



**LandMark White Limited**  
ABN 50 102 320 329

## LODGE YOUR VOTE

**ONLINE**  
[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

**BY MAIL**  
LandMark White Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia

**BY FAX**  
02 9287 0309

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

**ALL ENQUIRIES TO**  
Telephone: 1300 554 474



**X999999999999**

## PROXY FORM

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

### APPOINT A PROXY

**the Chairman of the Meeting (mark box)**

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

**STEP 1**

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **2:00pm (Sydney time) on Thursday, 19 November 2015 at William Buck Chartered Accountants, Level 29, 66 Goulburn Street, Sydney NSW 2000 (the Meeting)** and at any postponement or adjournment of the Meeting.

**Important for Resolution 1:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

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

### VOTING DIRECTIONS

**Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an .**

**STEP 2**

#### Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Approval of the 10% placement facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-Election of Mr Glen White	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3 Grant of Performance Rights to the Managing Director, CEO, Chris Nicoll	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Approval of Plan for the purposes of ASX LR 7.2 exception 9	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

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

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)




Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

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

**STEP 3**

**LMW PRX501C**



## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

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

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

### APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

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

### SIGNING INSTRUCTIONS

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

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

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

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

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

### CORPORATE REPRESENTATIVES

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

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **2:00pm (Sydney time) on Tuesday, 17 November 2015**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

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



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

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



#### BY MAIL

LandMark White Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

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

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

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



LandMark White Limited  
ACN: 102 320 329

19 October 2015

Level 15, 55 Clarence Street  
Sydney NSW 2000  
GPO Box 3359  
Sydney NSW 2001

Telephone: 02 8823 6300  
Facsimile: 02 8823 6399

Dear Shareholder

On behalf of the Board of Directors of LandMark White Limited, I invite you to our 2015 Annual General Meeting to be held on:

**Date:** Thursday 19<sup>th</sup> November

**Time:** 2.00pm Afternoon tea and coffee to be served from 1.45 pm

**Location** William Buck Chartered Accountants, Level 29 66 Goulburn Street Sydney

During the meeting, Chairman John McCarthy and CEO Chris Nicholl will update you on the progress of the Company and give you a general overview of the next 12 months.

If you are unable to attend the AGM, we recommend that you return the accompanying Proxy Form, either giving the Chairman or another proxy who can attend the meeting the right to cast your vote. When completing the Proxy Form please ensure you do direct your proxy on how to you want your votes to be lodged for each of the Resolutions.

Electronic copies of the Notice of Meeting and Annual Report are available from our website <http://www.lmw.com.au/>.

We look forward to seeing you at the Meeting.

**Frank Hardiman**  
Company Secretary  
Chief Financial Officer



# NOTICE OF ANNUAL GENERAL MEETING 2015

Notice is given that the Annual General Meeting of members of **LandMark White Limited** (Company or 'LandMark White') will be held at the office of William Buck Chartered Accountants, Level 29, 66 Goulburn Street, Sydney at 2.00 pm (Sydney time) on Thursday 19th November 2015.

## Ordinary Business

### CHAIRMAN'S ADDRESS FINANCIAL STATEMENTS AND REPORTS

'To receive and consider the Financial Report and the Reports of the Directors and the Auditor in respect of the year ended 30 June 2015.'

### RESOLUTION 1 - REMUNERATION REPORT

To consider and, if thought fit, to pass the following in accordance with section 250R(2) of the *Corporations Act 2001*:

*'That the section of the Report of the Directors for the financial year ending 30 June 2015 dealing with the remuneration of the Company's Directors, Company Secretary and senior executives ('remuneration report') be adopted.'*

NB: This resolution shall be determined as if it were an ordinary resolution, but under section 250R(3) of the *Corporations Act*, the vote does not bind the Directors of the Company.

### VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast on Resolution 1:

- by or on behalf of a member of the 'key management personnel' as defined in Section 9 of the *Corporations Act 2001* (KMP) whose remuneration is included in the Remuneration Report;
- by or on behalf of a closely related party as defined in Section 9 of the *Corporations Act 2001* (such as close family members and any controlled companies) of a member of the KMP whose remuneration is included in the Remuneration Report; or
- as a proxy of any of the above.

However, the Company will not disregard a vote cast on Resolution 1 if it is cast as a proxy for a person who is entitled to vote;

- in accordance with the directions (For, Against or Abstain) on the proxy appointment; or
- it is cast by the person chairing the meeting, and;
  - the proxy appointment does not direct how the proxy is to vote; and,
  - the appointment expressly authorises the chair to exercise the undirected proxy.

