annual general meeting held on 23 May 2018.

A summary of Listing Rule 7.4 is set out in Section 3.3.

The effect of Resolution 2 will be that the 63,127,026 Capital Raising Shares issued under Listing Rule 7.1A, will be ratified under Listing Rule 7.4 and therefore counted as part of "variable A" in determining the Company's Listing Rule 7.1 capacity. This

will have the effect of increasing the Company's placement capacity under Listing Rule 7.1.

#### **4.3 Specific information required by Listing Rule 7.5**

Pursuant to, and in accordance with, Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Capital Raising Shares under Resolution 2:

- (a) a total of 63,137,023 Capital Raising Shares were issued pursuant to Listing Rule 7.1A;
- (b) the Capital Raising Shares were issued at an issue price of \$0.008 per Share;
- (c) the Capital Raising Shares were issued to Sophisticated and Professional Investors, none of whom is a related party of the Company;
- (d) the Capital Raising Shares were issued as fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (e) the proceeds raised from the issue of the Capital Raising Shares will be used towards increasing the Company's business development and in-house software development capability to support the rollout of strategic initiatives, including launching new revenue generating products; and
- (f) a voting exclusion statement is included in the Notice.

#### **4.4 Additional information**

Resolution 2 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 2.

The Chair intends to exercise all available proxies in favour of Resolution 2.

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## **5. Resolution 3- Approval to issue Placement Shares**

### **5.1 Background**

The Company is proposing to undertake a placement of up to 100,000,000 Shares at an issue price of \$0.008 (**Placement Shares**), to raise up to \$800,000 (**Placement**).

The Company proposes to use the funds raised through the Placement towards increasing the Company's business development and in-house software development capability to support the rollout of strategic initiatives, including launching new revenue generating products.

Resolution 3 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of Shares under the proposed Placement.

Resolution 3 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 3.

## **5.2 Listing Rule 7.1**

The effect of Resolution 3 will be to allow the Company to issue the Placement Shares during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity under Listing Rule 7.1.

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 months period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

## **5.3 Specific Information required by Listing Rule 7.3**

Pursuant to, and in accordance with, Listing Rule 7.3, the following information is provided in relation to the approval of the issue of the Placement Shares under Resolution 3:

- (a) the maximum number of Placement Shares to be issued under Resolution 3 is 100,000,000 Shares;
- (b) the Placement Shares will be issued no later than 3 months after the date of this Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Placement Shares will occur on the same date;
- (c) the issue price of the Placement Shares will be \$0.008 per share to raise \$800,000 before costs;
- (d) the Placement Shares will be issued to sophisticated and institutional investors, none of whom are related parties to the Company.
- (e) the Placement Shares issued will all be fully paid ordinary shares in the capital of the Company ranking equally in all respects with the Company's existing issued Shares;
- (f) the proceeds from the issue of the Placement Shares are intended to be used towards increasing the Company's business development and in-house software development capability to support the rollout of strategic initiatives, including launching new revenue generating products; and
- (g) a voting exclusion statement is included in the Notice.



## Schedule 1 - Definitions

In the Notice, words importing the singular include the plural and vice versa.

**\$** means Australian Dollars.

**ASX** means the ASX Limited ABN 98 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

**Board** means the board of Directors of the Company.

**Capital Raise** has the meaning given in Section 3.1.

**Capital Raising Shares** has the meaning given in Section 3.1.

**Chair** means the person appointed to chair the Meeting of the Company convened by the Notice.

**Company** means Schrole Group Limited ACN 164 440 859.

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

**Director** means a director of the Company.

**Explanatory Memorandum** means the explanatory memorandum which forms part of the Notice.

**Equity Security** has the same meaning as in the Listing Rules.

**Listing Rules** means the listing rules of ASX.

**Meeting** has the meaning given in the introductory paragraph of the Notice.

**Notice** means this notice of general meeting.

**Option** means an option to acquire a Share.

**Placement** has the meaning given in Section 5.1.

**Placement Shares** has the meaning given in Section 5.1.

**Proxy Form** means the proxy form accompanying to the Notice.

**Resolution** means a resolution referred to in the Notice.

**Schedule** means a schedule to the Notice.

**Section** means a section of the Explanatory Memorandum.

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

**Shareholder** means a holder of a Share.

**Sophisticated and Professional Investors** means sophisticated and professional investors as defined in section 708 of the Corporations Act.

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

## LODGE YOUR VOTE



### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)



### BY MAIL

Schrole Group Ltd  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia



### BY FAX

+61 2 9287 0309



### BY HAND

Link Market Services Limited  
1A Homebush Bay Drive, Rhodes NSW 2138



### ALL ENQUIRIES TO

Telephone: 1300 554 474

Overseas: +61 1300 554 474



X99999999999

## PROXY FORM

I/We being a member(s) of Schrole Group Ltd 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 General Meeting of the Company to be held at **10:30am (WST) on Tuesday, 24 September 2019 at 142 Hasler Road, Osborne Park, Western Australia** (the Meeting) and at any postponement or adjournment of the Meeting.

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 Ratification of issue under Listing Rule 7.1 – Capital Raising Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Ratification of issue under Listing Rule 7.1A – Capital Raising Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval to issue Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



\* 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).

## 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.

### 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:

- 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
- 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](http://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 Sunday, 22 September 2019**, 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 using the reply paid envelope or:



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



#### BY MAIL

Schrole Group Ltd  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
1A Homebush Bay Drive  
Rhodes NSW 2138

\* During business hours (Monday to Friday, 9:00am–5:00pm)



### COMMUNICATIONS PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**