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**iBuyNew Group Limited**

**ACN 108 958 274**

**Notice of 2019 Annual General Meeting**

**Explanatory notes**

**Proxy form**

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**Time:** 10:00am (Sydney time)

**Date:** 13 December 2019

**Place:** Board room  
Level 57, MLC Centre  
19-29 Martin Place  
Sydney NSW 2000

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## Details of the Meeting

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The 2019 Annual General Meeting (**Meeting**) will be held at 10:00 am (Sydney time) on Friday, 13 December 2019 at Level 57, MLC Centre, 19-29 Martin Place, Sydney NSW 2000.

## Important voting information

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The business of the Meeting affects your shareholding and your vote is important. To vote in person, attend the Meeting on the date and at the place set out above. To vote by proxy, please complete and sign the enclosed proxy form and either:

1. deliver the proxy form:
  - (a) by hand to:  
Link Market Services Limited  
1A Homebush Bay Drive  
Rhodes NSW 2138; or
  - (b) by post to:  
Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235; or
2. by facsimile to +61 2 9287 0309; or
3. lodge online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) instructions as follows:  
Select Investor & Employee Login and in the Single Holding section enter iBuyNew Group Limited or the ASX code IBN in the Issuer name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your proxy form), postcode and security code which is shown on the screen and click Login. Select the Voting tab and then follow the prompts. You will be taken to have signed your proxy form if you lodge it in accordance with the instructions given on the website.

If you wish to appoint a proxy to vote for you at the Meeting, your proxy form must be received not later than 48 hours before the commencement of the Meeting. Proxy forms received later than this time will be invalid.

There may be restrictions on how your proxy can vote on certain resolutions to be considered at the Meeting. Further details of when these restrictions apply, and what you can do to ensure that your proxy can vote as you intend, are set out in the section of this document headed Voting Exclusions.

The Chair intends to vote all proxies given to the Chair in favour of all the resolutions in this 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 shareholders at 7:00pm (Sydney time) on Wednesday, 11 December 2019.

## Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of shareholders of iBuyNew Group Limited ACN 108 958 274 will be held at 10:00am (Sydney time) on Friday, 13 December 2019 at Level 57, MLC Centre, 19-29 Martin Place, Sydney NSW 2000.

The explanatory notes to this notice of meeting provide additional information on matters to be considered at the Meeting. The explanatory notes form part of this notice. Some terms and abbreviations used in this notice of meeting and the explanatory notes are defined at the end of the explanatory notes in the section headed Glossary.

## Items of business

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### 1. Financial report, directors' report and auditor's report

To receive and to consider the financial report, the directors' report and the auditor's report for the financial year ended 30 June 2019.

Note: this item of business is for discussion only and is not a resolution. However, shareholders will be given a reasonable opportunity at the meeting to ask questions or make comments about each of these reports.

### 2. Adoption of remuneration report

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

*"That, for the purposes of section 250R(2) of the Corporations Act, the Company's remuneration report for the year ended 30 June 2019 be adopted."*

Notes: the vote on this resolution is advisory only and does not bind the Directors or the Company. A voting exclusion applies to this resolution – see Voting Exclusions below.

### 3. Re-election of Vasilios (Bill) Nikolouzakakis as Director

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

*"That Vasilios (Bill) Nikolouzakakis, a Director appointed as an additional Director and holding office until the next general meeting of the Company after his appointment in accordance with the Company's Constitution and ASX Listing Rule 14.4, be re-elected as a Director of the Company."*

### 4. Approval of capacity to issue securities under Listing Rule 7.1A

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

*"That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms set out in the explanatory notes which accompany and form part of this Notice of Meeting."*

Note: a voting exclusion applies to this resolution – see Voting Exclusions below.

### 5. Approval to issue the Placement Shares

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

*"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to allot and issue up to 125,000,000 Shares at an issue price of \$0.02 per share to raise approximately \$2.5 million on terms and conditions described in the explanatory notes which accompany and form part of this Notice of Meeting."*

Note: a voting exclusion applies to this resolution – see Voting Exclusions below.

Shareholders should be aware that:

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| <ul style="list-style-type: none"><li>• <b>IBN's securities are currently suspended from quotation on the ASX official list.</b></li><li>• <b>Following disposal of its main undertaking (i.e. the Proposed Transaction), IBN is expected to remain suspended until such time that it is able to demonstrate compliance with the Listing Rules. IBN intends to explore potential acquisitions and in the event that IBN identifies such transaction, it will be required to re-comply with the admission requirements under chapters 1 and 2 of the Listing Rules.</b></li><li>• <b>If IBN remains suspended for a continuous period of 2 years, it will be automatically removed from the ASX official list</b></li><li>• <b>If IBN fails to lodge any of the documents referred to in Listing Rule 17.5 for a continuous period of 1 year after the deadline for lodgement of that document, IBN will be automatically removed from the official list.</b></li></ul> |
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## 6. Approval to dispose of main undertaking

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

*“That, for the purposes of Listing Rule 11.2, approval is given for the Company to undertake the Proposed Transaction to dispose of its main undertaking comprising selected assets of the iBuyNew and Nyko Property platforms (but excluding the future receivables commission books from previous property sales generated by the Company) under the Asset Sale Agreement and on the terms set out in the Explanatory Notes.”*

Note: a voting exclusion applies to this resolution – see Voting Exclusions below.

## 7. Change of Company name

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

*“Subject to the resolution at Item 6 of this Notice being passed, that, for the purposes of sections 157(1) and 136(2) of the Corporations Act and for all other purposes, the name of the Company be changed to RESA Group Limited effective from the date that ASIC alters the details of the Company’s registration in accordance with section 157 of the Corporations Act and all references to iBuyNew Group Limited in the Company’s constitution be replaced by references to RESA Group Limited .”*

**Dated: 8<sup>th</sup> of November 2019**

**By order of the Board**

**Bill Nikolouzakis**  
**Director**

## Voting exclusions

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### Item 2 – Adoption of remuneration report

In accordance with the Corporations Act, votes on Item 2 may not be cast in any capacity by or on behalf of a member of the Company’s Key Management Personnel (**KMP**) whose remuneration details are included in the remuneration report for the year ended 30 June 2019 or any of that person’s Closely Related Parties (as defined in the Glossary) unless:

- the vote is cast by such a person as a proxy for a person who is entitled to vote on Item 2 and in accordance with a direction on the proxy form specifying the way the proxy is to vote on the resolution; or
- the vote is cast by the Chair as a proxy for a person who is entitled to vote on Item 2 and the proxy form expressly authorises the Chairman to exercise the proxy even though the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

If you intend to appoint a member of the KMP (such as one of the Directors) as your proxy, please ensure that you direct them how to vote on Item 2. If you appoint the Chair as your proxy, and you do not direct your proxy how to vote on Item 2, you will be expressly authorising the Chair to exercise the proxy even though the resolution is connected with the remuneration of members of the KMP.

### Item 4 – Approval of capacity to issue securities under Listing Rule 7.1A

As required by the Listing Rules, the Company will disregard any votes cast in favour of Item 4 by or on behalf of:

- each 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 holder of ordinary securities in the Company); or
- an Associate of any of those persons.

However, the Company will not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the 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.

### **Item 5 – Approval to issue the Placement Shares**

As required by the Listing Rules, the Company will disregard any votes cast in favour of Item 5 by or on behalf of:

- each 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 holder of ordinary securities in the Company); or
- an Associate of any of those persons.

However, the Company will not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the 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.

### **Item 6 – Approval to dispose of main undertaking**

As required by the Listing Rules, the Company will disregard any votes cast in favour of Item 6 by or on behalf of:

- a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; or
- an Associate of any of those persons.

However, the Company will not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the 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.

## **Explanatory notes**

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These explanatory notes have been prepared for shareholders in connection with the business to be conducted at the Annual General Meeting (**Meeting**) to be held at 10:00am (Sydney time) on Friday, 13 December 2019 at Level 57, MLC Centre, 19-29 Martin Place, Sydney NSW 2000.

These notes provide information which the Directors believe to be material to shareholders in deciding how to vote on the resolutions to be put to the Meeting.

If you are in any doubt about what to do in relation to this document or about how to vote on the resolutions to be put to the Meeting, you should seek advice from an accountant, solicitor or other professional advisor.

### **Item 1 – Financial report, directors’ report and auditor’s report**

As required by the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2019 together with the director’s report, the remuneration report and the auditor’s report. These reports are all included in the Company’s Annual Report, which was lodged with the ASX on 8 November 2019.

The Company is no longer required to send a copy of the Annual Report to shareholders unless shareholders specifically elect to receive a copy. A copy of the Company’s Annual Report is available from the Company’s website at <http://ibuynewgroup.com.au/asx-announcements/>.

No resolution is required for this item, but shareholders will be given the opportunity to ask questions and to

make comments on the reports. In addition, the Company's auditor, Stantons International will be present at the Meeting and shareholders will have an opportunity to ask questions of the auditor in relation to the conduct of the audit and the content of the financial report and auditor's report.

## **Item 2 – Adoption of remuneration report**

Section 250R of the Corporations Act requires a listed company to put a resolution to shareholders to adopt its remuneration report for the relevant financial year. The Company's remuneration report for the financial year ended 30 June 2019 can be found at pages 7 to 16 of the Company's Annual Report.

The remuneration report explains the Board's policies in relation to the nature and level of remuneration paid to the Company's Key Management Personnel (including the Company's Chief Executive Officer and other senior executives, as well as the Company's Non-Executive Directors).

