



REAL ESTATE
FINANCE
SETTLEMENT
INSURANCE

31 October 2019

CAPITAL STRUCTURE UPDATE

The Agency Group Australia (ASX:AU1) (“The Agency” or “The Company”) wishes to reconfirm its capital structure, in light of the Shareholder meeting held on 23 September and a non-renounceable entitlements issue¹. An Appendix 3B is attached for ASX reconciliation purposes.

	Quoted	Un-Quoted	TOTAL
Ordinary Shares (AU1)	296,732,180	-	296,732,180
Options (\$0.065, expiry 31 Dec 2020) (AU1OA)	101,515,093	-	101,515,093
Options (\$1.20, expiry 19 Dec 2019)	-	1,722,222	1,722,222
Options (\$0.60, expiry 28 Dec 2019)	-	3,200,023	3,200,023
Options (\$1.20, expiry 20 Dec 2020)	-	66,667	66,667
Options (\$0.75, expiry 20 Dec 2020)	-	266,667	266,667
Options (\$0.30, expiry 11 Jan 2022)	-	333,333	333,333
Vendor Performance Shares	-	2,222,251	2,222,251
Incentive Performance Shares	-	1,555,558	1,555,558
TOTALS	398,247,273	9,366,721	407,613,994

¹ Refer ASX announcement dated 1 October 2019

HEAD OFFICE 68 Milligan Street PERTH WA 6000
08 9204 7955 theagencygroup.com.au ABN 52 118 913 232



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About The Agency Group

The Agency Group Australia Ltd (AU1:ASX) (“The Agency Group”) is one of Australia’s fastest growing real estate agencies with the aim to disrupt the Australian real estate brokerage market, delivering high growth and generating value for customers.

The Agency Group currently has 272 agents operating across offices in Perth, Sydney, Melbourne, Gold Coast, Newcastle (NSW), Illawarra (NSW), Southern Highlands region (NSW) and Mandurah (WA). The Company specialises in property sales and property management with additional revenue generated from ancillary businesses.

- As a B 2 B offering, The Agency Group provides agents with an enhanced fee offering to traditional franchise operations minus the administrative burden of a standalone operation.
- Agents are provided the option of premium, full-service support or greater independency with value services.
- The business has been built for scale with ability to materially grow to its number of agents and properties under management with limited capital expenditure or increase in corporate overheads.
- The Agency Group’s broad product suite offers cross sell opportunities of complementary services.

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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

THE AGENCY GROUP AUSTRALIA LIMITED

ABN

52 118 913 232

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

Ordinary Fully Paid Shares – Quoted
Options - Quoted

2 Number of +securities issued or to be issued (if known) or maximum number which may be issued

- 1.) 64,937,712 Ordinary Fully Paid Shares issued as 'Shortfall Shares' in accordance with the entitlement issue
- 2.) 4,053,028 Ordinary Fully Paid Shares issued as 'Subscribed Shares' in accordance with the entitlement issue
- 3.) 101,028,111 Ordinary Fully Paid Shares issued on approval of shareholders at a General Meeting held on 23 Sep 2019.
- 4.) 32,468,864 Options issued as 'Shortfall Options' in accordance with the entitlement Issue
- 5.) 2,026,506 Options issued as 'Subscribed Options' in accordance with the entitlement Issue
- 6.) 58,558,184 Options issued on approval of shareholders at a General Meeting held on 23 Sep 2019.

Appendix 3B
New issue announcement

<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)</p>	<p>Shares – fully paid ordinary shares Options – exercisable at \$0.065 on or before 31 December 2020</p>
<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>Ordinary Fully Paid shares – yes Options - no</p>
<p>5 Issue price or consideration</p>	<p>Ordinary fully paid shares - \$0.065 per share Options – Free attaching to shares offered under the non-renounceable rights entitlement issue offer and the shares issued in repayment of debt or services.</p>

+ See chapter 19 for defined terms.

<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<ol style="list-style-type: none"> 1.) Shortfall shares under the Non-renounceable entitlements issue 2.) Subscribed shares under the Non-renounceable entitlements issue 3.) Issued after approval received from shareholders at a General Meeting held on 23 September 2019 <ol style="list-style-type: none"> a. 11,138,462 Shares issued to consultants (Resolutions 3 to 11); b. 82,197,341 Shares issued for debt to equity conversion (Resolutions 12 to 16); and c. 7,692,308 Shares issued in repayment of Kalonda Debt (Resolution 17). 4.) Shortfall options under the Non-renounceable entitlements issue 5.) Subscribed options under the Non-renounceable entitlements issue 6.) Issued after approval received from shareholders at a General Meeting held on 23 September 2019 <ol style="list-style-type: none"> a. 12,899,074 Options issued to the joint lead managers (Resolutions 1-2); b. 41,098,670 Options issued for debt to equity conversions (Resolutions 12 to 16); c. 3,846,154 Options issued in repayment of Kalonda debt (Resolution 17); and d. 714,286 Options issued to Kalonda (Resolution 18).
<p>6a Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i>, 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>28 November 2018</p>
<p>6c Number of ⁺securities issued without security holder approval under rule 7.1</p>	<p>-</p>

