

11 October 2022

Attention: Company Announcements
ASX Limited

By E-Lodgement

Notice of Annual General Meeting and Voting Form

InvestSMART Group Limited ACN 111 772 359 (ASX: INV) (the **Company**) is pleased to notify shareholders of its 2022 Annual General Meeting (**AGM**). The AGM will be held on Wednesday, 23 November 2022 at 10.00am (AEDT) at the offices of Australian Institute of Company Directors, Clarence Room, Level 3, 18 Jamison Street, Sydney, NSW 2000.

The following documents are attached:

- Notice of Annual General Meeting (**AGM**) 2022
- Sample Voting Form
- Letter to Shareholders.

The Notice of Meeting includes detailed information about how shareholders can participate in the AGM. A recorded webcast of the AGM will be available at the Company's [Shareholder Centre](#) shortly after the AGM concludes.

The Board of InvestSMART look forward to engaging with our shareholders at the AGM.

For further information, please contact Mr Paul Clitheroe (Chairman) or Mr Ron Hodge (Managing Director and CEO) at InvestSMART Group on (02) 8305 6000.

By order of the Board

Notice of Annual General Meeting

InvestSMART Group Limited ACN 111 772 359

(ASX:INV)

Important information: Shareholders should read this Notice of Meeting and Explanatory Memorandum in full. This Notice of Meeting does not take into account the individual investment objectives, financial situation or particular needs of any person. If you are in any doubt about the action you should take, please consult your stockbroker, solicitor, accountant or other professional adviser without delay.

Notice is given that the 2022 Annual General Meeting (**Meeting**) of InvestSMART Group Limited ACN 111 772 359 (**InvestSMART** or the **Company**) will be held as follows:

Date	Wednesday, 23 November 2022
Time	10.00am (AEDT)
Location	Australian Institute of Company Directors Clarence Room, NSW Business Centre and Member Lounge Level 3, 18 Jamison Street, Sydney, NSW 2000

Ordinary Business

Financial Statements and Reports

To consider and receive the financial report, the Directors' report and the auditor's report for the year ended 30 June 2022.

Resolutions

Resolution 1: Directors' Remuneration Report

To consider and, if in favour, pass the following resolution as an ordinary resolution in accordance with section 250R(2) Corporations Act:

- 1 'That the Remuneration Report be adopted.'

Note: This resolution shall be determined under section 250R(2) Corporations Act. Votes must not be cast on this resolution by Key Management Personnel and Closely Related Parties in contravention of section 250R or 250BD Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.

Voting Exclusion Statement: The Company will disregard votes cast by 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, in contravention of section 250R or 250BD Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.

In the interests of corporate governance, the Directors abstain from making a recommendation in relation to Resolution 1.

Resolution 2: Re-election of Mr Paul Clitheroe AM Bachelor of Arts (UNSW), SNF Fin, CFP

To consider and, if in favour, pass the following resolution as an ordinary resolution:

- 2 'That Mr Paul Clitheroe AM, who retires in accordance with the Company's Constitution and Listing Rule 14.5 and being eligible, be re-elected as a Director of the Company.'

Note: Information about the candidate appears in the Explanatory Memorandum.

The Directors (with Mr Clitheroe abstaining) unanimously recommend that you vote in favour of Resolution 2.

Special Business

Resolution 3: Approval to issue EDSP Shares

To consider and, if in favour, pass the following resolution as an ordinary resolution:

- 3 “That, for the purposes of sections 259B and 260C of the Corporations Act and ASX Listing Rule 7.2 (exception 13) and all other purposes, Shareholders approve the EDSP (a summary of which is set out in schedule 1) and the issue of securities under the EDSP, as described in the Explanatory Memorandum accompanying and forming part of this Notice of Meeting.

Voting Exclusion Statement: In accordance with ASX Listing Rule 14.11, InvestSMART will disregard any votes cast in favour of Resolution 3 by any person who is eligible to participate in the EDSP and any of their associates.

Both Non-Executive Directors and Executive Directors are eligible to participate in the EDSP and accordingly, Directors and their associates will be excluded from voting on Resolution 3 together with all other eligible participants and their associates.

However, this does not apply to a vote cast in favour of Resolution 3 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with the directions given to the proxy or attorney to vote on Resolution 3 in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with a direction given to the Chair to vote on the Resolution as the Chair of the Meeting decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 3; and
 - (ii) the holder votes on Resolution 3 in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the Corporations Act), a vote must not be cast on Resolution 3 as a proxy by a member of the KMP at the date of the AGM, or a closely related party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions.

This restriction on voting undirected proxies does not apply to the Chair of the Meeting where the proxy appointment expressly authorises the Chair of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of a member of the KMP.

Resolution 4: Approval to issue new EDSP Shares to Mr Ron Hodge

To consider and, if in favour, pass the following resolution as an ordinary resolution:

- 4 ‘That for the purposes of sections 259B and 260C of the Corporations Act and ASX Listing Rule 7.2 (exception 14) and ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of new EDSP shares to Mr Ron Hodge in accordance with the terms set out in the Explanatory Memorandum’.

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this resolution by:

- (a) Mr Hodge or an associate of Mr Hodge; and
- (b) a person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the EDSP and any associate of those persons.

However, this does not apply to a vote cast in favour of Resolution 4 by:

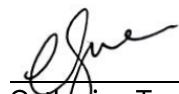
- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with the directions given to the proxy or attorney to vote on Resolution 4 in that way; or
- (d) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with a direction given to the Chair to vote on the Resolution as the Chair of the Meeting decides; or
- (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (iii) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 4; and
 - (iv) the holder votes on Resolution 4 in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the Corporations Act 2001 (Cth), a vote must not be cast on Resolution 4 as a proxy by Mr Ron Hodge at the date of the AGM, or a closely related party of Mr Ron Hodge, unless it is cast as proxy for a person entitled to vote in accordance with their directions.

This restriction on voting undirected proxies does not apply to the Chair of the Meeting where the proxy appointment expressly authorises the Chair of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of Mr Ron Hodge.

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

By order of the Board



Catherine Teo

Company Secretary

Dated: 11 October 2022

HOW TO PARTICIPATE IN THE ANNUAL GENERAL MEETING

The InvestSMART Group Limited (the **Company**) Annual General Meeting will be held at 10.00am on Wednesday 23 November 2022 at the Clarence Room of the Australian Institute of Company Directors offices, located at 18 Jamison Street, Sydney NSW 2000.

Participation	<p><u>Your vote is important</u></p> <p>The business of the meeting affects your shareholding.</p> <p>You can participate in the Meeting by:</p> <ol style="list-style-type: none">1. Attending the Meeting at the time and date set out above to ask questions and vote in person.2. Submitting your questions to the Company Secretary prior to the Meeting by emailing investorrelations@investsmart.com.au. Please let us know in your email if you cannot attend the Meeting in person and we will ensure that we respond to your question by phone or email.3. Submitting your proxies. <p>InvestSMART strongly urges all shareholders to submit their proxies</p>
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QUESTIONS FOR THE COMPANY

Regardless of how you intend to participate in the Meeting, Shareholders are encouraged to submit questions in advance of the Meeting to the Company.

- Questions must be submitted to the Company Secretary by email to investorrelations@investsmart.com.au at least 48 hours before the Meeting.
- Questions to the auditor (BDO) must be submitted no later than the fifth business day before the day on which the Meeting is held under section 250PA(1) Corporations Act. Questions to the auditor are to be submitted by email to investorrelations@investsmart.com.au

The Company will also provide Shareholders that attend the meeting in person with the opportunity to ask questions during the Meeting in respect to the formal items of business as well as general questions in respect to the Company and its business.

VOTING

Voting on each of the proposed resolutions at the Meeting will be conducted by poll.

If you cannot attend the Meeting, there will be no voting by electronic means on the day of the Meeting. The Board strongly urges the Company’s Shareholders to submit their proxies ahead of the Meeting.

Voting by proxy

Shareholders who wish to participate and vote at the AGM are strongly encouraged to complete and submit their proxies as early as possible.

Your proxy instruction must be received not later than 48 hours before the commencement of the Meeting. Proxy Forms received later than this time will be invalid.

To vote by proxy:

1. **ONLINE:** lodge the Proxy Form online at <https://investor.automic.com.au/#/loginsah> by following the below instructions: Login to the Automic website using the holding details as shown on the Proxy Form. Click on ‘Meetings’ –‘Vote’.

To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form.

2. BY EMAIL: Scan a copy of your completed Proxy Form to: meetings@automicgroup.com.au.
3. **IN PERSON:** please complete and sign the enclosed Proxy Form, and deliver the Proxy Form:
 - (a) by hand to the share registry, Automic Group
Level 5, 126 Phillip Street
Sydney NSW 2000
 - OR
 - (b) by post to the share registry, Automic Group
GPO Box 5193
Sydney NSW 2001

VOTING EXCLUSIONS

Certain resolutions in the Notice of Meeting are subject to voter exclusions. The voter exclusions are set out below each resolution in the Notice of Meeting.

DETERMINATION OF ENTITLEMENT TO VOTE

The Company has determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Monday, 21 November 2022 at 10.00am (AEDT) (being 48 hours before the Meeting).

NOTES

- (a) Terms used in this Notice of Meeting which are defined in the Explanatory Memorandum have the meaning given to them in the Glossary to the Explanatory Memorandum.
- (b) Subject to the Corporations Act, including sections 250R and 250BD, a Shareholder who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.
- (c) The proxy need not be a Shareholder of the Company. A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

VOTING INTENTIONS OF THE CHAIRMAN

The Chairman intends to vote undirected proxies on, and in favour of, all the proposed resolutions.

Explanatory Memorandum

InvestSMART Group Limited ACN 111 772 359 (Company)

This Explanatory Memorandum accompanies the notice of Annual General Meeting of the Company to be held at 10.00am (AEDT) on Wednesday 23 November 2022.

The Explanatory Memorandum has been prepared to assist Shareholders in determining how to vote on the resolutions set out in the Notice of Meeting and is intended to be read in conjunction with the Notice of Meeting.

Ordinary Business

Financial Statements and Reports

- 1 The Corporations Act requires that the report of the Directors, the auditor's report and the financial report be laid before the Annual General Meeting.
- 2 Apart from the matters involving remuneration which are required to be voted upon, neither the Corporations Act nor the Constitution requires a vote of Shareholders at the Annual General Meeting on the financial statements and reports.
- 3 Shareholders will be given a reasonable opportunity at the meeting to raise questions and make comments on these reports.
- 4 In addition to asking questions at the Meeting, Shareholders may address questions by email to the Chairman about the management of the Company or to the Company's auditor, BDO, if the question is relevant to:
 - (a) the content of the auditor's report; or
 - (b) the conduct of its audit of the annual financial report to be considered at the Meeting.

Note: Under section 250PA(1) Corporations Act, a Shareholder must submit questions for the auditor to the Company no later than the fifth business day before the day on which the Annual General Meeting is held.

- 5 Written questions for the auditor must be received by 5:00pm on Wednesday, 16 November 2022. Please send any written questions for BDO by email to investorrelations@investsmart.com.au.

Resolution 1: Directors' Remuneration Report

- 6 The Remuneration Report is contained in the Annual Report. A copy is available on the Company's website.
- 7 The Corporations Act requires that the Remuneration Report be put to a vote of Shareholders.
- 8 The resolution of Shareholders is advisory only and not binding on the Company. The Board will take the discussion at the Meeting into consideration when determining the Company's

remuneration policy and appropriately respond to any concerns Shareholders may raise in relation to remuneration issues.

- 9 The Remuneration Report:
- (a) reports and explains the remuneration arrangements in place for non-executive Directors, executive Directors and senior management; and
 - (b) explains Board policies in relation to the nature and value of remuneration paid to non-executive Directors, executives and senior managers within the Company.
- 10 The Chairman will give Shareholders a reasonable opportunity to ask questions about, or to make comments on, the Remuneration Report.

