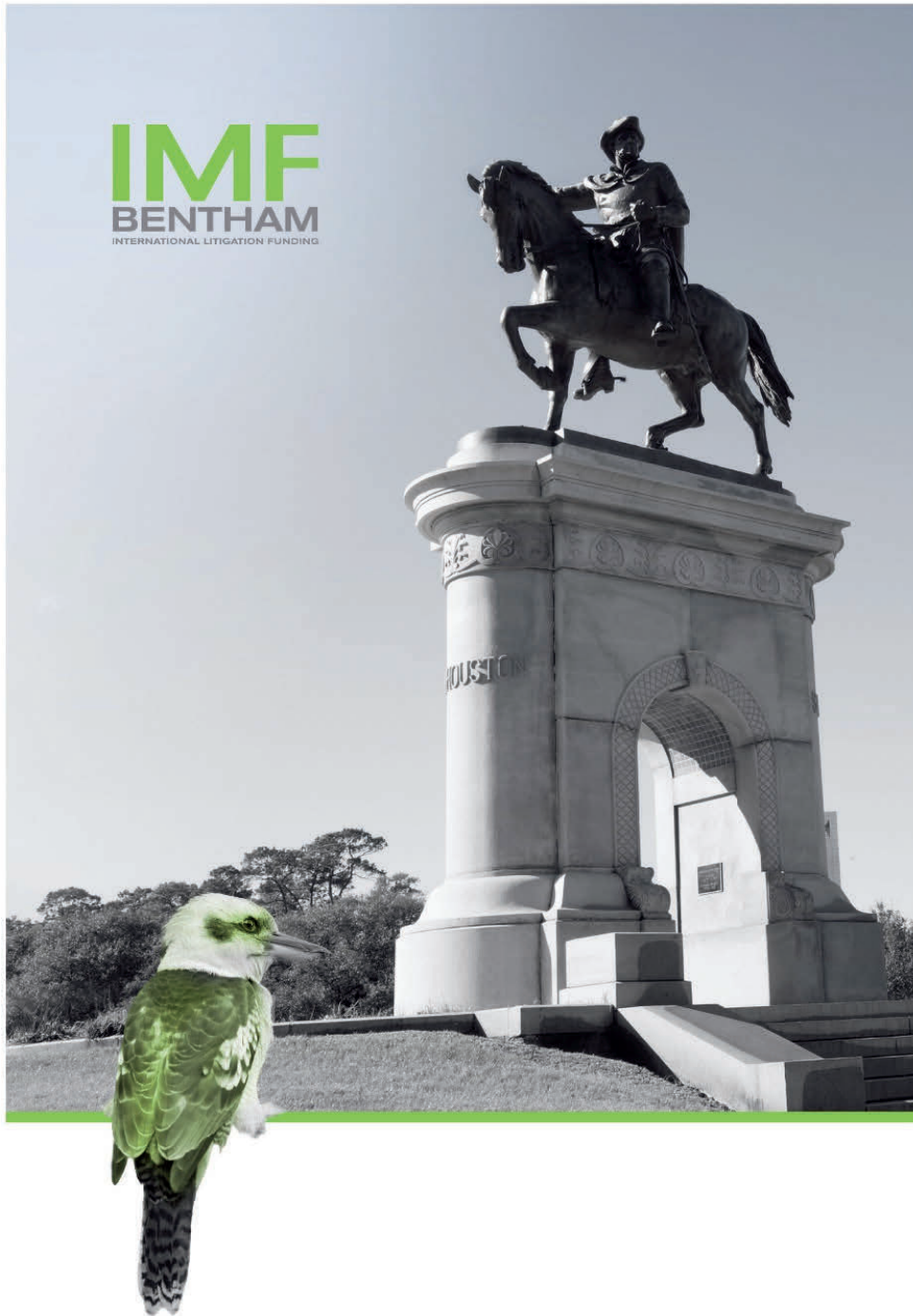




**NOTICE OF ANNUAL GENERAL MEETING
AND EXPLANATORY MEMORANDUM**

**For an Annual General Meeting to be held on Friday, 24 November 2017 at 9:30am (AEDT) at
The Marble Room, Radisson Blu Hotel Sydney, 27 O'Connell Street, Sydney NSW 2000**

This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on (08) 9225 2300 or by email to legal@imf.com.au.

Shareholders are urged to attend or vote by lodging the proxy form enclosed with this Notice

IMF BENTHAM LIMITED

ABN 45 067 298 088

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of shareholders of IMF Bentham Limited will be held at the Marble Room, Radisson Blu Hotel Sydney, 27 O'Connell Street, Sydney on Friday, 24 November 2017 at 9:30am (AEDT) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice. We recommend shareholders read the Explanatory Memorandum in relation to the proposed Resolutions.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Wednesday, 22 November 2017 at 5:00pm (AEDT).

Terms and abbreviations used in this Notice, unless otherwise defined in this Notice, are defined in Schedule 1.

AGENDA

1. Annual Report

To consider the Annual Report of the Company and its controlled entities, which includes the Financial Report, the Directors' Report and the Auditor's Report.

2. Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass with or without amendment, as an **ordinary resolution** the following:

"That, pursuant to and in accordance with section 250R(2) of the Corporations Act and for all other purposes, approval is given by the Shareholders for the adoption of the Remuneration Report on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

A vote on this Resolution must not be cast:

- (a) by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member, regardless of the capacity in which the vote is cast; or
- (b) by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the person appointed as proxy is the Chairman and the written appointment of the Chairman does not specify the way the Chairman is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. Resolution 2 – Election of Director – Ms Karen Phin

To consider and, if thought fit, to pass with or without amendment, as an **ordinary resolution** the following:

"That, pursuant to and in accordance with Listing Rule 14.4, article 6.2 of the Constitution and for all other purposes, Ms Karen Phin, Director, who was appointed by the Board on 25 August 2017 as an addition to the Board, retires and being eligible, is elected as a Director on the terms and conditions in the Explanatory Memorandum."

4. Resolution 3 – Re-election of Director – Mr Hugh McLernon

To consider and, if thought fit, to pass with or without amendment, as an **ordinary resolution** the following:

"That, pursuant to and in accordance with article 6.3 of the Constitution and for all other purposes, Mr Hugh McLernon, Director, retires and being eligible, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum."

5. Resolution 4 – Approval of renewal of LTIP

To consider and, if thought fit, to pass with or without amendment, as an **ordinary resolution** the following:

"That, pursuant to and in accordance with Listing Rule 7.2, Exception 9(b) and for all other purposes, Shareholders approve the LTIP as amended by the LTIP Amendment and the grant of Performance Rights under the LTIP on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion and Prohibition

The Company will disregard any votes cast on this Resolution by any Director (other than any Directors who are ineligible to participate in any employee incentive plan of the Company) and any of their associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the person appointed as proxy is the Chairman and the written appointment of the Chairman does not specify the way the Chairman is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

6. Resolution 5 – Approval of variations to the terms of existing Performance Rights and provision of termination benefits to Mr Andrew Saker

To consider and, if thought fit, to pass with or without amendment, as an **ordinary resolution** the following:

"That, pursuant to and in accordance with section 200E of the Corporations Act, Listing Rule 6.23.4, Listing Rule 10.19 and for all other purposes, Shareholders approve the amendment to the terms of the 1,018,167 Performance Rights held by Mr Andrew Saker under the LTIP on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion and Prohibition

The Company will disregard any votes cast on this Resolution by Mr Andrew Saker and any of his associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the person appointed as proxy is the Chairman and the written appointment of the Chairman does not specify the way the Chairman is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

7. Resolution 6 – Approval of variations to the terms of existing Performance Rights and provision of termination benefits to Mr Hugh McLernon

To consider and, if thought fit, to pass with or without amendment, as an **ordinary resolution** the following:

"That, pursuant to and in accordance with section 200E of the Corporations Act, Listing Rule 6.23.4, Listing Rule 10.19 and for all other purposes, Shareholders approve the amendment to the terms of the 960,292 Performance Rights held by Mr Hugh McLernon under the LTIP on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion and Prohibition

The Company will disregard any votes cast on this Resolution by Mr Hugh McLernon and any of his associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the person appointed as proxy is the Chairman and the written appointment of the Chairman does not specify the way the Chairman is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

8. Resolution 7 – Approval of variations to the terms of existing Performance Rights issued to Participants

To consider and, if thought fit, to pass, with or without amendment, as an **ordinary resolution** the following:

"That, pursuant to and in accordance with Listing Rule 6.23.4 and for all other purposes, Shareholders approve the amendments to the terms of the Performance Rights held by Participants on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion and Prohibition

The Company will disregard any votes cast on this Resolution by a person who holds a Performance Right issued under the LTIP (and any of their associates), or any Director, other than any Directors who are ineligible to participate in any employee incentive scheme in relation to the Company, and any of their associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. Resolution 8 – Approval of issue of Performance Rights to Mr Andrew Saker under the LTIP

To consider and, if thought fit, to pass with or without amendment, as an **ordinary resolution** the following:

"That, pursuant to and in accordance with section 200E of the Corporations Act, Listing Rule 10.14, Listing Rule 10.19 and for all other purposes, Shareholders approve:

- (a) *the issue of 420,104 Performance Rights to Mr Andrew Saker (and/or his nominee); and*
- (b) *the issue, transfer or allocation of, and acquisition by Mr Andrew Saker (and/or his nominee) of, Shares in respect of those Performance Rights,*

under the LTIP and on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion and Prohibition

The Company will disregard any votes cast on this Resolution by any Director, other than any Directors who are ineligible to participate in the LTIP, and any of their associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution, and:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on this Resolution; or

- (b) the person appointed as proxy is the Chairman and the written appointment of the Chairman does not specify the way the Chairman is to vote on this Resolution but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

10. Resolution 9 – Approval of issue of Performance Rights to Mr Hugh McLernon under the LTIP

To consider and, if thought fit, to pass with or without amendment, as an **ordinary resolution** the following:

"That, pursuant to and in accordance with section 200E of the Corporations Act, Listing Rule 10.14, Listing Rule 10.19 and for all other purposes, Shareholders approve:

- (a) *the issue of 395,984 Performance Rights to Mr Hugh McLernon (and/or his nominee); and*
- (b) *the issue, transfer or allocation of, and acquisition by Mr Hugh McLernon (and/or his nominee) of, Shares in respect of those Performance Rights,*

under the LTIP and on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion and Prohibition

The Company will disregard any votes cast on this Resolution by any Director, other than any Directors who are ineligible to participate in the LTIP, and any of their associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution, and:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the person appointed as proxy is the Chairman and the written appointment of the Chairman does not specify the way the Chairman is to vote on this Resolution but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

11. Resolution 10 – Approval of termination benefits under the LTIP to Key Officeholders

To consider and, if thought fit, to pass with or without amendment, as an **ordinary resolution** the following:

"That, pursuant to and in accordance with section 200E of the Corporations Act, Listing Rule 10.19 and for all other purposes, Shareholders approve the provision of termination benefits to each Key Officeholder (and/or their nominee) under the LTIP and on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion and Prohibition

The Company will disregard any votes cast on this Resolution by a Key Officeholder and any of their associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the person appointed as proxy is the Chairman and the written appointment of the Chairman does not specify the way the Chairman is to vote on this Resolution but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

12. Resolution 11 – Approval of Indemnified Persons' Deeds of Indemnity, Insurance and Access

To consider and, if thought fit, to pass with or without amendment, as an **ordinary resolution** the following:

"That, pursuant to and in accordance with Chapters 2D and 2E of the Corporations Act and for all other purposes approval be given to the Company to:

- (a) *indemnify each Indemnified Person, during their Office and after the cessation of that Office, in respect of certain claims made against that Officer in relation to the period of their Office;*

- (b) *use its reasonable endeavours to procure an insurance policy and pay the premiums of insurance as assessed at market rates for each Indemnified Person in respect of certain claims made against each such Officer in relation to the period of their Office (except to the extent such insurance cannot be procured at a reasonable cost or is otherwise unavailable to the Company);*
- (c) *use its reasonable endeavours to ensure that each Indemnified Person is at all times covered under an insurance policy for the period of seven years from the date that the Indemnified Person ceases to hold Office (**Insurance Run-Off Period**), which will be on terms not materially less favourable to the Indemnified Person than the terms of insurance applicable at the date of termination of their Office, and to continue to pay those premiums during that Insurance Run-Off Period (except to the extent such insurance cannot be procured at a reasonable cost or is otherwise unavailable to the Company); and*
- (d) *provide each Indemnified Person with access, upon the termination of their Office, for a period of not less than seven years following that termination, to any Group entity records which are either prepared by or provided to him/her during the Retention Period,*

on the terms and conditions in the Explanatory Memorandum.”

Voting Exclusion and Prohibition

The Company will disregard any votes cast on this Resolution by an Indemnified Person and any of their associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the person appointed as proxy is the Chairman and the written appointment of the Chairman does not specify the way the Chairman is to vote on this Resolution but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

13. Resolution 12 – Section 195 Approval

To consider and, if thought fit, to pass with or without amendment, as an **ordinary resolution** the following:

"That, pursuant to and in accordance with subsection 195(4) of the Corporations Act and for all other purposes, Shareholders approve the transactions contemplated in Resolution 11."

BY ORDER OF THE BOARD



Mr Jeremy Sambrook
**General Counsel and
Company Secretary**

Dated: 18 September 2017

IMF BENTHAM LIMITED

ABN 45 067 298 088

EXPLANATORY MEMORANDUM

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the Marble Room, Radisson Blu Hotel Sydney, 27 O'Connell Street, Sydney on Friday, 24 November 2017 at 9:30am (AEDT).

The Explanatory Memorandum forms part of this Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2:	Action to be taken by Shareholders
Section 3:	Annual Report
Section 4:	Resolution 1 – Adoption of Remuneration Report
Section 5:	Resolution 2 – Election of Director – Ms Karen Phin
Section 6:	Resolution 3 – Re-election of Director – Mr Hugh McLernon
Section 7:	Resolution 4 – Approval of renewal of LTIP
Section 8:	Resolution 5 – Approval of variations to terms of existing Performance Rights and provision of termination benefits to Mr Andrew Saker Resolution 6 – Approval of variations to terms of existing Performance Rights and provision of termination benefits to Mr Hugh McLernon
Section 9:	Resolution 7 – Approval of variations to the terms of existing Performance Rights issued to Participants
Section 10:	Resolution 8 – Approval of issue of Performance Rights to Mr Andrew Saker under the LTIP Resolution 9 – Approval of issue of Performance Rights to Mr Hugh McLernon under the LTIP
Section 11:	Resolution 10 – Approval of provision of termination benefits under the LTIP to Key Officeholders
Section 12:	Resolution 11 – Approval of Indemnified Persons' Deeds of Indemnity, Insurance and Access

Section 13:	Resolution 12 – Section 195 Approval
Schedule 1:	Definitions
Schedule 2:	Summary of the Rules of the IMF Bentham Limited LTIP

A Proxy Form is enclosed with this Notice.

2. Action to be taken by Shareholders

Shareholders should read this Notice, including the Explanatory Memorandum, carefully before deciding how to vote on the Resolutions.

A Proxy Form is enclosed with this Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions on the Proxy Form. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint up to two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

3. Annual Report

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report. The Annual Report is available online at <http://www.imf.com.au/shareholders/financial-reports>.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will also be offered the opportunity to:

- (a) ask questions about, or comment on, the management of the Company; and
- (b) ask the Company's auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) 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,

may be submitted no later than five business days before the Meeting by emailing them to legal@imf.com.au. Please note that each question will not necessarily be individually addressed at the Meeting or answered individually after the Meeting.

4. Resolution 1 – Adoption of Remuneration Report

4.1 General

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Remuneration Report is set out in pages 23 to 32 of the Annual Report and outlines the Company's remuneration framework.

It is key to the Company's performance and success that its remuneration structure attracts, motivates and retains highly skilled senior employees. With this in mind, the Company's variable remuneration framework, which was first implemented in the 2016 Financial Year, includes both short term and long-term incentives. The LTIP and the STIP were designed to align executive reward and Shareholder value and to incentivise achievement of the Company's business strategy over the longer term.

The Remuneration Report describes that the Company has achieved sound financial results for 2017 and delivered several key initiatives to support Shareholder value. While net profit before tax was slightly less than for the 2016 Financial Year, there are other indicators of promising potential for the future. IMF has achieved a 10% growth in its investment portfolio since 2016, a 20% growth in the number of currently funded investments and a 31% growth in intangible assets.

A summary of the components of the Company's remuneration framework is provided below. The Directors refer you to the Remuneration Report for further information.

The Chairman will allow reasonable opportunity for Shareholders to ask questions about or comment on the Remuneration Report at the Meeting.

Resolution 1 is an ordinary resolution.

The Directors recommend that Shareholders vote **IN FAVOUR** of Resolution 1.

The Chairman intends to exercise all available proxies in favour of Resolution 1.

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

4.2 Variable Remuneration

The Company's variable remuneration framework (comprising the "at risk" component of remuneration) has been designed such that it is directly linked to Company performance, which is measured by reference to objectives and key performance indicators.

The STIP is linked to specific financial and non-financial measures. The Company's performance in the 2017 Financial Year resulted in two of the STIP financial targets not being met and therefore 60% of the STIP opportunity was not awarded to any STIP participant. All STIP participants were awarded 20% of their STIP target payment as the performance condition requiring the "Group Total Claims Value Growth for the applicable Financial Year being not less than 5%" was met. Certain STIP participants were also awarded an additional 20% of their STIP opportunity because they achieved their individual non-financial objectives.

The LTIP complements the STIP as it is tied to the long-term performance of the Company. The LTIP is designed to directly align the interests of Shareholders and key people within the business. Participants were issued with a number of Performance Rights in respect of the 2016 Financial Year and the 2017 Financial Year determined by reference to their Total Fixed Remuneration and the Company VWAP. Those Performance Rights issued will only vest if certain pre-determined performance conditions are achieved within a three year performance period. The performance conditions have been carefully devised to create Shareholder value by motivating Participants to work collectively to achieve positive results for the Company and Shareholders.

