



ECLIPX GROUP LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Eclipx Group Limited ACN 131 557 901

NOTICE OF ANNUAL GENERAL MEETING



15 December 2016

Dear Shareholder,

On behalf of the Directors of Eclipx Group Limited (**Eclipx**), I am pleased to invite you to attend the 2017 Annual General Meeting (**AGM**) of Eclipx. Enclosed is the Notice of Meeting (including the Explanatory Memorandum) setting out the business of the AGM.

Eclipx's 2017 AGM will be held on Friday, 17 February 2017 commencing at 4:00pm (Sydney time) in the Marble Room, Radisson Blu Plaza Hotel, 27 O'Connell St, Sydney NSW 2000.

If you are attending the AGM, please bring the enclosed proxy form with you to facilitate a faster registration. If you are unable to attend the AGM, I encourage you to complete and return the proxy form no later than 4:00pm (Sydney time) on Wednesday, 15 February 2017 in one of the ways specified in the Notice of Meeting and proxy form.

Subject to the abstentions noted in the Explanatory Memorandum, the directors of Eclipx unanimously recommend that shareholders vote in favour of all resolutions.

Following the conclusion of the AGM, you are welcome to join the Board and Management for light refreshments.

Thank you for your continued support of Eclipx and I look forward to your attendance and the opportunity to meet with you.

A handwritten signature in black ink, appearing to be "Kerry Roxburgh", written over a series of horizontal lines.

Kerry Roxburgh
Chairman

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting (**AGM** or **Meeting**) of shareholders of Eclipx Group Limited (**Eclipx** or **Company**) will be held:

Date: Friday, 17 February 2017

Time: 4:00pm (Sydney time)

Venue: Marble Room
Radisson Blu Plaza Hotel
27 O'Connell Street
Sydney NSW 2000

The Explanatory Memorandum accompanying this Notice of Meeting provides additional information on matters to be considered at the AGM. The Explanatory Memorandum, Entitlement to Attend and Vote section and proxy form are part of this Notice of Meeting.

A. CONSIDERATION OF REPORTS

To receive and consider the Financial Report, the Directors' Report and the Independent Auditor's Report of the Company for the financial year ended 30 September 2016.

All shareholders can view the Annual Report which contains the Financial Report for the year ended 30 September 2016 on the Company's website at www.eclipx.com

B. QUESTIONS AND COMMENTS

Following consideration of the Reports, the Chairman will give shareholders a reasonable opportunity to ask questions about or comment on the management of the Company.

The Chairman will also give shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- a. the conduct of the audit;
- b. the preparation and content of the Independent Auditor's Report;
- c. the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- d. the independence of the Auditor in relation to the conduct of the audit.

C. ITEMS FOR APPROVAL

RESOLUTION 1

RE-ELECTION OF DIRECTOR – MR GARRY MCLENNAN

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

"That Garry McLennan, who retires in accordance with clause 47(b) of the Company's Constitution and being eligible, is re-elected as a Director of the Company."

RESOLUTION 2

RE-ELECTION OF DIRECTOR – MR GREG RUDDOCK

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

“That Greg Ruddock, who retires in accordance with clause 47(b) of the Company’s Constitution and being eligible, is re-elected as a Director of the Company.”

RESOLUTION 3

REMUNERATION REPORT

To consider and if thought fit, pass the following as a non-binding ordinary resolution of the Company:

“That the Company’s Remuneration Report for the financial year ended 30 September 2016, as set out in the Directors’ Report, is adopted.”

The Remuneration Report is contained in the 2016 Annual Report (available at www.eclix.com). Please note that, in accordance with section 250R(3) of the Corporations Act 2001 (Cth) (the **Act**), the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement – Resolution 3

The Company will disregard any votes cast on Resolution 3:

- ▶ by or on behalf of a person who is a member of the key management personnel (**KMP**) named in the 2016 Remuneration Report and their closely related parties (regardless of the capacity in which the vote is cast); or
- ▶ as proxy by a person who is a member of the KMP on the date of the AGM and their closely related parties.

However, votes will not be disregarded if they are cast as proxy for a person entitled to vote:

- ▶ in accordance with the directions on the proxy form; or
- ▶ by the person chairing the meeting, in accordance with an express authorisation in the proxy form to exercise the proxy even though Resolution 3 is connected with the remuneration of the KMP.