The vote on the remuneration report is advisory only and does not bind the Directors or the Company. However, under the Corporations Act:

- if at least 25% of the votes cast at any AGM on a resolution to adopt the remuneration report are cast against the adoption of the remuneration report, the Company's next remuneration report must explain the Board's proposed action in response or explain why no action has been taken; and
- if, at the AGM in the following year, at least 25% of the votes cast on a resolution to adopt the remuneration report are cast against the adoption of the remuneration report, a resolution must be put to the shareholders (**Spill Resolution**) that another meeting be held within 90 days at which all the Directors who were directors when the resolution to approve the Directors' report for that year was passed, excluding any managing director, would need to stand for re-election (**Spill Meeting**).

## **Item 3 – Re-election of Vasilios (Bill) Nikolouzakakis as Director**

### **Election of Director appointed since last AGM**

The Company's constitution provides that the Board may at any time appoint any person to be a Director (**Additional Director**) provided that the total number of Directors does not exceed nine. The constitution also provides each Additional Director appointed in this way is to hold office until the next annual general meeting and is then eligible for election as a Director of the Company.

Vasilios (Bill) Nikolouzakakis was appointed an Additional Director of the Company on 8 October 2019 and has served as a Director of the Company since that date. Mr Nikolouzakakis is required to retire under the provisions described above and seeks re-election at this Meeting.

Mr Nikolouzakakis is the Company's CEO and founder of Nyko Property (which the Company acquired in 2016). Bill was previously Head of Corporate Partnerships for the Company. Bill is an experienced property professional who has over 15 years' experience in both property marketing and banking.

### **Board recommendation**

The Board (except Vasilios (Bill) Nikolouzakakis) recommends that shareholders vote **in favour** of this Item.

## **Item 4 – Approval of capacity to issue securities under Listing Rule 7.1A**

Under ASX Listing Rule 7.1A, certain companies may by special resolution passed at an annual general meeting issue additional equity securities which:

- are in the same class as an existing quoted class of equity securities of the Company; and
- do not exceed 10% of the existing ordinary share capital (calculated in accordance with Listing Rule 7.1A.2),

without further shareholder approval. The ability of the Company to issue securities under Listing Rule 7.1A is in addition to its 15% placement capacity under ASX Listing Rule 7.1.

Approval under this resolution is sought for the Company to issue equity securities under Listing Rule 7.1A. If this resolution is approved the Company may make an issue of equity securities under Listing Rule 7.1A at any time (either on a single date or progressively) up until the earlier of:

- the date which is 12 months after the date of the Meeting; or
- the date on which shareholders approve a transaction under ASX Listing Rule 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 the ASX.

In accordance with Listing Rule 7.3A.3, the approval under Listing Rule 7.1A will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 or Listing Rule 11.2.

At the date of this notice of meeting, the Company is an “eligible entity”, and is therefore able to seek approval under Listing Rule 7.1A, as it is not included in the S&P/ASX300 and has a market capitalisation less than the amount prescribed by ASX (currently \$300 million). If at the time of the Meeting the Company is no longer an eligible entity then this resolution will be withdrawn.

The maximum number of equity securities which may be issued in the capital of the Company under the approval sought by this resolution will be determined in accordance with the following formula prescribed in Listing Rule 7.1A.2:

**(A x D) – E**

where:

- A** is the number of fully paid ordinary shares on issue 12 months before the date of issue or agreement to issue:
- (i) plus the number of fully paid shares issued in the 12 months under an exception in ASX Listing Rule 7.2;
  - (ii) plus the number of partly paid shares that became fully paid in the 12 months;
  - (iii) plus the number of fully paid shares issued in the 12 months with approval of the holders of shares under ASX Listing Rules 7.1 or 7.4 (this does not include an issue of fully paid ordinary shares under the entity’s 15% placement capacity without Shareholder approval);
  - (iv) less the number of fully paid shares cancelled in the 12 months.
- 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 Rules 7.1 or 7.4.

The effect of the resolution being passed will be to allow the Company to issue equity securities under Listing Rule 7.1A without using the Company’s 15% placement capacity under Listing Rule 7.1.

As at 29 August 2019, the Company has on issue 21,792,888 ordinary shares and therefore has capacity to issue:

- 3,268,933 equity securities under Listing Rule 7.1; and
- subject to shareholder approval being sought under this resolution, 2,179,289 equity securities under Listing Rule 7.1A.

The issue price of the equity securities issued under Listing Rule 7.1A will be determined at the time of issue. The minimum price at which the equity securities the subject of this Resolution will be issued is 75% of the volume weighted average market price (**VWAP**) of the Company’s equity securities calculated over the 15 ASX trading days on which trades in that class were recorded immediately before either:

- 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 ASX trading days of the date above, the date on which the securities are issued.