4.3 Fixed Remuneration

The LTIP and the STIP are intended to complement the fixed component of the Company's remuneration framework. The fixed remuneration component for Key Management Personnel and senior employees (including investment professionals) is reviewed annually by the Remuneration Committee and determined having regard to the private practice professional services market within which the Company competes for talent. The majority of investment professionals employed by the Company are most comparable to partners in private practice professional services business.

4.4 Effect of the vote

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors of the Company. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

Shareholders will have the opportunity to remove the whole Board except the managing director if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings.

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2016 annual general meeting. Please note if the Remuneration Report receives a Strike at this Meeting and if a second Strike is received at the 2018 annual general meeting, this may result in the re-election of the Board.

5. Resolution 2 - Election of Director – Ms Karen Phin

During the course of the last financial year the Board reviewed its succession plan and skills matrix and determined to recruit a new Director with experience in capital markets. In August 2017, the Board was pleased to invite Ms Karen Phin to join the Board as a non-executive Director.

Ms Phin brings a wealth of valuable skills and experience to the Board, having over 20 years' experience analysing and advising Australian listed companies in the retail, banking, industrial and natural resources sectors on capital management, capital raisings and mergers and acquisitions. Ms Phin's previous roles included Managing Director and Head of Capital Management at UBS AG, Senior Specialist in the Corporations Group at ASIC and Managing Director and Head of Capital Advisory at Citigroup Australia and New Zealand.

Ms Phin is currently a non-executive director of Magellan Financial Group Ltd and a member of its Audit and Risk Committee and Remuneration and Nominations Committee. Since 2015 Ms Phin has sat on the Takeovers Panel.

Article 6.2 of the Constitution allows the Directors to appoint a person as a Director at any time, provided that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Ms Phin was appointed by the Board as an additional Director on 25 August 2017.

In accordance with Listing Rule 14.4, a director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the entity.

Resolution 2 therefore provides that Ms Phin retires from office and seeks election as a Director pursuant to article 6.2 of the Constitution.

If elected, Ms Phin will continue to be a member of the Audit and Risk Committee, Nomination Committee, Corporate Governance Committee and Remuneration Committee. Her expert knowledge of balance sheet management and financial statements and experience on ASX listed company boards, including Audit, Risk and Remuneration committee experience, will help to fill the gap created by Mr Halse's retirement. Mr Halse, who has been a Director since 2001, does not offer himself for re-election at the Meeting and will retire immediately after the conclusion of the Meeting.

The Company believes Ms Phin is independent due to her capacity to bring an independent judgment on Company issues and act in the best interests of the Company and Shareholders.

Resolution 2 is an ordinary resolution.

The Board (excluding Ms Karen Phin) supports the election of Ms Karen Phin and recommends that Shareholders vote **IN FAVOUR** of Resolution 2.

The Chairman intends to exercise all available proxies in favour of Resolution 2.

6. Resolution 3 - Re-election of Director – Mr Hugh McLernon

Mr McLernon has been an executive Director since 2001 and was the inaugural Managing Director through to December 2004. He became the Managing Director again on 18 March 2009 and retired from that role on 5 January 2015.

Mr McLernon is a lawyer by training and holds a Bachelor of Laws degree from the University of Western Australia. After graduation, he worked as a Crown Prosecutor for eight years and then as a barrister at the independent bar for a further nine years, before joining Clayton Utz for three years as a litigation partner.

In 1988, Mr McLernon retired from legal practice and introduced the secondary life insurance market into Australia through the Capital Life Exchange. He also pioneered the funding of large-scale litigation in Australia through McLernon Group Limited. From 1996 to 2001, Mr McLernon was the managing director of the Hill Group of companies which operate in the finance, mining, property, insurance and investment arenas of Australia.

Article 6.3 of the Constitution requires one third of all Directors, or if their number is not a multiple of three, then the number nearest one-third (rounded down to the nearest whole number) to retire at each annual general meeting.

Article 6.3 of the Constitution also states that a Director who retires under article 6.3 is eligible for re-election.

Resolution 3 therefore provides that Mr McLernon retires by rotation and seeks re-election as a Director.

Resolution 3 is an ordinary resolution.

The Board (excluding Mr McLernon) supports the re-election of Mr McLernon and recommends that Shareholders vote **IN FAVOUR** of Resolution 3.

The Chairman intends to exercise all available proxies in favour of Resolution 3.

7. Resolution 4 – Approval of renewal of LTIP

7.1 Background

The Company has adopted the LTIP under which Eligible Participants are offered the opportunity to apply for Performance Rights to attract, motivate and retain such persons and provide them with an incentive to deliver growth and value to all Shareholders.

The Company currently has on issue:

- (a) 4,465,503 Performance Rights issued in respect of the 2016 Financial Year (**FY16 Rights**); and
- (b) 5,868,965 Performance Rights issued in respect of the 2017 Financial Year (**FY17 Rights**).

The FY16 Rights have a performance period of 1 July 2016 to 30 June 2019 and an expiry date of 1 July 2030. The FY17 Rights have a performance period of 1 July 2017 to 30 June 2020 and an expiry date of 1 July 2031.

At the general meeting held on 20 November 2015, the LTIP was approved by Shareholders and the Company obtained approval under Listing Rule 7.2, Exception 9(b).

The Board has since approved an amendment to the LTIP Rules to allow the automatic vesting of Performance Rights issued under the LTIP where a change of control event has occurred or, in the opinion of the Board, will occur (**LTIP Amendment**). Prior to the LTIP Amendment the LTIP Rules provided the Remuneration Committee with the discretion to determine if all granted Performance Rights vest immediately in such circumstances. The Board considers the change to be appropriate and consistent with maintaining the alignment between the LTIP incentivisation and long-term Shareholder interests.

Given the nature of the LTIP Amendment, the Company is seeking to renew the approval of the LTIP (as amended by the LTIP Amendment) and the Company's ability to issue Performance Rights as an exception to Listing Rule 7.1, for a period of a further 3 years from the date on which Resolution 4 is passed.

A summary of the LTIP Rules (including the LTIP Amendment) is in Schedule 2. A copy of the LTIP Rules can be obtained by contacting the Company.

Resolution 4 is an ordinary resolution.

The Board (excluding those Directors entitled to participate in the LTIP) recommends that Shareholders vote **IN FAVOUR** of Resolution 4.

The Chairman intends to exercise all available proxies in favour of Resolution 4.

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 4, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

7.2 Listing Rule 7.1 and Listing Rules 7.2, Exception 9(b)

Listing Rules 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period without shareholder approval.

Listing Rule 7.2, Exception 9(b) provides an exception to Listing Rules 7.1 by which Equity Securities issued under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of Equity Securities under the scheme as an exception to Listing Rule 7.1.

7.3 Specific information required by Listing Rule 7.2

In accordance with Listing Rule 7.2, Exception 9(b), the following information is provided in relation to the renewal of the LTIP:

- (a) The material terms of the LTIP (including the LTIP Amendment) are summarised in Schedule 2.
- (b) The date of the last approval under Listing Rule 7.2, Exception 9(b) with respect to the LTIP was 20 November 2015.
- (c) Since the LTIP was approved by Shareholders on 20 November 2015, a total of 11,177,055 Performance Rights have been issued to Participants under the LTIP, of which 842,587 have lapsed, zero have vested and zero have converted into Shares.
- (d) A voting exclusion statement is included in the Notice for Resolution 4.

8. Resolutions 5 and 6 – Approval of variation to the terms of existing Performance Rights and provision of termination benefits to Mr Andrew Saker and Mr Hugh McLernon

8.1 Background

As noted in Section 7.1, the Company has established a LTIP which was approved by Shareholders on 20 November 2015. At the date of this Notice, the Company has on issue the following Performance Rights held by persons requiring approval under Listing Rule 10.14:

Name	FY16 Performance Rights	FY17 Performance Rights	Total No of Performance Rights
Andrew Saker	474,580	543,587	1,018,167
Hugh McLernon	447,604	512,688	960,292

These 1,978,459 Performance Rights comprise approximately 1.08% of the Company's issued capital on a fully diluted basis.

The Company seeks Shareholder approval pursuant to:

- Listing Rule 6.23.4, to vary the terms of Performance Rights listed in the table above, such that those existing Performance Rights reflect the LTIP Amendment; and
- section 200E of the Corporations Act and Listing Rule 10.19, in the event that Mr Saker or Mr McLernon cease employment with the Company prior to the relevant vesting conditions to their Performance Rights being satisfied, to permit the Remuneration Committee to deal with these Performance Rights in accordance with the terms of the LTIP.

The LTIP Rules provide the Remuneration Committee with the discretion to permit, in circumstances where the Participant is a 'good leaver', up to a pro rata number (based on the proportion of the relevant Performance Period completed) of such Participant's unvested Performance Rights to vest or continue to be held by the Participant (**Potential Retirement Benefits**). In the absence of an exercise of this discretion by the Remuneration Committee, all unvested Performance Rights held by a Participant automatically lapse if they cease to be an Eligible Participant. The LTIP has been designed as a long-term incentive measure and as such the Remuneration Committee will only exercise its discretion in circumstances where it is considered appropriate, taking into account the long-term contribution of the Participant to the business or such other factors deemed to be appropriate. The Company considers this approach to be consistent with market practice.

Resolutions 5 and 6 are ordinary resolutions.

The Board (excluding Mr Saker and Mr McLernon) recommends that Shareholders vote **IN FAVOUR** of Resolutions 5 and 6.

The Chairman intends to exercise all available proxies in favour of Resolutions 5 and 6.

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolutions 5 and 6, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

8.2 Section 200B of Corporations Act

The Corporations Act restricts the benefits which can be given to individuals who hold a managerial or executive office (as defined in the Corporations Act) in connection with the retirement from their position of employment in the company or its related bodies corporate. A person who holds a managerial or executive office includes a member of Key Management Personnel. Mr Saker and Mr McLernon are both Key Management Personnel.

In accordance with section 200B of the Corporations Act, to give a benefit in connection with a person's retirement from an office, the Company must obtain the approval of Shareholders in the manner set out in section 200E of the Corporations Act.

A benefit includes automatic, or accelerated, vesting of share-based payments for a person or the exercise of discretion to allow a person to maintain a benefit they would not otherwise be entitled to retain, on, or as a result of, retirement from their position of employment in the company.

The Board has formed the view that the Potential Retirement Benefits may constitute a benefit for the purposes of section 200B of the Corporations Act.

The Company is seeking to renew the section 200E approval for existing Performance Rights issued to Mr Saker and Mr McLernon under the LTIP, as amended by the LTIP Amendment.

Accordingly, Resolutions 5 and 6 seek Shareholder approval for the purposes of section 200E of the Corporation Act for Potential Retirement Benefits which may arise in relation to the Performance Rights issued to Mr Saker and Mr McLernon in respect of the 2016 Financial Year and the 2017 Financial Year.

8.3 Specific information required by section 200E of the Corporations Act

Information must be provided to Shareholders for the purposes of obtaining Shareholder approval as follows:

- (a) The value of any benefit relating to the Performance Rights held by Mr Saker and Mr McLernon which may arise in connection with their retirement from a managerial or executive office cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to, affect the calculation of that value include:
 - (i) the number of Performance Rights held prior to ceasing employment;
 - (ii) the circumstances of or reasons for ceasing employment with the Company;
 - (iii) the length of service with the Company and the performance over that period of time;
 - (iv) any other factors that the Remuneration Committee determines to be relevant when exercising its discretion to provide Potential Retirement Benefits to Mr Saker or Mr McLernon;
 - (v) the market price of the Company's Shares on ASX at the relevant time; and
 - (vi) the risk free rate of return in Australia and the estimated volatility of the Company's Shares on ASX at the relevant time.
- (b) The Company will calculate the value of the benefit at the relevant time based on the above factors and using the Black Scholes and Monte Carlo pricing models to value the Performance Rights.

8.4 Listing Rule 10.19

Listing Rule 10.19 provides that without the approval of shareholders, an entity must ensure that no officer of the entity or any of its child entities will be, or may be, entitled to termination benefits if the value of those benefits and the termination benefits that may become payable to all officers together exceed 5% of the equity interests of the entity as set out in the latest accounts given to ASX under the Listing Rules.

The Company is also seeking Shareholder approval for the purposes of Listing Rule 10.19. The value of any termination benefit payable to Mr Saker or Mr McLernon depends on a number of factors, including the Remuneration Committee exercising its discretion under the LTIP to provide the Potential Termination Benefits. It also depends on the value of the Company's equity interests which vary over time. Accordingly, it is possible that the provision of the benefit associated with the acceleration of the vesting of Performance Rights may exceed 5% of the equity interests of the Company at the relevant time.

8.5 Listing Rule 6.23.4

Pursuant to Listing Rule 6.23.4, a change to the terms of performance rights which is not prohibited under Listing Rule 6.23.3 can only be made with shareholder approval.

The Company is seeking Shareholder approval of the LTIP Amendment in respect of existing Performance Rights held by Mr Saker and Mr McLernon.

9. Resolution 7 – Approval of variations to the terms of existing Performance Rights issued to Participants

9.1 Background

The Company seeks Shareholder approval pursuant to Listing Rule 6.23.4, to vary the terms of Performance Rights issued to Participants other than Mr Saker and Mr McLernon (approval in respect of Performance Rights issued to these individuals is sought pursuant to Resolutions 5 and 6), such that those existing Performance Rights reflect the LTIP Amendment.

As noted in Section 7.1, the Company has established an LTIP which was approved by Shareholders on 20 November 2015. The Company has since issued a number of Performance Rights to Participants under the LTIP. At the date of this Notice, Participants (excluding Mr Saker and Mr McLernon) hold 8,356,009 Performance Rights with an expiry date of either 30 June 2030 or 30 June 2031. These 8,356,009 Performance Rights comprise approximately 4.58% of the Company's issued capital on a fully diluted basis.

The Board has conditionally approved the LTIP Amendment in respect of the terms and conditions of existing Performance Rights. The LTIP Amendment will only take effect in respect of existing Performance Rights if Shareholder approval is granted pursuant to Listing Rule 6.23.4 and will only bind individual Participants if they provide their written consent to the amendment. The Board considers the change to be appropriate and consistent with maintaining the alignment between the LTIP incentivisation and long-term Shareholder interests.

Resolution 7 is an ordinary resolution.

The Board (excluding those Directors entitled to participate in the LTIP) recommends that Shareholders vote **IN FAVOUR** of Resolution 7.

The Chairman intends to exercise all available proxies in favour of Resolution 7.

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 7, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

9.2 Listing Rule 6.23.4

Pursuant to Listing Rule 6.23.4, a change to the terms of performance rights which is not prohibited under Listing Rule 6.23.3 can only be made with shareholder approval.

The Company is seeking Shareholder approval of the LTIP Amendment in respect of existing Performance Rights held by Participants (excluding Mr Saker and Mr McLernon).

10. Resolutions 8 and 9 – Approval of issue of Performance Rights and provision of termination benefits to Mr Andrew Saker and Mr Hugh McLernon under the LTIP

10.1 General

Resolutions 8 and 9 seek Shareholder approval in accordance with Listing Rule 10.14, Listing Rule 10.19 and section 200E of the Corporations Act for the grant of 420,104 Performance Rights to Mr Saker and 395,984 of Performance Rights to Mr McLernon in accordance with the LTIP within 12 months from the date of the Meeting.

The LTIP was approved by Shareholders at the annual general meeting of the Company in 2015, with 2016 being the first year of its implementation. At the annual general meeting of the Company in 2016 Shareholders provided approval pursuant to Listing Rule 10.14 for Mr Saker and Mr McLernon to receive Performance Rights under the LTIP over a three year period.

Given the nature of the LTIP Amendment, the Company is seeking to renew the approval under Listing Rule 10.14 to allow the Company to issue Performance Rights under the LTIP (as amended by the LTIP Amendment) to Mr Saker and Mr McLernon in respect of the 2018 Financial Year.

The Board considers that the grant of Performance Rights to Mr Saker and Mr McLernon in accordance with the LTIP is a cost effective and efficient reward for the Company to make to appropriately incentivise their respective continued performance, and is consistent with the strategic goals and targets of the Company.

A summary of the LTIP Rules (including the LTIP Amendment) is in Schedule 2. A copy of the LTIP Rules can be obtained by contacting the Company.

Resolutions 8 and 9 are ordinary resolutions.

The Directors (other than Mr Saker and Mr McLernon) recommend that Shareholders vote **IN FAVOUR** of Resolutions 8 and 9.

The Chairman intends to exercise all available proxies in favour of Resolutions 8 and 9.

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolutions 8 and 9, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

10.2 Chapter 2E

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Performance Rights constitutes giving a financial benefit as Mr Saker and Mr McLernon are related parties of the Company by reason of being Directors.

The Board has considered the application of Chapter 2E of the Corporations Act and has resolved that the reasonable remuneration exception provided by section 211 of the Corporations Act is relevant in the circumstances and accordingly, the Company will not seek approval for the issue of the Performance Rights pursuant to section 208 of the Corporations Act.

10.3 Section 200B of Corporations Act

The Corporations Act restricts the benefits which can be given to individuals who hold a managerial or executive office (as defined in the Corporations Act) in connection with the retirement from their position of employment in the company or its related bodies corporate. A person who holds a managerial or executive office includes a member of Key Management Personnel. Mr Saker and Mr McLernon are both Key Management Personnel.

In accordance with section 200B of the Corporations Act, to give a benefit in connection with a person's retirement from an office, the Company must obtain the approval of Shareholders in the manner set out in section 200E of the Corporations Act.

A benefit includes automatic, or accelerated, vesting of share-based payments for a person or the exercise of discretion to allow a person to maintain a benefit they would not otherwise be entitled to retain, on, or as a result of, retirement from their position of employment in the company.

The Board has formed the view that the Potential Retirement Benefits may constitute a benefit for the purposes of section 200B of the Corporations Act.

Accordingly, Resolutions 8 and 9 seek Shareholder approval for the purposes of section 200E for Potential Retirement Benefits which may arise in relation to any Performance Rights issued to Mr Saker and Mr McLernon in respect of the 2018 Financial Year.