“Key management personnel” and “closely related party” have the same meanings as set out in the Corporations Act.

RESOLUTION 4

ISSUE OF RIGHTS AND OPTIONS UNDER THE ECLIPX GROUP LIMITED LONG-TERM INCENTIVE PLAN – MR DOC KLOTZ

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue of 143,000 Rights and 880,000 Options to Mr Doc Klotz under the Eclix Group Limited Long-Term Incentive Plan on the terms described in the Explanatory Memorandum which forms part of the Notice of Meeting, is approved.”

RESOLUTION 5

ISSUE OF RIGHTS AND OPTIONS UNDER THE ECLIPX
GROUP LIMITED LONG-TERM INCENTIVE PLAN

– MR GARRY MCLENNAN

To consider and, if thought fit, to pass the following
as an ordinary resolution of the Company:

*“That, for the purposes of ASX Listing Rule 10.14 and
for all other purposes, the issue of 143,000 Rights and
880,000 Options to Mr Garry McLennan, under the Eclipx
Group Limited Long-Term Incentive Plan on the terms
described in the Explanatory Memorandum which forms
part of the Notice of Meeting, is approved.”*

Voting Exclusion Statement – Resolutions 4 and 5

The Company will disregard any votes cast on
Resolutions 4 and 5:

- ▶ by or on behalf of any Director of the Company who
is eligible to participate in the Eclipx Group Limited
Long-Term Incentive Plan and their associates
(regardless of the capacity in which the vote is cast);
and
- ▶ as proxy by a person who is a member of the
KMP on the date of the AGM and their closely
related parties.

However, votes will not be disregarded if they are cast
as proxy for a person entitled to vote:

- ▶ in accordance with the directions on the proxy form;
or
- ▶ by the person chairing the meeting, in accordance
with an express authorisation in the proxy form to
exercise the proxy even though Resolutions 4 and 5
are connected with the remuneration of the KMP.

BY ORDER OF THE BOARD



Matthew Sinnamon
Company Secretary

15 December 2016

NOTES

ENTITLEMENT TO ATTEND AND VOTE

In accordance with Reg 7.11.37 of the Corporations Regulations 2001 (Cth), the Board has determined that persons who are registered holders of shares of the Company as at 7:00pm (Sydney time) on Wednesday, 15 February 2017 will be entitled to attend and vote at the AGM as a shareholder.

If more than one joint holder of shares is present at the AGM (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

VOTING BY PROXY

If you are a shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act 2001 (Cth) (the **Act**) to exercise its powers as proxy at the AGM.

A proxy need not be a shareholder of the Company.

A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

To be effective, the proxy must be received at the Share Registry of the Company no later than 4:00pm (Sydney time) on Wednesday, 15 February 2017. Proxies must be received before that time by one of the following methods:

By post:

Eclix Group Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia

By facsimile:

02 9287 0309 (within Australia)
+61 2 9287 0309 (from outside Australia)

By delivery in person:

Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138

Online:

www.linkmarketservices.com.au

Where the proxy form is signed under power of attorney, the original power of attorney (or a certified copy of that power of attorney or other authority) must be received by the Company along with the proxy form no later than 4:00pm (Sydney time) on Wednesday, 15 February 2017, being 48 hours before the AGM.

IMPORTANT: If you appoint the Chairman of the Meeting as your proxy, or the Chairman becomes your proxy by default, and you do not direct your proxy how to vote on Resolutions 3, 4 or 5, then by submitting the proxy form you will be expressly authorising the Chairman to exercise your proxy on the relevant Resolution, even though the Resolutions are connected, directly or indirectly, with the remuneration of the KMP.

CORPORATE REPRESENTATIVES

A body corporate which is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the AGM. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act 2001 (Cth). The representative should bring to the AGM a properly executed letter or other document confirming its authority to act as the company's representative. A "Certificate of Appointment of Corporate Representative" form may be obtained from the Company's share registry or online at www.linkmarketservices.com.au

SHAREHOLDER QUESTIONS

Shareholders who are unable to attend the Meeting or who may prefer to register questions in advance are invited to do so. Please log onto www.linkmarketservices.com.au, select Voting then click 'Ask a Question', or alternatively submit the enclosed AGM Question Form.

