



**Synertec Corporation Limited**  
ARBN 161 803 032

Level 1, 57 Stewart Street  
Richmond Victoria 3121  
Australia

Ph: +61 3 9274 3000  
Fax: +61 3 9274 3099  
[www.synertec.com.au](http://www.synertec.com.au)

## **ASX Announcement**

25 October 2018

### **NOTICE OF MEETING & PROXY FORM**

#### **2018 ANNUAL GENERAL MEETING**

#### **TO BE HELD AT 2PM ON 26 NOVEMBER 2018**

The Board of Synertec Corporation Limited (ASX: SOP) is pleased to invite you to the 2018 Annual General Meeting. Please find attached the Notice of Meeting (and Proxy Form) which sets out the business of the meeting, including the resolutions and explanatory notes accompanying the resolutions.

Subject to abstentions noted, the Board unanimously recommends that shareholders vote in favour of each resolution set out in the Notice of Meeting.

The Board invites shareholders who are unable to attend the meeting to submit written questions before the meeting. You may send your questions to the Company Secretary (see contact details below). Questions must be received by 5.00pm (Melbourne time) on Monday, 19 November 2018. The Board will endeavour to address as many questions as possible during the meeting.

Key times and dates:

<b>Event</b>	<b>Time (Melbourne, Australia)</b>	<b>Date</b>
Questions submitted in writing to Company Secretary	5.00pm	Monday, 19 November 2018
Last day for receipt of proxies	2.00pm	Saturday, 24 November 2018
Snapshot time for eligibility to vote	7.00pm	Saturday, 24 November 2018
Annual General Meeting	2.00pm	Monday, 26 November 2018

Shareholders are invited to contact the Company Secretary if they have any questions regarding the AGM (see contact details below).

The Board appreciates the support of all shareholders, and the company continues to strive for excellence in all that it does to create value for all stakeholders.

Visit [www.synertec.com.au](http://www.synertec.com.au) for more information.

**-ENDS-**

#### **For more information and all media enquiries please contact:**

Mr. David Harris  
Chief Financial Officer & Company Secretary  
Phone: +61 (3) 9274 3000  
Email: [david.harris@synertec.com.au](mailto:david.harris@synertec.com.au)



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# SYNERTEC CORPORATION LIMITED

(FORMERLY "SML CORPORATION LIMITED")

ARBN 161 803 032

## NOTICE OF ANNUAL GENERAL MEETING

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Notice is given that the Company's Annual General Meeting will be held at:

**TIME:** 2:00pm (AEDT)

**DATE:** Monday, 26 November 2018

**PLACE:** The Events Centre  
Collins Square  
727 Collins Street  
Melbourne, Victoria, Australia

***This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

***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 (AEDT) on Saturday 24 November 2018.***

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## **BUSINESS OF THE MEETING - AGENDA**

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### **Ordinary Business**

#### **1. Financial Reports**

To receive and consider the Financial Report, Directors' Report and the Auditor's Report for the year ended 30 June 2018.

#### **2. Resolution 1 - Remuneration Report**

To receive, consider and adopt the Remuneration Report for the year ended 30 June 2018, as a non-binding resolution.

##### **Voting Exclusion:**

*In accordance with the requirements of section 250R of the Corporations Act, a vote on Resolution 1 must not be cast (in any capacity) by or on behalf of either of the following persons:*

- (a) a member of the Company's key management personnel ("**KMP**") whose remuneration is included in the Remuneration Report; or*
- (b) a closely related party of such a member of the KMP.*

*However, the Company need 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 person chairing the meeting as proxy for a person who is entitled to vote, where the proxy form does not specify the way the proxy is to vote on the resolution and expressly authorised the proxy to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.*

#### **3. Resolution 2 – Re-election of Director – Mr Kiat Poh**

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

"That Mr. Kiat Poh, who retires in accordance with clause 93(a) of the Company's Bye-Laws and Listing Rule 14.5, being eligible, be re-elected as a Director of the Company."

#### **4. Resolution 3 – Re-appointment of Auditor**

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

"That, pursuant to clause 158 of the Company's Bye-Laws, Grant Thornton Audit Pty Ltd be and hereby are appointed as Auditors of the Company until conclusion of the next annual general meeting at a fee agreed by the Directors."