10.4 Specific information required by section 200E of the Corporations Act

Information must be provided to Shareholders for the purposes of obtaining Shareholder approval as follows:

- (a) The value of the benefit relating to any Performance Rights held by Mr Saker or Mr McLernon which may arise in connection with their retirement from a managerial or executive office cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to, affect the calculation of that value include:
 - (i) the number of Performance Rights held prior to ceasing employment;
 - (ii) the circumstances of or reasons for ceasing employment with the Company;

- (iii) the length of service with the Company and performance over that period of time;
 - (iv) any other factors that the Remuneration Committee determines to be relevant when exercising its discretion to provide Potential Retirement Benefits to Mr Saker or Mr McLernon;
 - (v) the market price of the Company's Shares on ASX at the relevant time; and
 - (vi) the risk free rate of return in Australia and the estimated volatility of the Company's Shares on ASX at the relevant time.
- (b) The Company will calculate the value of the benefit at the relevant time based on the above factors and using the Black Scholes and Monte Carlo pricing models to value the Performance Rights.

10.5 Listing Rule 10.19

Listing Rule 10.19 provides that without the approval of shareholders, an entity must ensure that no officer of the entity or any of its child entities will be, or may be, entitled to termination benefits if the value of those benefits and the termination benefits that may become payable to all officers together exceed 5% of the equity interests of the entity as set out in the latest accounts given to ASX under the Listing Rules.

The Company is also seeking Shareholder approval for the purposes of Listing Rule 10.19. The value of the termination benefit payable to Mr Saker or Mr McLernon depends on a number of factors, including the Remuneration Committee exercising its discretion under the LTIP to allow the provision of Potential Retirement Benefits. It also depends on the value of the Company's equity interests which vary over time. Accordingly, it is possible that the provision of the benefit associated with the acceleration of the vesting of Performance Rights may exceed 5% of the equity interests of the Company at the relevant time.

10.6 Listing Rule 10.14

Listing Rule 10.14 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

Resolutions 8 and 9 are being put to Shareholders to seek approval for the issue of Performance Rights to Mr Saker and Mr McLernon pursuant to Listing Rule 10.14.

10.7 Specific information required by Listing Rule 10.15

Information must be provided to Shareholders for the purposes of obtaining Shareholder approval as follows:

- (a) Subject to the terms of the LTIP, Performance Rights will be granted to Mr Saker and Mr McLernon (or their respective nominees, as applicable), who are Directors.
- (b) The maximum number of Performance Rights that will be granted to:
 - (i) Mr Saker is 420,104 Performance Rights; and
 - (ii) Mr McLernon is 395,984 Performance Rights.

The actual number of Performance Rights that vest is dependent on the achievement of the Performance Conditions relating to those Performance Rights.

- (c) Subject to the terms of the LTIP, the Performance Rights to be issued to Mr Saker and Mr McLernon will be granted for no consideration. The Performance Rights to be issued to Mr Saker and Mr McLernon will have no exercise price.
- (d) The Directors who have received Performance Rights under the LTIP since its adoption in 2015 are:
 - (i) Mr Saker, who was granted 474,580 Performance Rights in respect of the 2016 Financial Year and 543,587 Performance Rights in respect of the 2017 Financial Year; and
 - (ii) Mr McLernon, who was granted 447,604 Performance Rights on in respect of the 2016 Financial Year and 512,688 Performance Rights in respect of the 2017 Financial Year; and

All of the above Performance Rights had a nil acquisition price.

- (e) Pursuant to the rules of the LTIP, only Eligible Participants are entitled to participate in the LTIP. Mr Saker and Mr McLernon are Eligible Participants for these purposes.
- (f) A voting exclusion statement is included in this Notice for Resolutions 8 and 9.
- (g) No loan will be made to Mr Saker or Mr McLernon in relation to the acquisition of Performance Rights or Shares under the LTIP.
- (h) The Company will grant the Performance Rights no later than 12 months (or such longer period of time as ASX may in its discretion allow) after the date of the Meeting.

11. Resolution 10 – Approval of termination benefits under the LTIP to Key Officeholders

11.1 Background

As noted in Section 7.1, the Company has established a LTIP which was approved by Shareholders on 20 November 2015. The following persons, among others, have been granted Performance Rights under the LTIP:

- | | |
|--------------------------|------------------------|
| i. Mr Charles Gollow; | iv. Ms Julia Yetsenga; |
| ii. Mr Clive Bowman | v. Ms Tania Sulan; and |
| iii. Mr Jeremy Sambrook; | vi. Mr Thomas Glasgow |

(collectively, the **Key Officeholders**).

The table below shows the number of Performance Rights issued to these individuals in respect of the 2016 Financial Year and 2017 Financial Year and the number of Performance Rights to which they are entitled in respect of the 2018 Financial Year:

Name	FY16 Performance Rights	FY17 Performance Rights	FY18 Performance Rights	Total Number of Performance Rights
Mr Charles Gollow	233,532	267,490	206,600	707,622
Mr Clive Bowman	360,030	412,380	318,510	1,090,920
Mr Jeremy Sambrook	58,058	144,890	120,518	323,466
Ms Julia Yetsenga	97,744	144,890	120,518	363,152
Ms Tania Sulan	131,736	184,412	138,120	454,268
Mr Thomas Glasgow	-	-	112,314	112,314

The Company seeks Shareholder approval pursuant to section 200E of the Corporations Act and Listing Rule 10.19, in the event that the Key Officeholders cease employment with the Company prior to the relevant vesting conditions to their existing Performance Rights being satisfied, to permit the Remuneration Committee to deal with these Performance Rights in accordance with the LTIP Rules, including the exercise of the Remuneration Committee's discretion to allow the provision of Potential Retirement Benefits.

Resolution 10 is an ordinary resolution.

The Board recommends that Shareholders vote **IN FAVOUR** of Resolution 10.

The Chairman intends to exercise all available proxies in favour of Resolution 10.

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 10, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

11.2 Section 200B of Corporations Act

The Corporations Act restricts the benefits which can be given to individuals who hold a managerial or executive office (as defined in the Corporations Act) in connection with the retirement from their position of employment in the company or its related bodies corporate. A person who holds a managerial or executive office includes a member of Key Management Personnel. Mr Clive Bowman and Mr Charles Gollow are all members of Key Management Personnel and Mr Jeremy Sambrook, Ms Julia Yetsenga, Ms Tania Sulan and Mr Thomas Glasgow hold managerial or executive offices (as defined in the Corporations Act).

In accordance with section 200B of the Corporations Act, to give a benefit in connection with a person's retirement from an office, the Company must obtain the approval of Shareholders in the manner set out in section 200E of the Corporations Act.

A benefit includes automatic, or accelerated, vesting of share-based payments for a person on, or as a result of, retirement from their position of employment in the company.

The Performance Rights issued to each of the Key Officeholders may, at the discretion of the Remuneration Committee, vest in certain circumstances after the termination of their employment. Accordingly, the Board has formed the view that should this occur, it may constitute a benefit in connection with retirement from office.

Resolution 10 seeks Shareholder approval for the purposes of section 200E, for the Company to deal with any Performance Rights held by each of the Key Officeholders upon them ceasing employment with the Company in accordance with the LTIP Rules, including the early vesting of Performance Rights where to do so would involve the provision of a "benefit" in connection with these persons ceasing to hold a managerial or executive office.

11.3 Specific information required by section 200E of the Corporations Act

Information must be provided to Shareholders for the purposes of obtaining Shareholder approval as follows:

- (a) The value of any benefit relating to any Performance Rights held by each Key Officeholder arising from their retirement from their office cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to, affect the calculation of that value include:
 - (i) the number of Performance Rights held prior to ceasing employment;
 - (ii) the circumstances of or reasons for ceasing employment with the Company;
 - (iii) the length of service with the Company and performance over that period of time;
 - (iv) any other factors that the Remuneration Committee determines to be relevant when exercising its discretion to provide Potential Retirement Benefits to each Key Officeholder;
 - (v) the market price of the Company's Shares on ASX at the relevant time; and
 - (vi) the risk free rate of return in Australia and the estimated volatility of the Company's Shares on ASX at the relevant time.
- (b) The Company will calculate the value of the benefit at the relevant time based on the above factors and using the Black Scholes and Monte Carlo pricing model to value the Performance Rights.

11.4 Listing Rule 10.19

Listing Rule 10.19 provides that without the approval of shareholders, an entity must ensure that no officer of the entity or any of its child entities will be, or may be, entitled to termination benefits if the value of those benefits and the termination benefits that may become payable to all officers together exceed 5% of the equity interests of the entity as set out in the latest accounts given to ASX under the Listing Rules.

The Company is also seeking Shareholder approval for the purposes of Listing Rule 10.19. The value of the termination benefit payable to each Key Officeholder depends on a number of factors, including the Remuneration Committee exercising its discretion under the LTIP to allow the provision of Potential Retirement Benefits. It also depends on the value of the Company's equity interests which vary over time. Accordingly, it is possible that the provision of the benefit associated with the acceleration of the vesting of Performance Rights may exceed 5% of the equity interests of the Company at the relevant time.

