

20 October 2017

Dear Shareholder

## **NOTICE OF ANNUAL GENERAL MEETING**

I am pleased to invite you to attend the PTB Group Limited's 2017 Annual General Meeting. The meeting will be held at PTB's premises at 22 Orient Ave Pinkenba Qld, on Wednesday, 22 November 2017 at 1 pm.

The enclosed Notice of Annual General Meeting sets out the business to be dealt with at the meeting. Further information on the proposed resolutions is included in the enclosed Explanatory Memorandum.

We look forward to meeting you again and having the opportunity to outline the 2017 result and future plans. We have enclosed a Question Form and encourage you to forward any questions on the annual report to the Company Secretary in writing prior to the meeting in order to facilitate a comprehensive response.

If you are unable to attend the meeting, I ask that you complete a proxy form by the required time and date. Personalised proxy forms will be mailed or e-mailed to each shareholder and will allow proxies to be completed either online, by mail, by fax, or lodged in person. A generic version of the proxy form is attached as an example only. Please do not return this version of the form as it does not include your identification details.

Yours sincerely



Craig Baker

Chairman

# Notice of annual general meeting and explanatory memorandum – 2017

PTB Group Limited ACN 098 390 991

# Definitions

A number of capitalised terms are used throughout this notice of annual general meeting and explanatory memorandum. Except to the extent the context otherwise requires:

Term	Definition
<b>ASX</b>	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
<b>Board</b>	means the board of Directors of the Company.
<b>Chairman</b>	means the chairman of the Company.
<b>Company</b> or <b>PTB</b>	means PTB Group Limited ACN 098 390 991.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth).
<b>Directors</b>	means the directors of the Company.
<b>Explanatory Memorandum</b>	means the explanatory memorandum attached to the Notice.
<b>KMP</b>	means key management personnel as defined in the Corporations Act.
<b>Listing Rules</b>	means the listing rules of ASX.
<b>Meeting</b>	means the Company's annual general meeting the subject of this Notice.
<b>Notice</b>	means this notice of annual general meeting.
<b>Shares</b>	means a share in the capital of the Company, the terms of which are contained in the constitution of the Company.
<b>Shareholders</b>	means the registered holders of Shares in the Company.
<b>SGC</b>	means superannuation guarantee charge.

# Notice of annual general meeting

PTB Group Limited ACN 098 390 991

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Notice is given that the annual general meeting of PTB Group Limited ACN 098 390 991 (**Company**) will be held at:

<b>Location</b>	<b>PTB Brisbane</b> , 22 Orient Avenue, Pinkenba, Queensland 4008
<b>Date</b>	Wednesday, 22 November 2017
<b>Time</b>	1.00pm (Brisbane time)

Registration will commence at 12.45pm and light refreshments will be available after the meeting.

## Ordinary business

### Financial statements and reports

To receive and consider the Company's financial reports and the reports of the Directors and the auditor for the financial year ended 30 June 2017.

### Resolution 1 – Adoption of remuneration report

To consider and, if in favour, to pass the following resolution under section 250R(2) Corporations Act:

*'That the section of the report of the Directors for the financial year ended 30 June 2017 dealing with the remuneration of the Directors and other key management personnel (**KMP**) be adopted.'*

**Note:** This resolution will be decided as if it were an ordinary resolution, but under section 250R(3) Corporations Act the vote on this resolution is advisory only and does not bind the Directors or the Company.

#### Voting restriction:

- (a) KMP whose remuneration details are contained in the remuneration report (and their closely related parties) are restricted from voting on this resolution (in any capacity) under section 250R(4) Corporations Act.
- (b) However, a person described in paragraph (a) may cast a vote on this resolution as a proxy if the vote is not cast on behalf of a person described in paragraph (a) and either:
  - (i) the proxy appointment specifies the way the proxy is to vote on the resolution; or
  - (ii) the proxy appointment does not specify the way the proxy is to vote on the resolution, the proxy is the chair of the meeting and the proxy appointment expressly authorises the chair to vote undirected proxies on the resolution even if it is connected directly or indirectly with the remuneration of a member of the KMP. See note 7 below.
- (c) The Chairman intends to vote all undirected proxies in favour of Resolution 1. If you intend to appoint a member of the KMP (such as one of the Directors) as your proxy, please ensure that you direct them how to vote on Resolution 1.

