



EUMUNDI GROUP

Notice of Annual General Meeting and Explanatory Memorandum

Eumundi Group Limited ACN 010 947 476

Date of Meeting: Friday, 18 November 2016

Time of Meeting: 11:00 am (Brisbane time)

Place of Meeting: HopgoodGanim, Level 7 Waterfront Place, 1 Eagle Street,
Brisbane

Notice of Annual General Meeting

Notice is given that the Annual General Meeting of shareholders of **Eumundi Group Limited** ACN 010 947 476 (**Company**) will be held at HopgoodGanim, Level 7 Waterfront Place, 1 Eagle Street, Brisbane, on Friday 18 November 2016 at 11:00 am (Brisbane time).

Agenda

Ordinary business

Financial Reports

To receive and consider the Company's Annual Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes to and forming part of the financial statements for the Company and its controlled entities for the financial year ended 30 June 2016.

1. Resolution 1 - Re-election of Vernon Alan Wills as a director

To consider and, if thought fit, pass the following as an Ordinary Resolution of the Company:

"That Vernon Alan Wills, who retires by rotation in accordance with the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

2. Resolution 2 - Remuneration Report

To consider and, if thought fit, pass the following as an Ordinary Resolution of the Company:

"That, for the purposes of section 250R(2) of the Corporations Act, and for all other purposes, the Remuneration Report forming part of the Company's 2016 Annual Report be adopted."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement:

A vote on Resolution 2 must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, the above persons may cast a vote on Resolution 2 if:

- (a) the person does so as a proxy; and
- (b) the vote is not cast on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member; and

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- (c) either:
- (1) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
 - (2) the voter is the chair of the meeting and the appointment of the chair as proxy:
 - (A) does not specify the way the proxy is to vote on the resolution; and
 - (B) expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company or, if the Company is part of a consolidated entity, for the entity.

Voting Intention of Chair

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, including Resolution 2, subject to compliance with the Corporations Act. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

3. Resolution 3 – Approval of Share Consolidation

To consider and, if thought fit, pass the following as an Ordinary Resolution of the Company:

"That, subject to the passing of all other Resolutions, for the purposes of section 254H of the Corporations Act and for all other purposes, approval be given for the consolidation of every 10 Shares on issue by the Company into 1 Share, and that any fractions of 0.5 or above of a Share be rounded up to the next whole number of ordinary Shares. The consolidation of the Shares will take effect on the second Business Day after the date of the General Meeting at which this Resolution is passed."

General business

To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company.

By order of the Board



Leni Stanley
Company Secretary

13 October 2016

Explanatory Memorandum

1. Introduction

This Explanatory Memorandum is provided to Shareholders of **Eumundi Group Limited ACN 010 947 476 (Company)** to explain the Resolutions to be put to Shareholders at the Annual General Meeting to be held at HopgoodGanim, Level 7 Waterfront Place, 1 Eagle Street, Brisbane on Friday 18 November 2016 commencing at 11:00 am (Brisbane time).

The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Memorandum are defined in section 6.

2. Consider the Financial Reports

The Company's Annual Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes to and forming part of the financial statements for the Company and its controlled entities for the financial year ended 30 June 2016 were released to ASX Limited on 30 August 2016. The Company's Annual Report is placed before the shareholders for discussion. No voting is required for this item.

3. Resolution 1 - Re-election of Vernon Alan Wills as a Director

Vernon Alan Wills retires in accordance with the Company's Constitution and, being eligible, offers himself for re-election as a Director. The Company's Constitution provides that at each annual general meeting of the Company, one-third of the Directors at that point in time must retire. A retiring Director is eligible for re-election.

Mr Wills, who joined the Board as an independent Director in 2004, has an extensive background in areas of investment and finance in a broad range of industries including property, mining, IT and education. He is currently Chief Executive Officer and Managing Director of Site Group International Limited. Mr Wills was previously Chair of Dark Blue Sea Limited, Deputy Chair of the Queensland Government's Major Sports Facilities Authority, director of CITEC, Careers Australia Limited, Go-Talk Pty Ltd and Greg Norman Golf Foundation and served on the National Competition Policy – Queensland Liquor Review.

The Directors (with Mr Wills abstaining) recommend that you vote in favour of this Ordinary Resolution.