To allow time to collate questions and prepare answers, please submit any questions, including any questions to the Auditor, by 5:00pm (Sydney time) on Friday, 10 February 2017. Questions will be collated and, during the AGM, the Chairman will seek to address as many of the more frequently raised topics as possible. However, there may not be sufficient time available at the AGM to address all topics raised. Please note that individual responses will not be sent to shareholders.

ENCLOSURES

Enclosed are:

- ▶ proxy form to be completed if you would like to be represented at the AGM by proxy. Shareholders are encouraged to use the online voting facility that can be accessed on Eclipx's share registry's website at www.linkmarketservices.com.au to ensure the timely and cost effective receipt of your proxy;
- ▶ an AGM Question Form to be completed if you would like to ask specific questions of the Company or KPMG (our external auditor); and
- ▶ a reply paid envelope for you to return either or both the proxy form and AGM Question Form.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of shareholders of the Company in relation to the business to be conducted at the Company's AGM to be held on Friday, 17 February 2017.

The purpose of this Explanatory Memorandum is to provide shareholders with information that is reasonably required by shareholders to decide how to vote upon the resolutions.

Subject to the abstentions noted below, the Directors unanimously recommend shareholders vote in favour of all Resolutions. The Chairman of the Meeting intends to vote all available undirected proxies in favour of each Resolution.

Each Resolution is an ordinary resolution, which require a simple majority of votes cast by shareholders present and entitled to vote on the Resolution. Resolution 3, relating to the Remuneration Report, is advisory and does not bind the Directors or the Company.

RESOLUTIONS 1 AND 2 RE-ELECTION OF DIRECTORS

RESOLUTION 1

RE-ELECTION OF DIRECTOR – MR GARRY MCLENNAN

The Board appointed Mr Garry McLennan as an Executive Director of the Company pursuant to clause 46(b) of the Constitution on 27 March 2015 and he was subsequently elected as a Director of the Company by shareholders at the 2016 AGM held on 18 February 2016. In accordance with clause 47(b) of the Constitution, Garry retires from office at the conclusion of the AGM and is eligible for re-election as a Director of the Company.

Garry is the Deputy Chief Executive Officer, Chief Financial Officer and Executive Director of the Company.

Garry has over 36 years of experience in financial services including five years as Chief Financial Officer at FlexiGroup (ASX: FXL) before joining Eclix in 2014.

Prior to his time at FlexiGroup, Garry spent 23 years at HSBC Bank Australia where he was Chief Financial Officer and subsequently Chief Operating Officer. He has previously served on the Board of HSBC Bank Australia and the Australian Banking Industry Ombudsman Ltd.

The Directors, with Mr McLennan abstaining, unanimously recommend shareholders vote in favour of this Resolution.

RESOLUTION 2

RE-ELECTION OF DIRECTOR – MR GREG RUDDOCK

Mr Greg Ruddock was appointed as a Director of the Company on 24 September 2009, prior to the Company converting to a public company. In accordance with clause 47(b) of the Constitution, Greg retires from office at the conclusion of the AGM and is eligible for re-election as a Director of the Company.

Greg is a member of the Audit and Risk Committee.

Greg is the Joint Chief Executive Officer of Ironbridge (which is a substantial shareholder in the Company) and co-leads Investment and Portfolio Management activities. Greg has 13 years of private equity experience with Gresham Private Equity and Ironbridge.

Prior to joining Ironbridge, Greg spent seven years with Wesfarmers in mergers and acquisitions, five years with Kalamazoo Limited in various senior roles, and four years as director of Gresham Private Equity.

Greg has represented the Ironbridge Funds on the boards of Stardex, Super A-mart, BBQs Galore, Easternwell, ISGM and AOS.

The Directors, with Mr Ruddock abstaining, unanimously recommend shareholders vote in favour of this Resolution.

RESOLUTION 3 REMUNERATION REPORT

Shareholders can view the full Remuneration Report in the Annual Report which is available on Eclix's website at www.eclix.com

Broadly, the Remuneration Report details the remuneration policy for the Company and:

- ▶ explains the structure of and rationale behind the Company's remuneration practices and the link between the remuneration of executives and the Company's performance;
- ▶ sets out remuneration details for each Director and for each executive with authority and responsibility for directing the affairs of the Company; and
- ▶ discusses the relationship between the policy and Company performance.