12. Resolution 11 – Approval of Indemnified Persons’ Deeds of Indemnity, Insurance and Access

12.1 General

Each of the following persons entered into a deed of indemnity, insurance and access with the Company (**Deed of Indemnity, Insurance and Access**) prior to the 2015 annual general meeting of the Company (**2015 AGM**):

- | | |
|---------------------|------------------------|
| i. Andrew Saker; | vii. Clive Bowman; |
| ii. Michael Kay; | viii. John Walker; |
| iii. Hugh McLernon; | ix. Robert Ferguson; |
| iv. Alden Halse; | x. Diane Jones; |
| v. Michael Bowen; | xi. Wayne Attrill; and |
| vi. Wendy McCarthy; | xii. Charles Gollow. |

(collectively, the **Pre 2015 AGM Indemnified Persons**).

Shareholders approved entry by the Company into a Deed of Indemnity, Insurance and Access with each of the Pre 2015 AGM Indemnified Persons at the 2015 AGM.

Since the 2015 AGM, each of the following persons have also entered into a Deed of Indemnity, Insurance and Access with the Company:

- | | |
|----------------------|-------------------------|
| i. James Middleweek; | v. Jeremy Sambrook; |
| ii. Ralph Sutton; | vi. Julia Yetsenga; and |
| iii. Karen Phin; | vii. Thomas Glasgow, |
| iv. Tania Sulan; | |

(collectively, the **Post 2015 AGM Indemnified Persons**).

Although market practice differs as to the manner in which shareholder approval of Deeds of Indemnity, Insurance and Access is sought, the Company's current legal advice is that individuals should be specified in the Notice as opposed to being generically defined by reference to their office. For this reason, the Company seeks to renew the previous Shareholder approval in respect of the Pre 2015 AGM Indemnified Persons and obtain new approvals in respect of the Post 2015 AGM Indemnified Persons (collectively, the **Indemnified Persons**).

Certain Pre 2015 Indemnified Persons are no longer employed by a Group entity or no longer hold the position of Officer. However, given their potential liabilities, the Board considers it appropriate that each Indemnified Person be suitably protected from certain claims made against them. The proposed protection will not apply to the extent it is prohibited by the Corporations Act.

As a person may be called to account for his or her actions several years after ceasing to hold office, it is considered reasonable that suitable protection should extend for a period of time after an Officer has ceased to hold Office.

It is generally recognised that an officer or former officer of a company may face considerable difficulty in properly answering or defending any claim made against him or her, particularly, as is often the case, the claim is brought after the officer ceases to hold office. Difficulties may arise by reason of the following:

(a) **No indemnity after cessation of Office**

While a company's constitution provides officers with an indemnity in respect of claims made while they hold office, the indemnity arguably ceases if they cease to hold office and does not extend to cover roles as an officer of a body corporate associated with the company. Without the benefit of an indemnity, the cost of defending such a claim in respect of the actions of an officer or former officer, even if the claim is ultimately proven to be without merit, can be considerable and beyond the financial resources of the individual officer.

(b) **Maintenance of insurance policies**

Officers' insurance policies generally only provide cover for claims made during the currency of the insurance policy. Generally, unless insurance premiums continue to be paid after the time the officer ceases to hold office, claims made after cessation of office will not be covered by the insurance policy. The cost to a former officer of personally maintaining insurance cover after ceasing to hold office can be prohibitive, particularly given the number of years for which insurance must be maintained and given the former officer is unlikely to be receiving income from the company.

(c) **Access to Board papers**

In accordance with section 198F of the Corporations Act, officers have a right to inspect the books of the Company:

- (i) whilst they hold office; and
- (ii) for seven years after ceasing to hold office,

at all reasonable times for the purposes of a legal proceeding to which the officer is a party, that the officer proposes in good faith to bring or that the officer has reason to believe will be brought against him or her.

Despite this statutory right, officers may require access to company documents which are relevant to the officer's office and not strictly required for the purpose of anticipated, threatened or commenced legal proceedings. Furthermore, although a proceeding may be instituted within six years after a cause of action arises, that six-year period is calculated from the date the damage is found to have occurred – this may be long after the conduct which allegedly caused the damage occurred.

Given these difficulties, a person may be unwilling to become or to remain as an officer of a company without suitable protection being provided by the company. The benefit to such company in providing such protection is that it will continue to be able to attract persons of suitable expertise and experience to act as officers.

Resolution 11 is an ordinary resolution.

The Chairman intends to exercise all available proxies **IN FAVOUR** of Resolution 11.

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 11, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

12.2 Summary of the Deed of Indemnity, Insurance and Access

The Company has entered into Deeds of Indemnity, Insurance and Access which, subject to Shareholder approval, require:

- (a) the Company to indemnify each Indemnified Person during their Office and after the cessation of that Office, in respect of certain claims made against that Indemnified Person in relation to the period of their Office to the extent allowable under the Corporations Act;
- (b) the Company to use its reasonable endeavours (subject to cost and availability) to maintain an insurance policy and pay the premiums of insurance as assessed at market rates for each Indemnified Person to the extent available under the Corporations Act, in respect of certain claims made against him or her in relation to the period of his or her Office (except to the extent such insurance cannot be procured at a reasonable cost or is otherwise unavailable to the Company) and to continue to pay those premiums for a period of up to seven years following the termination of their Office; and
- (c) the Company to provide each Indemnified Person with access, upon ceasing to hold Office and for a period of up to seven years following that cessation, to any Group entity records which are either prepared by or provided to the Indemnified Person during the Retention Period.

12.3 Summary of indemnity and insurance provisions in the Corporations Act

In considering Resolution 11, please note the following limitations in the Corporations Act concerning the provision of indemnities and insurance to company officers. The Deeds of Indemnity, Insurance and Access for which Shareholder approval is sought under Resolution 11 comply with these limitations.

(a) Section 199A of the Corporations Act

The Corporations Act sets out specific prohibitions to the Company's ability to grant indemnities for liabilities and legal costs.

The Company is prohibited from indemnifying its Officers against a liability if it is a liability:

- (i) to the Company and any of its related bodies corporate;
- (ii) to a third party that arose out of conduct involving a lack of good faith; or
- (iii) for a pecuniary penalty order or a compensation order under the Corporations Act (such orders being made for breaches such as breaches of officer's duties, the related party rules and insolvent trading rules).

The Company is also prohibited from indemnifying its Officers against legal costs incurred:

- (i) in defending actions where an officer is found liable for a matter for which he or she cannot be indemnified by the Company as set out immediately above;
- (ii) in defending criminal proceedings where the Officer is found guilty;

- (iii) in defending proceedings brought by the Australian Securities and Investments Commission or a liquidator for a court order if the grounds for making the order are found by the court to be established; or
- (iv) in connection with proceedings for relief to the director under the Corporations Act where the court denies the relief.

(b) **Section 199B of the Corporations Act**

If the Company, or a related body corporate of the Company, pays the premium on an insurance policy in favour of an Officer, section 199B of the Corporations Act requires the Company to ensure that the relevant contract of insurance does not cover liabilities incurred by the Officer arising out of conduct involving either:

- (i) a wilful breach of duty in relation to the Company; or
- (ii) contravention of the provisions relating to an Officer making improper use of information or improper use of his or her position for his or her advantage or gain, or to the detriment of the Company.

12.4 Shareholder approval

Resolution 11 seeks Shareholder approval in accordance with the following provisions of the Corporations Act:

(a) **Section 200B of the Corporations Act**

In accordance with section 200B of the Corporations Act, to give a benefit in connection with a person's retirement from an office, the Company must obtain shareholder approval in the manner set out in section 200E of the Corporations Act.

The Directors consider that as the:

- (i) proposed payment of insurance premiums;
- (ii) benefit of the indemnity in relation to liabilities incurred during the period an Officer holds Office; and
- (iii) Officer's access to Group entity records,

continue for a period of up to seven years after the Officer ceases to hold Office, each may be viewed as the provision of a benefit given "in connection with" the officer's retirement for the purposes of section 200B of the Corporations Act.

(b) **Section 208 of the Corporations Act**

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in sections 210 to 216 of the Corporations Act.

For the purposes of section 208 of the Corporations Act, certain Indemnified Persons are considered to be a related party of the Company.

The provision of insurance and indemnity to certain Indemnified Persons may involve the provision of a financial benefit to related parties of the Company within the prohibition in Chapter 2E of the Corporations Act. The Directors consider that the payment of insurance premiums and the provision of indemnities by the Company are "reasonable in the circumstances" of the Company and therefore (in respect of the indemnities and payment of insurance premiums with regard to the liabilities of Indemnified Persons incurred as Officers of a Group entity) fall within an exception to the prohibition in Chapter 2E of the Corporations Act. Nonetheless, the Directors seek Shareholder approval, given the indemnities and payment of insurance premiums extend to the liabilities of Indemnified Persons in their capacity as Officers of any Group entity and the Company considers that the reasonable nature of the provision of any indemnity or insurance is an appropriate matter for the Shareholders.

