

SMARTPAY HOLDINGS LIMITED

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Notice is hereby given that the 2016 Annual Meeting of Shareholders of Smartpay Holdings Limited ("Smartpay" or "the Company") will be held at **The Maritime Room, 149 Quay Street, Viaduct Harbour**, Auckland, New Zealand on **Wednesday 31 August 2016** commencing at **10.30am**.

We encourage all shareholders to attend the meeting as it's a good opportunity to meet the Directors in person and hear about industry trends and the opportunities facing our company.

For those who can't attend in person we will be running a live webcast of the meeting which will allow you to observe the meeting from wherever you are. Log on details will be provided nearer the time.

Enclosed is our formal notice of meeting which provides the details of the formal business to be covered at the meeting.

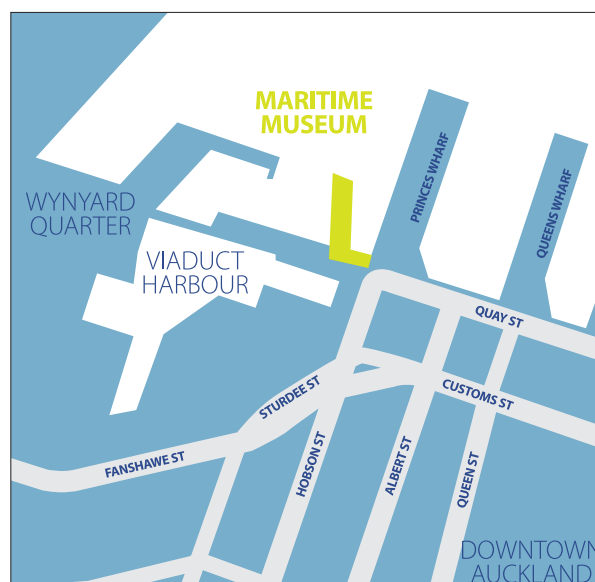
You will have the opportunity to ask questions during the shareholder question segment of the meeting and you can let us know in advance by emailing your questions to our Company Secretary Rowena Bowman (rowena.bowman@smartpay.co.nz) to ensure we cover these at the meeting. Our Directors will also be available to talk to you one-on-one after the formal part of the meeting is over.

Thank you for your continued support of our business.

Regards



Greg Barclay
Chairman



ITEMS OF BUSINESS

A

Chairman's welcome and introduction

B

Minutes of previous annual meeting held on 8 September 2015

C

Managing Director's review

D

Financial statements In relation to Smartpay's annual report for the year ended 31 March 2016, to receive the financial statements for that period and the auditor's report on those financial statements.

E

Shareholder questions

F

Ordinary resolutions

To consider and, if thought fit, to pass the following ordinary resolutions:

Fixing Remuneration of Auditor

That the Board be authorised to fix the auditor's remuneration for the ensuing year.
(See Explanatory Note 1)

Re-election of Director – Marty Pomeroy

That Martyn Richard Pomeroy be re elected as a director of Smartpay. (See Explanatory Note 2)

By order of the Board



Greg Barclay
29 July 2016

ORDINARY RESOLUTIONS

An ordinary resolution is a resolution passed by a simple majority of more than 50% of votes of shareholders who are entitled to vote on the resolution and who exercise their right to vote.

SHAREHOLDERS ENTITLED TO ATTEND AND VOTE

Pursuant to section 125 of the Companies Act 1993, the Board has determined that, for the purposes of voting at the Annual Meeting, only those persons who are registered as shareholders of the Company as at 10.30am (New Zealand time) on Monday 29 August 2016, being a day which is not more than 20 working days before the Annual Meeting, will be entitled to exercise the right to vote at the Annual Meeting.

VOTING RESTRICTIONS

There is no business being considered at this meeting where voting restrictions apply, all shareholders may vote on all resolutions.

PROXIES

Any person who is entitled to attend and vote at the Annual Meeting may appoint another person as his or her proxy to attend and vote instead of him or her. A proxy need not be a shareholder of the Company. You may appoint the "Chairman of the Meeting" as your proxy if you wish. A proxy form accompanies this Notice of Meeting.

Proxy Forms must be lodged at the offices of the Company's share registry, Computershare Investor Services Limited, Level 2, 159 Hurstmere Road, Takapuna, Auckland (Private Bag 92-119, Auckland 1142), not less than 48 hours before the commencement of the Meeting, being no later than 10.30 am (New Zealand time) on Monday 29 August 2016.

EXPLANATORY NOTES

Explanatory Note 1: Remuneration of Auditor

KPMG is automatically re-appointed as the company's auditor under section 207T of the Companies Act 1993. This resolution authorises the Board to fix the fees and expenses of the auditor.

The Board unanimously recommends that shareholders vote in favour of authorizing the Board to fix the fees and expenses of the auditor.