Directors' recommendation

- 11 As the resolution relates to matters including the remuneration of the Directors, the Board, as a matter of corporate governance and in accordance with the spirit of section 250R(4) Corporations Act, makes no recommendation regarding this resolution.

Resolution 2: Re-election of Mr Paul Clitheroe AM Bachelor of Arts (UNSW), SNF Fin, CFP

- 12 Mr Paul Clitheroe AM is retiring from office in accordance with Listing Rule 14.4 and Rule 18.3(a) of the Company's Constitution and stands for re-election.
- 13 Paul Clitheroe was a founding director of leading financial planning firm ipac and has been involved in the investment industry since he graduated from the University of New South Wales in the late 1970s. From 1993 to 2002 Paul hosted the popular Channel 9 program Money. Paul was a founder of the Money Magazine in 1999 and continues to be a commentator. He writes personal finance columns for metropolitan, suburban and regional newspapers across Australia. Paul has been a media commentator and conference speaker for more than 30 years and is regarded as one of Australia's leading experts in the field of personal investment strategies and advice.
- 14 Paul is Chairman of Monash Absolute Investment Company Ltd (commenced: 20/01/2016) and previously a Director of Wealth Defender Equities Ltd, both ASX-listed investment companies. He is also Chairman of the Ensemble Theatre Foundation, Chairman of Ecstra Foundation (formerly Financial Literacy Australia) and Chairman of the youth anti-drink driving body, RADD. In 2012, Macquarie University appointed Mr Clitheroe as Chair of Financial Literacy. He is a Professor with the School of Business and Economics.
- 15 Mr Clitheroe is currently the independent non-executive Chairman of the Board.

Directors' recommendation

- 16 The Directors (with Mr Clitheroe abstaining) unanimously recommend the election of Mr Clitheroe to the Board.

Special Business

Resolution 3: Approval to issue EDSP Shares

Background

- 17 The InvestSMART Employee and Director Share Plan (EDSP) was established with Shareholder approval in 2020 to replace an Employee Share Ownership Plan which was previously approved by Shareholders in 2016 and a Long-Term Incentive Plan which was previously approved by Shareholders in 2013.
- 18 The purpose of the EDSP is to incentivise recipients to improve the Company's performance and to align their interests with those of Shareholders. The EDSP also assists the Company to retain and attract employees.
- 19 The Company is now seeking to refresh approval of the EDSP, including the issue of new EDSP Shares under the EDSP, for the purposes of ASX Listing Rule 7.2 (exception 13), sections 259B and 260C of the Corporations Act, and for all other purposes.

Listing Rules and Corporations Act requirements

- 20 ASX Listing Rule 7.1 provides that a listed company must not, without the prior approval of its shareholders, issue or agree to issue securities if the number of securities issued or agreed to be issued, or when aggregated with the number of shares issued by the Company during the 12 months immediately preceding the date of issue or agreement, exceeds 15% of the number of shares on issue at the start of that 12 month period.
- 21 Listing Rule 7.2 (exception 13) provides an exception to ASX Listing Rule 7.1 such that an issue under an employee incentive scheme is not calculated as part of the 15% limitation if, within three years before the issue date, ordinary shareholders approved the issue of equity securities under the scheme as an exception to Listing Rule 7.1 in accordance with the Listing Rules.
- 22 ASX Listing Rule 7.2 (exception 13) is only available to the extent that:
 - (a) any issue of equity securities under the employee incentive scheme does not exceed the maximum number of securities proposed to be issued as set out in this Notice of Meeting and Explanatory Memorandum; and
 - (b) there is no material change to the terms of the employee incentive scheme.
- 23 The EDSP involves the Company providing non-recourse loans to eligible participants for the sole purpose of acquiring shares. The Corporations Act restricts a company from financially assisting a person to acquire shares in the company without shareholder approval. Accordingly, as part of Resolution 3, the Company is seeking Shareholder approval for the purposes of section 260C Corporations Act to provide loans to eligible participants in connection with the issue of Shares under the EDSP.
- 24 Section 259B(1) Corporations Act prohibits a company taking security over its own shares, except as permitted by section 259B(2) Corporations Act, which authorises a company to take security over shares in itself under an employee share scheme which has been approved by shareholders. When a loan is made to an eligible employee under the EDSP, until that loan is repaid, the Company will have a lien over the Shares to which the loan relates. As part of Resolution 3 the Company is seeking Shareholder approval for the purposes of section 259B