4. Resolution 2 - Remuneration Report

The Board has submitted its Remuneration Report to Shareholders for consideration and adoption by way of a non-binding Ordinary Resolution in accordance with section 250R of the Corporations Act.

The Remuneration Report is set out in the Directors' Report section of the Annual Report. The Report, amongst other things:

- (a) explains the Board's policy for determining the nature and amount of remuneration of Key Management Personnel of the consolidated entity;
- (b) explains the relationship between the Board's remuneration policy and the Company's performance;
- (c) sets out remuneration details for each Key Management Personnel of the consolidated entity including details of performance related remuneration and options granted as part of remuneration; and

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- (d) details and explains any performance conditions applicable to the remuneration of Key Management Personnel of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

The Board unanimously recommends that Shareholders vote in favour of adopting the Remuneration Report. A vote on this Resolution is advisory only and does not bind the Directors or the Company.

There are restrictions on members of the Key Management Personnel and their Closely Related Parties and their proxies voting (in any capacity) on Resolution 2, details of which are set out in the Voting Restriction Statement included in Resolution 2 of the Notice of Meeting.

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, including Resolution 2, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

5. Resolution 3 – Approval of Share Consolidation

5.1 Introduction

The Company proposes to consolidate its ordinary share capital through the conversion of every 10 Shares into 1 Share, with any fractional entitlements of 0.5 of a share or above to be rounded to the nearest whole number.

Under section 254H of the Corporations Act, a company may consolidate its shares if the consolidation is approved by an Ordinary Resolution of shareholders at a general meeting. ASX Listing Rule 7.20 provides that if an entity proposes to reorganise its capital, it must advise shareholders of certain matters, which are set out in this Section 5 of the Explanatory Memorandum.

The Company's balance sheet and tax position will remain unaltered as a result of the Share Consolidation.

If the Company believes that a Shareholder has been a party to the division of a holding in an attempt to obtain an advantage from this treatment of fractions, the Company will take appropriate steps, having regard to all applicable laws, to disregard the division of holdings for the purposes of dealing with fractions.

5.2 Reason for the Share Consolidation

The Company has 354,380,540 Shares on issue. The number of Shares on issue is relatively large when compared to entities listed on the ASX which are similar to the Company. The Share Consolidation is likely to result in a more appropriate and effective capital structure for the Company and a Share price more appealing to a wider range of investors

5.3 Effect of the Share Consolidation

As at the date of this Notice of Meeting, the Company has 354,380,540 Shares on issue. Following implementation of the proposed Share Consolidation, the Company will have 35,438,054 Shares on issue, subject to rounding of fractional entitlements.

As the Share Consolidation applies equally to all Shareholders, individual shareholdings will be reduced in the same ratio as the total number of Shares on issue (subject only to the rounding of fractions). Therefore, the Share Consolidation will have no material effect on the percentage interests of each individual Shareholder in the Company. **Any holding of less than 5 pre-consolidation shares will be rounded down to nil on consolidation.** Shareholders with less than 5 shares wishing to remain on the register should consider acquiring additional shares prior to the record date. The Share Consolidation will not result in any change to the

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substantive rights and obligations of Shareholders. The Company's balance sheet and tax position will also remain unchanged as a result of the Share Consolidation.

As at the date of this Notice of Meeting, the Company has no options or other convertible securities on issue.

(a) Holding Statements

From the date of the proposed Share Consolidation, all existing holding statements for Shares will cease to have any effect, except as evidence of entitlement to a certain number of Shares on a post Share Consolidation basis. After the Share Consolidation becomes effective, the Company will arrange for new holding statements to be issued to Shareholders. It is the responsibility of each Shareholder to check the number of Shares held prior to and following the Share Consolidation.

The Share Consolidation will not result in any change to the substantive rights and obligations of Shareholders.

Shareholders are advised to seek their own tax advice on the effect of the Share Consolidation and neither the Company, the Directors nor the Company's advisers accepts any responsibility for the individual taxation implications arising from the Share Consolidation.

(b) Timetable

An indicative timetable that the Company will be following, in accordance with Appendix 3A.3 of the ASX Listing Rules is set out below.

