

**THE AGENCY GROUP AUSTRALIA LTD
ACN 118 913 232**

PROSPECTUS

For the offer of up to 1,000 Shares in the capital of the Company at an issue price of \$0.051 per Share to raise up to \$51 (before expenses) (**Offer**).

This Prospectus has been prepared primarily for the purpose of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued by the Company prior to the Closing Date.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Shares offered under this Prospectus should be considered speculative.

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1. CORPORATE DIRECTORY

Directors

Andrew Jensen (Chairman)
Paul Niardone (Managing
Director)
Matthew Lahood (Executive
Director)
Adam Davey (Non-Executive
Director)

Company Secretary

Stuart Usher

Registered Office

68 Milligan Street
Perth WA 6000

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Facsimile: +61 8 9204 7956
Email: info@theagencygroup.com.au
Website: www.theagencygroup.com.au

Share Registry*

Advanced Share Registry Services
110 Stirling Highway
Nedlands WA 6009

Telephone:
1300 113 258 (within Australia)
+61 8 9389 8033 (International)
Facsimile: +61 8 6370 4203

Auditor*

Bentleys Audit & Corporate (WA)
Pty Ltd
Level 3
216 St Georges Terrace
Perth WA 6000

Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

* This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

2. TIMETABLE AND IMPORTANT NOTES

2.1 Timetable

Action	Date
Lodgement of Prospectus with the ASIC and ASX	17 February 2021
Opening Date of the Offer	18 February 2021
Closing Date of the Offer*	5:00pm WST on 19 February 2021

* The Directors reserve the right to bring forward or extend the Closing Date at any time after the Opening Date without notice. As such, the date the Shares are expected to commence trading on ASX may vary with any change in the Closing Date.

2.2 Important Notes

This Prospectus is dated 17 February 2021 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

The Offer is only available to those who are personally invited to accept the Offer. Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

2.3 Web Site – Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.theagencygroup.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

2.4 Risk Factors

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 6. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

2.5 Overseas Investors

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. This Prospectus does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue in this Prospectus.

2.6 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6.

2.7 Disclaimer

No person is authorised to give any information or to make any representation in connection with the Offer described in this Prospectus which is not contained in this Prospectus. Any information not so contained may not be relied upon as having been authorised by the Company or any other person in connection with the Offer. You should rely only on information in this Prospectus.

3. DETAILS OF THE OFFER

3.1 Offer

Under this Prospectus, the Company invites investors identified by the Directors to apply for up to 1,000 Shares at an issue price of \$0.051 per Share to raise up to \$51 (before expenses).

The Offer will only be extended to specific parties on invitation from the Directors. Application Forms will only be provided by the Company to these parties.

All of the Shares offered under this Prospectus will rank equally with Shares on issue at the date of this Prospectus.

3.2 Objective

The Company is seeking to raise only a nominal amount of \$51 under this Prospectus and, accordingly, the purpose of this Prospectus is not to raise capital.

The primary purpose of this Prospectus is to remove any trading restrictions that may have attached to Shares issued by the Company prior to the Closing Date.

Relevantly, section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body; and
- (b) either:
 - (i) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

3.3 Application for Shares

Applications for Shares must be made by investors at the direction of the Company and must be made using the Application Form accompanying this Prospectus.

Payment for the Shares must be made in full at the issue price of \$0.051 per Share.

Completed Application Forms and accompanying cheques must be mailed or delivered to the Company as follows:

Delivery by hand	Delivery by post
68 Milligan Street Perth WA 6000	68 Milligan Street Perth WA 6000

Cheques should be made payable to "**The Agency Group Australia Ltd – Share Offer Account**" and crossed "**Not Negotiable**". Completed Application Forms and cheques must reach the address set out above by no later than the Closing Date.

3.4 Minimum subscription

There is no minimum subscription to the Offer.

3.5 Underwriter

The Offer is not underwritten.

3.6 Issue

Shares issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Offer.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Shares issued under the Offer will be mailed in accordance with the timetable set out at the commencement of this Prospectus.

3.7 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made within 7 days of the date of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

3.8 Applicants outside Australia

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any

failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Shares or otherwise permit an offering of the Shares the subject of this Prospectus in any jurisdiction outside Australia. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed. If you are outside Australia it is your responsibility to obtain all necessary approvals for the issue of the Shares pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

3.9 Enquiries

Any questions concerning the Offer should be directed to Stuart Usher, Company Secretary, on +61 8 9204 7955.

4. PURPOSE AND EFFECT OF THE OFFER

4.1 Purpose of the Offer

The primary purpose of this Prospectus is to remove any trading restrictions that may have attached to Shares issued by the Company prior to the Closing Date (including prior to the date of this Prospectus). All of the funds raised from the Offer will be applied towards the expenses of the Offer. Refer to Section 7.8 of this Prospectus for further details relating to the estimated expenses of the Offer.

4.2 Effect of the Offer on capital structure

The effect of the Offer on the Company's capital structure is set out below.

Shares ¹	Number
Shares currently on issue	428,575,916
Shares offered under this Prospectus ²	1,000
Total Shares on issue on completion of the Offer³	428,576,916

Notes:

1. The rights and liabilities attaching to the Shares are summarised in Section 5 of this Prospectus.
2. Assumes the Offer is fully subscribed.
3. This assumes the Offer is fully subscribed and no convertible securities are converted into Shares.

Options	Number
Unlisted Options exercisable at \$0.30 each on or before 11 January 2022	333,333
Options offered under this Prospectus	Nil
Total Options on issue on completion of the Offer	333,333

Performance Shares	Number
Performance Shares currently on issue	1,555,558
Performance Shares offered under this Prospectus	Nil
Total Performance Shares on issue on completion of the Offer	1,555,558

Convertible Notes	Number
Convertible Notes currently on issue	3,150,000
Convertible Notes offered under this Prospectus	Nil
Total Convertible Notes on issue on completion of the Offer	3,150,000

4.3 Financial effect of the Offer

After expenses of the Offer of approximately \$10,128 there will be no proceeds from the Offer. The expenses of the Offer (exceeding \$51) will be met from the Company's existing cash reserves.

As such, the Offer will have an effect on the Company's financial position, being the costs of preparing the Prospectus of approximately \$10,128 less the receipt of funds of \$51.

5. RIGHTS AND LIABILITIES ATTACHING TO SHARES

The following is a summary of the more significant rights and liabilities attaching to Shares to be issued pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

5.1 General meetings and notices

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

5.2 Voting Rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

5.3 Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms

and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

5.4 Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

5.5 Shareholder liability

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

5.6 Transfer of shares

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

5.7 Future increase in capital

The allotment and issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Shares contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

5.8 Variation of rights

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

5.9 Alteration of Constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

6. RISK FACTORS

6.1 Introduction

The Shares offered under this Prospectus should be considered speculative because of the nature of the Company's business. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the price at which securities will trade, payment of dividends or return of capital. There can be no guarantee that the Company will achieve its stated objectives or that any forward-looking statement will eventuate.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

6.2 Company specific

(a) Federal Court proceedings – MCL 105 Pty Ltd

The Company is currently party to a Federal Court proceeding relating to a claimed debt of approximately \$385,000 alleged to be owing to MCL 105 Pty Ltd, a company controlled by former director Mitchell Atkins. The alleged and disputed debt relates to fees on a mandate entered into by the Company and MCL 105 Pty Ltd in February 2020 for the purpose of securing debt funding. On 1 February 2021, hearing orders were made by the Federal Court of Australia, programming the hearing of the debt claim to be heard on 4 March 2021.

The Company disputes the claim, however, if MCL 105 Pty Ltd is successful in its claim, the Company will be required to pay the purported debt and, potentially, MCL 105 Pty Ltd's legal costs. The Company notes that it has paid the sum of \$400,000 into Court and, if it is found that MCL 105 Pty Ltd is due any amount, the relevant amount will be paid out of those funds.

(b) Takeovers Panel application

Following the Takeovers Panel's declaration of unacceptable circumstances in relation to a purported takeover bid for the Company by Magnolia Equities III Pty Limited (**Magnolia**), a company controlled by former director Mitchell Atkins, on 3 February 2021, the Takeovers Panel advised that it had received an application from Magnolia seeking a review of the Panel's decision not to declare unacceptable circumstances in respect of Magnolia's application dated 16 December 2020 in relation to the affairs of the Company. In its media release dated 3 February 2021, the Panel advised that a review Panel has not been appointed and no decision has been made whether to conduct

proceedings. As at the date of this Prospectus, that remains the case. The Takeovers Panel also advised in its media release dated 3 February 2021 that it makes no comment on the merits of the application.

