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**SYNTONIC LIMITED**  
**ACN 123 867 765**

**NOTICE OF ANNUAL GENERAL MEETING**

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**The annual general meeting of the Company will be held at Blackwall Legal, Level 26, 140 St Georges Terrace, Perth WA on Thursday, 19 November 2020 at 2:00 pm AWST.**

The Company advises that the Meeting will be held in compliance with the Australian government's restrictions on public gatherings, as is applicable on the day of the Meeting.

**Due to the public health measures mandated by various regulatory authorities as means of combating the ongoing COVID-19 pandemic, for the health and safety of all Shareholders and Company officers, the Company encourages shareholders to vote by proxy, rather than attending the Meeting in person.**

As at the date of this Notice, the Company intends to hold a physical in-person Meeting, so long as the number of attendees remains within the limits permitted under the latest public gathering restriction guidelines. In the event that the number of attendees exceeds that permitted, the Meeting Chairperson will adjourn the Meeting in the interests of the safety of all involved, for it to be resumed at a later date.

Shareholders are encouraged to lodge proxy forms by no later than 2:00 pm (WST) on 17 November 2020. Lodgement instructions (which include the ability to lodge proxies electronically) are detailed in this Notice.

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

If the above arrangements with respect to the Meeting change, Shareholders will be updated via the ASX Market Announcements Platform and on the Company's website at [www.syntonic.com](http://www.syntonic.com)

*The business of the Meeting affects your shareholding and your vote is important. This Notice and the accompanying Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their stockbroker, investment advisor, 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 telephone on +61 8 6558 0886.**

# SYNTONIC LIMITED

## ACN 123 867 765

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### NOTICE OF GENERAL MEETING

Notice is hereby given that the annual general meeting of shareholders of Syntonic Limited (**Company** or **Syntonic**) will be held at Blackwall Legal, Level 26, 140 St Georges Terrace, Perth Western Australia on 19 November 2020 at 2:00 pm (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 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 as Shareholders on 17 November 2020 at 2:00 pm (WST).

Terms and abbreviations used in this Notice (including the Explanatory Memorandum) are defined in Schedule 1.

ASX takes no responsibility for the contents of this Notice and the Explanatory Memorandum.

### AGENDA

#### ANNUAL REPORT

To receive and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2020, which includes the Financial Report, the Directors' Report and the Auditor's Report.

#### 1. RESOLUTION 1 - REMUNERATION REPORT

To consider and, if thought fit, to pass with or without amendment, the following resolution as a non-binding advisory resolution:

*"That, pursuant to and in accordance with section 250R(2) of the Corporations Act and for all other purposes, approval is given by the Shareholders for the adoption of the Remuneration Report on the terms and conditions in the Explanatory Memorandum."*

**Notes:** In accordance with the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies

#### Voting Exclusion

A vote on the resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (i) members of Key Management Personnel details of whose remuneration are included in the Remuneration Report; or
- (ii) a Closely Related Party of such a member.

Members of Key Management Personnel and their closely Related Parties (other than the Chairperson) may not vote as proxy if the appointment does not specify how the proxy is to vote. The

Chairperson may vote as proxy in accordance with an express authorisation for the Chair to exercise the proxy on the Proxy Form.

**2. RESOLUTION 2 - RE-ELECTION OF MR DAVID WHEELER AS DIRECTOR**

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 article 6.3(b) of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr David Wheeler, Director, retires and being eligible, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum."*

**3. RESOLUTION 3 – RE-ELECTION OF MR GIUSEPPE GRAZIANO AS DIRECTOR**

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 14.4, Article 6.3(j) of the Constitution and for all other purposes, Mr Giuseppe Graziano, Director, who was appointed as a casual vacancy effective 1 November 2020, retires and being eligible offers himself for election, be elected as a Director."*

**4. RESOLUTION 4 – RE-ELECTION OF MR TIM SLATE AS DIRECTOR**

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 14.4, Article 6.3(j) of the Constitution and for all other purposes, Mr Tim Slate, Director, who was appointed as a casual vacancy effective 1 November 2020, retires and being eligible is elected offers himself for election, be elected as a Director."*

**5. RESOLUTION 5 – SPILL RESOLUTION (CONDITIONAL RESOLUTION)**

If 25% or more of votes cast on Resolution 1 are against the adoption of the 2020 Remuneration Report, to consider and, if thought fit, pass the following as an **ordinary resolution**:

*"That, subject to and conditional on at least 25% of the votes validly cast on Resolution 1 being cast against it:*

- a) an extraordinary general meeting of the Company (**Spill Meeting**) be held within 90 days of the passing of this resolution;*
- b) all of the directors who were directors of the Company when the resolution to make the directors' report for the year ended 30 June 2020 was passed and who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and*
- c) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting."*

This resolution will only be put to the AGM if at least 25% of the votes validly cast on Resolution 1 are against the resolution. If you do not want a Spill Meeting to take place, you should vote against Resolution 5. If you want a Spill Meeting to take place, you should vote for Resolution 5.

**Voting Exclusion Statement**

In accordance with sections 250BD, 250R, and 250V(2) of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

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However, a vote may be cast by such person as a proxy if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution, and expressly authorises the Chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

By order of the Board

Tim Slate  
Company Secretary

Dated: 19 October 2020

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# SYNTONIC LIMITED

## ACN 123 867 765

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### EXPLANATORY MEMORANDUM

#### 1. INTRODUCTION

This 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 Blackwall Legal, Level 26, 140 St Georges Terrace, Perth WA on 19 November 2020 at 2:00 pm AWST.

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

This 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:	Annual Report
Section 4:	Resolution 1 – Remuneration Report
Section 5:	Resolution 2 – Re-Election of Mr David Wheeler as Director
Section 6:	Resolution 3 – Re-Election of Mr Giuseppe Graziano as Director
Section 7	Resolution 4 – Re-Election of Mr Tim Slate as Director
Section 8:	Resolution 5 – Spill Resolution (conditional resolution)
Schedule 1:	Definitions
Schedule 2:	Details of Issues of Equity Securities

A Proxy Form is located at the end of this Explanatory Memorandum.

#### 2. ACTION TO BE TAKEN BY SHAREHOLDERS

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

##### 2.1 Proxy Appointment, Voting, and Meeting Instructions

###### Lodgement of Proxy Form

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) must be received at an address given below by 2:00 pm (WST) on Tuesday, 17 November 2020, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid. Proxy Forms may be lodged as follows:

Online	At <a href="http://www.investorvote.com.au">www.investorvote.com.au</a>
By mail	Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
By fax	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)

By mobile                      Scan the QR Code on your proxy form and follow the prompts  
Custodian voting              For Intermediary Online subscribers only (custodians) please visit  
   www.intermediaryonline.com to submit your voting intentions

### **Appointment of a proxy**

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy. The proxy may, but need not be, a Shareholder.

If you wish to appoint the Meeting Chairperson as your proxy, mark the appropriate box on the Proxy Form. If the person you wish to appoint as your proxy is someone other than the Meeting Chairperson, please write the name of that person in the space provided on the Proxy Form. If you leave this section blank, or your named proxy does not attend the Meeting, the Meeting Chairperson will be your 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, you may photocopy the Proxy Form or an additional Proxy Form may be obtained by telephoning the Company on +61 8 6558 0886.

To appoint a second proxy, you must state on each Proxy Form (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

### **Corporate Shareholders**

Corporate Shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- two directors of the company;
- a director and a company secretary of the company; or
- for a proprietary company that has a sole director who is also the sole company secretary – that director.

### **Corporate representatives**

A body corporate may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's share registry before the Meeting or at the registration desk on the day of the Meeting.

### **Votes on Resolutions**

You may direct your proxy how to vote by placing a mark in the 'FOR', 'AGAINST' or 'ABSTAIN' box opposite the Resolution. All your votes will be cast in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolutions 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 Resolutions, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

### **Meeting Chairperson voting of undirected proxies**

At the date of this Notice, the Meeting Chairperson intends to vote all undirected proxies **FOR** each of the Resolutions, except for Resolution 5 (if required). In exceptional cases, the Meeting Chairperson's intentions may subsequently change, and in this event, the Company will make an announcement to the market.

The Proxy Form expressly authorises the Meeting Chairperson to exercise undirected proxies on all Resolutions.

### **Voting eligibility (snapshot date)**

For the purposes of determining voting and attendance entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at 2:00pm (WST) on 17 November 2020. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

### **Questions from Shareholders**

The Meeting Chairperson will allow a reasonable opportunity at the Meeting for Shareholders to ask questions or make comments on the Resolutions, the management of the Company, or any related issue.