Corporations Act to take security over its own shares as part of the loan arrangements for eligible participants in connection with the issue of Shares under the EDSP.

Resolution 3

25 If Shareholders approve Resolution 3:

- (a) the maximum number of equity securities proposed to be issued under the EDSP for the three years following the approval is 5,000,000 (**EDSP Cap**). The maximum number of equity securities is not intended to be a prediction of the actual number of equity securities to be issued under the EDSP but is specified for the purpose of setting a ceiling on the number of equity securities approved to be issued under and for the purposes of ASX Listing Rule 7.2 (Exception 13(b)). It is not envisaged that the maximum number of equity securities for which approval is obtained will be issued immediately; and
- (b) any issue of equity securities (up to the EDSP Cap) under the EDSP during the 3-year period after the Meeting will not use up any of InvestSMART's 15% placement capacity on issuing equity securities without shareholder approval.

26 Shares approved under Resolution 3 will not be issued to any Director or their associates, who are deemed to be related parties of InvestSMART. Issues to such persons will require separate Shareholder approval under Listing Rule 10.14.

27 If Shareholders do not approve Resolution 3, then:

- (a) any issue of securities under the EDSP will be included in calculating InvestSMART's 15% placement capacity in ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the issue of the securities; and
- (b) InvestSMART may use cash bonuses to incentivise its employees as part of their remuneration package.

28 An approval under Resolution 3 is only available to the extent that:

- (a) any issue of equity securities under the EDSP does not exceed the maximum number of securities proposed to be issued as set out in this Notice of Meeting (ie, the EDSP Cap); and
- (b) there is no material change to the terms of the EDSP from that set out in Schedule 1.

29 For the purposes of ASX Listing Rule 7.2 (exception 13) the following information is provided:

- (a) a summary of the key terms of the EDSP is set out in Schedule 1.
- (b) A total of 29,396,998 securities have been issued under the EDSP since the EDSP was established in 2020.
- (c) Subject to shareholder approval under Resolution 3, the maximum number of equity securities proposed to be issued under the EDSP is 5,000,000 equity securities.

- 30 A voting exclusion statement is included in the Notice of Meeting. Resolution 3 is an ordinary resolution, which requires a simple majority of votes cast by Shareholders present and entitled to vote on the resolution.

Directors' recommendation

- 31 In the interests of good governance, the Directors (who are all eligible to participate in the EDSP) abstain from making a recommendation on Resolution 3.

Resolution 4: Approval to issue new EDSP Shares to Mr Ron Hodge

Background

- 32 Resolution 4 seeks Shareholder approval for the purposes of Sections 259B and 260C of the Corporations Act, Listing Rule 7.2 (exception 14), Listing Rule 10.14 and for all other purposes.
- 33 Mr Ron Hodge, as Managing Director of the Company, currently holds the following EDSP shares, as approved by Shareholders at the Company's 2020 and 2021 Annual General Meetings. These EDSP shares have no performance conditions.

	Number of EDSP shares	Vesting date	Maturity date	Allocation Price
Tranche 1	1,522,222	30/11/2020	30/11/2025	0.15
Tranche 2	1,522,222	30/11/2021	30/11/2026	0.20
Tranche 3	1,522,222	30/11/2022	30/11/2027	0.30
Tranche 4	210,000	08/12/2021	01/09/2026	0.25

Tranche 1, Tranche 2 and Tranche 3 EDSP Shares were issued with Shareholder approval at the Company's 2020 AGM. Tranche 4 EDSP Shares were issued with Shareholder approval at the Company's 2021 AGM.