If the Takeovers Panel decides to conduct proceedings, the Company will need to expend further funds (and again allocate resources) towards responding to the application.

(c) **Coronavirus (COVID-19)**

The outbreak of the coronavirus (**COVID-19**) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

In addition, the effects of COVID-19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders or the COVID-19 pandemic may also give rise to issues, delays or restrictions in relation to land access and the Company's ability to freely move people and equipment to and from exploration projects may cause delays or cost increases. The effects of COVID -19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders.

The Directors are actively monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. In compliance with its continuous disclosure obligations, the Company will continue to update the market in regard to the impact of COVID-19 on potential revenue channels and any adverse impact on the Company and its operations. If any of these impacts appear material prior to close of the Offer, the Company will notify investors under a supplementary prospectus.

(d) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer if any of these risks were to occur. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its real estate growth activities as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(e) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on their senior management and key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment or if one or more of the directors of the Company leaves the Board.

(f) **Lenders' willingness to employ third-party distribution channels**

The Company's real estate sales and property services, mortgage business and the mortgage broking and real estate industry generally, is reliant on lenders' willingness to employ third-party distribution channels as a means of marketing their loan products. Depending on the relative cost of other distribution methods in the future, lenders may also decide to decrease their reliance on (or not to use) third-party channels, develop competing distribution channels or reduce current upfront or trail commission terms, any of which would have a significant adverse effect on the industry generally and on the Company. The Company is also reliant on receiving access to competitive products from the Finsure Lending Panel (a suite of lending institutions in Australia) to enable brokers to attract customers in an increasingly competitive mortgage market. There can be no assurance that Finsure Lending Panel will continue to be able to access competitive products.

(g) **Supplier risk**

The Company sources a number of products and services from outsourced suppliers. Examples include mortgage aggregator services through Finsure. Any material changes in trading terms and/or supply from outsourced suppliers may impact the Company's ability to provide the current suite of products and services to its customers at the current pricing and gross margin on mortgage lines.

(h) **Technology risk**

The Company's real estate business "The Agency" is built around technology that gives the Company's sales representatives the ability to work from any location with a few large regional offices for support. Any interruption to the daily service, operation and maintenance of this technology plus failure or delay continuing to develop new functionality to the technology may have a material impact on the Company's current and future revenues. The Company also relies on a number of management information systems to enable the efficient running of the business. Whilst standard back-up, storage and recovery procedures are implemented, including offsite storage of back-up data, any event that causes harm or destroys the original and back-up data may have a material impact on the Company's ability to maintain continuous operations for the period of time required to remedy the cause of business interruption.

(i) **Security risk**

The Company relies upon the security of its management information systems, payment systems, website and client database. Any breaches of security including cyberattacks to the website or database that may cause damage, loss of operation or access to customer records by

unauthorised parties could cause material impact or interruption to the Company's continuous operation and therefore financial results. Damage, loss or misuse of client records may cause a loss of confidence in the Company by its clients as well as reputational damage.

(j) **Customer service**

The Agency relies upon both the continuous operation of its website as well as the ability to provide an acceptable level of customer assistance and service via its own staff and/or outsource providers. Any event that causes customer service to fall to inadequate or unacceptable levels may cause reputational damage and consequently a reduction in the Company's ability to retain existing customers and attract new customers. Any loss of existing or new customers will impact the Company's revenues.

(k) **Infringement of Intellectual Property Rights**

Should the Company be accused of infringing a third-party's intellectual property rights or trademarks and commence legal proceedings against the Company, the Company may incur significant costs in defending such proceedings, regardless of the outcome. Defending legal proceedings can often be defocusing for management and possibly other staff, which may divert their attention from the optimal management of the Company and results. Should a third-party obtain injunctive or other relief, it may prevent the Company from further use of the related intellectual property or trademark. Should such litigation be successful, the Company may also be caused to pay damages to the third-party and incur additional cost in the future to use or replace the functionality of the related intellectual property or trademark.