### RESOLUTION 2 - RE-ELECTION OF MR GLEN WHITE

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

*'That Mr Glen White retires in accordance with clause 16 of the constitution of the Company and being eligible is re-elected as a Director of the Company.'*

### RESOLUTION 3 - Grant of Performance Rights to the Managing Director, CEO, Mr Chris Nicholl

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

"That:

- for the purposes of ASX listing rule 10.14, approval be given to the grant of 250,000 Performance Rights to the Managing Director, CEO, Mr Chris Nicholl, under the LMW Group Performance Rights and Option Plan (the "Plan"), in accordance with the terms of the November 2015 Invitation for Performance Rights as described in the Explanatory Statement accompanying this Notice of Meeting; and*
- for the purposes of section 200E of the Corporations Act, approval be given in specified circumstances for the pro rata vesting of the Performance Rights granted to Mr Chris Nicholl in the event of cessation of his employment as described in the Explanatory Statement accompanying this Notice of Meeting.'*

### VOTING EXCLUSION STATEMENT

In accordance with the *Corporations Act* in respect of Resolution 3 pursuant to section 250BD of the *Corporation Act*, a member of the KMP, and a closely related party of a member of the KMP, will not be eligible to vote as a proxy on Resolution 3 except where either:

- 1) the appointment specifies the way the proxy is to vote on the resolution; or
- 2) the vote is cast by the Chair and the appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a KMP.

In accordance with the Listing Rules, the Company will disregard any votes cast on Resolution 3 by Mr Nicholl and any other Director eligible to participate in the Plan, including, in each case, their respective associates, unless the vote is cast by:

- 1) person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- 2) the Chair 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.

#### **RESOLUTION 4 - Approval of Plan for the purposes of ASX LR 7.2 exception 9**

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

*‘That approval is given for all purposes, but in particular for purposes of ASX LR 7.2 exception 9:*

- 1) *Approval of the LMW Group Performance Rights and Option Plan (“Plan”) providing incentives to eligible Company employees (“Participants”);*
- 2) *The grant of performance rights or options, and the subsequent issue or transfer of ordinary Company shares, to Participants under the Plan; and*
- 3) *The provision of benefits to Participants under the Plan as described in the Explanatory Statement accompanying this Notice of Meeting.”*

#### **VOTING EXCLUSION STATEMENT**

In accordance with the Corporations Act in respect of Resolution 4 pursuant to section 250BD of the Corporation Act, a member of the KMP, and a closely related party of a member of the KMP, will not be eligible to vote as a proxy on Resolution 4 except where either:

- 1) *the appointment specifies the way the proxy is to vote on the resolution; or*
- 2) *the vote is cast by the Chair and the appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a KMP.*

In accordance with the Listing Rules, the Company will disregard any votes cast on Resolution 3 by Mr

Nicholl and any other Director eligible to participate in the Plan, including, in each case, their respective associates, unless the vote is cast by:

- 1) *person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or*
- 2) *the Chair 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.*

#### **RESOLUTION 5 - Approval of the 10% placement facility**

To consider and, if thought fit, to pass, the following Resolution as a special resolution:

*“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of issue), calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in Explanatory Statement accompanying this Notice of Meeting.”*

#### **VOTING EXCLUSION STATEMENT**

In accordance with the notice requirements of ASX Listing Rule 7.3A.7 for approval under ASX Listing Rule 7.1A, and ASX Listing Rule 14.11.1, the Company will disregard any votes cast on Resolution 12 by:

- (a) a person who may participate in the issue;
- (b) a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed; and
- (c) any Associate of that person(s).

However, the Company will not disregard a vote if:

- (d) 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
- (e) it is cast by the person chairing the meeting 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.

#### **By Order of the Board**



**Frank Hardiman**  
**Company Secretary**  
**16 October 2015**

## Voting Instructions

### Voting at the Meeting

1. If you are able to attend at the meeting, on a show of hands each Shareholder present may cast one vote. 'Shareholder present' includes a person present as a proxy, attorney or body corporate representative. However, if a Shareholder holds 2 or more appointments and these appointments direct the proxy to vote in different ways, then the proxy cannot vote on a show of hands.
2. On a poll, Shareholders have one vote for every fully paid Share held.
3. LandMark White has determined that for the purpose of voting at the meeting or adjourned meeting, Shares will be taken to be held by those persons recorded in the LandMark White register of Shareholders as at 7.00 pm (Sydney time) 17th November 2015.

