

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Konekt Limited (**Konekt**)

ABN

79 009 155 971

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares (Shares). |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <p>A total of 7,381,234 Shares to be issued pursuant to a non-renounceable entitlement offer (the Entitlement Offer) described in the ASX Announcement and Investor Presentation lodged with ASX on 11 August 2017 (ASX Materials).</p> <p>This Appendix 3B relates to the number of shares issued under the Entitlement Offer due to the take-up of entitlements and additional new shares applied for by eligible shareholders.</p> <p>In addition, 7,200,020 Shares will be issued on 21 September 2017 due to the entitlements of ineligible shareholders and entitlements not taken up by eligible shareholders.</p> |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares. |

<p>4 Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional ⁺securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>From the issue date, the Shares will rank equally in all respects with the existing fully paid ordinary shares in Konekt currently on issue.</p>
<p>5 Issue price or consideration</p>	<p>\$0.48 per Share.</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>As described in the ASX Materials.</p>
<p>6a Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the ⁺securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>Not applicable.</p>
<p>6c Number of ⁺securities issued without security holder approval under rule 7.1</p>	<p>Not applicable.</p>
<p>6d Number of ⁺securities issued with security holder approval under rule 7.1A</p>	<p>Not applicable.</p>
<p>6e Number of ⁺securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)</p>	<p>Not applicable.</p>

+ See chapter 19 for defined terms.

6f Number of +securities issued under an exception in rule 7.2 7,381,234 Shares issued pursuant to exception 1 in rule 7.2.

6g If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation. Not applicable.

6h If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements Not applicable.

6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements Not applicable.

7 +Issue dates 14 September 2017
 Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.
 Cross reference: item 33 of Appendix 3B.

	Number	+Class
8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	After the issue on 14 September 2017 there will be 98,486,815 Shares on issue Shares on issue. Following the issue on 21 September 2017 there will be 105,686,835 Shares on issue Shares on issue.	Fully paid ordinary shares

	Number	+Class
9	400,000	Unlisted \$0.10 Options expiring 31 May 2018 at 5pm AEST.
	650,000	Unlisted \$0.20 Options expiring 28 February 2019 at 5pm AEST.
	1,225,000	Unlisted \$0.37 Options expiring 29 February 2020 at 5pm AEST.
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	
	New shares issued pursuant to the Entitlement Offer will not be entitled for the final FY17 dividend announced 11 August 2017 and payable on 8 November 2017.	

Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 new share for every 5 shares held at the Record Date
14	+Class of +securities to which the offer relates	Ordinary shares
15	+Record date to determine entitlements	7.00pm (Sydney time) on Thursday, 17 August 2017
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No.
17	Policy for deciding entitlements in relation to fractions	Fractional entitlements will be rounded up to the nearest whole number
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	All countries except Australia and New Zealand.

+ See chapter 19 for defined terms.

19	Closing date for receipt of acceptances or renunciations	Friday, 8 September 2017
20	Names of any underwriters	Taylor Collison
21	Amount of any underwriting fee or commission	An underwriting fee of 4% of amount raised and a management and selling fee of 2% of the amount raised (excluding GST).
22	Names of any brokers to the issue	Taylor Collison
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Monday, 21 August 2017
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A

32 How do security holders dispose of their entitlements (except by sale through a broker)?

33 +Issue date

Part 3 - Quotation of securities

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

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

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

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

+ See chapter 19 for defined terms.

39 +Class of +securities for which quotation is sought

Not applicable.

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

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

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

Not applicable.

41 Reason for request for quotation now

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

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

Not applicable.

	Number	+Class
42 Number and +class of all +securities quoted on ASX (<i>including</i> the +securities in clause 38)	Not applicable.	Not applicable.

Quotation agreement

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

2 We warrant the following to ASX.

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

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

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 14 September 2017

Print name: Reena Minhas
(Company secretary)

+ See chapter 19 for defined terms.