
IBUYNEW GROUP LIMITED

CHAIRMANS' ADDRESS

Dear Shareholders,

On behalf of the Board I am pleased to provide you an update on the progress and strategic direction of RESA Group Limited, formally iBuyNew Group Limited (the "Company").

As market conditions for new property remained subdued across the eastern and western seaboard during the FY19 period, the Group continued to focus on its cost reduction program to re-align the business with current market conditions. The removal of costs and restructuring has pivoted the Group's operations to focus heavily on settlements which form a significant portion of the total cash collected during FY19.

At the beginning of H2 FY19, the Group entered into a \$2.45 million senior secured loan facility (before transaction costs). A total of \$1.95 million has been drawn down and was made up of a combination of new lenders and \$600,000 of convertible bond holders rolling into the secured facility. This has provided working capital and allowed the Group to retire \$750,000 of matured debt where \$250,000 was paid to Mark Mendel and nominees, the vendors of Find Solutions Australia (the entity which owned the iBuyNew.com.au business) and \$500,000 of existing convertible bond holders.

During the Q4 FY19 quarter the Group reduced its senior secured loan facility by \$65,000 through the sale of the unprofitable WA rent roll. The total senior secured loan facility is now \$1.88 million. The Company has agreed to repay a portion of the funds received from the asset sale, future settlements book and funds from the approved capital raise to continue to pay down principal from the facility.

On the 9 September 2019, the Group requested voluntary suspension be applied to its securities further to changes to the Group's board, company secretary and strategic review related to the sale of selected assets within the Company. On 10 October 2019, the Group announced that CEO Bill Nikolouzakakis was appointed as Executive Director of iBuyNew Group and IBN proposed the disposal and sale of selected assets of iBuyNew and Nyko Property platforms for a cash consideration of \$500,000. The sale excludes the Group's future receivables commission books from previous sales generated by the Group which holds a value of approximately \$3.35 million in gross value or approximately \$1.8 million in net value.

Now that we have approval to dispose of the iBuyNew and Nyko property businesses and approval to strengthen the Company's balance sheet the Board is continuing to undertake due diligence on potential acquisitions to evaluate commercial fit in order to understand the opportunities and risks associated with these acquisitions and will report to the market and shareholders the outcomes in due course.

I would like to thank Shareholders for their continued support, the Company's management, advisors and staff for their ongoing dedication and commitment.

I would now like to hand over to Bill Nikolouzakakis who will present the group strategy.