⁺ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

6d	Number of +securities issued with security holder approval under rule 7.1A	-															
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	101,028,111 Ordinary Shares 58,558,184 Options															
6f	Number of +securities issued under an exception in rule 7.2	68,990,739 Ordinary Shares 34,495,370 Options															
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.	-															
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	N/A															
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	7.1 44,509,827 7.1A 29,673,218															
7																	
7	+Issue dates 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.	1. between 26-Sep to 2-Oct 2019 2. 27-Sep 2019 3. 30-Sep and 2-Oct; 4. between 26-Sep to 2-Oct 2019 5. 27-Sep 2019 6. 30-Sep and 2-Oct 2019															
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th colspan="2">Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>296,732,180</td> <td></td> <td>Ordinary Shares</td> </tr> <tr> <td>101,515,093</td> <td></td> <td>Options @ \$0.065 expiring 31 Dec 2020</td> </tr> <tr> <th colspan="2">Number</th> <th>+Class</th> </tr> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Number		+Class	296,732,180		Ordinary Shares	101,515,093		Options @ \$0.065 expiring 31 Dec 2020	Number		+Class			
Number		+Class															
296,732,180		Ordinary Shares															
101,515,093		Options @ \$0.065 expiring 31 Dec 2020															
Number		+Class															
9																	
10																	

+ See chapter 19 for defined terms.

Number and *class of all *securities not quoted on ASX (<i>including</i> the securities in section 2 if applicable)	1,722,222	Options @ \$1.20 expiring 19-Dec 2019
Number and *class of all *securities not quoted on ASX (<i>including</i> the securities in section 2 if applicable)	3,200,023	Options @ \$0.60 expiring 28 Dec 2019
Number and *class of all *securities not quoted on ASX (<i>including</i> the securities in section 2 if applicable)	66,667	Options @ \$1.20 expiring 20-Dec 2020
Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	266,667	Options @ \$0.75 expiring 20-Dec 2020
	333,333	Options @ \$0.30 expiring 11-Jan-2022
	2,222,251	Vendor Performance Shares
	1,555,558	Incentive Performance Shares

Part 2 - Pro rata issue

11	Is security holder approval required?	-
12	Is the issue renounceable or non-renounceable?	-
13	Ratio in which the *securities will be offered	-
14	*Class of *securities to which the offer relates	-
15	*Record date to determine entitlements	-
16	Will holdings on different registers (or sub-registers) be aggregated for calculating entitlements?	-
17	Policy for deciding entitlements in relation to fractions	-
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	-
19	Closing date for receipt of acceptances or renunciations	-

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	-
23	Fee or commission payable to the broker to the issue	-
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	-
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	-
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)?	N/A
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

+ See chapter 19 for defined terms.

(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 -

39 *Class of *securities for which quotation is sought -

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

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)
 -

Number	*Class
--------	--------

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

42 Number and *class of all *securities quoted on ASX (*including* the *securities in clause 38)

43

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.

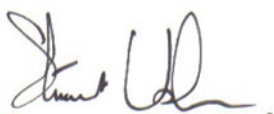
- The issue of the *securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those *securities should not be granted *quotation.
- An offer of the *securities for sale within 12 months after their issue will not require disclosure under section 707(3) 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 31 October 2019

Print name:

STUART USHER
Company Secretary

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
STEP 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	22,793,101
Add the following: <ul style="list-style-type: none"> • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period 	<div style="margin-bottom: 10px;">82,668,353</div> <div>191,270,726</div>
<i>Note:</i> <ul style="list-style-type: none"> • Include only ordinary securities here – other classes of equity securities cannot be added • Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed • It may be useful to set out issues of securities on different dates as separate line items 	
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	-
“A”	296,732,180
STEP 2: Calculate 15% of “A”	
“B”	0.15
	<i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	44,509,827
STEP 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period not counting those issued: <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 	-
<i>Note:</i> <ul style="list-style-type: none"> • This applies to equity securities, unless specifically excluded – not just ordinary securities • Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed • It may be useful to set out issues of securities on different dates as separate line items 	
“C”	-
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	

+ See chapter 19 for defined terms.

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<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	44,509,827
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	-
<p>Total [“A” x 0.15] – “C”</p>	44,509,827
	<i>[Note: this is the remaining placement capacity under rule 7.1]</i>

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
<p>“A”</p> <p><i>Note: number must be same as shown in Step 1 of Part 1</i></p>	296,732,180
Step 2: Calculate 10% of “A”	
<p>“D”</p> <p><i>[Note: this value cannot be changed]</i></p>	0.10
<p>Multiply “A” by 0.10</p>	29,673,218
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
<p>Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A</p> <p><i>Notes:</i></p> <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	-
<p>“E”</p>	-
Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
<p>“A” x 0.10</p> <p><i>Note: number must be same as shown in Step 2</i></p>	29,673,218
<p>Subtract “E”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	-
<p>Total [“A” x 0.10] – “E”</p>	29,673,218
	<i>[Note: this is the remaining placement capacity under rule 7.1A]</i>

+ See chapter 19 for defined terms.