### Appointment of Proxy (Section 249L(d))

4. If you are a Shareholder and you are unable to attend and vote at the meeting, and wish to appoint a proxy, please complete and return the enclosed proxy form. A proxy need not be a Shareholder of LandMark White.
5. The proxy form must be completed and lodged at LandMark White's share registry at Link Market Services, Locked Bag A14, Sydney South, NSW, 1235 or faxed to 02 9287 0309 at least 48 hours before the meeting i.e. lodgement must occur no later than 2.00pm (Sydney time) on 17th November 2015.
6. A Shareholder entitled to attend and cast more than 2 votes at the meeting is entitled to appoint no more than 2 proxies to attend and vote in their stead. Where more than one proxy is appointed, each proxy should be appointed to represent a specified proportion of the Shareholder's voting rights. Failure to apportion voting rights will result in each proxy being entitled to vote half of the Shareholder's votes.
7. The form must be signed personally by the Shareholder or their attorney. A corporation must sign under its common seal or under the hand of a duly authorised person or persons.
8. Where the form is signed by a duly authorised attorney, or body corporate representative, the power of attorney, or evidence of the appointment of the representative, if not previously exhibited to LandMark White, must be produced at LandMark White's share registry described in Item 5 prior to the time set out in Item 5.

9. If the proxy is signed under power of attorney, the signatory must also declare that they have had no notice of revocation of the power of attorney.

## Explanatory Statement

### FINANCIAL STATEMENTS AND REPORTS

*The Corporations Act 2001* requires the Financial Report, Directors' Report and Auditor's Report to be laid before the Annual General Meeting. In addition LandMark White's constitution provides for such reports to be received and considered at the meeting. Apart from the matters involving remuneration which are required to be voted upon, neither the *Corporations Act 2001* nor LandMark White's constitution requires shareholders to vote on such reports.

However shareholders will be given ample opportunity to ask questions or make comments about these reports and the management at the meeting. Shareholders will also be given a reasonable opportunity to ask the Auditor questions about the conduct of the audit and the preparation and content of the Auditor's report. In addition to asking questions at the meeting, shareholders may address written questions to the Company's Auditor which are relevant to:

- the content of the Auditor's Report to be considered at the meeting; or
- the conduct of the audit of the annual financial report to be considered at the meeting.

Any written questions must be submitted to the Company Secretary before 5.00 pm (Sydney time) 17th November 2015 by email, fax or post. Address details are:

GPO Box 3359  
Sydney, NSW 2001

Email address: frank.hardiman@lmw.com.au

Fax Number: 02 8823 6399

### Resolution 1 – Remuneration Report

Section 250R(2) of the *Corporations Act 2001* requires listed companies to put forward a resolution for adoption of the remuneration report at the company's AGM. The remuneration report is set out in the Directors' Report on pages 10 to 16 of the Annual Report.

The Board was increased in size during the 2015 financial year to retain the experience and knowledge of previous CEO Brad Piltz as a non-executive Director. However the Board reduced the total remuneration of Brad Piltz and Glen White from \$69,000 p.a. each to \$40,000 p.a. each. The Board have also decided to



maintain the remuneration levels of all its directors at 2015 levels for the 2016 Financial Year.

A reasonable opportunity will be provided for discussion of the remuneration report at the meeting.

The vote on this resolution is advisory only and does not bind the Directors or the Company

Under changes to the Corporations Act with the introduction of Division 9 of Part 2G.2 (which came into effect on 1 July 2011), if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at both this and the 2016 Annual General Meetings, the Company will be required to put to shareholders at the Company's 2016 Annual General Meeting a resolution (Spill Resolution) proposing the calling of another general meeting (Spill Meeting) to consider the appointment of Directors of the Company.

If the Spill Resolution is put to the vote at the Company's 2016 Annual General Meeting, and more than 50% of Shareholders vote in favour of the Spill Resolution, the Company is required to convene the Spill Meeting within 90 days of the Company's 2016 Annual General Meeting. All of the Directors other than the Managing Director who were in office when the Company's 2016 Directors' Report was approved will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting, those persons whose election or re-election as Directors is approved will be the Directors of the Company. Please note that should such a spill resolution be passed it will result in additional costs to the Company and all shareholders including Key Management Personnel and associates are able to vote on re-election of Directors.