(l) **IT systems**

The Company's ability to manage service and pay its client database is dependent on its information technology systems (including its customer relationship management software) and relationships with service providers. Interruptions, failure or delay in the provision of services could severely impact the business operations of the Company as damaging the Company's reputation. Any issues with the Company's information technology systems may also impact on the Company's operational capabilities and financial performance.

(m) **Dependency on Licences for real estate, mortgage broking, financial services and conveyance businesses**

The Company holds real estate licenses in each state of Australia, in addition to mortgage broking, conveyancing and financial services licences. These licences are dependent on relevant government licensing provisions and can be revoked if certain conditions are breached. If these licences were revoked, this would have an adverse effect on revenue for these business units.

(n) **Reliance on external software providers**

The Company's real estate sales, property services and mortgage business is reliant on software provided by various software providers to facilitate their business including its customer relationship management software). There is a risk that existing and new software systems, could cause some disruption to the business.

(o) **Debt financing**

The Company currently has existing debt facilities totalling approximately \$5 million provided by Macquarie Bank Limited (**Macquarie**) which holds first ranking registered security over all present and future assets of the Company and its subsidiaries.

As announced on 6 January 2021, the Company and Macquarie have agreed to a revised repayment date for the remaining finance facility of 4 January 2023.

Further, as announced on 29 October 2020, the Company received a \$5 million investment by Peters Investments Pty Ltd via the issue of convertible notes. This investment was in addition to an initial \$1 million investment made by Peters Investments Pty Ltd via the issue of convertible notes in May 2020. Peters Investments converted \$3 million worth of convertible notes in January 2021, leaving a remaining \$3.15 million worth of convertible notes on issue.

In the event of any change or refinancing of the existing facilities, the terms and facility limits will be subject to variation and may include new covenants and/or amendments to fees or pricing which may be more financially onerous for the Company.

6.3 Industry specific

(a) **Competition risks**

The Company operates in a highly competitive market. Therefore, it faces the risk that increasing levels of competition, including competition from business models using new technology platforms, could result in, among other things, the Company foregoing a greater proportion of its profit margin to retain volumes of property listings and sales, maintenance and growth of rent rolls, mortgages written, reduced upfront commissions and trail commissions and changes to the structure of upfront commissions and trail commissions by lenders (such as the replacement of trail commissions with up-front commissions). This may result in reduced revenue, reduced operating margins and a loss of market share, which may have a material adverse effect on the Company's business, operating and financial performance and position and future prospects.

(b) **Importance of licences for the Company's core business activities**

The Company currently holds an Australian Credit Licence (**ACL**) and Real Estate Licences for 2 entities in WA, Sell Lease Property and The Agency, along with real estate licenses for The Agency in NSW, Vic and QLD, in order to conduct its business. These licences enable the Company to engage and facilitate mortgage activities and sell real property. Each state has to meet compliance regulations specific to the governing body and Real Estate Act specific to that state. The Company holds a corporate license and the obligation to adhere to the Act and corresponding codes of conduct is the responsibility of the person appointed by the company to be in bona fide control . If the Company does not comply with the conditions of any of their licences or meet regulatory requirements in any of the individual licensed entities, it could be subject to penalties, more onerous licence conditions and the imposition of licence restrictions or the total loss of that licence. If the Company is unable to retain its licence or has restrictions imposed on this

licence, it may not be able to continue to operate its business, or aspects of its business, in its current form. This would have a material adverse impact on the financial performance and position of the business. The Company also holds a Real Estate Settlements Agent's licence in WA to facilitate property settlements. The person responsible for all conduct and the supervision of company staff in this division is the licensee who is in "bonafide control" of the conveyance company.

(c) **Regulatory risks**

(i) Mortgage broking

In Australia, the mortgage broking industry is primarily regulated by ASIC and the National Consumer Credit Protection Act 2009 (Cth) (**NCCP Act**). The industry is also subject to a variety of other laws including privacy, financial transaction reporting and money laundering. If the Company does not meet regulatory requirements, such as various responsible lending obligations under the NCCP Act, it may suffer penalties or the ability to maintain its current ACL. Therefore, the Company's operating activities may be affected, which is likely to have a material impact on the Company's business and financial performance. These penalties may include (but are not limited to): fines, compensation, and cancellation or suspension of authority to carry on business. In addition, the regulatory framework governing the mortgage broking industry is subject to change. This could have an impact on the mortgage broking industry or on the Company's operations. Depending on the nature of any such changes, they may adversely impact the operations or future financial performance of the Company. The repercussions of the Banking Royal commission are still unknown from a regulatory perspective as well as the effect it may have on the availability of credit. A tightening of the availability of credit may cause an adverse effect on the real estate market.

(ii) Real estate

Each state has its own governing body which will oversee legal compliance within that state. They generally come under the Department of Commerce or Consumer Protection. Each one will have minimum educational and licensing requirements for staff to be registered with the governing body. Further to this real estate specific legislation the industry must also comply with Australian consumer law which gives clients minimum legal entitlements under federal consumer law. The Company is responsible for compliance to the state based real estate legislation, which can incur penalties for breaches of the state legislation which could lead to penalties and suspension or loss of license. Federal legislation for consumer protection can lead to fines and restrictions placed upon the corporate entity, these could be supplementary or totally independent of the state legislation.

(iii) Conveyancing

In Western Australia, the real estate settlement agents are governed by DMIRS and supported by the AICWA. Each licenced settlement agent is obliged to complete continual

professional development points to retain their accreditation and ability to apply for their licence renewal, every three years (Triennial Certificate). If this criteria is not met, licence renewals will not be granted.

(d) **Conduct**

(i) Mortgage brokers and credit representatives

The Company's mortgage business faces a number of risks arising from the conduct of mortgage brokers. It is noted that under the NCCP Act, the Company is liable to customers for any loss or damage they suffer as a result of a mortgage broker's conduct. This applies to conduct that relates to credit activity on which the customer could reasonably be expected to rely and in fact relied in good faith. Where the Company is responsible for the conduct of its credit representative, the customer has the same remedies against the Company as it has against the credit representative. This means that customers can take action against the Company in respect of a mortgage broker's conduct.

(ii) Real Estate Agents and Registered Salespeople

Licensed agents and salespeople need to be registered in each state with the relevant governing body and continue to be registered to be able to be employed. Penalties apply to the company if an employee is in breach of the relevant state act, but there are also serious penalties to the individual for breaching the relevant acts. Australian consumer law also makes the Company liable for breaches of the act, but again individuals can also face penalties separately to the company. All salespeople must also undertake continual professional development to maintain their registrations.

6.4 General risks

(a) **Interest Rates**

Australian consumers and residential borrowers currently enjoy historically low interest rates which have contributed to the growth of the Company's loan book. In the event interest rates significantly increase, potential borrowers' willingness and ability to borrow may be greatly reduced and the volume of loans settled could significantly decrease, affecting the Company's loan book and the associated financial performance of the Company.

(b) **Funding Risks**

If the Company incurs unexpected costs or is unable to generate sufficient operating income, further funding may be required. The Company may require additional funding to carry out the full scope of its plans.

The Company's ability to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities and to meet any unanticipated liabilities or expenses which the Company may incur may depend in part on its ability to raise additional funds. The Company

may seek to raise further funds through equity or debt financing or other means. Failure to obtain sufficient financing for the Company's activities may result in delay and indefinite postponement of the development of key software products or sales and marketing activities. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

Loan agreements and other financing rearrangements such as debt facilities, convertible note issue and finance leases (and any related guarantee and security) that may be entered into by the Company may contain covenants, undertakings and other provisions which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that the Company would be able to repay such loans in the event of an acceleration. Enforcement of any security granted by the Company or default under a finance lease could also result in the loss of assets.

The Company is exposed to risks associated with its financial instruments (consisting of cash, receivables, accounts payable and accrued liabilities due to third parties from time to time). This includes the risk that a third-party to a financial instrument fails to meet its contractual obligations; the risk that the Company will not be able to meet its financial obligations as they fall due; and the risk that market prices may vary which will affect the Company's income.

(c) **Economic**

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's business activities and potential research and development programmes, as well as on their ability to fund those activities. The real estate markets in Western Australia, New South Wales, Victoria and Queensland have been declining and the rate of decline is unknown with both number of transactions reducing and values of properties. The Agency operates in all these markets.