If this resolution is approved, and the Company issues equity securities under Listing Rule 7.1A, the existing shareholders’ economic and voting power in the Company will be diluted. There is a risk that:

- the market price for the Company’s equity securities in that class may be significantly lower on the issue date than on the date of the approval of this resolution; and
- the equity securities issued under Listing Rule 7.1A 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,

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

The table set out below shows the dilution of existing shareholders on the basis of:

- the market price of the Company's ordinary shares and the number of ordinary securities as at 29 August 2019;
- two examples where the number of ordinary shares on issue (**A**) has increased, by 50% and 100%. This may occur as a result of issues of ordinary shares that do not require shareholder approval (for example, pro-rata entitlements issues) or as a result of future specific placements under Listing Rule 7.1 that are approved by shareholders; and
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the market price as at 29 August 2019.

<b>Variable A for Listing Rule 7.1A.2</b>		<b>\$0.01 - 50% decrease in issue price</b>	<b>\$0.02 - issue price*</b>	<b>\$0.04 – 100% increase in issue price</b>
<b>A is the number of shares on issue, being 21,792,888 shares**</b>	<b>10% voting dilution</b>	2,179,289	2,179,289	2,179,289
	<b>Funds raised</b>	\$21,792.89	\$43,585.78	\$87,171.55
<b>A is a 50% increase in shares on issue, being 32,689,332 shares**</b>	<b>10% voting dilution</b>	3,268,933	3,268,933	3,268,933
	<b>Funds raised</b>	\$32,689.33	\$65,378.66	\$130,757.32
<b>A is a 100% increase in shares on issue, being 43,585,776 shares**</b>	<b>10% voting dilution</b>	4,358,578	4,358,578	4,358,578
	<b>Funds raised</b>	\$43,585.78	\$87,171.56	\$174,343.12

**Notes:**

- The table assumes that the Company issues the maximum number of equity securities available under Listing Rule 7.1A.
- The table assumes that no options are exercised into ordinary shares before the date of the issue of equity securities under Listing Rule 7.1A.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of issues of equity securities under Listing Rule 7.1A based on that Shareholder's holding at the date of these Explanatory Notes.
- The table shows the effect of an issue of equity securities under Listing Rule 7.1A, not under the Company's 15% placement capacity under Listing Rule 7.1.
- The issue of equity securities under Listing Rule 7.1A consists only of ordinary shares. If the issue of equity securities includes options, it is assumed that those options are exercised into ordinary shares for the purposes of calculating the voting dilution effect on existing Shareholders.

\* Based on the closing price of the Company's Shares on ASX on 29 August 2019.

\*\* Based on the Company's Share structure as at 29 August 2019.

If this Resolution is approved the Company will have the ability to issue up to 10% of its issued capital without further shareholder approval and therefore allow it to take advantage of opportunities to obtain further funds if required and available in the future.

As at the date of this Notice, the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A to any particular person or at any particular time. The total amount that may be raised by the issue of equity securities under Listing Rule 7.1A will depend on the issue price of the equity securities which will be determined at the time of issue. In some circumstances, the Company may issue equity securities under Listing Rule 7.1A for non-cash consideration (for example, in lieu of cash payments to consultants, suppliers or



vendors). While the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A, some of the purposes for which the Company may issue equity securities under Listing Rule 7.1A include (but are not limited to):

- raising funds to further develop the Company's business;
- raising funds to be applied to the Company's working capital requirements;
- acquiring assets. In these circumstances, the issue of the ordinary shares may be made in substitution for the Company making a cash payment for the assets. If the Company elects to issue ordinary shares for the purpose of acquiring assets then the Company will release to the market a valuation of the assets prior to issuing the shares; and
- paying service providers or consultants of the Company.

Details regarding the purposes for which any particular issue under Listing Rule 7.1A is made will be more fully detailed in an announcement to the ASX made pursuant to Listing Rule 7.1A.4 and Listing Rule 3.10.5A at the time the issue is made. The identity of the allottees of equity securities under Listing Rule 7.1A will be determined at the time the Company decides to make an issue having regard to a number of factors including:

- the capital raising and acquisition opportunities available to the Company and any alternative methods for raising funds or acquiring assets that are available to the Company;
- the potential effect on the control of the Company;
- the Company's financial situation and the likely future capital requirements; and
- advice from the Company's corporate or financial advisers.

Offers made under Listing Rule 7.1A may be made to parties including professional and sophisticated investors, existing Shareholders of the Company, clients of Australian Financial Service Licence holders and/or their nominees, or any other person to whom the Company is able to make an offer of equity securities.