#### **Resolution 2 – Re-election of Mr Glen White as Director**

Under clause 16 of the constitution of LandMark White Limited, one third of the current Directors (excluding the Managing Director, any Director appointed under clause 13.2 and any Director who has vacated his/her office under clause 15.1) must retire by rotation at each annual general meeting. There are currently 3 non-executive Directors. Under clause 16.2 the Directors to retire are those who have been longest in office since last being elected. Mr Glen White is the longest director in office since last being elected.

A summary of Mr Glen White's experience and qualifications appears below.

#### **Recommendation**

The Board of LandMark White, other than Mr Glen

White, being subject to re-election, recommends that shareholders vote in favour of the resolution to re-elect Mr Glen White.

#### **Mr Glen J White – appointed 26 September 2002**

##### ***Member of remuneration and audit committees***

The co-founder of LandMark White's practice, Mr White was a registered valuer with over 40 years experience in the real estate industry throughout Queensland and New South Wales. Working in both the public and private sectors, Mr White commenced his valuation career in 1968 and gained experience with the Queensland Lands Department, National Mutual Life Association and with a private valuation firm before working in the Queensland practice that has become LandMark White since the 1980's. Mr White was previously a fellow of the Australian Property Institute, now retired.

#### **Resolution 3 – Grant of Performance Rights to the Managing Director, CEO, Chris Nicholl**

Resolution 3 seeks Shareholder approval for the granting of **250,000 Performance Rights** to Managing Director, CEO, Chris Nicholl, under the LMW Group Performance Rights and Option Plan (the "Plan") subject to the terms and conditions of the November 2015 Invitation for Performance Rights.

Shareholder approval is also being sought for the pro rata vesting of the Performance Rights granted to Mr Nicholl in the event that Mr Nicholl ceases employment with the Company in certain circumstances.

#### **Why Shareholder approval is being sought**

ASX Listing Rule 10.14 states that a listed company must not permit a Director to acquire securities under an employee incentive scheme without Shareholder approval, by ordinary resolution. The purpose of Resolution 3(i) is to have Shareholders approve the proposed grant of Performance Rights to Mr Nicholl, pursuant to the Plan and the November 2015 Invitation for Performance Rights terms and conditions.

In addition, the Company seeks Shareholder approval pursuant to section 200E of the Corporations Act for the pro rata vesting of the Performance Rights granted to Mr Nicholl in the event that Mr Nicholl ceases to be employed by the Company in limited circumstances, as specified in the terms of the November 2015 Invitation for Performance Rights. These circumstances include redundancy, death or permanent disability.

Under sections 200B of the Corporations Act, a company may only give a person a benefit in connection with their ceasing to hold a managerial or executive office in the company if it is approved by shareholders under section 200E of the Corporations



Act or an exemption applies. The term "benefit" may include the pro rata vesting of Performance Rights in the limited circumstances outlined above where Mr Nicholl ceases to be employed by the Company. This pro rata vesting of Mr Nicholl's Performance Rights, in these circumstances, may amount to the giving of a termination benefit requiring Shareholder approval, and as such, approval is sought for these purposes.

The number of Performance Rights that may vest on a pro-rata basis on cessation of Mr Nicholl's employment can be calculated by:

$$\frac{(\text{Date of Grant} - \text{Date of termination})(\text{in days})}{(\text{Date of Grant} - \text{Intended Vesting Date})(\text{in days})}$$

X

No. of Performance Rights held on cessation

The value of the Performance Rights may be affected by:

- the market price of Company Shares at the time the employment ceases;
- the exercise price applicable to the Performance Rights;
- the performance against the performance hurdles at the time the employment ceases;
- the part of the service period has elapsed at the time the employment ceases; and
- the number of Performance Rights that lapse on cessation of employment.

#### **Long term incentive arrangements and the grant of Performance Rights to Mr Nicholl**

In accordance with the Company's existing policies relating to remuneration which apply to all of the Company's executives, Mr Nicholl has been reviewed under the Company's performance review process. The outcome of that review was that the Company should issue Performance Rights, pursuant to the Plan and the November 2015 Invitation for Performance Rights to Mr Nicholl. As outlined previously, Shareholder approval must be sought, in accordance with ASX Listing Rule 10.14, for the grant of these Performance Rights to Mr Nicholl.

The remuneration arrangements for Mr Nicholl are based on the Company's 'Total Annual Reward' ("TAR") framework. TAR seeks to provide fair and appropriate rewards, comprised of fixed and 'at risk' elements designed to attract, retain and motivate employees. The provision of Performance Rights under the November 2015 Invitation for Performance Rights comprises a substantial component of this 'at risk' remuneration.