- (c) In accordance with sections 200E and 219 of the Corporations Act, the following information is provided to Shareholders to allow them to assess the proposed resolution:
- (i) The Company has taken out an insurance policy which will provide insurance cover for each Indemnified Person against all permitted liabilities incurred by the Indemnified Person acting as an Officer of any Group entity (except to the extent such insurance cannot be procured at a reasonable cost or its otherwise unavailable to the Company).
 - (ii) The insurance premiums payable will be calculated at market rates applicable from time to time.
 - (iii) Each Indemnified Person is or was a related party of the Company to whom the proposed Resolution would permit the giving of a benefit.
 - (iv) The nature of the benefit to be given to each Indemnified Person is the benefit under the Deeds of Indemnity, Insurance and Access, the terms of which are summarised in section 12.2 above.
 - (v) The reasons and basis for the benefit are set out in section 12.1 above.
 - (vi) The Directors received the following remuneration and emoluments from the Company (including share based payments) in the Financial Year ending 30 June 2017:

Name of Director	Short-term		Superannuation	2017 Long term benefits ³	Total ^{1, 2}
	Salary & Fees	2017 Bonus Accrued ¹			
Andrew Saker	1,200,000	170,746	19,616	7,460	1,397,822
Hugh McLernon	1,130,384	161,000	19,616	17,211	1,328,211
Michael Kay	205,384	-	19,616	-	225,000
Alden Halse	82,192	-	7,808	-	90,000
Michael Bowen	88,373	-	1,627	-	90,000
Wendy McCarthy	82,192	-	7,808	-	90,000

1. The 2017 Bonus was accrued in the 2017 Financial Year and paid in the 2018 Financial Year.
2. The insurance premium for directors and officers was \$449,700 in the current period (2016: \$223,000). This insurance has not been allocated to specific individuals as the Directors do not believe there is a reasonable basis for allocation.
3. Long Service Leave accrued during the period.

The Directors expect to receive the following remuneration and emoluments from the Company (including share based payments) in the Financial Year ending 30 June 2018:

Name of Director	Short-term		Post Employment Super	2018 Long term benefits	Total
	Salary & Fees	2018 Bonus Accrued			
Andrew Saker	1,200,000	170,746	20,049	7,460	1,398,255
Hugh McLernon	1,129,951	161,000	20,049	17,211	1,328,211
Michael Kay	205,384	-	19,616	-	225,000
Alden Halse	82,192	-	7,808	-	90,000
Michael Bowen	88,373	-	1,627	-	90,000
Wendy McCarthy	82,192	-	7,808	-	90,000
Karen Phin	82,192	-	7,808	-	90,000

(vii) The current relevant interests in security holdings of the Directors are as follows:

Name of Director	Number of IMF ordinary shares	Number of IMF bonds	Number of IMF secured notes	Number of IMF performance rights
Michael Kay	307,692	-	-	-
Andrew Saker	158,317	-	100	1,018,167
Michael Bowen	977,234	1,500	-	-
Alden Halse	879,780	750	-	-
Wendy McCarthy	-	-	-	-
Hugh McLernon	5,299,045	7,500	-	960,292
Karen Phin	-	-	-	-
Total	9,557,060	9,000	100	1,978,459

- (viii) None of the Directors consider it appropriate to make a recommendation to Shareholders about the proposed Resolution as each holds an interest in the benefit proposed to be given by the Company to them, because each is a party to a Deed of Indemnity, Insurance and Access.
- (ix) Neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision in relation to the benefits contemplated by this Resolution.

13. Resolution 12 – Section 195 Approval

In accordance with section 195 of the Corporations Act, a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a “material personal interest” are being considered.

The Directors may have a material personal interest in the outcome of Resolution 11.

In the absence of this Resolution 12, the Directors may not be able to form a quorum at directors meetings necessary to carry out the terms of Resolution 11.

The Directors accordingly exercise their right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve.

Resolution 12 is an ordinary resolution.

The Chairman intends to exercise all available proxies **IN FAVOUR** of Resolution 12.

Schedule 1

Definitions

In this Notice, words importing the singular include the plural and vice versa.

\$ means Australian Dollars.

2015 AGM has the meaning given to that term in Section 12.1.

Annual Report means the annual report prepared for the Company and its controlled entities under section 314 of the Corporations Act in respect of the Financial Year ending on 30 June 2017.

ASX means ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Audit and Risk Committee means the audit and risk committee of the Board as constituted from time to time.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors of the Company.

Chairman means the person appointed to chair the Meeting.

Closely Related Party has the meaning given in section 9 of the Corporations Act.

Company means IMF Bentham Limited (ABN 45 067 298 088).

Company VWAP means the VWAP of fully paid ordinary shares in the capital of the Company on issue during, and calculated over, the five days immediately prior to, and ending on, the applicable date.

Constitution means the constitution of the Company, as amended from time to time.

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

Corporate Governance Committee means the corporate governance committee of the Board as constituted from time to time.

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Eligible Participant has the meaning given to that term in Schedule 2.

Equity Security has the same meaning as in the Listing Rules and **Equity Securities** has the corresponding meaning.

Explanatory Memorandum means the explanatory memorandum which forms part of this Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Financial Year means a period from 1 July in any year to 30 June in the following year.

FY16 Rights has the meaning given to that term in Section 7.1.

FY17 Rights has the meaning given to that term in Section 7.1.

Group means the Company, any Relevant Company and any Outside Entities.

Group Company means any one of the Company or a related body corporate (as defined in the Corporations Act) of the Company.

Indemnified Persons has the meaning given to that term in Section 12.1 and an **Indemnified Person** has the corresponding meaning.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

Key Officeholders has the meaning given to that term in Section 11.1 and a **Key Officeholder** has the corresponding meaning.

LTIP means the long term incentive plan of the Company.

LTIP Amendment has the meaning given to that term in Section 7.1.

LTIP Rules means the rules of the LTIP, including the terms and conditions of a Performance Right as detailed in Schedule 3 to the rules of the LTIP.

Meeting has the meaning given in the introductory paragraph on page 2 of this Notice.

Nomination Committee means the nomination committee of the Board as constituted from time to time.

Notice means this notice of Annual General Meeting and includes the Explanatory Memorandum.

Officer has the same meaning, as the context requires, given in paragraphs (a) and (b) of the definition of “officer” of a corporation, or in paragraphs (a) and (b) of the definition of “officer” of an entity that is neither an individual nor a corporation, in each case in section 9 of the Corporations Act.

Outside Entity means a body corporate or other entity of which an Officer has been appointed as an officer either at the request of the Company or a Relevant Company or in connection with the Officer’s role as an officer of the Company or a Relevant Company.

Participant means an Eligible Participant, or their permitted nominee, who is eligible for a grant of Performance Rights pursuant to the rules of the LTIP.

Performance Right means a right granted pursuant to, and subject to, the LTIP.

Pre 2015 Indemnified Persons has the meaning given to that term in Section 12.1.

Proxy Form means the proxy form attached to this Notice.

Post 2015 Indemnified Persons has the meaning given to that term in Section 12.1.

Potential Retirement Benefits has the meaning given to that term in Section 8.1.

Relevant Company means any Subsidiary of the Company.

Remuneration Committee means the remuneration committee of the Board as constituted from time to time.

Remuneration Report means the remuneration report of the Company contained in the Directors’ Report in respect of the Financial Year ending on 30 June 2017.

Resolution means a resolution referred to in this Notice.

Retention Period means the period commencing on the later of:

- (a) the date being 7 years before the date of the applicable Deed of Indemnity, Insurance and Access; or
 - (b) the date of the incorporation of the Company, a Relevant Company or an Outside Entity,
- and expiring on the date 7 years after the applicable Officer ceases to be an Officer.

Shareholder means a shareholder of the Company.

Strike has the meaning given in section 4.4 of the Explanatory Memorandum.

STIP means the short term incentive plan of the Company.

Subsidiary has the meaning given in section 9 of the Corporations Act and refers to any corporation of that kind whenever it becomes a subsidiary.

Total Fixed Remuneration means in respect of an Eligible Participant, the fixed base gross annual salary plus, if applicable, annual superannuation entitlement but for the avoidance of doubt excluding any other monetary entitlements including to any incentive awards under the STIP, LTIP or any other plans operated by a Group Company from time to time, save that if:

- (a) the applicable Eligible Participant was not an Eligible Participant on the first day of the Financial Year; or
- (b) the base salary payable to the applicable Eligible Participant has been varied during the applicable Financial Year,

such amount shall be adjusted proportionately and determined by the Remuneration Committee.

VWAP has the meaning given to the phrase 'volume weighted average market price' in the listing rules of ASX.