(d) **Insurance risks**

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, such insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company effected.

(e) **Litigation risks**

The Company is exposed to possible litigation risks. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is currently engaged in the litigation referred to in Section 6.2(a).

(f) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and technology related stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

6.5 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

7. ADDITIONAL INFORMATION

7.1 Litigation

As at the date of this Prospectus, the Company is party to a Federal Court proceeding relating to a purported debt of approximately \$385,000 alleged to be owing to MCL 105 Pty Ltd, a company controlled by former director Mitchell Atkins. The alleged and disputed debt relates to fees on a mandate entered into by the Company and MCL 105 Pty Ltd in February 2020 for the purpose of securing debt funding. On 1 February 2021, hearing orders were made by the Federal Court of Australia, programming the hearing of the debt claim to be heard on 4 March 2021.

In addition, following the Takeovers Panel's declaration of unacceptable circumstances in relation to a takeover bid for the Company by Magnolia Equities III Pty Limited ("Magnolia"), a company controlled by former director Mitchell Atkins, on 3 February 2021, the Takeovers Panel advised that it had received an application from Magnolia, seeking a review in respect of the Panel's decision not to declare unacceptable circumstances in relation to Magnolia's application dated 16 December 2020 in relation to the affairs of the Company. In its media release dated 3 February 2021, the Panel stated that a review Panel has not been appointed and no decision has been made whether to conduct proceedings. That remains the case at the date of this Prospectus. The Takeovers Panel also advised in its media release dated 3 February 2021 that it makes no comment on the merits of the application.

7.2 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus". In general terms a "transaction specific prospectus" is only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company or an ASIC office during normal office hours.

Details of documents lodged with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below:

Date	Description of Announcement
16 February 2021	Change in substantial holding
11 February 2021	Reinstatement to Official Quotation
11 February 2021	ASX Update – Financial Position and Related Matters
9 February 2021	Proposed issue of Securities - AU1
5 February 2021	TOV: The Agency Group Australia Limited 03R – Undertaking
3 February 2021	TOV: AU1 – Panel Receives Review Application
3 February 2021	Initial substantial shareholder notice
2 February 2021	Appendix 2A
1 February 2021	Agency achieves dual wins against Magnolia Capital/ M Atkins

Date	Description of Announcement
1 February 2021	AU1 Declaration of Unacceptable Circumstances and Orders
28 January 2021	Peters Investments Conversion - convertible notes & options
22 January 2021	HY 2021 Update & Appendix 4C
20 January 2021	Update on Federal Court Proceedings-Injunction appln granted
19 January 2021	Suspension from Official Quotation
19 January 2021	Pause in Trading
6 January 2021	Reinstatement to Official Quotation
6 January 2021	Updated loan documentation executed
5 January 2021	Request for extension to voluntary suspension
4 January 2021	Expiry of listed options
4 January 2021	Proposed issue of Securities - AU1
4 January 2021	Receipt of bidders statement
4 January 2021	Results of AGM
4 January 2021	Bidder's Statement
31 December 2020	Suspension from Official Quotation
29 December 2020	Postponement of AGM to 4 January 2021
29 December 2020	Trading Halt
29 December 2020	Pause in Trading Halt
29 December 2020	Takeovers Panel interim orders - Response by Nexia
22 December 2020	Postponement of AGM to 30 December 2020
22 December 2020	TOV: AU1 Panel Makes Interim Orders
21 December 2020	Expiry of unquoted options
18 December 2020	Change in substantial holding
17 December 2020	TOV: Agency Group 02 - Panel Receives Application
11 December 2020	Addendum to the Notice of Meeting & Supplementary IER
9 December 2020	TOV: The Agency Group Australia - Panel Receives Application
8 December 2020	Receipt of Letter
7 December 2020	Trading Halt
24 November 2020	Shareholder letter - AGM (Revised)
24 November 2020	Shareholder letter - AGM
24 November 2020	Notice of Annual General Meeting/Proxy Form
6 November 2020	Investor webinar presentation
4 November 2020	Proposed issue of Securities - AU1
29 October 2020	Appendix 4C and Quarter Update

Date	Description of Announcement
29 October 2020	Reinstatement to Official Quotation
29 October 2020	\$11M Funding Package Sets Foundation For Growth
26 October 2020	Request for extension to voluntary suspension
19 October 2020	Request for extension to voluntary suspension
8 October 2020	Request for extension to voluntary suspension
1 October 2020	Voluntary Suspension
1 October 2020	Trading Halt

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.theagencygroup.com.au.