The Non-executive Directors of the Remuneration Committee have concluded that the remuneration package for Mr Nicholl (including the proposed grant of Performance Rights) is reasonable and appropriate having regard to the circumstances of the Company and Mr Nicholl's duties and responsibilities. For full details of Mr Nicholl's other remuneration entitlements please refer to the 2015 Annual Report.

#### **Maximum number of Performance Rights to be issued to Mr Nicholl**

If Shareholder approval is granted, the maximum number of Performance Rights that may be granted to Mr Nicholl is 250,000.

#### **Price of Performance Rights**

The Performance Rights will be granted at no cost to Mr Nicholl. Once the vesting conditions are met (or waived), the Performance Rights will be automatically exercised at no cost to Mr Nicholl.

Importantly, no value will be received by Mr Nicholl if the Performance Rights fail to vest.

#### **Number of equity incentives issued under the Plan, persons entitled to participate in the Plan, the date that the Company will grant these equity securities and loans**

As at the date of this notice, the Plan currently has 1,000,000 Options (issued to Mr Nicholl for nil consideration) and 1,000,000 Performance Rights (250,000 issued each to senior executives Messers Hardiman, Coonan, Roberts and Fitzpatrick for nil consideration). All Directors and employees are eligible to participate in the Plan, however, it is intended that only senior executives and executive directors receive grants under the Plan. At the time of this Notice of Meeting the only participants in the Plan are Messers, Nicholl, Hardiman, Coonan, Roberts and Fitzpatrick.

Subject to shareholder approval, it is anticipated that the Performance Rights will be granted to Mr Nicholl shortly after the AGM. Irrespective of this intention, Performance Rights grants approved by shareholders under this resolution will be issued within 12 months of the date of this Meeting.

Finally, no loan will be provided by the Company in relation to the grant or exercise of the Performance Rights proposed to be issued to Mr Nicholl.

#### **Conditions and Important Dates**

The Vesting Dates for the Performance Rights granted to Mr Nicholl will be as follows:

- Tranche 1 (50% of grant): 31 August 2016;

- Tranche 2 (25% of grant): 31 August 2017;
- Tranche 3 (25% of grant): 31 August 2018.

All Performance Rights will lapse 30 days after the relevant vesting date unless exercised or lapsed earlier.

### Vesting Conditions

The number of Performance Rights which will vest in accordance with the Plan Rules and the November 2015 Invitation for Performance Rights is dependent on:

- Mr Nicholl meeting the Service Condition; and
- The Company meeting the Performance Condition.

Collectively the above conditions are referred to as the Vesting Conditions.

### Service Condition

The vesting of the Performance Rights is conditional on Mr Nicholl's continued employment with the Company from the Grant Date until the relevant Vesting Date.

If Mr Nicholl's employment with the Company ceases due to:

- cause**, then any unvested Performance Rights will **immediately lapse**;
- death or permanent disability**, then any unvested Performance Rights will **immediately vest**;
- redundancy**, then any unvested Performance Rights will **vest on a pro-rata basis**;
- any other reason**, the Board will determine in its sole and absolute discretion, the manner in which all unvested Performance Rights will be dealt with including the application of any Clawback Policy.

Any Performance Rights which fail to vest on or before the relevant Vesting Date will immediately lapse. The Board's determination will be final.

### Performance Condition

Vesting of the Performance Rights will be proportional to the Company's Basic Earnings Per Share (EPS) result for the FYE2016 as follows.

Basic EPS FYE2016	Proportion of Performance Rights to vest
Less than <b>4.8 cents</b>	none
At least <b>4.8 cents</b>	<b>1/3rd</b>
At least <b>5.1 cents</b>	<b>2/3rd</b>
At least <b>5.5 cents</b>	<b>all</b>

Interpolated vesting on a straight-line basis for EPS between **4.8 and 5.1 cents**, and **5.1 and 5.5 cents**

### Corporate Control Event

In the event of a takeover or Corporate Control Event (as defined in the Plan Rules) any unvested Performance Rights will automatically vest.

### Other Information

- The Company will not apply to the ASX for official quotation of the Performance Rights granted under the Plan.
- Shares issued pursuant to the vesting of Performance Rights will rank equally with Shares then on issue.
- There is no loan scheme in relation to the Performance Rights or the Plan.
- Any dealing in Shares is subject to the constraints of Australian insider trading laws and the Company's Share Trading Policy. Participants are specifically prohibited from hedging their Company share price exposure in respect of their Performance Rights during the vesting period.
- If, in the Board's opinion, Mr Nicholl has acted fraudulently or dishonestly or is in breach of this material obligations to the Company, the Board may determine that any or all of this Performance Rights which have not yet vested, lapse.
- Details of the Performance Rights granted to Mr Nicholl will be provided in the Remuneration Report for the years ended 30 June 2017, 2018, 2019 and 2020.