Explanatory Note 2: Re-election of Director – Martyn Richard Pomeroy

The NZSX Listing Rules require that at least one third of directors or, if their number is not a multiple of three, then the number nearest to one third, shall retire from office at the annual meeting each year, but shall be eligible for re-election at that meeting. Marty Pomeroy was re-elected at the 2014 Annual Meeting and retires by rotation at this annual meeting. Being eligible he offers himself for re-election.

Marty joined Smartpay in January 2013 post the acquisition of Viaduct Limited. Marty joined the Smartpay Board in April 2014.

Prior to joining Smartpay Marty was one of the two founding Directors of Viaduct Limited, he was instrumental in the development and success of the Viaduct business from a start-up in 2001, through a period of growth to it becoming the third largest provider of eftpos terminals in New Zealand with an annual turnover of \$7m and employing 36 staff. Prior to Viaduct Marty held managerial roles in sales and service with Eftpos New Zealand. He brings over 13 years of experience in the NZ Payments industry to the Board.

Marty has a detailed understanding of the operational, sales and commercial elements of the Smartpay business and as General Manager New Zealand is responsible for the strategy and growth of the New Zealand business.

Marty resides in Auckland, New Zealand.

The Board unanimously recommends that shareholders vote in favour of Marty's re-election.



Lodge your vote



Online
www.investorvote.co.nz



By Mail
Computershare Investor Services Limited
Private Bag 92119, Auckland 1142, New Zealand



By Fax
+64 9 488 8787

For all enquiries contact



+64 9 488 8777



corporateactions@computershare.co.nz

Proxy/Voting Form



www.investorvote.co.nz

Lodge your proxy online, 24 hours a day, 7 days a week:

Smartphone?

Scan the QR code to vote now.

Your secure access information

Control Number:

CSN/Shareholder Number:

PLEASE NOTE: You will need your CSN/Shareholder Number and postcode or country of residence (if outside New Zealand) to securely access InvestorVote and then follow the prompts to appoint your proxy and exercise your vote online.



For your proxy to be effective it must be received by 10:30am 29th August 2016, being 48 hours before the start of the meeting

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

If you wish you may appoint the Chairman of the Meeting as your proxy. To appoint the Chairman, write the words "The Chairman of the Meeting" in the relevant section. If you appoint the Chairman of the Meeting as your proxy, the Chairman intends to vote any undirected proxies in favour of all the resolutions. Alternatively you can appoint a proxy online at www.investorvote.co.nz.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you may need to provide evidence of your authorisation to act prior to admission.

Voting Restrictions

There is no business being considered at this meeting where voting restrictions apply, all shareholders may vote on all resolutions.

Signing Instructions for Postal Forms

Voting of your holding

For each resolution, mark the box for which you wish to vote. If no instructions are given, the proxy will vote or abstain from voting as he or she thinks fit.

Joint Holding

Joint holders must all sign this form.

Power of Attorney

This form must be signed by you or your attorney. Your attorney must be authorised in writing. This form, and a copy of the power of attorney appointing the attorney or other authority, if any, under which it is signed together with a certificate of non-revocation, must be lodged with Computershare Investor Services Limited, Private Bag 92-119, Auckland 1142, or by fax (09) 488 8787 so as to ensure it is received by 10:30 am on Monday 29th August 2016, being 48 hours before the start of the meeting.

Companies

This form must be signed by a Director jointly with another Director, or a Sole Director can also sign alone. Please sign in the appropriate place and indicate the office held.

Comments & Questions

If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form to vote

Proxy/Voting Form

STEP 1

Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Smartpay Holdings Limited

hereby appoint _____ of _____

or failing him/her _____ of _____

as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions at the **Annual Meeting of shareholders of Smartpay Holdings Limited being held at The Maritime Room, 149 Quay Street, Viaduct Harbour, Auckland, New Zealand on Wednesday 31st August 2016 commencing at 10.30am** (and at any adjournment thereof).

STEP 2

Items of Business - Voting Instructions/Ballot Paper (if a Poll is called)

Please note: My/our proxy representative is directed to vote as follows (and if no directions are given, my/our proxy may vote as he or she thinks fit or may abstain):

Resolution		Please tick one box			
		For	Against	Proxy Discretion	Abstain
(1)	That the Board be authorised to fix the auditor's remuneration for the ensuing year.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(2)	That Martyn Richard Pomeroy be re-elected as a director of Smartpay.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SIGN

Signature of Securityholder(s) This section must be completed.

Securityholder 1

or Sole Director/Director

Securityholder 2

or Director (if more than one)

Securityholder 3

Contact Name _____ Contact Daytime Telephone _____ Date _____

ATTENDANCE SLIP



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Harbour, Auckland, New Zealand on Wednesday 31st August
2016 commencing at 10.30am