#### **5. Resolution 4 – Approval to re-affirm of the aggregate fee pool for Non-Executive Directors**

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

"That for the purposes of ASX Listing Rule 10.17, the Company's bye-laws and for all other purposes, the aggregate amount of fees that may be paid to Non-Executive Directors as a whole be re-affirmed at \$300,000 per annum, as resolved by members at the 2013 Annual General Meeting of the Company (formerly known as SML Corporation Limited) held on 27 November 2013."

#### **6. Resolution 5 – Approval of 10% Placement Facility**

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

"That, pursuant to and in accordance with 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 the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement."

#### **7. Resolution 6 – Amendment to Company Bye-Laws**

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

"That the Company amend the Bye-Laws, with immediate effect upon passing of this Resolution, as described in the Explanatory Statement."

**Dated: 26 October 2018**

**By Order of the Board**

**Mr. David Harris**

**Chief Financial Officer & Company Secretary**



## Voting in person

To vote in person, attend the Annual General Meeting at the time, date and place set out above.

## Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with the provisions of Bye-laws 83 to 88 inclusive of the Bye-laws, Shareholders are advised that:

- (a) each Shareholder entitled to attend and vote at the Annual General Meeting has a right to appoint a proxy;
- (b) the proxy need not be a Shareholder of the Company; and
- (c) a Shareholder entitled to attend and vote at the Annual General Meeting who is the holder of 2 or more Shares may appoint not more than 2 proxies. If the member appoints 2 proxies, the proportion of the Shares to be represented by each proxy shall be specified in the instrument of proxy.

Shareholders and their proxies should be aware that:

- (d) on a poll, a proxy need not use all the votes he is entitled to cast, or cast all such votes in the same way; and
- (e) on a show of hands, if a Shareholder has appointed two proxies, neither of the proxies may vote as proxy for such shareholder.

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Chief Financial Officer & Company Secretary, Mr. David Harris, on +61 3 9274 3000 or david.harris@synertec.com.au***

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## Defined terms

Capitalised terms used in this Notice of Annual General Meeting (AGM) (including those used in the resolutions set out in this Notice) have, unless otherwise defined, the same meanings set out in the Explanatory Memorandum attached to this Notice.

### 1. **Material accompanying this Notice**

The following materials accompany this Notice:

- (a) the Financial Report, Directors' Report and Auditor's Report, if you have elected to receive a printed copy of these reports and have not withdrawn that election;
- (b) the proposed Incentive Scheme for the Managing Director for the year ended 30 June 2019;
- (c) the Explanatory Memorandum setting out details relevant to the ordinary and special business set out in this Notice; and
- (d) the Proxy Form.

### 2. **Voting and required majority - Corporations Act**

In accordance with section 249HA of the Corporations Act, not less than 28 days' written notice of the AGM has been given.

Each ordinary resolution must be passed by more than 50% of all the votes cast by Shareholders entitled to vote on the resolutions (whether in person or by proxy, attorney or representative).

Each special resolution must be passed by more than 75% of all the votes cast by Shareholders entitled to vote on the resolutions (whether in person or by proxy, attorney or representative).

To vote in person, attend the Annual General Meeting at the time, date and place set out above.

Subject to the voting exclusions referred to above, on a show of hands every Shareholder has one vote and, on a poll, every Shareholder has one vote for each Share held.

### 3. **Voting by proxy**

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with the provisions of Bye-laws 83 to 88 inclusive of the Bye-laws, Shareholders are advised that:

- (a) each Shareholder entitled to attend and vote at the Annual General Meeting has a right to appoint a proxy;
- (b) the proxy need not be a Shareholder of the Company; and
- (c) a Shareholder entitled to attend and vote at the Annual General Meeting who is the holder of 2 or more Shares may appoint not more than 2 proxies. If the member appoints 2 proxies, the proportion of the Shares to be represented by each proxy shall be specified in the instrument of proxy.

Shareholders and their proxies should be aware that:

- (a) on a poll, a proxy need not use all the votes he is entitled to cast, or cast all such votes in the same way; and
- (b) on a show of hands, if a Shareholder has appointed two proxies, neither of the proxies may vote as proxy for such shareholder.