### Resolution 4 – Approval of Plan for the purposes of ASX LR 7.2 exception 9

Shareholder approval of the LMW Group Performance Rights and Option Plan (the "Plan") is sought under the Corporations Act and ASX Listing Rules.

The aim of the Plan is to align long term incentives for senior executives with the delivery of key performance measures and to align them with Company and Shareholder objectives.

The Plan allows the grant of either performance rights ("Performance Rights") or options ("Options") to participants ("Participants"). A Performance Right is a right to acquire a Share (being a "Plan Share"), subject to the satisfaction of conditions outlined in the invitation. An Option is a right to acquire a Plan Share subject to the satisfaction of conditions, and payment of the exercise price outlined in the invitation.

The Plan was established in May 2014 and has not previously been approved by Shareholders.

As at the date of this notice, the Plan currently has 1,000,000 Options (issued to Mr Nicoll for nil consideration) and 1,000,000 Performance Rights (250,000 issued each to senior executives Messrs

Hardiman, Coonan, Roberts and Fitzpatrick for nil consideration). All Directors and employees are eligible to participate in the Plan, however, it is intended that only senior executives and executive directors receive grants under the Plan.

At the discretion of the Board, the Plan can operate in tandem with the LMW Group Employee Share Scheme Trust ("Trust") to manage the issue of LMV Shares on the exercise of vested Performance Rights and/or Options ("Plan Shares"). A grant of Plan Shares under the Plan is subject to both the rules of the Plan ("Plan Rules") and the terms of the trust deed ("Trust Deed").

It is proposed that grants of Performance Rights or Options under the Plan will be made annually following announcement of the Company's full-year financial results. The Board will have discretion to make grants at other times. The Plan Rules provide the Board with flexibility in relation to annual offers. Any future issues under the Plan to a director will only be made if shareholder approval is received.

#### **Requirements for approval**

ASX Listing Rule ("LR") 7.1 limits the number of equity securities the Company may issue without Shareholder approval to 15% of each class of securities within any 12 month period.

Exception 9 of LR 7.2 provides that the 15% restriction in LR 7.1 will not apply to an issue of Performance Rights, Options or Plan Shares issued on exercise of vested Performance Rights or Options under the Plan where the issue of securities under the Plan has been approved by a resolution of Shareholders made during the previous 3 years.

Shareholder approval for future issues of Plan Shares under the Plan is sought for the purposes of Exception 9 of LR 7.2 so that any Shares issued under the Plan are excluded from the calculation of the maximum number of new securities that can be issued under ASX LR 7 thus giving the Board flexibility to issue Plan Shares during the next 3 years.

#### **Plan Rules**

A copy of the Plan Rules or the Trust Deed may be requested from the Company Secretary.

#### **Key Terms**

A summary of the key terms of the Plan follow. The terms of specific grants under the various invitations are set out in the individual's offer documents.

**Eligibility to participate:** The Board has the discretion to determine which employees are eligible to participate in the Plan. The definition of employee under the Plan

Rules includes any full time or permanent part time employee or officer or director of the Company or any related body corporate of the Company.

**Vesting conditions:** The vesting of any securities issued under the Plan may be conditional on the satisfaction of performance and/or service as determined by the Board and advised to the employee in the individual's offer documents.

**Price:** Securities issued under the Plan may be issued at no cost to the participants. Options may be subject to payment of an exercise price by the participant which is determined by the Board and advised to the participant in the individual's offer documents.

**Lapse/forfeiture:** Securities issued under the Plan will lapse or be forfeited on the earliest of:

- any expiry date applicable to the securities;
- any date which the Board determines that vesting conditions applicable to the securities are not met or cannot be met;
- the participant dealing in respect of the securities in contravention of the Plan;
- the Board determining that a participant has committed an act of fraud, is ineligible to hold the office for the purposes of Part 2D .6 of the Corporations Act, or is found to have acted in a manner that the Board considers to constitute gross misconduct.

**Corporate Control Event:** On the occurrence of a Corporate Control Event (as defined in the Plan Rules), pro-rata vesting will apply with the Board to determine, in its sole and absolute discretion, the manner in which vested and unvested securities issued under the Plan shall be dealt with.

