



17 March 2009

ELS080.2009
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The Manager  
Company Announcements Office  
Australian Securities Exchange  
Level 4, Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

***Via Electronic Lodgement*****PRO-RATA NON-RENOUCEABLE RIGHTS ISSUE**

As foreshadowed in the ASX announcement of 10 March 2009, Synergy Equities Group Limited (“the Company”) is pleased to announce that it will be offering eligible shareholders the opportunity to participate in a pro rata non-renounceable rights issue of options on the basis of four (4) New Options for every five (5) shares held at an issue price of \$0.001 (0.1 cents) each. The New Options will have an exercise price of \$0.01 (1 cent) and will expire on 06 May 2013.

Furthermore, the Company has incorporated a top-up facility whereby eligible shareholders may apply for additional options in excess of their entitlement at the issue price. Additional options will only be available to the extent that other eligible shareholders do not take up their entitlements.

The Prospectus relating to the rights issue will be available on the Company’s website [www.synergylimited.com](http://www.synergylimited.com) and also the ASX website [www.asx.com.au](http://www.asx.com.au) later today.

An Appendix 3B in relation to the rights issue is attached.

Yours faithfully

Ronald Moir  
**Managing Director**  
**SYNERGY EQUITIES GROUP LIMITED**

attach: – Appendix 3B (7 pages)

# 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 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

**SYNERGY EQUITIES GROUP LIMITED**

ABN

**44 009 148 529**

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   | Options exercisable at 1.0 cent expiring 06 May 2013 |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 798,949,436  |
| 3 | Principal terms of the +securities (eg, 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) | Options exercisable at 1.0 cent expiring 06 May 2013 |



+ See chapter 19 for defined terms.

4	<p>Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>When exercised the options will result in the creation of ordinary shares which will rank pari passu in all respects with the existing ordinary shares.</p>						
5	Issue price or consideration	\$0.001 (0.1 cents) per option						
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	798,949,436 options offered as a pro-rata non-renounceable entitlement of 4 new options for every 5 shares held at the record date 26 March 2009 by shareholders per a Prospectus dated 17 March 2009						
7	Dates of entering <sup>+</sup> securities into uncertificated holdings or despatch of certificates	07 May 2009						
8	Number and <sup>+</sup> class of all <sup>+</sup> securities quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th><sup>+</sup>Class</th> </tr> </thead> <tbody> <tr> <td>998,686,795</td> <td>Fully paid ordinary shares</td> </tr> <tr> <td>798,949,436</td> <td>Options exercisable at 1.0 cent expiring 06 May 2013</td> </tr> </tbody> </table>	Number	<sup>+</sup> Class	998,686,795	Fully paid ordinary shares	798,949,436	Options exercisable at 1.0 cent expiring 06 May 2013
Number	<sup>+</sup> Class							
998,686,795	Fully paid ordinary shares							
798,949,436	Options exercisable at 1.0 cent expiring 06 May 2013							
9	Number and <sup>+</sup> class of all <sup>+</sup> securities not quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th><sup>+</sup>Class</th> </tr> </thead> <tbody> <tr> <td>85,000,000</td> <td>Unlisted employee option incentive scheme options</td> </tr> <tr> <td>20,000,000</td> <td>Unlisted consultant option incentive scheme options</td> </tr> </tbody> </table>	Number	<sup>+</sup> Class	85,000,000	Unlisted employee option incentive scheme options	20,000,000	Unlisted consultant option incentive scheme options
Number	<sup>+</sup> Class							
85,000,000	Unlisted employee option incentive scheme options							
20,000,000	Unlisted consultant option incentive scheme options							
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Company has not yet established a Dividend policy						

+ See chapter 19 for defined terms.

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## Part 2 – Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the <sup>+</sup> securities will be offered	4 options for every 5 shares held
14	<sup>+</sup> Class of <sup>+</sup> securities to which the offer relates	Options exercisable at 1.0 cent expiring 06 May 2013
15	<sup>+</sup> Record date to determine entitlements	26 March 2009
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	n/a
17	Policy for deciding entitlements in relation to fractions	Round up to nearest whole number
18	Names of countries in which the entity has <sup>+</sup> security holders who will not be sent new issue documents  <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Offer not being made available to holders outside of Australia and New Zealand
19	Closing date for receipt of acceptances or renunciations	29 April 2009

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<sup>+</sup> See chapter 19 for defined terms.

20	Names of any underwriters	n/a
21	Amount of any underwriting fee or commission	n/a
22	Names of any brokers to the issue	n/a
23	Fee or commission payable to the broker to the issue	n/a
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of <sup>+</sup> security holders	n/a
25	If the issue is contingent on <sup>+</sup> security holders' approval, the date of the meeting	n/a
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	01 April 2009
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	19 March 2009
28	Date rights trading will begin (if applicable)	n/a
29	Date rights trading will end (if applicable)	n/a
30	How do <sup>+</sup> security holders sell their entitlements <i>in full</i> through a broker?	n/a
31	How do <sup>+</sup> security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	n/a
32	How do <sup>+</sup> security holders dispose of their entitlements (except by sale through a broker)?	n/a
33	<sup>+</sup> Despatch date	07 May 2009

<sup>+</sup> See chapter 19 for defined terms.

### Part 3 - Quotation of securities

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

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities

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

### 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

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+ See chapter 19 for defined terms.

**Entities that have ticked box 34(b)**

38 Number of securities for which  
+quotation is sought

39 Class of +securities for which  
quotation is sought

40 Do the +securities rank equally in all  
respects from the date of allotment  
with an existing +class of quoted  
+securities?

If the additional securities do not  
rank equally, please state:

- the date from which they do
- the extent to which they  
participate for the next dividend,  
(in the case of a trust,  
distribution) or interest payment
- the extent to which they do not  
rank equally, other than in  
relation to the next dividend,  
distribution or interest payment

41 Reason for request for quotation  
now

Example: In the case of restricted securities, end of  
restriction period

(if issued upon conversion of  
another security, clearly identify that  
other security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX ( <i>including</i> the securities in clause 38)		

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+ See chapter 19 for defined terms.

**Quotation agreement**

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

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

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

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided 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 not available now, 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: 17 March 2009  
Company Secretary

Print name: Mark Popham

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+ See chapter 19 for defined terms.