#### 4. Notes

- (a) Pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* the Company has determined that, for the purposes of the AGM, all Shares in the Company will be taken to be held by the persons registered as Shareholders at **7pm AEDT (Melbourne time) on Saturday, 24 November 2018** (the "**Effective Time**").
- (b) Any Shareholder may appoint an attorney to act on his or her behalf. The power of attorney, or a certified copy of it, must be received by the Company as set out in clause 4(d) below.
- (c) Any corporation which is a Shareholder of the Company may appoint a representative to act on its behalf. Appointments of representatives must be received by the Company by the methods set out in clause 4(d).
- (d) Proxies, powers of attorneys and company representative authorisations granted by Shareholders must be received by the Company by no later than **2:00pm AEDT (Melbourne time) on Saturday, 24 November 2018** –
  - electronically at [www.votingonline.com.au/synertecagm2018](http://www.votingonline.com.au/synertecagm2018) by following the instructions provided but a proxy cannot be appointed online if appointed under power of attorney or similar authority; or
  - at the Company's share registry in Australia – Boardroom Pty Limited, GPO Box 3993, Sydney, NSW, 2001, Australia; or
  - in person at the Company's share registry in Australia – Boardroom Pty Limited, Level 12, 225 George Street, Sydney, NSW, 2000; or
  - by fax to the Company's share registry (Boardroom Pty Limited) – fax number +61 29290 9655.

Please refer to the Proxy Form accompanying this Notice for more information.



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## EXPLANATORY MEMORANDUM

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### General

This Explanatory Memorandum contains information relevant to the business referred to in the Notice of AGM of Synertec Corporation Limited (the "**Company**") which it accompanies and **should be read carefully by Shareholders prior to the AGM.**

All capitalised terms used in this Explanatory Memorandum have the meanings set out in the Glossary of Terms located at the end of this document.

Further details relating to each of the resolutions are set out below.

### Ordinary Business

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#### Item 1: Financial Reports

The Corporations Act requires that the Financial Report, Directors' Report and Auditor's Report of Synertec Corporation Limited (formerly SML Corporation Limited) for the most recent financial year be considered at the AGM. While this item of business does not require a formal resolution to be put to Shareholders, the Chair will give Shareholders a reasonable opportunity to raise questions on these reports at the AGM.

A copy of the Financial Report, Directors' Report and Auditor's Report for the year ended 30 June 2018 is available on the Company's website at <http://www.synertec.com.au/>.

As required under the Corporations Act, the Chair will also allow time during the AGM for Shareholders to ask the Auditor questions about, and make comments on, the reports and the Company's management, business, operations, financial performance and business strategies. If a Shareholder prefers to put written questions to the Auditor, a Shareholder may submit questions relevant to the content of the Auditor's report or the conduct of the audit, in writing, to the Company, up to five business days prior to the AGM. The Company will pass the questions on to the Auditor prior to the AGM. The Auditor may, but is not obligated to, answer any written or oral questions that are put by Shareholders.



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**Item 2: Resolution 1 - Remuneration Report****(a) Background**

The Remuneration Report (which forms part of the Directors' Report) is required to include discussion on matters relating to remuneration policy and its relationship to the Company's performance.

As required under section 250R(2) of the Corporations Act, a resolution will be put to Shareholders to adopt the Remuneration Report. Shareholders should note that the vote on this resolution is advisory only and is not binding on the Board.

Under the Corporations Act, if 25% or more of the votes cast on this resolution are against adoption of the Remuneration Report, the Company will be required to consider, and report to Shareholders on, what action has been taken by the Company to address Shareholders' concerns at next year's annual general meeting. If at the Company's next annual general meeting, 25% or more of the votes cast on the resolution to adopt the Remuneration Report are against the adoption of that report, then Shareholders will be required to consider a resolution to call another general meeting in accordance with the Corporations Act at which the Directors who held office at the date of the Directors' Report (excluding the Managing Director) will be required to seek re-election.

**(b) Directors' Recommendation**

The Directors unanimously recommend Shareholders vote in favour of adopting the Remuneration Report. As stated in the Notice of AGM, each of the KMPs whose remuneration is included in the Remuneration Report and closely related parties of those KMP's are not eligible to vote on this resolution, except as stated in the Notice of AGM.