**Cessation of employment:** If a Participant's employment with the Company ceases due to:

- cause, then any unvested Securities will immediately lapse;
- death or permanent disability, then any unvested Securities will immediately vest;
- redundancy, then any unvested Securities will vest on a pro-rata basis;
- any other reason, the Board will determine in its sole and absolute discretion, the manner in which all unvested Securities will be dealt with including the application of any Clawback Policy.

Any Performance Rights which fail to vest on or before the relevant Vesting Date will immediately lapse. The Board's determination will be final.

**No dealing/hedging:** Dealing restrictions apply to

securities issued under the Plan in accordance with the Plan Rules and the Company's share trading policy. It is prohibited to hedge or otherwise protect the value of unvested securities issued under the Plan.

**Adjustments:** Prior to the allocation of shares to a participant upon vesting or exercise of securities issued under the Plan, the Board may make any adjustments considers appropriate to the terms of securities in order to minimise or eliminate any material advantage or disadvantage to a participant resulting from a corporate action such as a capital raising or capital reconstruction.

**Limits on securities issued:** The number of shares that may be issued under the Plan is set with regard to the limits prescribed under ASIC Class Order 14/1000 with respect to employee share scheme offers made without a prospectus. Currently these limits provide that the number of shares that may be issued, when aggregated with a number of shares issued during the previous three years from share issues under all employee share schemes established by the Company (including as a result of exercise of options to acquire shares granted to the previous three years under any such employee share scheme), must not exceed 5% of the total number of shares on issue.

**Share Entitlements:** Plan Shares will rank *pari passu* with all existing Shares from the date of allocation and will be entitled to any dividends or other distributions which have a record date for determining entitlements after the date of issue.

## **Resolution 5 - Approval of the 10% placement facility**

### **General**

ASX Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued capital, through placements over a 12 month period, after the Annual General Meeting (10% Placement). The 10% Placement is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1.

For the purposes of ASX Listing Rule 7.1A, an eligible entity is an entity that:

- is not included in the S&P/ASX 300 Index; and
- has a market capitalisation of \$300 million or less.

The Company is an eligible entity.

The Company is seeking to obtain Shareholder approval by way of a special resolution, to enable the Company to issue Equity Securities under the 10% Placement.

The exact number of Equity Securities to be issued under the 10% Placement will be determined in

accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and set out in detail in paragraph c), below.

### **Description of ASX Listing Rule 7.1A**

#### **a) Shareholder approval**

The ability to issue Equity Securities under the 10% Placement is subject to Shareholder approval by way of a special resolution at an annual general meeting and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

#### **b) Equity Securities**

Equity securities is defined in the ASX Listing Rules as shares, units, rights to shares or units or options, an option over an issued or unissued security, a convertible security, any securities that ASX decides to classify as an equity security, but does not include any securities ASX decides to classify as a debt security.

Any Equity Securities issued under the 10% Placement must be in the same class as an existing quoted class of Equity Securities of the Company.

As at the date of the Notice of Annual General Meeting, the Company has one quoted class of Equity Securities on issue, being Shares.

#### **c) Formula for calculating the 10% Placement**

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, the number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

**A** is the number of Shares on issue 12 months before the date of issue or agreement:

*plus* the number of fully paid Shares issued in the 12 months under an exception in ASX Listing Rule 7.2;

*plus* the number of partly paid Shares that became fully paid in the 12 months;

*plus* the number of fully paid Shares issued in the 12 months with approval of holders of Shares under ASX Listing Rules 7.1 and 7.4; and

*less* the number of fully paid Shares cancelled in the 12 months.

**D** is 10%.

**E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Shares under ASX Listing Rules 7.1 or 7.4.

#### **d) ASX Listing Rules 7.1 and 7.1A**

The ability of an entity to issue Equity Securities under

ASX Listing Rule 7.1A is in addition to the entity's 15% placement capacity under ASX Listing Rule 7.1.

At the date of this Notice of Annual General Meeting, the Company has on issue 27,588,781 Shares and therefore, has capacity to issue:

- I. 4,138,317 Equity Securities under ASX Listing Rule 7.1; and
- II. 2,758,878 Equity Securities under ASX Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated on the date of issue of Equity Securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (see paragraph c)).

**e) Minimum issue price**

The issue price of Equity Securities issued under ASX Listing Rule 7.1A must not be less than 75% of the volume weighted average price of Equity Securities in the same class calculated over the 15 trading days immediately before:

- I. the date on which the price at which the Equity Securities are to be issued is agreed; or
- II. if the Equity Securities are not issued within 5 trading days of the date in paragraph I, the date on which the Equity Securities are issued.