The allocation policy the Company may adopt for a particular issue of equity securities under Listing Rule 7.1A and the terms on which those equity securities may be offered will depend upon the circumstances existing at the time of the proposed capital raising under Listing Rule 7.1A. Subject to the requirements of the Listing Rules and the Corporations Act, the Directors reserve the right to determine at the time of any issue of equity securities under Listing Rule 7.1A, the allocation policy that the Company will adopt for that issue.

The Company has previously sought Shareholder approval under Listing Rule 7.1A. However, in the 12 months preceding the date of the Meeting, the Company has not issued any equity securities. Accordingly, no information is required for the purposes of Listing Rule 7.3A.6.

This Resolution is a special resolution. For a special resolution to be passed, at least 75% of the votes validly cast on the resolution by Shareholders (by number of ordinary shares on a poll or by number of votes on a show of hands) must be in favour of this Resolution.

#### **Board recommendation**

The Board recommends that shareholders vote **in favour** of this Item.

### **Item 5 – Approval to issue the Placement Shares**

#### **Background**

If Shareholder approval under this resolution is obtained, up to a maximum of 125,000,000 fully paid ordinary shares, each issued at \$0.02 per share is proposed to be issued on the terms set out below (**Placement Shares**).

The Placement Shares will be issued in two components, comprising of:

- (a) up to \$1.5 million of Placement Shares to be issued to new and existing investors for new capital (i.e. cash) the proceeds of which will be used for working capital purposes including exploration of potential acquisition opportunities (**Working Capital Placement**); and
- (b) up to \$1 million of Placement Shares to be issued to settle of some of the Company's existing debts (i.e. liabilities owed to existing trade and unsecured creditors) (**Debt-to-Equity Swap**),

(together, the **Placement**). As such, the Company anticipates that under the Placement it will raise up to \$1.5 million in cash and reduce its existing debts by up to \$1 million.

Certain existing Shareholders have committed to participate in the Working Capital Placement and have agreed to advance monies to the Company by way of an unsecured debt. If this resolution is approved, these advanced amounts will be applied as subscription funds for Placement Shares under the Working Capital Placement.

In addition, certain existing trade and unsecured creditors have indicated that they would be prepared to convert existing debts into Placement Shares under Debt-to-Equity Swap. If this resolution is approved, their existing debts will be set off against the subscription amount for Placement Shares under the Debt-to-Equity Swap.

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, without the approval of Shareholders, than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of passing this resolution will be that the Placement Shares will not form part of the 15% issue limit under Listing Rule 7.1 as they will be issued with the approval of Shareholders.

### **Specific information required by Listing Rule 7.3**

The following information is provided to Shareholders for the purposes of Listing Rule 7.3.

- (a) A maximum of 125,000,000 Shares are to be issued as Placement Shares.
- (b) The Placement Shares will be issued no later than 3 months after the date of the Meeting.
- (c) The Placement Shares will be issued at \$0.02 per Share.
- (d) The Placement Shares will be issued to investors under the exceptions in section 708 of the Corporations Act to existing Shareholders, trade and unsecured creditors and new investors who elect to participate in the Placement. None of the participants who will receive Placement Shares are a related party of the Company.
- (e) Each Placement Share will be issued as a fully paid ordinary share which ranks equally with the Company's existing fully paid ordinary shares.
- (f) The Company intends to use the proceeds from the issue of the Placement Shares as follows:
  - (i) **Debt-to-Equity Swap:** conversion of up to \$1,000,000 of the Company's existing liabilities into Placement Shares. It should be noted that although no funds will be received on issue of the Placement Shares under the Debt-to-Equity Swap, the Company received goods, services or capital from the various trade and unsecured creditors being issued the shares for an equivalent dollar value amount);
  - (ii) **Working Capital Placement:** up to \$1,500,000 in cash will be raised and used for the following purposes:
    - (A) payments to the Company's advisers: \$90,000;
    - (B) payments to the Company's trade creditors: \$435,000;
    - (C) payments to the Company's suppliers and contractors: \$425,000;
    - (D) general working capital: \$500,000; and
    - (E) costs associated with the issue of the Placement Shares, including:
      - a. ASIC fees: \$2,000;
      - b. ASX fees: \$7,000;
      - c. legal fees: \$25,000;
      - d. printing and distribution fees: \$6,000; and
      - e. miscellaneous costs: \$10,000.
- (g) It is intended that the Placement Shares will be issued progressively within 3 months of the Meeting.

- (h) A voting exclusion statement is included in this Notice of Meeting.

The Company will provide a market announcement prior to the Annual General Meeting containing details of the respective creditors, the number of shares proposed to be issued to each creditor in discharge of the debt, and the amount and nature of the debt being discharged.

No securities will be issued to directors and related parties without prior shareholder approval.

### Board recommendation

The Board recommends that shareholders vote **in favour** of this Item.