Following consideration of the Remuneration Report, the Chairman of the meeting will give shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report. The vote on this Resolution is advisory only and does not bind the Directors of the Company. However the Board will take the outcome of the vote into account in setting remuneration policy for future years.

The Directors unanimously recommend that shareholders vote in favour of Resolution 3.

RESOLUTIONS 4 AND 5. ISSUE OF OPTIONS AND RIGHTS UNDER THE ECLIPX GROUP LIMITED LONG-TERM INCENTIVE PLAN – MR DOC KLOTZ AND MR GARRY MCLENNAN

Background

Resolutions 4 and 5 deal with the proposed issue of Rights and Options to Mr Doc Klotz and Mr Garry McLennan under the Eclix Group Limited Long-Term Incentive Plan (**Plan**).

The Company has agreed, subject to obtaining shareholder approval, to issue a total of 1,760,000 options (**Options**) and 286,000 rights (**Rights**) to Mr Klotz and Mr McLennan – which equates to:

- ▶ Mr Klotz receiving 143,000 Rights and 880,000 Options; and
- ▶ Mr McLennan receiving 143,000 Rights and 880,000 Options.

ASX Listing Rule 10.14

Listing Rule 10.14 requires the Company to obtain the approval of ordinary shareholders to issue securities under an employee incentive scheme to a director of the Company. The Company is seeking approval for the grant of the Options and Rights to each of the Directors in the interests of good governance and to preserve the Company's flexibility to issue new shares, acquire shares on market or transfer shares from the employee share trust to satisfy vested Options and Rights.

Purpose of the Plan

The Board considers that the grant of Options and Rights under the Plan is a very important tool in rewarding, retaining and incentivising employees of the Company and increasing goal alignment between shareholders, and executives. The Plan has been designed to:

- ▶ assist in the motivation, retention and reward of executives; and
- ▶ align the interests of participants with the interests of shareholders of Eclix.

Other members of senior management, selected by the Board, have been granted Options and Rights under the Plan on similar terms to Mr Klotz and Mr McLennan.

Considerations in determining the number of proposed Options and Rights

In determining the number and exercise price of the Options and Rights to be issued to Mr Klotz and Mr McLennan, the Board considered the experience of Mr Klotz and Mr McLennan, the current market price of the Eclix shares, and current market practice.

No formula was used to determine the number of Options and Rights to be awarded.

The Directors, with Mr Klotz and Mr McLennan abstaining, recommend that shareholders vote in favour of Resolutions 4 and 5 for the reasons set out below.

- a. The Directors consider that it is important for the Company to be able to attract and retain experienced Executive Directors and that the proposed grants of Options and Rights to Mr Klotz and Mr McLennan are appropriate taking into account their level of experience and contribution to the Company.

- b. The Directors consider that the grant to each Director is appropriate to:
 - i. motivate the relevant Directors to pursue long term growth and success of the Company (within an appropriate control framework);
 - ii. align the interests of key leadership with the long-term interests of the Company's shareholders; and
 - iii. ensure a clear correlation between performance and remuneration, in accordance with the Company's remuneration policy.
- c. The ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd ed.) note that equity-based remuneration can be an effective form of remuneration for executives.

Details about the proposed grant of Options and Rights to Mr Klotz and Mr McLennan

The Rights and Options will vest on the Vesting Date to the extent that the Board determines that the Vesting Conditions are satisfied.

The Options and Rights are granted at nil financial consideration. The exercise price for the Options is \$3.60 per Option (being the opening price of the Company's shares on 4 November 2016). The exercise price for the Rights is nil.

Vesting Conditions

The Vesting Conditions are based on two separate performance hurdles measured over the Performance Period as described below. The Vesting Conditions are the same for both Mr Klotz and Mr McLennan.

1) Relative Total Shareholder Return (TSR Hurdle) – 50% of the Rights and Options, respectively, will be subject to the Company's TSR performance against a selected group of comparator companies.

The relevant performance period is 1 October 2016 to 30 September 2019 (**Performance Period**).

The comparator group for the TSR Hurdle will be the constituents of the ASX 200 excluding GICS Industry "Metals & Mining" companies (**Comparator Group**). The constituents of the Comparator Group are defined as at the first day of the Performance Period.

Broadly, TSR calculates the return shareholders would earn if they held a notional number of shares over a period of time and measures growth in the Company's share price together with the value of dividends during the period, assuming that all those dividends are reinvested into new shares.

The percentage of Rights and Options subject to the TSR hurdle that vest, if any, will be determined by Eclix's ranking against the Comparator Group (where Eclix and all companies in the Comparator Group are ranked based on each company's TSR performance over the Performance Period) as follows:

ECLIPX TSR RANK	RIGHTS AND OPTIONS SUBJECT TO TSR HURDLE THAT VEST (%)
At or above the 75th percentile	100%
Between 51st percentile and 75th percentile	Straight line pro-rata vesting between 50% and 100%
At the 51st percentile (threshold performance)	50%
Below the 51st percentile	0%

The Board retains the discretion to adjust the TSR Hurdle, including the constituents of the comparator group, in exceptional circumstances to ensure that participants are neither advantaged nor disadvantaged by matters outside management's control that materially affect TSR performance.

To the extent that the Rights and Options that are subject to the TSR Hurdle do not vest in full after the initial Performance Period, the TSR Hurdle will be re-tested 12 months after the end of the initial Performance Period. The re-test will involve the TSR hurdle being measured over an extended Performance Period, being the four-year period from 1 October 2016 to 30 September 2020 (**Extended Performance Period**).

Following testing of the TSR Hurdle over the Extended Performance Period, if the number of Rights and Options that vest exceeds the number of Rights and Options that have already vested following the initial Performance Period, those additional Rights and Options will vest.

Any Rights and Options that have already vested following the initial Performance Period will not be affected. Re-testing is only applicable to the TSR Hurdle, there is no re-testing of the EPS Hurdle.

Any Rights and Options that do not vest following the Extended Performance Period will lapse immediately.

2) Absolute Earning per Share (EPS Hurdle)

– 50% of the Rights and Options, respectively, will be subject to the absolute EPS Hurdle, based on the Company's growth in basic cash EPS over the Performance Period.

Broadly the cash EPS measures the earnings generated by the Company attributable to each share on issue adjusted for certain accounting items.

The percentage of Rights and Options subject to the EPS Hurdle that will vest, if any, will be determined based on the Company's compound annual growth in cash EPS over the Performance Period by reference to the "base year" cash EPS (Financial Year 2016 will be the base year for the proposed grant of Rights and Options). Accordingly, to determine growth in cash EPS, the cash EPS achieved in Financial Year 2019 will be compared to cash EPS achieved in Financial Year 2016, and the level of compound annual growth (stated as a percentage) will determine the proportion of the EPS hurdled Rights and Options that vest.

The Rights and Options will vest as follows:

GROWTH IN THE COMPANY'S CASH EPS FROM FY16 TO FY19	RIGHTS AND OPTIONS SUBJECT TO EPS HURDLE THAT VEST (%)
Below 7% compound annual growth	Nil
At 7% compound annual growth	50%
Between 7% and 10% compound annual growth	Straight line pro-rata vesting between 50% and 100%
At or above 10% compound annual growth	100%

The Board retains the discretion to adjust the EPS Hurdle, including the cash EPS performance measured to determine whether the EPS Hurdle is achieved, in exceptional circumstances to ensure that participants are neither advantaged nor disadvantaged by matters outside management's control that materially affect EPS (for example, by excluding one-off non-recurrent items or the impact of significant acquisitions or disposals).

As stated above, Rights and Options subject to the EPS Hurdle are not eligible for re-testing. Any Rights and Options subject to the EPS Hurdle that do not vest following the Performance Period will lapse immediately.

Allocation of shares following vesting

Upon the vesting of Rights and Options, the Rights and Options may be exercised. Upon exercise (and in respect of the Options, payment of the exercise price), Mr Klotz and Mr McLennan will be allocated the relevant number of shares on a one-for-one basis. Rights and Options may be satisfied in either shares or the cash equivalent value as determined appropriate by the Board (normally at the time the Rights and Options are exercised).

Director Interests

As at the date of this Notice, the Director's interests in the securities of the Company are as set out below:

RELATED PARTY	SHARES	UNLISTED OPTIONS	RIGHTS	VESTED LOAN SHARES	UNVESTED LOAN SHARES
Mr Doc Klotz	263,836	800,000	185,000	3,539,118	1,600,000
Mr Garry McLennan	282,314 ¹	800,000	185,000	3,539,118	1,600,000

¹ 43,478 shares were purchased by a close family member of the Executive.

EXPLANATORY NOTES ON THE BUSINESS TO BE TRANSACTED AT THE
ECLIPX GROUP LIMITED 2017 ANNUAL GENERAL MEETING (CONTINUED)

Director Remuneration

Set out below is the remuneration received and receivable by Mr Klotz and Mr McLennan in respect of Financial Year 2016:

	SHORT TERM BENEFITS				LONG TERM BENEFITS			
	Salary and fees \$	Non-monetary \$ ¹	Movement in annual leave provision \$ ²	Cash bonus payable in respect of current year \$	Non-monetary \$ ³	Super-annuation \$	Share based payments equity settled \$	Total \$
Doc Klotz	830,236	137,036	14,400	799,000	2,301	19,764	517,546	2,320,283
Garry McLennan	680,236	5,628	(36,631)	665,000	1,872	19,764	517,546	1,853,415

1 Amount represents car parking, medical insurance, flights home and fringe benefits tax.

2 Amount represents annual leave provisions. Negative movement indicates leave taken during the year exceeded leave accrued during the current year. This is to be read in conjunction with Salary and Fees column.

3 Amount represents long service leave provisions.

Technical Information (for the purposes of the ASX Listing Rules)

Pursuant to the requirements of ASX Listing Rule 10.15, the following information is provided with regard to Resolutions 4 and 5:

- ▶ Mr Doc Klotz and Mr Garry McLennan are the only Directors eligible to participate in the Plan. Non Executive Directors are not eligible to participate.
- ▶ For the purposes of ASX Listing Rule 10.15.4, pursuant to ASX Listing Rule 10.14, the following information is provided:
 - » Mr Klotz received 185,000 Rights and 800,000 Options under the Plan which were approved by shareholders at the 2016 AGM held on 18 February 2016. The exercise price for the Options was \$3.06 per option and the exercise price for the Rights was nil;
 - » Mr McLennan received 185,000 Rights and 800,000 Options under the Plan which were approved by shareholders at the 2016 AGM held on 18 February 2016. The exercise price for the Options was \$3.06 per option and the exercise price for the Rights was nil.
- ▶ There is no loan attaching to the offer under the Plan.
- ▶ The Company expects to grant the Rights and Options shortly after the Annual General Meeting but in any event, within one year after the AGM.
- ▶ If approval is given for the issue of securities under ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 7.1, in accordance with Exception 14 in Listing Rule 7.2. Exception 9 also applies. Therefore, the issue of Options and Rights to each of the Directors will not be included in the 15% calculation for the purposes of Listing Rule 7.1. The issue of shares on the vesting and exercise of the Options and vesting of the Rights will similarly be excluded from Listing Rule 7.1.

Additional Terms of the Options and Rights

- ▶ The Rights and Options granted under the Plan are both awards in the form of “Options” as described in the Plan. Accordingly, both Rights and Options must be exercised following vesting to receive shares (or the cash equivalent value) and have the same terms, except that an exercise price is payable on exercise of the Options only.
- ▶ Options and Rights not exercised by 5:00pm on the five year anniversary of the grant date (**Expiry Date**) will lapse.
- ▶ Options and Rights do not carry any dividend or voting rights prior to vesting.
- ▶ A participant must not sell, transfer, encumber, hedge or otherwise deal with unvested Options and Rights.
- ▶ The Plan contains provisions which give the Board the ability to impose claw-back, including the lapse of unvested Options and Rights, to ensure that no unfair benefit is obtained by a participant (e.g. in the event of fraud or dishonesty).