***Voting exclusion***

The Company will disregard any votes cast on this resolution (in any capacity) by or on behalf of a member of the Key Management Personnel (being those persons described as such in the Remuneration Report) or a closely related party of such a member unless the vote cast as proxy for a person entitled to vote in accordance with a direction on the proxy form.

Any undirected proxies held by Directors or other Key Management Personnel or their closely related parties for the purposes of Resolution 1 (excluding the Chair) will not be voted on Resolution 1. Accordingly, if you intend to appoint a member of Key Management

Personnel as your proxy, please ensure that you direct them how to vote. If you intend to appoint the Chair of the meeting as your proxy, you can direct them to vote by marking the box for Resolution 1. By marking the Chair's box on the proxy form you acknowledge that the Chair of the meeting will vote in favour of this item of business as your proxy. The Chair will vote undirected proxies in favour of Resolution 1.

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**Item 3: Resolution 2 – Re-election of Director – Mr Kiat Poh****(a) Background**

Mr Kiat Poh retires by rotation in accordance with Clause 93(a) of the Company's By-Laws and the ASX Listing Rules and, being eligible, offers himself for re-election by shareholders.

Mr Poh holds a Certified Diploma in Accounting and Finance from ACCA, UK, Diploma in Management Studies from the Singapore Institute of Management, and a Diploma in Civil Engineering from the Singapore Polytechnic.

He has over 30 years' experience at senior management level in the construction, real estate development, manufacturing industries and financial markets. Over the years, he also held senior positions in corporate finance and mezzanine capital investment companies in Malaysia specialising in investments as well as mergers and acquisitions. From 1998 to 2005, he was Managing Director of a Singapore Exchange listed company.

Since 2005, Mr. Poh has been managing a Singapore based investment advisory company that focuses on participating in strategic stakes in listed companies, and since May 2008, he has been a non-executive director of Centrex Metals Limited, a company listed on the ASX.

Mr Poh is currently an independent non-director of Synertec Corporation Limited and is a member of the Audit & Risk Management Committee and Remuneration & Nomination Committee.

**(b) Directors' Recommendation**

The continuing Directors unanimously support the re-election of Mr Kiat Poh as a Director of the Company. Subject to any applicable voting exclusions, the Chair will vote any undirected proxies in favour of this resolution.

***Voting exclusion***

There are no voting exclusions on this resolution.

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**Item 4: Resolution 3 – Re-appointment of Auditor****(a) Background**

Pursuant to Clause 158 of the Company's Bye-Laws, Members shall appoint an auditor to hold office until the close of the next annual general meeting. In addition, pursuant to Clause 160 of the Company's Bye-Laws, the remuneration of the Auditor shall be fixed by the Company in general meeting or in such manner as the Members may determine.

Pursuant to Resolution 4, approval is sought for the re-appointment of Grant Thornton Audit Pty Ltd as the Company's auditors until the close of the next annual general meeting at a fee to be determined by the Directors.

**(b) Director's Recommendation**

The Board of Directors recommend that shareholders vote in favour of this resolution.

***Voting exclusion***

There are no voting exclusions on this resolution.

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**Item 5: Resolution 4 – Approval to set aggregate fee pool for Non-Executive Directors****(a) Background**

Resolution 4 seeks to re-affirm the maximum aggregate amount that the Company can pay to the Non-Executive Directors for their services as Directors at \$300,000 per annum. Under ASX Listing Rule 10.17, it must be approved by Shareholders in general meeting. The current limit of \$300,000 was last approved at the 2013 AGM of the Company (formerly known as SML Corporation Limited), held on 27 November 2013.

The limit does not apply to executive director remuneration. Non-Executive Directors do not receive performance-based remuneration and no securities have been issued to any Non-Executive Director under ASX Listing Rule 10.11 or 10.14 within the last three years.

The Board does not intend to increase Director fees, and the base fees for the Directors and Chair were last revised in 2017. The Board has therefore concluded that the maximum aggregate amount that the Company can pay to the Non-Executive Directors of \$300,000 per annum remains satisfactory for the Company and is necessary to accommodate the current Board

and/or any potential changes to the Board and/or its structure. Details of the Directors' remuneration for the period ended 30 June 2018 are contained in the Remuneration Report.