7.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the most recent dates of those sales were:

	Price	Date
Highest	\$0.058	30 November 2020
Lowest	\$0.035	9 November 2020 & 10 November 2020
Last	\$0.050	16 February 2021

7.4 Details of substantial holders

To the best of the Company's knowledge, as at 17 February 2021, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Peters Investments Pty Ltd	129,621,485	30.24
Magnolia Equities III Pty Ltd	49,763,017	11.61
Ben Collier Investments Pty Ltd <Ben Collier Investments P/L>	27,060,515	6.31
MAK Property Group Pty Ltd <MAK A/C>	25,690,547	5.99
SEMC 2 Pty Limited <The Chen Asset A/C>	25,603,532	5.97
Daring Investments Pty Ltd	24,749,544	5.77
Teldar Real Estate Pty Ltd <MJ Lahood Family A/C>	24,349,790	5.68

7.5 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer pursuant to this Prospectus; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or director, either to induce them to become, or to qualify them as, a Director or otherwise for services rendered by them or by the firm in connection with the formation or promotion of the Company or the Offer.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below.

Director	Shares	Options	Performance Shares
Mr Paul Niardone ¹	4,239,023	Nil	411,111 ⁵
Mr Adam Davey ²	1,154,172	333,333	266,667 ⁵
Mr Andrew Jensen ³	1,903,492	Nil	Nil
Mr Matthew Lahood ⁴	24,804,398	Nil	Nil

Notes:

1. Comprising 3,186,951 Shares and 411,111 Performance Shares held indirectly by Trindis Pty Ltd. 56 Shares held by Mr Niardone's spouse and 1,052,016 Shares held by Asset Corporate & Investor Relations Pty Ltd.
2. Comprising 266,667 Performance Shares held directly, 32,516 Shares held indirectly by Court Securities Pty Ltd, 135 Shares held by A Davey <Tony Lebowitz & Noah Davey>, 16,108 Shares held by A Davey & M Davey <The Davey Super Fund A/C>, 1,105,493 Shares and 333,333 Options held by A Davey <Shenton Park Investments A/C> and 55 Shares held by Mr Davey's spouse.
3. Consisting of 1,871,326 Shares held indirectly by A Jensen and K Jensen <A&K Jensen Super Fund A/C> and 32,166 held by Mr Jensens' spouse.
4. Comprising 24,349,790 Shares held indirectly by Teldar Real Estate Pty Ltd <MJ Lahood Family A/C> and 454,608 Shares held indirectly by BNP Paribas Nominees Pty Ltd <IB AU Noms Retail Client DRP>.
5. Milestone not achieved and will not vest.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors'

remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director.

A Director may be paid fees or other amounts (ie non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	Remuneration for year ended 30 June 2019	Remuneration for year ended 30 June 2020	Proposed remuneration for year ending 30 June 2021
Mr Paul Niardone	466,204 ¹	\$360,755 ⁵	\$448,553 ⁹
Mr Adam Davey	64,996 ²	\$46,982 ⁶	\$48,000 ¹⁰
Mr Andrew Jensen	83,659 ³	\$187,008 ⁷	\$435,000 ¹¹
Mr Matthew Lahood	268,000 ⁴	\$545,434 ⁸	\$583,000 ¹²

Notes:

1. Consists of \$300,000 in salary and fees, \$20,531 in superannuation, \$116,667 in share-based payments and \$29,006 in other benefits.
2. Consists of \$48,000 in salary and fees and \$16,996 in equity-settled share-based payments.
3. Consists of \$78,283 in salary and fees and \$5,376 in superannuation.
4. Consists of \$255,496 in salary and fees and \$12,504 in superannuation.
5. Consists of \$315,000 in salary and fees, \$21,003 in superannuation and \$24,752 in motor vehicle benefits.
6. Consists of \$46,982 in salary and fees.
7. Consists of \$176,256 in salary and fees and \$10,752 in superannuation.
8. Consists of \$500,267 in salary and fees and \$25,000 in superannuation and \$20,167 in motor vehicle benefits.
9. Consists of \$377,250 in salary and fees, \$21,750 paid in annual leave entitlements, \$25,000 in superannuation and \$24,553 in motor vehicle benefits.
10. Consists of \$48,000 in salary and fees which all have been accrued to date not yet paid.
11. Consists of \$410,000 in salary and fees and \$25,000 in superannuation. Includes \$60,000 of accrued fees not yet paid.
12. Consists of \$536,000 in salary and fees and \$25,000 in superannuation and \$22,000 in other benefits. Includes \$18,000 of accrued fees not yet paid.

In addition to the above, the Company notes that:

- (a) Mr Adam Davey, a Non-Executive Director of the Company, is a Private Clients & Institutional Director at Canaccord Genuity (Australia) Limited (**Canaccord**). As announced on 11 May 2020, the Company had a corporate mandate in place with Canaccord up until 30 September 2020. Pursuant to that mandate, the Company appointed Canaccord to act as lead manager to a capital raising. Canaccord arranged the transaction pursuant to which the Company issued

convertible notes totalling \$6 million to Peters Investments Pty Ltd as lead manager and received fees of \$485,000 pursuant to the Mandate. The mandate provides that in the event that during the period of 12 months starting on the earlier of the completion of the offer and the termination of the engagement by the Company, the Company undertakes any equity or hybrid capital raising (**Subsequent Offer**), the Company agrees to offer Canaccord the opportunity to act as a Lead Manager and bookrunner to the Subsequent Offer and will pay Canaccord a fee to be agreed between the Company and Canaccord (such agreement not to be unreasonably withheld).

It is intended that any such additional engagements to be undertaken by Canaccord will be governed by a separate agreement and on such additional terms and conditions as are customary for a lead manager acting in similar capital markets related roles and as are mutually agreed between the Company and Canaccord.

- (b) Mr Paul Niardone, Managing Director, holds 20% of the shares on issue in Assert Corporate & Investor Relations Pty Ltd trading as Chapter One Advisors (**Chapter One Advisors**). Chapter One Advisors is engaged by the Company to provide media and public relations services and is paid a fee of \$7,000 per month for these services.

7.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (a) the formation or promotion of the Company; or
- (b) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$5,000 (excluding GST and disbursements) for these services.

7.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Shares), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

7.8 Estimated expenses of Offer

The total expenses of the Offer are estimated to be approximately \$10,128 as follows:

Expense	(\$)
ASIC Fees	3,206
ASX Fees	1,922
Legal Fees	5,000
Total	10,128

7.9 Electronic Prospectus

ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company on +61 8 9204 7955 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or Prospectus or any of those documents were incomplete or altered.

7.10 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing Share certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

7.11 Privacy Act

If you complete an application for Shares, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988 (Cth)* (as amended), the *Corporations Act* and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

8. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



PAUL NIARDONE
MANAGING DIRECTOR
For and on behalf of
THE AGENCY GROUP AUSTRALIA LTD

9. DEFINITIONS

\$ means Australian dollars.

Applicant means an investor who applies for Shares pursuant to the Offer.

Application Form means an application form either attached to or accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESSE.

Board means the board of Directors unless the context indicates otherwise.

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.

Closing Date means the date specified in the timetable in Section 2.1 of this Prospectus (unless extended or brought forward).

Company means The Agency Group Australia Ltd (ACN 118 913 232).

Constitution means the constitution of the Company as at the date of this Prospectus.

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

Directors means the directors of the Company as at the date of this Prospectus.

Offer means the offer of up to 1,000 Shares at an issue price of \$0.051 per Share to raise up to \$51.

Official Quotation means official quotation on ASX.

Opening Date means the opening date of the Offer as specified in the timetable set out in Section 2.1 (unless varied).

Option means an option to acquire a Share.

Prospectus means this prospectus.

Section means a section of this Prospectus.

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

Shareholder means a shareholder of the Company.

WST means western standard time as observed in Perth, Western Australia.