- ▶ Upon a 30% change of control (as defined in the Plan) the treatment of unvested Rights and Options will depend on when the 30% change of control occurs, as follows:
 - » During the first year of the Performance Period, all unvested Rights and Options will lapse, unless, prior to the 30% change of control occurring, the Board determines otherwise in appropriate circumstances. If unvested Rights and Options lapse under this provision, following the 30% change of control the Board will grant a new award under the Plan, which may be subject to different terms as considered appropriate in the circumstances, or implement alternative incentive arrangements.
 - » After the end of the first year of the Performance Period but before the Vesting Date, all unvested Rights and Options will vest in full, unless, prior to the 30% change of control occurring, the Board determines otherwise in appropriate circumstances.
- ▶ Upon a 50% change of control (as defined in the Plan), the 30% change of control treatment outlined above will not apply and unvested Rights and Options will vest in full.
- ▶ If there is any re-organisation (including consolidation, subdivision, reduction or return of issued capital of the Company), the number of Options and Rights and/or the exercise price will be adjusted by the Company in accordance with the Listing Rules or (if no such rules exist) in a manner which the Board considers appropriate.
- ▶ In the event of cessation of employment, Options and Rights will be treated as follows:
 - a. Unvested Options and Rights:
 - » Generally, if the Director ceases employment due to resignation, termination for cause or gross misconduct all of the unvested Rights and Options will lapse at cessation of employment (subject to the Board's discretion to apply a different treatment in accordance with the Plan Rules).
 - » If the Director ceases employment for any other reason before the Options and Rights vest, unvested Options and Rights remain "on foot" and will be tested following the end of the original Performance Period, vesting to the extent that the relevant vesting conditions have been satisfied. Any Rights and Options that vest must be exercised within 90 days of vesting, otherwise they will lapse.
 - The Board also has a broader discretion to apply any another treatment that it deems appropriate in the circumstances.
 - b. Vested Options and Rights:
 - » If the Director ceases employment due to termination for cause all of the vested Rights and Options will lapse at cessation, subject to the Board's discretion to apply a different treatment.
 - » If the Director ceases employment for any other reason any vested Rights and Options not exercised within 90 days of cessation of employment will lapse.

**EXPLANATORY NOTES ON THE BUSINESS TO BE TRANSACTED AT THE
ECLIPX GROUP LIMITED 2017 ANNUAL GENERAL MEETING (CONTINUED)**

- ▶ Any shares issued pursuant to the vesting of Rights and the vesting and exercise of Options will, subject to the Constitution of the Company, rank in all respects (other than in respect of dividends, rights issues or bonus issues declared prior to allotment) pari passu with the existing shares at the date of issue and allotment.
- ▶ The Options and Rights will not be quoted on the ASX. The Company intends to apply to the ASX for quotation of any shares issued on conversion of the Options and Rights.

The Directors (with Mr Klotz abstaining) unanimously recommend that shareholders vote in favour of Resolution 4.

The Directors (with Mr McLennan abstaining) unanimously recommend that shareholders vote in favour of Resolution 5.



Level 32, 1 O'Connell Street
Sydney NSW 2000

T +61 2 8973 7272
E info@eclipx.com

F +61 2 8973 7171
W www.eclipx.com



LODGE YOUR VOTE



ONLINE

www.linkmarketservices.com.au



BY MAIL

Eclix Group Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000



ALL ENQUIRIES TO

Telephone: +61 1300 554 474

PROXY FORM

I/We being a member(s) of Eclix Group Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

☐ the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **4:00pm (Sydney time) on Friday, 17 February 2017 in the Marble Room, Radisson Blu Plaza Hotel, 27 O'Connell Street, Sydney, NSW, 2000** (the **Meeting**) and at any postponement or adjournment of the Meeting.

Important for Resolutions 3, 4 and 5: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below for Resolutions 3, 4 or 5, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of the relevant Resolution, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Re-election of Director – Mr Garry McLennan	☐	☐	☐	5 Issue of Rights and Options under the Eclix Group Limited Long-Term Incentive Plan – Mr Garry McLennan	☐	☐	☐
2 Re-election of Director – Mr Greg Ruddock	☐	☐	☐				
3 Remuneration Report	☐	☐	☐				
4 Issue of Rights and Options under the Eclix Group Limited Long-Term Incentive Plan – Mr Doc Klotz	☐	☐	☐				



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy. If your named proxy attends the Meeting but does not vote on a poll on a resolution in accordance with your directions, the Chairman of the Meeting will become your proxy in respect of that resolution. A proxy need not be a shareholder of the Company.

PROXY VOTING BY THE CHAIRMAN OF THE MEETING

On a poll, the Chairman of the Meeting will vote directed proxies as directed and may vote undirected proxies as the Chairman of the Meeting sees fit. If the Chairman of the Meeting is your proxy or becomes your proxy by default, and you do not provide voting directions, then by submitting the proxy form you are expressly authorising the Chairman of the Meeting to exercise your proxy on resolutions that are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **4:00pm (Sydney time) on Wednesday, 15 February 2017**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

Eclix Group Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138
or
Level 12
680 George Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**