- 34 The Company seeks Shareholder approval for the issue of 120,000 EDSP Shares at an allocation price of \$0.34 per share to Mr Ron Hodge which will vest immediately on issue, with an associated loan of \$0.34 per share, repayable on 21 September 2027.

Listing Rules and Corporations Act requirements

- 35 Listing Rule 7.1 provides that a company must not, without Shareholder approval, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period. Under exception 14 of Listing Rule 7.2, Listing Rule 7.1 does not apply to issues of securities made with the approval of Shareholders under Listing Rule 10.14.
- 36 Listing Rule 10.14 requires a company to obtain Shareholder approval for the issue of equity securities to directors of the company under an employee incentive scheme. Mr Ron Hodge is a director of the Company and therefore Shareholder approval is sought for the issue of Shares under the Company's EDSP to Mr Ron Hodge.
- 37 The Board has also considered Chapter 2E Corporations Act. Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:
- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

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

38 The issue of the EDSP Shares to Mr Ron Hodge constitutes giving a financial benefit and Mr Ron Hodge is a related party of the Company by virtue of being a Director.

39 However, the Board has determined that the reasonable remuneration exemption under section 211 Corporations Act applies to Resolution 4 on the basis that:

(a) the terms of the EDSP apply equally to all employees and eligible directors; and

(b) the issue of EDSP shares to Mr Ron Hodge is otherwise reasonable considering he is the Managing Director of the Company and for the reasons stated in this Explanatory Memorandum.

40 In accordance with Listing Rule 10.15, Shareholders are advised of the following particulars:

(a) Mr Ron Hodge is the Managing Director of the Company and as such falls within Listing Rule 10.14.1;

(b) it is proposed that 120,000 new fully paid ordinary Shares under the EDSP at an allocation price of 34 cents per share, be issued to Mr Ron Hodge, no later than three months after the date of this Annual General Meeting;

(c) for the year ended 30 June 2022, Mr Hodge received \$346,450 (including superannuation, accrued annual leave, accrued long service leave and share-based payments in director's fees);

(d) to date, Mr Hodge has been issued EDSP shares as set out in paragraph 33;

(e) a summary of the key terms of the EDSPs are outlined in **Error! Reference source not found.**;

(f) Mr Hodge will receive a loan from the Company in connection with the proposed issue of the 120,000 EDSP Shares to him. The material terms of the loan are as follows:

(i) the loan is an interest free, non-recourse loan for \$40,800 from the Company for the sole purpose of acquiring EDSP Shares in the Company;

(ii) Mr Hodge will be required to repay the loan or forfeit shares issued within five years of the issue of the EDSP Shares;

(iii) if Mr Hodge retires as a director or is removed as a director of the Company then he may choose to either repay the loan or forfeit EDSP Shares;

(iv) Mr Hodge will be entitled to any dividends paid on the EDSP Shares;

(v) the EDSP Shares are restricted while the loan remains outstanding;

(g) details of any equity securities issued to any director under the EDSP will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and

- (h) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of equity securities under the EDSP after Resolution 4 is approved and who are not named in this notice of meeting will not participate until Shareholder approval is obtained under Listing Rule 10.14.

- 41 Section 260B of the Corporations Act restricts a company from financially assisting a person to acquire shares in the Company without shareholder approval, subject to exceptions. One such exception is where a resolution has been passed at a general meeting by shareholders approving the employee share scheme under which the financial assistance is given. Shareholder approval of the EDSP was granted for this purpose at the 2020 annual general meeting of the Company and the Company is seeking to refresh this approval under Resolution 3 at the Meeting.
- 42 Section 259B(1) Corporations Act prohibits a company taking security over its own shares, except as permitted by section 259B(2) Corporations Act, which authorises a company to take security over shares in itself under an employee share scheme which has been approved by shareholders. Shareholder approval of the EDSP was granted for this purpose at the 2020 annual general meeting of the Company and the Company is seeking to refresh this approval under Resolution 3 at the Meeting.

Resolution 4

- 43 If Resolution 4 is passed, the Company will be able to proceed with the issue of the EDSP Shares to Mr Ron Hodge as contemplated by this Explanatory Memorandum. As approval pursuant to Listing Rule 7.1 is not required for the issue of the EDSP Shares (because approval is being obtained under Listing Rule 10.14), the issue of the EDSP Shares will not use up any of the Company's 15% annual placement capacity.
- 44 If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the EDSP Shares to Mr Ron Hodge and the Company may make a cash payment in lieu of EDSP Shares.
- 45 A voting exclusion statement is included in the Notice of Meeting. Resolution 4 is an ordinary resolution, which requires a simple majority of votes cast by Shareholders present and entitled to vote on the resolution.

Directors' recommendation

- 46 The Directors (Mr Ron Hodge abstaining) unanimously recommend that you vote in favour of this Resolution 4.

Glossary

Capitalised terms in this Notice of Meeting and Explanatory Memorandum have the meaning set out below:

Definition	Meaning
Annual General Meeting or Meeting	means the Company's annual general meeting the subject of this Notice of Meeting.
Annual Report	means the 2022 annual report of the Company.
ASX	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
Board	means the board of directors of the Company.
Closely Related Parties	has the meaning given to the term in the Corporations Act.
Company or InvestSMART Group Limited	means InvestSMART Group Limited ACN 111 772 359.
Constitution	means the constitution of the Company.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Directors	means the directors of the Company.
EDSP	Employee and Director Share Plan approved by Shareholders on 11 November 2020.
EDSP Cap	means 5,000,000 new EDSP Shares.
Explanatory Memorandum	means the explanatory memorandum attached to the Notice of Meeting.
Key Management Personnel	means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).
Listing Rules	means the listing rules of ASX.
Meeting	means the 2022 Annual General Meeting of the Company described in the Notice of Meeting.
Notice of Meeting	means this notice of meeting and includes the Explanatory Memorandum.
Related Parties	the meaning given to that term under ASX Listing Rule 19.
Remuneration Report	means the section of the Directors' report for the 2022 financial year that is included under section 300A(1) Corporations Act.
Shareholder	means a person who is the registered holder of Shares.
Shares	means the existing fully paid ordinary shares in the Company.

Schedule 1

Summary of the InvestSMART Employee and Director Share Plan Rules

Who is eligible to participate?	All full time and part time employees and all Directors of the Company are eligible to participate in the EDSP.
How will Shares under the EDSP be allocated?	<p>The Board may determine the number of Shares that are to be allocated to each eligible participant under the EDSP in its absolute discretion, having regard to the participant's:</p> <ul style="list-style-type: none"> • length of service; • position and remuneration; and • any other matters considered relevant by the Board.
What are the rights attaching to Shares issued under the EDSP?	Shares issued under this Plan will, from the date of allotment, rank equally with all other issued Shares in all respects including with respect to voting rights and entitlements to participate in dividends, future rights and bonus issues. These rights apply even if the Shares are subject to the holding lock.
How does the EDSP work?	<ol style="list-style-type: none"> 1. Participants will be invited to participate in the EDSP by the Board. 2. The invitation will describe the number of Shares and the terms attaching to those Shares, including the application price at which the Shares are to be issued to the participant. 3. The Company will provide a loan to the participant equivalent to the application price multiplied by the number of Shares issued to the participant. 4. All Shares issued under the EDSP are subject to a holding lock, meaning that the Shares cannot be traded, until the applicable vesting date. After the holding lock period expires, participants may elect to dispose of their Shares. The loan must be repaid by the participant within 7 days of disposal of the Shares.
What happens if a participant ceases to work for the Company?	<ol style="list-style-type: none"> 5. While the Shares are subject to a holding lock and the loan remains unpaid: <ol style="list-style-type: none"> (a) if a participant is dismissed by the Company for cause or resigns from service of the Company, then that participant automatically forfeits all interest in the Shares and the Company is entitled to buy back and cancel the Shares held by that participant; (b) if a participant is made redundant by the Company, then the participant is able to retain the Shares and the loan remains in place.
Are loans provided to participants?	<ol style="list-style-type: none"> 6. The EDSP involves the Company providing non-recourse loans to eligible participants for the sole purpose of acquiring shares. When a loan is made to an eligible employee under the EDSP, until that loan is repaid, the Company will have a lien over the Shares to which the loan relates.