Therefore, for the purposes of ASX Listing Rule 10.17, the Company's bye-laws and for all other purposes, the aggregate amount of fees that may be paid to Non-Executive Directors as a whole is proposed to remain at \$300,000 per annum.

## **(b) Director's Recommendation**

The directors make no recommendation in relation to this resolution.

## **Voting exclusion**

The Company will disregard any votes cast in favour on this resolution by any Director and any of their associates.

However, the Company need 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 by the Chair of the meeting as proxy for a person who is entitled to vote and does not specify the way the proxy is to vote.

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## **Item 6: Resolution 5 – Approval of 10% Placement Facility under ASX Listing Rule 7.1A**

### **(a) Background**

Listing Rule 7.1A enables an eligible entity to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the annual general meeting (10% Placement Facility). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (explained below).

### **Explanation of Listing Rule 7.1A**

#### **Shareholder approval**

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

## **Equity Securities**

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

### **Formula for calculating 10% Placement Facility**

Listing Rule 7.1A.2 provides that an eligible entity that has obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12-month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

#### **(A x D) – E**

**A** is the number of fully paid ordinary shares on issue 12 months before the date of issue or agreement:

- plus the number of fully paid ordinary shares issued in the 12 months under an exception in Listing Rule 7.2;
- plus the number of partly paid ordinary shares that became fully paid in the 12 months;
- plus the number of fully paid ordinary shares issued in the 12 months with approval of holders of ordinary shares under Listing Rule 7.1 or Listing Rule 7.4. (This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval.);
- less the number of fully paid ordinary 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 holders of ordinary shares under Listing Rule 7.1 or Listing Rule 7.4.

### **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be no less than 75% of the VWAMP for Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (a) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (b) if the Equity Securities are not issued within five Trading Days of the date in paragraph (a) above, the date on which the Equity Securities are issued.

### **10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (a) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; and
- (b) the date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking),

**Effect of Listing Rule 7.1A**

The effect of Resolution 5 (if passed) will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 5 is a special resolution and so requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

**Disclosure of regulatory information**

In accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAMP for the Company's Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:
  - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
  - (ii) if the Equity Securities are not issued within five Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 5 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
  - (i) the market price for the Company's Equity Securities in that class may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities. The below table shows the potential dilution of existing holders of Shares on the basis of the current market price of Shares and the current number of Shares for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice of Meeting.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary Shares the Company has on issue. The number of ordinary Shares on issue may increase as a result of issues of ordinary Shares that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future general meeting; and
- (ii) two examples of where the issue price of ordinary Shares has decreased by 50% and increased by 100% as against the current market price.

Variable "A" in ASX Listing Rule 7.1A.2		Dilution (Shares)		
		\$0.0235 50% decrease in issue price	\$0.046 Issue Price	\$0.094 100% increase in issue price
Current Variable "A" 220,701,277 fully paid ordinary shares	10% voting dilution	22,070,128	22,070,128	22,070,128
	Funds raised	\$507,613	\$1,015,226	\$2,030,452
50% increase in Current Variable "A" 331,051,916 fully paid ordinary shares	10% voting dilution	33,105,192	33,105,192	33,105,192
	Funds raised	\$761,419	\$1,522,839	\$3,045,678
100% increase in Current Variable "A" 441,402,554 fully paid ordinary shares	10% voting dilution	44,140,255	44,140,255	44,140,255
	Funds raised	\$1,015,226	\$2,030,452	\$4,060,903

The table has been prepared on the following assumptions:

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- (i) The Current Share Price is \$0.046, being the closing price of the Shares on ASX on 18 October 2018.
  - (ii) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
  - (iii) (iii) No options or other rights convertible into Shares are exercised into Shares before the date of the issue of the Equity Securities.
  - (iv) (iv) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
  - (v) (v) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
  - (vi) (vi) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
  - (vii) (vii) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. It does not show the effect of options or other rights convertible into Shares being issued under Listing Rule 7.1A.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 5 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration for the acquisition of new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
  - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised for organic growth in operations, acquisitions of businesses (including expenses associated with acquisitions) and general working capital.
- The Company will comply with the disclosure obligations under Listing Rule 7.1A.4 and Listing Rule 3.10.5A upon issue of any Equity Securities.
- (e) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including:



- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments.

- (f) The Company has not previously obtained Shareholder approval under Listing Rule 7.1A, as no shares have ever been issued under Listing Rule 7.1A.

#### **(b) Directors' recommendation**

The Directors recommend that Shareholders vote in favour of Resolution 5.

#### ***Voting exclusion***

The Company will disregard any votes cast in favour on Resolution 5 by a person who may participate in the 10% Placement Facility and a person who might obtain a material benefit except a benefit solely in the capacity of a holder of Shares, if Resolution 5 is passed (and any of their associates).

However, the Company will not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- it is cast by the Chair of the Meeting 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.

The Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of Equity Securities under this approval. No existing Shareholder's vote will therefore be excluded.

## Item 7: Resolution 6 – Amendment to Company Bye-Laws

### (a) Background

Following a detailed review of the Bye-Laws of the Company, the Company proposes amending the Bye-Laws with effect immediately upon the passing of Resolution 6.

The amendments are minor and editorial in nature and/or provide an update to ensure the Bye-Laws meet the actual practices of the Company.

Resolution 6 is a special resolution and, as a result, must be passed by at least 75% of all the votes cast by members entitled to vote (whether in person or by proxy, attorney or, in the case of a corporate member, by corporate representative).

A summary of the change between the Company's current Bye-laws and amended Bye-laws is as follows:

Change relating to:	Existing Bye-Laws:	Amended Bye-Laws:
<b>Company name to be changed throughout the Bye-Laws</b>	SML Corporation Limited	Synertec Corporation Limited
<b>Clause 61 – Notice of General Meetings</b>	An annual general meeting and any special general meeting at which the passing of a special resolution is to be considered shall be called by not less than twenty-one (21) clear days' notice.	An annual general meeting and any special general meeting at which the passing of a special resolution is to be considered shall be called by not less than twenty-eight (28) clear days' notice.
<b>Clause 164 - Notices</b>	<p>Any notice or other document from the Company to a Member shall be given in writing or by cable, telex or facsimile or other form of electronic transmission or communication and any such notice or other document may be served or delivered by the Company on or to any Member:</p> <p>(a) either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose ("Relevant Address"); or</p> <p>(b) by transmitting it to any telex or facsimile transmission number or electronic number or address (including email address) or</p>	<p>Any notice or other document from the Company to a Member shall be given in writing or by facsimile or other form of electronic transmission or communication and any such notice or other document may be served or delivered by the Company on or to any Member:</p> <p>(a) either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose ("Relevant Address"); or</p> <p>(b) by transmitting it to any facsimile transmission number or electronic number or address (including email address) or website supplied by him</p>

	<p>website supplied by him to the Company for the giving of notice to him or which the person transmitting the notice or other document reasonably and bona fide believes at the relevant time will result in the notice or other document being duly received by the Member; or</p> <p>(c) by advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Securities Exchange (if any).</p> <p>In the case of joint holders of a share all notices or other documents shall be given to that one of the joint holders whose name stands first in the Register and notice or other documents so given shall be deemed a sufficient service on or delivery to all the joint holders.</p>	<p>to the Company for the giving of notice to him or which the person transmitting the notice or other document reasonably and bona fide believes at the relevant time will result in the notice or other document being duly received by the Member; or</p> <p>(c) by advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Securities Exchange (if any).</p> <p>In the case of joint holders of a share all notices or other documents shall be given to that one of the joint holders whose name stands first in the Register and notice or other documents so given shall be deemed a sufficient service on or delivery to all the joint holders.</p>
<b>Clause 168 - Signatures</b>	<p>For the purposes of these Bye-laws, a cable or telex or facsimile or an electronic transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised Representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received.</p>	<p>For the purposes of these Bye-laws, a facsimile or an electronic transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised Representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received.</p>



Synertec Corporation Limited  
ARBN 161 803 032

Level 1, 57 Stewart Street  
Richmond Victoria 3121  
Australia

Ph: +61 3 9274 3000  
Fax: +61 3 9274 3099  
[www.synertec.com.au](http://www.synertec.com.au)

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**(b) Director's Recommendation**

The Board of Directors recommend that shareholders vote in favour of this resolution.