To assist the Board in responding to any questions that you may have, please submit any questions to the Company by 2:00pm (WST) on 17 November 2020 in the same manner as outlined above for lodgement of Proxy Forms.

## **3. ANNUAL REPORT**

In accordance with section 317(1) of the Corporations Act the Annual Report must be laid before the Annual General Meeting. There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at [www.syntonic.com](http://www.syntonic.com);
- (a) ask questions about, or comment on, the management of the Company; and
- (b) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairperson about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies of the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

## 4. RESOLUTION 1 – REMUNERATION REPORT

### 4.1 Background

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

### 4.2 Previous voting results

At the Annual General Meeting held on 18 November 2019 (2019 AGM), 43.76% of the votes cast were in favour of the adoption of the Remuneration Report for the Financial Year ended 30 June 2019 (**2019 Remuneration Report**). The 55.47% of votes against the 2019 Remuneration Report represented approximately 9.93% of the Share register.

Because more than 25% of votes cast on the resolution were against the adoption of the 2019 Remuneration Report, the Company incurred a 'first strike' under section 250R of the Corporations Act.

For the 2020 financial year, it is important to note that, subject to the receipt of shareholder approval for the disposal of its main undertraining (**Proposed Transaction**) at the Company's general meeting of shareholders on 26 October 2020 and completion of the Proposed Transaction:

- Mr Gary Greenbaum, the Managing Director and CEO, has agreed to release Syntonic Wireless (and by extension the Company) of its obligation to pay his outstanding and deferred salary of US\$110,348 for the calendar year 2020 and severance payment of US\$87,500 in respect to his engagement as Chief Executive Officer;
- Mr Agarwal has agreed to release Syntonic Wireless (and by extension the Company) of its obligation to pay his outstanding and deferred salary of US\$110,348 for the calendar year 2020 and his severance payment of US\$87,500.
- the Company will undertake a selective capital reduction pursuant to which 602,528,061 Shares held by Mr Gary Greenbaum (and/or his nominee), 602,528,061 Shares held by Mr Rahul Agarwal (and/or his nominee) and 3,900,000 Shares held by Mr Steven Elfman (and/or his nominee) will be cancelled (**Capital Reduction**), also subject to shareholder approval; and
- the Company will cancel all of the existing Performance Rights and Options of Messrs Greenbaum and Agarwal (and/or their nominees) (being an aggregate of 398,789,660 Performance Rights and 50,000,000 Options) for nil consideration.
- If the Proposed Transaction completes, Messrs Gary Greenbaum, Rahul Agarwal and Steven Elfman will resign as Directors.

### 4.3 Voting consequences

A listed company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption (**Strike**) of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

At the previous annual general meeting held on 18 November 2019 55.47% of votes were cast against the 2019 Remuneration Report, therefore the Company received its first Strike.



If the Remuneration Report receives a Strike at the Meeting, the Company must put to Shareholders at the second Annual General Meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors who were in office at the date of approval of the applicable Directors' Report (and who are not a managing director who may under the rules of ASX continue to hold office indefinitely without being re-elected to office) must stand for re-election.

If the Remuneration Report receives a Strike at this Meeting, Resolution 5 (**Spill Resolution**) will be voted on at the Meeting. Accordingly, please note that a 'no' vote of 25% or more on Resolution 1 may result in the re-election of the Board.

As provided by section 250R(3) of the Corporations Act, the resolution on this item of business is advisory only and does not bind the Board or the Company. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the annual general meeting.

All of the Directors of the Company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. The Company does not have a managing director who may under the rules of ASX continue to hold office indefinitely without being re-elected to office and so all Directors of the Company come within the ambit of this rule.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

#### **4.4 Directors' Recommendation**

The Directors recommend that Shareholders vote in favour of this resolution.

#### **4.5 Chair's Voting Intention**

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

### **5. RESOLUTION 2 – RE-ELECTION OF MR DAVID WHEELER AS DIRECTOR**

Article 6.3(c) of the Constitution requires one third of all Directors, or if their number is not a multiple of three, then the number nearest one-third (rounded down to the nearest whole number) to retire at each annual general meeting.

Article 6.3(f) of the Constitution states that a Director who retires under article 6.3(c) is eligible for re-election.