Event	Date
Annual General Meeting	18 November 2016
Notification to ASX as to whether the Share Consolidation is approved	18 November 2016
Last day for trading in pre-consolidated shares	21 November 2016
Trading on a deferred settlement basis starts	22 November 2016
Record Date of Share Consolidation	5.00 pm, 23 November 2016
Registration of securities on a post-consolidation basis	24 November 2016
Issue date and deferred settlement trading ends	30 November 2016
Normal trading commences	1 December 2016

The above dates are indicative only and are subject to change. The Company will announce any date changes to ASX.

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Directors' Recommendation

The Board recommends that Shareholders vote in favour of Resolution 3. The reasons for the Board making this recommendation are that it considers:

- (i) the number of Shares on issue (354,380,540 Shares on issue as at the date of this Notice) is relatively large compared with entities listed on ASX that are similar to the Company. The Share Consolidation is likely to result in a more appropriate and effective capital structure for the Company and a Share price more appealing to a wider range of investors; and
- (ii) the Share Consolidation is in the best interests of the Company.

Other than as Shareholders, none of the Directors has an interest in the outcome of Resolution 3.

6. Interpretation

Annual Report means the financial report for the Company for the year ended 30 June 2016 and lodged with ASX on 30 August 2016;

ASX means ASX Limited ACN 008 624 691 or the Australian Securities Exchange;

Auditor's Report means that section of the Financial Report under the heading "Auditor's Report" set out in the Annual Report;

Board means the board of directors of the Company;

Closely Related Party (as defined in the Corporations Act) of a member of the Key Management Personnel for an entity means:

- (d) a spouse or child of the member;
- (e) a child of the member's spouse;
- (f) a dependant of the member or the member's spouse;
- (g) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity;
- (h) a company the member controls; or
- (i) a person prescribed by the regulations for the purposes of this definition;

Company means Eumundi Group Limited ACN 010 947 476;

Constitution means the constitution of the Company from time to time;

Corporations Act means the *Corporations Act 2001* (Cth) as amended, varied or replaced 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;

Explanatory Memorandum means this explanatory memorandum accompanying the Notice of Meeting;

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Financial Report means the annual financial report of the Company prepared under Chapter 2M of the Corporations Act;

Key Management Personnel has the definition given in the accounting standards as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of that entity;

Listing Rule or **ASX Listing Rule** means the official listing rules of ASX as amended from time to time;

Meeting or **Annual General Meeting** means the annual general meeting to be held on 18 November 2016;

Notice of Meeting or **Notice** means the notice of meeting giving notice to shareholders of the Meeting, accompanying this Explanatory Memorandum;

Ordinary Resolution means a resolution passed by more than 50% of the votes cast at a general meeting of Shareholders;

Remuneration Report means that section of the Directors' Report under the heading "Remuneration Report" set out in the Annual Report;

Resolution means a resolution proposed at the Meeting;

Share means an ordinary fully paid share in the issued capital of the Company;

Share Consolidation means the consolidation of the Company's ordinary share capital through the conversion of every 10 Shares into 1 Share under section 254H of the Corporations Act;

Shareholder means a holder of Shares in the Company; and

Share Registry means Computershare Registry Services Pty Limited.

Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Leni Stanley (**Company Secretary**):

Level 15, 10 Market Street
Brisbane, Qld 4000

Phone: (07) 3229 7222



Eumundi Group Limited
ABN 30 010 947 476



Lodge your vote:

Online:
www.investorvote.com.au

By Mail:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

EBG
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Proxy Form

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Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I999999999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

For your vote to be effective it must be received by 11:00am (Brisbane time) Wednesday 16 November 2016

How to Vote on Items of Business

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

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

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

**GO ONLINE TO VOTE,
or turn over to complete the form** ➔

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Eumundi Group Limited hereby appoint

the Chairman of the Meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Eumundi Group Limited to be held at **HopgoodGanim, Level 7, Waterfront Place, 1 Eagle Street, Brisbane QLD 4000 on Friday, 18 November 2016 at 11:00am (Brisbane time)** and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Item 2** (except where I/we have indicated a different voting intention below) even though **Item 2** is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Item 2** by marking the appropriate box in step 2 below.

STEP 2 Items of Business

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

	For	Against	Abstain
1 Re-election of Vernon Alan Wills as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of Share Consolidation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / / _____