



ACN 108 069 003

Notice of Annual General Meeting

Notice is hereby given that the 2015 Annual General Meeting of shareholders of AG Financial Limited ACN 108 069 003 ("Company") will be held at Ground Floor, 2 Miami Key, Broadbeach Waters, Qld on Monday **30 November 2015** at **11.00 am (Queensland Time)** to transact the following business:

AGENDA

1. ANNUAL ACCOUNTS

To receive and consider the Directors' Report, the financial statements and the Auditor's Report for the year ended 30 June 2015.

2. RE-ELECTION OF DIRECTOR

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

"Mr. Brett Crowley, who retires in accordance with Article 6.3(j) of the Constitution, and being eligible, is re-elected as a director."

3. RE-ELECTION OF DIRECTOR

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

Mr. David Low, who retires in accordance with Article 6.3(j) of the Constitution, and being eligible, is re-elected as a director."

4. REMUNERATION REPORT

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

"The Remuneration Report for the year ended 30 June 2015 is adopted."

Note – the vote on this resolution is advisory only and does not bind the Directors of the Company.

5. SHARE PLACEMENT

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

"That for the purposes of ASX Listing Rule 7.4, Shareholders approve and ratify the prior allotment and issue of 38,280,000 ordinary shares in the capital of the Company pursuant to ASX Listing 7.1 to Eastern Empire Limited on the terms and conditions set out in the Explanatory Memorandum and the Placement Agreement."

By order of the Board

Craig Burbury
Company Secretary

28 October 2015

Notes:

Who may vote Persons whose names are set out in the register of members of the Company as at 7.00 pm Sydney time on 28 November 2015 are entitled to attend and vote at the meeting convened by this notice.

Proxies - Appointment A Member of the Company who is entitled to attend and vote at the meeting has a right to appoint not more than 2 proxies to attend and vote for the Member at the meeting. Where a Member appoints 2 proxies, the appointment may specify the proportion or number of votes which each proxy may exercise. If the appointment does not specify the proportion or number of the Member's votes each proxy may exercise, then each proxy may exercise half of those votes. A proxy need not be a Member of the Company.

Proxies - Lodgement To be valid, a proxy form must be received by the Company by 11.00 am Queensland time on Saturday 28 November 2015 ("**Proxy Deadline**"). Proxies may be submitted:

IN PERSON	Share registry – Level 12 225 George Street, Sydney, NSW 2000
BY MAIL	Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001
BY FAX	+61 02 9290 9655
ONLINE	www.boardroomlimited.com.au

A written proxy appointment must be signed by the Member or the Member's attorney. Where the appointment is signed by the appointor's attorney, a certified copy of the authority, or the authority itself, must be lodged with the Company in one of the above ways by the Proxy Deadline. If facsimile transmission is used, the authority must be certified.

Body corporate representative A Member of the Company who is a body corporate and who is entitled to attend and vote at the meeting, or a proxy who is a body corporate and who is appointed by a Member of the Company entitled to attend and vote at the meeting, may appoint a person to act as its representative at the meeting by providing that person with:

- (a) a letter or certificate, executed in accordance with the body corporate's constitution, authorising the person as the representative; or
- (b) a copy of the resolution, certified by the Secretary or a Director of the body corporate, appointing the representative.



All Correspondence to:

-  **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
-  **By Fax:** +61 2 9290 9655
-  **Online:** www.boardroomlimited.com.au
-  **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:00am (Queensland time) on Saturday 28 November 2015.**

TO VOTE ONLINE

- STEP 1:** VISIT www.votingonline.com.au/agfinancial2015
- STEP 2:** Enter your Postcode OR Country of Residence (if outside Australia)
- STEP 3:** Enter your Voting Access Code (VAC):

BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

(a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities 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.

(b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

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

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **xxtime 11:00am (Queensland time) on Saturday 28 November 2015.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

-  **Online** www.votingonline.com.au/agfinancial2015
-  **By Fax** + 61 2 9290 9655
-  **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
-  **In Person** Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Your Address
This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of AG Financial Limited (Company) and entitled to attend and vote hereby appoint:

the Chair of the Meeting (mark box)

OR if you are NOT appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held on the **Ground Floor, 2 Miami Key, Broadbeach Waters, QLD on Monday, 30 November, 2015 at 11am (Queensland time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 4,

I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though Resolution 4 is connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 4). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS
* 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 vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 2	To re-elect Mr Brett Crowley as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	To re-elect Mr David Low as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	To Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Share placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SHAREHOLDERS
This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
<div style="border: 1px solid black; height: 24px; width: 100%;"></div>	<div style="border: 1px solid black; height: 24px; width: 100%;"></div>	<div style="border: 1px solid black; height: 24px; width: 100%;"></div>
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name..... Contact Daytime Telephone..... Date / / 2015

AG FINANCIAL LTD

ACN 108 069 003

Explanatory statement

The purpose of this Explanatory Memorandum is to provide Shareholders with all information known to the Company, which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Meeting. This Explanatory Memorandum should be read in conjunction with the Notice of Meeting.

A copy of the Notice of Meeting (including this Explanatory Memorandum) was lodged with the Australian Securities & Investments Commission (ASIC) and ASX Limited (ASX) on 28 October 2015. No responsibility is taken for the content of this Notice of Meeting (including this Explanatory Memorandum) by ASIC or ASX.

Shareholders are advised to read this document carefully and in full before the Meeting is held. If you are in any doubt as to how to deal with this document, please consult your legal, financial or other professional advisor.

1 - Financial statements and reports

The Corporations Act 2001 (Cth) requires the financial report, directors' report and auditor's report to be laid before the meeting. There is no requirement either in the Corporations Act or the Company's Constitution for members to vote on, approve or adopt these reports. Members will have a reasonable opportunity at the meeting to ask questions and make comments on these reports and on the business, operations and management of the Company.

2 – Re-Election of Director

Item 2 seek approval for the election of directors who are retiring under Rule 6.3(j) of the Company's Constitution. This Rule states that Directors appointed since the last Annual General Meeting of the Company must retire at the next Annual General Meeting, at which time they may seek re-election.

Brett Crowley – Non Executive Independent Director

Brett is a practicing solicitor and is an experienced chairman, finance director and company secretary of ASX-listed companies. He currently practices as a solicitor and was formerly a Senior Legal Member of the New South Wales Civil and Administrative Tribunal.

Brett has over 30 years' experience in advising emerging companies. His core expertise is in taxation, corporate strategy, structuring, capital raisings and commercial negotiations. He is Company Secretary of Flat Glass Industries Limited (ASX:FGI) and Story-I Limited (ASX:SRY). He was formerly a Partner of Ernst & Young in Hong Kong and Australia from 1988 to 1994, and a partner of KPMG in Hong Kong from 1998 to 2000.

Board recommendation

The Board recommends the re-election of Mr. Crowley as Director of the Company.

3- Re-Election of Director

Item 3 seek approval for the election of directors who are retiring under Rule 6.3(j) of the Company's Constitution. This Rule states that Directors appointed since the last Annual General Meeting of the Company must retire at the next Annual General Meeting, at which time they may seek re-election.

David Low – Non-Executive Independent Director, Chairman

Mr Low is a CPA and graduated from the University Of Sydney with a Bachelor of Economics (Accounting). He was previously an investment banker in Asia for more than 10 years and had advised on various mergers and acquisitions, initial public offerings, fund raising (both debt and equity) and during the Asian Financial Crisis, corporate and debt restructuring.

Since moving to Australia in 2007, he was a Senior Manager with the Asian Business Division of Westpac Banking Corporation and the Head of Corporate Finance of a listed corporate advisory house. Mr Low is currently a director of JCL Capital Pty Ltd, a boutique corporate advisory house specialising in cross border corporate finance activities and seeks to provide a bridge between Australia and Asia.

He is also a committee member of the Chinese Professional and Business Association of Victoria.

Board recommendation

The Board recommends the re-election of Mr. Low as Director of the Company.

4 – Remuneration Report

A resolution for adoption of the Remuneration Report is required to be considered and voted on in accordance with section 250R of the Corporations Act 2001 (Cth).

The Remuneration Report details the Company's policy on the remuneration of non-executive Directors, executive Directors and senior executives and is set out in the Annual Report.

The vote on the adoption of the Remuneration Report resolution is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

Shareholders will be given the opportunity to ask questions and to make comments on the Remuneration Report.

Voting Exclusion Statement for Resolution 4

The Company will disregard votes cast:

- by any Director or by any associates of a Director;
- by any Key Management Personnel¹ (**KMP**) or a closely related party² of a KMP, as a proxy for a person who is entitled to vote.

¹ As defined by section 9 of the Corporations Act 2001

² As defined by section 9 of the Corporations Act 2001

However, the Company need not disregard a vote cast if:

- i. 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
- ii. it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, and the appointment expressly authorises the Chairman of the Meeting to vote as they decide.

5 – Share Placement

Resolution 5 seeks the approval of shareholders for the allotment and issue of 38,280,000 ordinary shares in the capital of the Company to Eastern Empire Limited pursuant to the Placement Agreement.

Overview of Share Placement

On 17 June 2015, the Company announced to the market that it had agreed to undertake a share issue of 38,280,000 fully paid ordinary shares in the Company to Eastern Empire Limited, at an issue price of \$0.005 per Share (Share Placement). The Company subsequently issued 38,280,000 Shares at an issue price of \$0.005 each to raise \$191,400, which is largely being used as working capital.

The requirement for Shareholder approval for the Share Placement described in Resolution 5 arises under ASX Listing Rule 7.1.

Rules 7.1 and 7.4 of the ASX Listing Rules

Resolution 5 seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the Share Placement (Share Ratification). ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period. ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying the Share Placement subject of Resolution 5, the Company will maintain the ability to issue equity securities in the future up to the 15% limit without the requirement to obtain prior shareholder approval to take advantage of opportunities which may arise to raise additional capital.

Information required by Rule 7.5 of the ASX Listing Rules

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Share Ratification:

- 38,280,000 Shares were issued and allotted;
- the issue price of the shares was \$0.005 per Share;
- the shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- the shares were allotted and issued to Eastern Empire Limited; and
- the funds raised by the Share Placement, after costs, are being used for working capital purposes.

Voting Exclusion Statement for Resolution 5

As required by the Listing Rules of the Australian Securities Exchange (ASX), the Company will disregard any votes cast on the resolution in Item 5 by any Director of Eastern Empire Limited and any associate of the Directors, or a person who participated in the issue and an associate of that person (or those persons). However, the Company will not disregard a vote if it is cast by:

- a Director as a proxy for a person who is entitled to vote, in accordance with the directions of the proxy form; or
- the Chairman of the AGM 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.