**f) 10% Placement Period**

Shareholder approval of the 10% Placement under ASX Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

- I. the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained; and
- II. the date of the approval by Shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of a main undertaking),

**ASX Listing Rule 7.1A**

The effect of Resolution 5 will be to allow the Company to issue Equity Securities in any existing quoted class, under ASX Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under ASX Listing Rule 7.1. As at the date of the Notice of Annual General Meeting, the Company has one quoted class of Equity Securities on issue, being Shares.

Resolution 5 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person,

by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

*Specific Information required by ASX Listing Rule 7.3A*

Pursuant to and in accordance with ASX Listing Rule 7.3A, the following information is provided in relation to the approval of the 10% Placement under ASX Listing Rule 7.1A:

**a) ASX Listing Rule 7.3A.1:** *Minimum price at which the equity securities may be issued*

The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price for the Company's Equity Securities over the 15 trading days immediately before:

- I. the date on which the price at which the Equity Securities are to be issued is agreed; or
- II. if the Equity Securities are not issued within 5 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

**b) ASX Listing Rule 7.3A.2:** *Statement of the risk of economic and voting dilution of existing ordinary security holders*

If Resolution 5 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement, the existing Shareholders' voting power in the Company will be diluted as shown in the table below. There is a risk that:

- I. the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
- II. the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date.

The table on page 10 sets out the potential dilution of existing Shareholders on the basis of the current market price of Shares and the current number of Shares on issue, being variable "A" in the table, which is calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of this Notice of Annual General Meeting.

The table also shows:

- I. in addition to the current variable "A", two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of Shares the Company has on issue. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at future Shareholders' meetings; and



Variable "A" in ASX Listing Rule 7.1A.2 (subject to the assumptions below)		Dilution		
		50% decrease in Issue Price \$0.245	Issue Price \$0.49	100% increase in Issue Price \$0.98
<b>Current Variable A</b> 27,588,781 Shares	10% voting dilution	2,758,878 Shares	2,758,878 Shares	2,758,878 Shares
	Funds raised	\$675,925.11	\$1,351,850.00	\$2,703,700.00
<b>50% increase in current Variable A</b> 41,383,171 Shares	10% voting dilution	4,138,317 Shares	4,138,317 Shares	4,138,317 Shares
	Funds raised	\$1,013,887.67	\$2,027,775.33	\$4,055,550.66
<b>100% increase in current Variable A</b> 55,177,562 Shares	10% voting dilution	5,517,756 Shares	5,517,756 Shares	5,517,756 Shares
	Funds raised	\$1,351,850.22	\$2,703,700.44	\$5,407,400.88

II. two examples, one where the issue price of ordinary securities has decreased by 50% and the other where the issue price of ordinary securities has increased by 100%, as against the current market price.

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement, based on that Shareholder's holding at the date of the Annual General Meeting.
- The table shows only the effect of issues of Equity Securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1.
- The assumed issue price is \$0.49, being the closing price of Shares on ASX on 7 October 2014.

**c) ASX Listing Rule 7.3A.3:** *Date by which securities may be issued*

The Company will only issue the Equity Securities during the 10% Placement Period.

The approval under Resolution 5 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of the Company's activities) or ASX Listing Rule 11.2 (disposal of the Company's main undertaking) during the 10% Placement Period.

**d) ASX Listing Rule 7.3A.4:** *Purposes of the issue*

The Company may seek to issue Equity Securities under the 10% Placement for the following purposes:

- non-cash consideration for the acquisition of new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or

II. cash consideration. In such circumstances, the Company intends to use the funds raised towards the acquisition of new assets or investments (including expenses associated with such acquisition) and general working capital.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon the issue of any Equity Securities.

**e) ASX Listing Rule 7.3A.5:** *Details of the allocation policy for issues under the approval*

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- the methods of raising funds that are available to the Company, including but not limited to, a share placement, rights issue or other issue in which an existing Shareholder(s) can subscribe for Shares;
- the effect of the issue of the Equity Securities on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement have not been determined as at the date of this Notice of Annual General Meeting but may include existing substantial Shareholders and/or new Shareholders who are not related parties or Associates of a related party of the Company. For the avoidance of doubt, the allottees will not include related parties or Associates of a related party of the Company.

#### Directors' Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 5. The Directors consider that the approval of the 10% Placement described above is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of securities permitted under ASX Listing Rule 7.1A in the next 12 months, without further Shareholder approval.