Schedule 2

Summary of the Rules of the IMF Bentham Limited LTIP

The key terms of the LTIP and the Performance Rights are as follows:

1. **Eligibility:** A person who is:
 - (a) a full time employee, part time employee or, in the discretion of the Remuneration Committee, a contractor engaged by a Group Company who:
 - (i) performs an investment role at the level of an assistant investment manager or above (as determined by the Remuneration Committee); or
 - (ii) performs a non-investment role which is determined by the Remuneration Committee to have equivalent seniority to the role specified in paragraph (i) above; or
 - (b) a director or company secretary of a Group Company; or
 - (c) otherwise so designated by the Remuneration Committee to be eligible,

may be eligible to receive grants of Performance Rights under the LTIP (**Eligible Participant**).
2. **Invitation:** The Remuneration Committee may, from time to time, in its absolute discretion, invite any Eligible Participant to apply for up to a specified number of Performance Rights in two equal tranches (or such other proportion or number of tranches determined by the Remuneration Committee), upon the terms set out in the LTIP (**Invitation**).
3. **Issue Price:** Performance Rights granted under the LTIP will be issued for no consideration and shall have no exercise price.
4. **Dealings in Performance Rights:** An Eligible Participant may renounce the Invitation in respect of some or all of the Performance Rights in favour of one or more of:
 - (a) an immediate family member who is resident in Australia or in such other jurisdiction as the Remuneration Committee may approve in its absolute discretion;
 - (b) a company incorporated in Australia or in such other jurisdiction as the Remuneration Committee may approve in its absolute discretion whose members comprise solely the Eligible Participant and/or his/her immediate family members; or
 - (c) a company incorporated in Australia or in such other jurisdiction as the Remuneration Committee may approve in its absolute discretion which is the corporate trustee of a self-managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993 (Cth)*) of which the Eligible Participant is a director,

in each case, subject to such person being a person to whom the Company is permitted to issue Performance Rights without publishing a disclosure document (**Nominee**).

An Eligible Participant resident outside of Australia may not renounce the Invitation in favour of any other person without the prior written approval of the Remuneration Committee.

5. **Grant of Performance Rights:** Within 28 days after the end of the period for submitting an application, as specified in the Invitation, and except where such Invitation is deemed never to have been made in accordance with the terms of the LTIP, the Remuneration Committee will, in respect of each Eligible Participant, or (where applicable) his or her Nominee, issue the Performance Rights which are the subject of the relevant application to such person (**Participant**).

The Company will issue the Participant with a certificate evidencing the issue of the Performance Rights and enter or cause to be entered in the register the relevant details of such issue.

6. **Determination of Performance Conditions:** A Performance Right shall be subject to the following performance conditions:
- (a) subject to the LTIP, a Participant or, where a Participant is a Nominee the Eligible Participant by virtue of whom a Nominee holds Performance Rights, must remain an Eligible Participant for the full Performance Period (other than any approved leave of absence) and not have given or (to the extent applicable) received notice on or prior to the End Date to terminate such status;
 - (b) in respect of Tranche 1 Performance Rights, the Company's TSR shall be:
 - (i) greater than zero; and
 - (ii) when ranked against the total shareholder returns achieved by each member of the Comparator Group equal to greater than the returns of 50% of companies in the Comparator Group; and
 - (c) in respect of Tranche 2 Performance Rights, the Company achieves a Funds Deployed CAGR of 5% or more,

(Performance Conditions).

7. **Satisfaction of Performance Conditions:** At the end of each Performance Period for a Participant, the Remuneration Committee will:
- (a) determine in its sole discretion whether and, if so, the extent to which, the Performance Conditions applicable to that Performance Period have been satisfied;
 - (b) if the Performance Conditions have been satisfied, determine whether a Performance Right has vested or lapsed by application of the Tranche 1 Vesting Matrix or the Tranche 2 Vesting Matrix, as applicable, as detailed below:

(i) Tranche 1 Vesting Matrix

Company Percentile Ranking	Percentage of Tranche 1 Performance Rights Vesting
Equal to the 50th percentile	50%
Between the 50th and 75th percentile	Between 50% and 100%, determined on a straight-line basis
Equal to the 75th percentile or above	100%

(ii) Tranche 2 Vesting Matrix

Funds Deployed CAGR Hurdle	Percentage of Tranche 2 Performance Rights Vesting
5%	50%
Between 5% and 7%	Between 50% and 100%, determined on a straight-line basis
7% and above	100%

(c) advise the Participant in writing:

- (i) of the applicable number of vested Performance Rights now held by that Participant; or
- (ii) of the applicable number of Performance Rights that have lapsed; and

(d) amend the register to reflect the vesting or lapse of the Performance Rights.

8. **Exercise on Vesting:** A vested Performance Right may be exercised by a Participant resident in Australia at any time from the date of receipt of a vesting notice until such time as the vested Performance Rights lapse in accordance with the LTIP. A vested Performance Right held by a Participant not resident in Australia will automatically be exercised in favour of the Participant.

9. **Ceasing to be Eligible Participant:** Where a Participant ceases to be an Eligible Participant:

- (a) as a result of death or total and permanent disability;
- (b) as a result of bona fide redundancy;
- (c) as a result of bona fide retirement;
- (d) as a result of termination of employment, office or contract by agreement;
- (e) for a reason specified in paragraph 10(c) of this Schedule 2, where the Remuneration Committee has determined to exercise its discretion to not apply such provision; or

- (f) for any other such reason not stipulated above or in paragraph 10(c) of this Schedule 2,

the Remuneration Committee will have a discretion to permit up to a pro rata number (based on the number of days in the Performance Period the Participant was an Eligible Participant) of such Participant's unvested Performance Rights to vest, or to permit such number of Performance Rights to continue to be held as if the Participant was still an Eligible Participant. All unvested Performance Rights held by such Participant otherwise lapse upon the Participant ceasing to be an Eligible Participant.

10. **Lapsing of Performance Rights:** A Performance Right will lapse upon the earlier to occur of:
- (a) in the case of a vested Performance Right, on the Expiry Date;
 - (b) in the case of an unvested Performance Right, on the date of issue of a notice of lapse by the Company;
 - (c) the Eligible Participant ceasing to be employed by or under contract to a Group Company because the Eligible Participant, in the opinion of the Remuneration Committee:
 - (i) acts or has acted fraudulently or dishonestly;
 - (ii) is guilty of gross misconduct;
 - (iii) resigns (other than with the agreement of the relevant Group Company); or
 - (iv) is in breach or has breached any of his or her obligations to the Company,
 unless the Remuneration Committee resolves otherwise,
 - (d) in accordance with paragraph 9 of this Schedule 2; or
 - (e) a Participant granting a security interest, disposing of or dealing with the Performance Right or any interest in the Performance Right in circumstances where the Remuneration Committee does not apply its discretion to determine otherwise.
11. **Issue of shares:** Subject to the Corporations Act, the Listing Rules and the LTIP, the Company must issue to, or procure the transfer to, the Participant the number of Shares the Participant is entitled to be issued in respect of vested Performance Rights that are exercised. For an Eligible Participant resident in Australia this is one Share in respect of each Performance Right, for an Eligible Participant otherwise resident, the number of Shares, or part thereof, to be issued upon exercise of a Performance Right may be adjusted to take account of any movement in the applicable foreign exchange rates between the time of the applicable Invitation and exercise.
12. **Share ranking:** All Shares issued under the LTIP will rank equally with all other issued Shares, and will be entitled in full to those dividends which have a record date for determining entitlements after the date of issue.
13. **Listing of Shares on ASX:** The Company will use its best endeavours to obtain official quotation of all Shares issued under the LTIP on ASX.
14. **Change of Control:** All unvested Performance Rights automatically vest where one of the following events has occurred or, in the opinion of the Board, will occur:

- (a) the Company announces that its shareholders have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement (excluding a merger by way of scheme of arrangement for the purposes of a corporate restructure (including change of domicile, consolidation, sub-division, reduction or return) of the issued capital of the Company) and the Court, by order, approves the scheme of arrangement;
 - (b) a Takeover Bid:
 - (i) is announced;
 - (ii) has become unconditional; and
 - (iii) the person making the Takeover Bid has a Relevant Interest in 50% or more of the Shares; or
 - (iv) any person acquires a Relevant Interest in 50.1% or more of the Shares by any other means.
15. **Adjustment for bonus issues:** If Shares are issued pro rata to the Company's shareholders generally by way of bonus issue, the number of Performance Rights to which each Participant is entitled shall be increased by that number of securities which the Participant would have been issued if the Performance Rights then held by the Participant were excised immediately prior to the record date of the bonus issue.
16. **Pro rata issues:** A Participant will not be entitled to any adjustment to the number of Shares issued under the LTIP that he or she is entitled to or adjustment to any Performance Condition which is based, in whole or part, on the Company's share price, as a result of the Company undertaking a rights issue.
17. **Adjustment for reconstruction:** In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of Performance Rights to which each Participant is entitled shall be reconstructed (as appropriate) in accordance with the Listing Rules and in a manner determined by the Board to ensure that no advantage or disadvantage accrues to the Participant as a result of such corporate actions.
18. **Hedging Transactions:** Participants are prohibited from entering into any transactions (whether through the use of derivatives or otherwise) which seek to mitigate any economic risk or exposure in relation to any Performance Rights, including, without limitation, entering into a put option (or similar transaction) in respect of Shares which may become issued pursuant to Performance Rights to mitigate the risk of a change in the price of the Shares between the date of the put option and the date the Shares may become issued.

19. **Amendments:** Subject to the LTIP and the Listing Rules, the Board may from time to time amend or supplement the LTIP rules in any respect. However, in respect of an issued Performance Right no amendment made to the terms and conditions of the LTIP or the Performance Rights shall bind a Participant in respect of such Performance Rights unless such amendment:
- (a) is consented to in writing by a Participant; or
 - (b) is introduced for complying with, or conforming to, the Listing Rules, or State or Commonwealth legislation governing or regulating the maintenance or operation of the LTIP or similar plans.