***Voting exclusion***

There are no voting exclusions on this resolution.

## GLOSSARY

Where the following terms are used in this Notice of Meeting and Explanatory Statement they have the following meanings:

**AEDT** means Australian Eastern Daylight Time as observed in Melbourne, Victoria, Australia.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

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

**Board** means the board of Directors as constituted from time to time.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Bye-laws** means the bye-laws of the Company.

**Company** or **Synertec** means Synertec Corporation Limited (ARBN 161 803 032).

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

**Directors** mean the directors of the Company as at the date of this Notice.

**Explanatory Memorandum** means the explanatory memorandum accompanying this Notice of AGM.

**Financial Report** means the annual financial report of the Company and its controlled entities, for the year ending on 30 June 2018 that accompanies this Notice of AGM (if you have elected to receive a printed copy of this report and have not withdrawn that election) or which is available on the Company's website at [www.synertec.com.au](http://www.synertec.com.au)

**Key Management Personnel** has the meaning given to that term in the Corporations Act and generally includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including a Director (and the term "KMP" has the same meaning).

**Notice** or **Notice of Meeting** means this notice of special general meeting including the explanatory statement and proxy form.

**Proxy Form** means the proxy form attached to this Notice of AGM.

**Remuneration Report** means the remuneration report of the Company that forms part of the Directors' Report accompanying this Notice of AGM (if you have elected to receive a printed copy of this report and have not withdrawn that election) or which is available on the Company's website at <https://www.synertec.com.au>.

**Resolutions** means the resolutions set out in the Notice of Meeting or any of them, as the context requires.

**Shareholder** means a registered holder of Shares.



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**VWAMP** means the volume weighted average price of trading in those securities on the ASX and the Chi-X market over that period, excluding block trades, large portfolio trades, permitted trades during the pre-trading hours period, permitted trades during the post-trading hours period, out of hours trades and exchange traded option exercises.



#### All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)
- ☎ **By Phone:** (within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 2:00pm (AEDT) on Saturday, 24 November 2018.**

### 🖥 TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/synertecagm2018>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

### 📱 BY SMARTPHONE



Scan QR Code using smartphone  
QR Reader App

### TO VOTE BY COMPLETING THE PROXY FORM

#### STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

##### Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities 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.
- (b) return both forms together in the same envelope.

#### STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

##### Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

#### STEP 3 SIGN THE FORM

The form **must** be signed as follows:

**Individual:** This form is to be signed by the securityholder.

**Joint Holding:** where the holding is in more than one name, all the securityholders should sign.

**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

#### STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **2:00pm (AEDT) on Saturday, 24 November 2018.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 🖥 **Online** <https://www.votingonline.com.au/synertecagm2018>
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited  
Level 12, 225 George Street,  
Sydney NSW 2000 Australia

#### Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

☐

**Your Address**

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

**Please note, you cannot change ownership of your securities using this form.**

**PROXY FORM**

**STEP 1 APPOINT A PROXY**

I/We being a member/s of **Synertec Corporation Limited** (Company) and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting** (mark box)

**OR** if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **The Events Centre, Collins Square, 727 Collins Street, Melbourne, Victoria 3008 on Monday, 26 November 2018 at 2:00pm (AEDT)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1 and 4, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1 and 4 are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1 and 4). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

**STEP 2 VOTING DIRECTIONS**

\* 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 vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – Mr Kiat Poh	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval to re-affirm the aggregate fee pool for Non-Executive Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Amendment to Company Bye-Laws	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**STEP 3 SIGNATURE OF SECURITYHOLDERS**