Listing Rule 14.4 provides that a director must not hold office (without re-election) past the third annual general meeting following the director's appointment of 3 years, whichever is longer. However, a director appointed to fill a casual vacancy or as an addition to the board must not hold office (Without re-election) past the next annual general meeting of the entity.

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

Resolution 2 provides that Mr David Wheeler retires by rotation and seeks re-election as a Director.

Details of the qualifications and experience of Mr David Wheeler are in the Annual Report.

Resolution 2 is an ordinary resolution.

#### **5.1 Directors' Recommendation**

The Board (excluding David Wheeler) supports the re-election of Mr David Wheeler and recommends that Shareholders vote in favour of Resolution 2.

## **5.2 Chair's Voting Intention**

The Chairperson (who will not be David Wheeler) intends to exercise all available proxies in favour of Resolution 2.

## **6. RESOLUTION 3 - ELECTION OF MR GIUSEPPE GRAZIANO AS DIRECTOR**

Article 6.2(b) of the Constitution allows the Directors to appoint a person as an addition to the Board at any time, providing that the total number of Directors does not at any time exceed 10 (the maximum number of directors specified in Article 6.1(a) of the Constitution). Any Director so appointed holds office until the next general meeting of members of the Company and is eligible for re-election at that meeting.

In accordance with Listing Rule 14.4 a director appointed as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the entity.

Mr Giuseppe (Joe) Graziano was appointed effective 1 November 2020, as an addition to the Board. Resolution 3 provides that he retire from office and seek re-election as a Director.

Mr Graziano is a Chartered Accountant with corporate and company secretarial experience. He has over 28 years' experience providing a wide range of business, financial and strategic advice to small cap unlisted and listed public companies and privately-owned businesses in Western Australia's resource-driven industries. Since 2014 he has been focused on corporate advisory, company secretarial and strategic planning with listed corporations including Mergers & Acquisitions, Capital Raisings, Corporate Governance, ASX compliance and structuring. He is currently a director of Pathways Corporate Pty Ltd a specialised Corporate Advisory business.

Resolution 3 is an ordinary resolution.

### **6.1 Directors' Recommendation**

The Board (excluding Mr Graziano) supports the election of Mr Giuseppe Graziano and recommends that shareholders vote in favour of Resolution 3.

### **6.2 Chair's Voting Intention**

The Chairman intends to exercise all available proxies in favour of Resolution 3.

## **7. RESOLUTION 4 - ELECTION OF MR TIM SLATE AS DIRECTOR**

Article 6.2(b) of the Constitution allows the Directors to appoint a person as an addition to the Board at any time, providing that the total number of Directors does not at any time exceed 10 (the maximum number of directors specified in Article 6.1(a) of the Constitution). Any Director so appointed holds office until the next general meeting of members of the Company and is eligible for re-election at that meeting.

In accordance with Listing Rule 14.4 a director appointed as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the entity.

Mr Slate was appointed effective 1 November 2020, as an addition to the Board. Resolution 4 provides that he retire from office and seek re-election as a Director.

Mr Tim Slate has a Bachelor of Commerce from the University of Western Australia, is a Chartered Accountant, an Associate Member of the Governance Institute of Australia and a Graduate of the Australian Institute of Company Directors. Mr. Slate provides accounting and secretarial advice to private and public companies. Mr Slate has over ten years' experience in chartered accounting.

Resolution 4 is an ordinary resolution.

## 7.1 Directors' Recommendation

The Board (excluding Mr Slate) supports the election of Mr Tim Slate and recommends that shareholders vote in favour of Resolution 4.

## 7.2 Chair's Voting Intention

The Chairman intends to exercise all available proxies in favour of Resolution 4.

## 8. RESOLUTION 5 – SPILL RESOLUTION (CONDITIONAL RESOLUTION)

### 8.1 General

Resolution 5 (**Spill Resolution**) is a contingent Resolution and will only be put to the Annual General Meeting and voted on if 25% or more of the votes cast on Resolution 1 are cast against the adoption of the Remuneration Report, which means the Company receives a 'second strike'. If less than 25% of votes cast are against the Remuneration Report at this Annual General Meeting, then there will be no 'second strike' and Resolution 5 will not be put to the Annual General Meeting.