## Item 6 – Approval to dispose of main undertaking

### Background to the Proposed Transaction

As announced to the market on 10 October 2019, the Company and its subsidiaries (**Group**) entered into the Asset Sale Agreement with iBuildNew Agency Sales Pty Ltd (**IBU**) to dispose of a significant proportion of the Company's business and certain assets. The businesses and assets sold will comprise the iBuyNew and Nyko Property platform, and their associated technology, intellectual property and customer and supplier contracts for operating the platform. The businesses for new and off-the-plan real estate sales under the brands "iBuyNew", "IBN International", "Nyko Property" and "Indo-Pacific Group" are also part the Proposed Transaction.

The future receivables in the form of commissions owing to the Company from unconditional real estate sales contracts and the commission amounts payable by Group members to relevant referral partners or sub-agents in relation to such sales contracts (together, the **Commissions Book**) will remain with the Company. After completion of the Proposed Transaction (if approved under this resolution), 66% of all revenue from the Commissions Book will be used to pay the Company's secured loan facility (announced on 15 January 2019).

As at 10 October 2019, the gross value of the Commissions Book is approximately \$3.47 million (with the net value of approximately \$1.94 million after commissions owing to third party referral partners are paid). The value of this Commissions Book is subject to change depending on the timing of settlements from previous property sales. As at 10 October 2019, the Company will not generate new sales to add to this Commissions Book. The Company expects that approximately 80% of the Commissions Book will be collected by October 2020 and the remaining 20% collected between October 2020 and August 2022. Unless the Company enters into a transaction to acquire a new business, collecting the receivables from the Commissions Book will be the Company's only business undertaking (if the Proposed Transaction is approved and completes).

IBU will pay the Group \$500,000 (exclusive of GST) in consideration for the business and assets being sold, subject to a purchase price adjustment mechanism that adjusts for revenue and expenses in connection with the business and assets being transferred that straddle the completion date. IBU is not related to the Company in any way.

The Proposed Transaction is subject to certain conditions precedent, including:

- (a) the approval of Shareholders under Listing Rule 11.2 (the subject of this resolution);
- (b) those websites and domains (and associated hosting platforms) owned, operated, licensed, sub-licensed, developed, marketed or in any way used by the Group in the operation or furtherance of any of the "iBuyNew", "IBN International", "Nyko Property" and "Indo-Pacific Group" businesses being transferred and implemented and developed to the satisfaction of IBU on the terms of the Asset Sale Agreement; and
- (c) IBU being satisfied, acting reasonably, that the Group's financing arrangements are varied on reasonable commercial terms.

If a condition precedent is not fulfilled or waived:

- (d) in the case of condition (a) above, by 31 October 2019, the Company may terminate the Asset Sale Agreement;
- (e) in the case of conditions (b) and (c) above, within 21 business days of the date of the Asset Sale

Agreement, IBU may terminate the Asset Sale Agreement.

The Company has no intention of terminating the Asset Sale Agreement. The Company and IBU have agreed that neither party will seek to terminate the Asset Sale Agreement for non-satisfaction of a condition precedent (until the vote on this resolution is put to the Meeting).

### **Rationale for the Proposed Transaction**

Given recent:

- (a) declines in property sales and prices (affecting, in particular, new and off-the-plan properties);
- (b) declining home loan approval rates (due to banks tightening their credit policies); and
- (c) changes to stamp duty laws (which have resulted in significant increases payable by foreign purchasers),

the Group has seen a steady decline in the volume of sales and transactions conducted through its business and platforms. Notwithstanding extensive cost-cutting measures implemented by the Group (as previously detailed in the Company's past announcements), the Group has continued to operate with negative cash flow. The Directors have considered a number of options to fund its ongoing operations.

The Proposed Transaction gives the Company an option to realise the value of the Group's technology and business platforms, to pay creditors and to fund future operations of the Group.

### **Assessment of the financial effect of the Proposed Transaction on the Company and on the interests of Shareholders**

Set out in Annexure A to this Notice of Meeting is a table comparing the financial effect of the Proposed Transaction on the Company and on the interests of Shareholders. The table compares the likely effect of the Proposed Transaction on the following financial metrics:

- (a) total consolidated assets;
- (b) total equity interests;
- (c) total securities on issue;
- (d) total annual revenue;
- (e) consolidated EBITDA;
- (f) annual profit before tax; and
- (g) impact on annual expenditure.

These metrics are not audited.

### **Details of any changes the Company will make to its business model in light of the Proposed Transaction**

As set out above in the background, the Company plans to keep collecting receivables under the Commissions Book and this will be its sole business.

The Company will explore potential acquisitions to enhance shareholder value and the Company will continue to collect the receivables from the Commissions Book. Until such an acquisition takes place, the collections of receivables from the Commissions Book will be the Company's only undertaking and as such, no additional receivables will be added to the Commissions Book as the Company will not pursue new real estate sales.