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

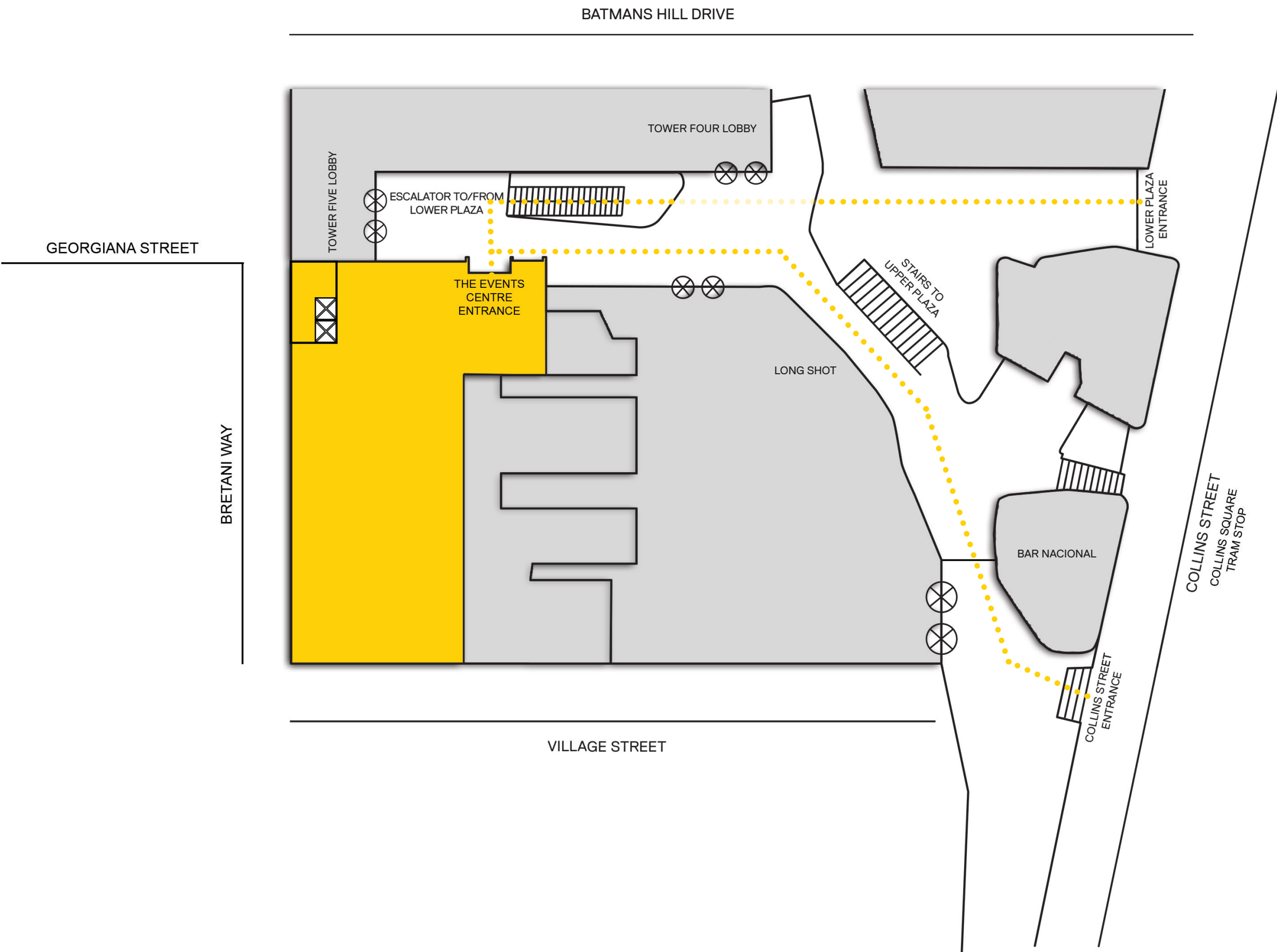
Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2018





## THE EVENTS CENTRE

*Access via Collins Street*

### DIRECTIONS:

1. Walk under the bright yellow Dion Horstmanns sculpture at the entry to Collins Square
2. Walk straight ahead and through the doors marked as "To Tower Four and Five"
3. Walk across the upper level of the plaza, to the left
4. Continue pass Long Shot Café and the revolving doors to your left
5. Enter The Events Centre lobby through the sliding doors to your left.

COLLINS SQUARE 

727 Collins Street, Melbourne  
[collinssquare.com.au](http://collinssquare.com.au)

P. +61 3 9252 7600  
F. +61 3 9252 7699