If put forward to the Meeting, the Spill Resolution will be considered as an ordinary resolution. If this Spill Resolution is passed and becomes effective, then it will be necessary for the Board to convene a further general meeting of Shareholders (**Spill Meeting**) within 90 days of this Annual General Meeting in order to consider the composition of the Board.

### 8.2 Mechanics of potential Spill Meeting

Shareholders should note the following if the Spill Resolution is approved and a Spill Meeting is required to be held by the Company:

- a) The following Directors would automatically cease to hold office at the end of the spill Meeting unless they are willing to stand for re-election and are re-elected at that meeting:
  - Mr David Wheeler\*
  - Mr Rahul Argawal+
  - Mr Steve Elfman+

\* assumes that Mr Wheeler is re-elected at the AGM under Resolution 2.

+ assumes that the Proposed Transaction has not completed, upon which Messrs Argawal and Elfman have communicated their intention to resign from the Board.

The directors listed above are those who held office on 30 September 2020 when the directors' report (including the Remuneration Report) for the year ended 30 June 2020 was approved. Mr Wheeler would be eligible to seek re-election at any Spill Meeting. However, there is no assurance that he would do so.

- b) If Mr David Wheeler is elected at the AGM, he would still need to be re-elected at any spill meeting to remain in office after that time.
- c) If any other directors were to be appointed before the spill meeting, they would not need to stand for election or re-election at the spill meeting to remain in office.
- d) Section 250V(1)(b)(ii) provides that a managing director who may, under the rules of a financial market in whose official list the company is included continue to hold office indefinitely without being re-elected to office, does not cease to hold office in the event of a spill meeting. The Company does not have a managing director who is subject to that rule and so all Directors of the Company would cease to hold office at the Spill Meeting.
- e) Resolutions to appoint individuals to the offices that would be vacated immediately before the end of the spill meeting would be put to the vote at that meeting. Eligibility for election as a director at any spill meeting would be determined in accordance with the Company's Constitution.

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For the spill resolution to be passed at the meeting, more than 50% of the votes validly cast on the resolution must be in favour of it.

The Corporations Act requires the company to have a minimum of three Directors Including at least two Directors who ordinarily reside in Australia). If, following the Spill Meeting, the Company has fewer than three Directors, then the persons with the highest percentage of votes in favour of their election at the Spill Meeting are taken to be appointed as directors, even if less than half the votes cast on the Resolution were in favour of their appointment. If two or more persons have the same percentage of votes in favour of their appointment, the other Directors will choose one of those persons as the appointed Director.

### **8.3 Directors' Recommendation**

The Directors recommend that Shareholders vote **against** Resolution 5.

### **8.4 Chair's Voting Intention**

The Chair of the Meeting intends to vote all available undirected proxies **against** Resolution 5.

## SCHEDULE 1: DEFINITIONS

In the Notice and this Explanatory Memorandum:

**Annual Report** means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ended 30 June 2020.

**\$** means Australian Dollars.

**ASX** means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

**Board** means the board of Directors.

**Chairperson** or **Meeting Chairperson** means the person appointed to chair the Meeting, or any part of the Meeting, convened by the Notice.

**Closely Related Party** means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

**Company** means Syntonic Limited (ACN 123 867 765).

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

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

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

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

**Key Management Personnel** means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

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

**Managing Director** means the managing director of the Company.

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

**Notice** means the notice of meeting which comprises of the notice, agenda, Explanatory Memorandum and Proxy Form.

**Office** means office as a Director.

**Option** means an option which entitles the holder to subscribe for a Share.

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

**Resolution** means a resolution contained in the Notice.

**Schedule** means a schedule to this Explanatory Memorandum.

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

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

**Share Registry** means the share registry of the Company, which is currently Computershare Investor Services Pty Limited.

**Shareholder** means a shareholder of the Company.

**Spill Meeting** means a further general meeting of Shareholders convened within 90 days of this Annual General Meeting in order to consider the Spill Resolution.

**Spill Resolution** means the resolution put to Shareholders at the Spill Meeting to determine the composition of the Board.

**Spilled Directors** means Syntonic Directors who were in office when the first Strike was received.

**Strike** means more than 25% of the votes cast at an annual general meeting for a remuneration report were a 'no'.

**Trading Day** means a day determined by ASX to be a trading day in accordance with the Listing Rules.

**VWAP** means volume weighted average price of a Share as defined in the Listing Rules.

**WST** means Western Standard Time.