### **Use of funds from the Proposed Transaction**

The Company will use the proceeds from the Proposed Transaction as follows:

- (a) \$400,000 will be used to repay its secured loan facility; and
- (b) \$100,000 will be used for general working capital and to explore potential acquisitions.

### **Changes to the Board or management as a result of the Proposed Transaction**

There are no changes proposed in relation to the Board or management as a result of the Proposed Transaction.

### **Timetable for implementing the Proposed Transaction**

Completion under the Asset Sale Agreement will occur within 10 business days after fulfilment of the conditions

precedent under the Asset Sale Agreement.

If this resolution is passed, the Company intends to complete the Proposed Transaction within 10 business days of the Meeting.

#### **Why the Company is seeking Shareholder approval**

(a) Condition precedent under the Asset Sale Agreement

Approval under this resolution is a condition for completion of the Proposed Transaction under the Asset Sale Agreement.

(b) ASX Listing Rules

Listing Rule 11.2 provides that if an entity proposes to make a significant change that involves the disposal of its main undertaking, it must seek the approval of holders of its ordinary securities and comply with any requirements of ASX in relation to the notice of meeting. The entity must also not enter into an agreement to dispose of its main undertaking unless the agreement is conditional on the entity getting that approval.

ASX has confirmed that the Proposed Transaction is a disposal of the Company's main undertaking and as such, requires Shareholder approval under the Listing Rules. As such, the Proposed Transaction may not proceed if that approval is not forthcoming.

ASX takes no responsibility for the contents of this Notice.

#### **Advantages of the Proposed Transaction**

The key advantages to the Company if this resolution is approved are:

- (a) the Company will be able to continue its sole operation of only collecting the receivables from the Commissions Book and cut significant costs associated with the conduct of its iBuyNew, Nyko Property and Indo-Pacific Group businesses (for example, it will no longer need to retain sales staff to generate new sales);
- (b) the Company will be able to explore potential acquisitions to enhance shareholder value; and
- (c) the Company will be able to reduce its debt position.

#### **Disadvantages of the Proposed Transaction**

The key risks and disadvantages to the Company if this resolution is approved are:

- (a) the Company will be disposing of its main business undertaking which may not be consistent with the objectives of all Shareholders;
- (b) the Company will be left with only one undertaking (being the collection of receivables under the Commissions Book); and
- (c) Shareholders may not agree with the Company undertaking a major change to their investment in the Company.

#### **Board recommendation**

The Board recommends that shareholders vote **in favour** of this Item.

### **Item 7 – Change of Company name**

As part of completion of the Proposed Transaction, the Company is required to change its name from “iBuyNew Group Limited” to “*RESA Group Limited*” to ensure that the registered company names of the Company (and its subsidiaries) differ significantly from the business names being acquired by IBU under the Asset Sale Agreement. The Company also proposes to change its ASX ticker code to reflect this change. This change in name will not, in itself, affect the legal status of the Company or any of its assets or liabilities.

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name. Section 136(2) of the Corporations Act provides that a company may modify its constitution by special resolution. It is proposed that if this resolution is passed, the Company's constitution will be modified to reflect its change of name.

The proposed name has been reserved by the Company and if this resolution is passed, the Company will lodge a copy of the special resolution with ASIC in order to effect the change.

This resolution is a special resolution. For a special resolution to be passed, at least 75% of the votes validly cast on the resolution by Shareholders (by number of ordinary shares on a poll or by number of votes on a show of hands) must be in favour of this resolution.

This resolution is also subject to the Proposed Transaction being approved under the resolution at Item 6. If that resolution is not passed, this resolution will not be put to the Meeting.

### **Board recommendation**

The Board recommends that shareholders vote **in favour** of this Item.

### **Enquiries**

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Shareholders are asked to contact Bill Nikolouzakakis, Director, on 1300 123 463 if they have any queries in respect of the matters set out in these documents.

### **Glossary**

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**Annual General Meeting** or **AGM** or **Meeting** means an annual general meeting of the Company and, unless otherwise indicated, means the annual general meeting convened by this notice of meeting.

**Annual Report** means the 2019 Annual Report to Shareholders for the period ended 30 June 2019 as lodged by the Company with ASX on 8<sup>th</sup> November 2019.

**Asset Sale Agreement** means the asset sale agreement between the Company, iBuildNew Agency Sales Pty Ltd, Nyko Property Pty Ltd ACN 140 366 543, Nyko Property Australia Pty Ltd 615 177 270, iBuyNew Australia Pty Ltd ACN 619 258 605, Find Investment Property Pty Ltd ACN 134 192 797, IBN Projects Pty Ltd ACN 609 575 564, Find Solutions Australia Pty Ltd 131 990 120, iBuyNew Pty Ltd ACN 159 743 165 and Vasilios Nikolouzakakis, dated on or about 10 October 2019.

