



SYNERTEC

Synertec Corporation Limited

ARBN 161 803 032

Level 1, 57 Stewart Street

Richmond VIC 3121 Australia

Ph: +61 3 9274 3000

Fax: +61 3 9274 3099

www.synertec.com.au

ASX Announcement

9 January 2018

Synertec Corporation Limited (ASX: SOP)

Completion of warranties on sale of Mining Assets and notification of the Redemption Amount

Further to the Company's announcement on 22 September 2017, whereby the Company completed the sale of 100% of the issued shares in Australian Gold Mines Pty Ltd (which owns all the shares in Mt Wills Gold Mines Pty Ltd, the holder of the mining assets) and an immaterial related parcel of freehold land under a Contract for the Sale ("Mining Assets"), the board of Directors are pleased to announce that all warranties have now been completed.

The Mining Assets were sold for \$3.5 million. The Net Sale Proceeds (as defined in the former Prospectus dated 23 June 2017) is \$3,581,360.

In determining the Net Sale Proceeds, all direct costs and taxes payable have been debited and refunds from Government Authorities, bank deposits held in support of the mining tenements and accumulated interest have been credited to the calculations of the Net Sale Proceeds. As a result, the Net Sale Proceeds exceed the cash consideration received for the Mining Assets.

The Net Sale Proceeds for the sale of the Mining Assets will be distributed to Eligible Shareholders on a pro rata basis via the Redemption Notes issued to them by the Company, on or before 15 January 2018. The Company has appointed Boardroom Pty Ltd as its agent to make the distribution to all holders of the Redemption Notes. Boardroom will be in contact with all the Redemption Note holders in due course.

The Redemption Amount (as defined in the former Prospectus dated 23 June 2017) is 4.428 cents for each Redemption Note.

The completion of warranties and the determination of Net Sale Proceeds for the sale of the Mining Assets will result in a loss on sale of the Mining Assets of \$3.2 million for accounting purposes in the books of Synertec Corporation Limited as at 31 December 2017.

Yours sincerely,

Andrew Metcalfe
Company Secretary
Synertec Corporation Limited