Proxy Voting Form

If you are attending the meeting in person, please bring this with you for Securityholder registration.

[EntityRegistrationDetailsLine1Envelope]
[EntityRegistrationDetailsLine2Envelope]
[EntityRegistrationDetailsLine3Envelope]
[EntityRegistrationDetailsLine4Envelope]
[EntityRegistrationDetailsLine5Envelope]
[EntityRegistrationDetailsLine6Envelope]

[HolderNumber]

Holder Number:
[HolderNumber]

Your proxy voting instruction must be received by **10.00am (AEDT) on Monday, 21 November 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking 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 SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

STEP 3 - SIGNING INSTRUCTIONS

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

Joint holding: Where the holding is in more than one name, all Shareholders must 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 Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBCHAT: <https://automicgroup.com.au/>

PHONE: 1300 288 664 (Within Australia)

+61 2 9698 5414 (Overseas)

STEP 1 - How to vote

APPOINT A PROXY:

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of InvestSMART Group Limited, to be held at 10.00am (AEDT) on Wednesday, 23 November 2022 at the Australian Institute of Company Directors Clarence Room, NSW Business Centre and Member Lounge Level 3, 18 Jamison Street, Sydney, NSW 2000 hereby:

Appoint the Chair of the Meeting (Chair) OR if you are not appointing the Chair of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

[Empty grid box for proxy name]

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Unless indicated otherwise by ticking the "for," "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

STEP 2 – Your voting direction

Resolutions	For	Against	Abstain
1. Directors' Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Mr Paul Clitheroe AM Bachelor of Arts (UNSW), SNF Fin, CFP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Approval to issue EDSP Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Approval to issue new EDSP Shares to Mr Ron Hodge	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 – Signatures and contact details

Individual or Securityholder 1 | Securityholder 2 | Securityholder 3

Sole Director and Sole Company Secretary | Director | Director / Company Secretary

Contact Name: [Empty grid box]

Email Address: [Empty grid box]

Contact Daytime Telephone: [Empty grid box] | Date (DD/MM/YY) [Empty grid box] / [Empty grid box] / [Empty grid box]

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).



[HolderNumber] INV

L [HolderNumber]

All Registry communications to:
Automic Group
GPO Box 5193
Sydney NSW 2001
Telephone (free call within Australia): 1300 288 664
ASX Code: INV
Email: hello@automicgroup.com.au

11 October 2022

InvestSMART Group Limited 2022 Annual General Meeting

Dear Shareholder/s,

InvestSMART Group Limited (the **Company**) will be holding its 2022 Annual General Meeting (**AGM**) on Wednesday, 23 November 2022 at 10.00am (AEDT) at the offices of Australian Institute of Company Directors, Clarence Room, Level 3, 18 Jamison Street, Sydney, NSW 2000.

The Notice of Meeting includes detailed information about how shareholders can participate in the AGM, including how to vote and ask questions in advance of the meeting. Shareholders are encouraged to submit their questions and vote by proxy in advance of the AGM.

You can go to <https://www.investsmart.com.au/events/investsmart-group-limited-2022-AGM>, for useful information about the AGM, including:

- the Company's Notice of Meeting and sample voting form; and
- the 2022 Annual Report.

A recorded webcast of the AGM will be available at the Company's Shareholder Centre shortly after the AGM concludes.

A hard copy of the Annual Report and Notice of Meeting will not be sent by post ahead of our AGM. If you wish to receive a hard copy of the Annual Report and Notice of Meeting, please contact the share registry, Automic Group on 1300 288 664 (inside Australia) or +61 2 9698 5414 (outside Australia).

We look forward to welcoming you to our AGM on Wednesday, 23 November 2022.

InvestSMART Group Limited