**Associate** has the meaning given to it by the ASX Listing Rules.

**ASX** means ASX Limited or the financial market operated by it (as the context requires).

**ASX Listing Rules** or **Listing Rules** means the official listing rules of the financial market operated by ASX Limited.

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

**Chair** means the person chairing the Meeting.

**Closely Related Party** of a member of the KMP means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company; or
- (e) a company the member controls.

**Commissions Book** has the meaning given to it under Item 6 (Background to the Proposed Transaction) of the Explanatory Notes.

**Company** means iBuyNew Group Limited ACN 108 958 274.

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

**Debt-to-Equity Swap** means the proposed conversion of up to \$1,000,000 of the Company's existing liabilities into Placement Shares, as set out under Item 5 (Background) of the Explanatory Notes.

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

**Explanatory Notes** means the explanatory notes accompanying this Notice.

**Group** means the Company and its subsidiaries.

**IBU** means iBuildNew Agency Sales Pty Ltd ACN 616 449 355.

**KMP** means key management personnel of the Company

**Notice** or **Notice of Meeting** or **Notice of Annual General Meeting** means this notice of Annual General Meeting dated 8<sup>th</sup> November 2019 including the Explanatory Notes.

**Placement** means the Debt-to-Equity Swap and the Working Capital Placement (together).

**Placement Shares** has the meaning given to it under Item 5 (Background) of the Explanatory Notes.

**Proposed Transaction** means the proposed disposal by the Company of its main undertaking, comprising selected assets of the iBuyNew and Nyko Property platforms (but excluding the future receivables commission books from previous property sales generated by the Company) under the Asset Sale Agreement and on the terms set out in the Explanatory Notes under Item 6.

**Remuneration Report** means the Remuneration Report a copy of which is included in the Annual Report.

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

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

**Working Capital Placement** means the proposed issue of up to \$1.5 million worth of Placement Shares to be issued for new capital and used for working capital purposes, as set out under Item 5 (Background) of the Explanatory Notes.

**Annexure A – Key financial metrics (audited)**

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
<b>Particulars</b>	<b>Before transaction</b>	<b>Increase / Decrease due to transaction</b>	<b>After transaction</b>	<b>Percentage change due to transaction</b>
<b>Method of Calculation</b>	<i>From latest audited figures (FY19)</i>	<i>Actual Increase/Decrease due to transaction</i>	<b>B +/- C</b>	<b>C/B</b>
Total Consolidated Assets <sup>1</sup>	\$3,010,342	\$500,000	\$3,510,342	17%
Total Equity Interests	-\$2,021,817	\$500,000	-\$1,521,817	-25%
Total Securities on Issue	21,792,888	21,792,888	21,792,888	Nil
<b>Particulars</b>	<b>Before transaction (From latest audited figures)</b>	<b>Projected Increase / Decrease due to transaction</b>	<b>After transaction (B +/- C)</b>	<b>Percentage change due to transaction (C/B)</b>
Annual Revenue (Company total)	\$2,590,135	-\$1,106,196	\$1,483,939	75%
Impact on annual expenditure	\$4,976,256	\$4,377,121	\$599,135	-88%
Consolidated EBITDA	-\$4,685,734	\$4,682,817	-\$2,917	-100%
Annual Profit	-\$5,387,370	\$4,789,992	-\$597,378	-89%

<sup>1</sup> Goodwill had been previously written down, resulting in the increase in total consolidated assets as part of the Proposed Transaction.





iBuyNew Group Limited

ACN 108 958 274

## LODGE YOUR VOTE



### ONLINE

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



### BY MAIL

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



### BY FAX

02 9287 0309



### BY HAND

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



### ALL ENQUIRIES TO

Telephone: + 61 1300 554 474



X99999999999

## PROXY FORM

I/We being a member(s) of iBuyNew 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 **10:00am (Sydney time) on Friday, 13 December 2019 at Board room, Level 57, MLC Centre, 19-29 Martin Place, Sydney NSW 2000** (the Meeting) and at any postponement or adjournment of the Meeting.

**Important for Resolution 2:** 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 Resolution 2, even though the Resolution is 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*		For	Against	Abstain*
2 Adoption of remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approval to dispose of main undertaking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Vasilios (Bill) Nikolouzakakis as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Change of Company name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of capacity to issue securities under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5 Approval to issue the 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)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

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).

IBN PRX1902C

## 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 **Resolution** is 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](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 **10:00am (Sydney time) on Wednesday, 11 December 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).



#### BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

#### QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



#### BY MAIL

iBuyNew Group Limited  
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)



### COMMUNICATION 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 ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**