### Resolution 2 – Re-election of Mr Craig Baker as Director

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

*'That Mr Craig Baker, who retires by rotation under rule 16.1 of the Company's constitution, and being eligible, be re-elected as a Director.'*

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

### **Resolution 3 – Election of Mr Russell Cole as Director**

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

*'That Mr Russell Cole, who was appointed as a Director by the Board on 28 February 2017 and whose appointment expires at the Meeting, and being eligible, be elected as a Director.'*

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

### **Resolution 4 – Election of Mr Prince Gunasekara as Director**

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

*'That Mr Prince Gunasekara, who was appointed as a Director by the Board on 1 September 2017 and whose appointment expires at the Meeting, and being eligible, be elected as a Director.'*

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

## **Special business**

### **Resolution 5 – Increase to the non-executive director fee cap**

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

*'That for the purpose of Listing Rule 10.17, rule 13.3 of the Company's constitution and all other purposes, the maximum aggregate annual fees payable out of the funds of the Company to the Company's non-executive directors for services as directors, including service on a committee of directors be increased from \$100,000 per annum (inclusive of SGC contributions) to \$200,000 per annum (inclusive of SGC contributions), to be paid in accordance with the terms and conditions set out in the Explanatory Memorandum.'*

#### **Voting restriction:**

The Company will disregard any votes cast on this resolution:

- (a) by a Director or any associate of a Director; and
- (b) as a proxy by a member of KMP or a closely related party of such a member, unless that vote is cast:
  - (c) as proxy for a person entitled to vote, in accordance with the directions on the proxy form; or
  - (d) by the Chairman as proxy for a person entitled to vote, in accordance with an express authority to vote undirected proxies as the Chairman sees fit (even though the resolution is connected directly or indirectly with the remuneration of Directors). See note 7 below.

The Chairman intends to vote all undirected proxies in favour of Resolution 5. If you intend to appoint a member of the KMP (such as one of the Directors) as your proxy, please ensure that you direct them how to vote on Resolution 5.

### **Resolution 6 – Ratification and approval of previous allotment and issue of securities**

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

*'That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the previous issue and allotment of 2,236,224 fully paid ordinary Shares to Mr Prince Priyantha Gunasekara at a price of \$0.46 per Share and otherwise on the terms and conditions set out in the Explanatory Memorandum.'*

#### **Voting restriction:**

As required by the Listing Rules, the Company will disregard any votes cast on this resolution by Mr Prince Priyantha Gunasekara and any of his associates. However, the Company need not disregard a vote if:

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

## Resolution 7 – Approval of additional capacity to issue shares under Listing Rule 7.1A

To consider and, if in favour, to pass the following as a special resolution:

*'That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the Company having the additional capacity to issue securities under Listing Rule 7.1A, on the terms set out in the Explanatory Memorandum.'*

### Voting restriction:

As required by the Listing Rules, the Company will disregard any votes cast on this resolution by persons who might participate in the issue of securities under this resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary Shares, and any associates of those persons. However, the Company need not disregard a vote if:

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

## General business

To consider any other business as may be lawfully put forward in accordance with the Company's constitution.

Dated: 20 October 2017

By order of the Board



Daniel Zgrajewski  
Company Secretary

### Notes:

- 1 The Company has determined under regulation 7.11.37 *Corporations Regulations 2001* (Cth) that for the purpose of voting at the Meeting or an adjourned meeting, securities are taken to be held by those persons recorded in the Company's register of Shareholders at 7pm (Sydney time) on Monday, 20 November 2017.
- 2 A member who is entitled to vote at the Meeting may appoint:
  - (a) one proxy if the member is only entitled to one vote; or
  - (b) one or two proxies if the member is entitled to more than one vote.
- 3 Where the member appoints two proxies, the appointment may specify the proportion or number of votes that each proxy may exercise. If the appointment does not specify a proportion or number, each proxy may exercise half of the votes in which case any fraction of votes will be disregarded.
- 4 If you wish to appoint a proxy and are entitled to do so, then complete and return the enclosed proxy form. If you require an additional proxy form, the Company will supply it on request. The proxy form is an integral part of this Notice and both documents should be read together.
- 5 A proxy need not be a member of the Company.
- 6 A corporation may elect to appoint a representative in accordance with the Corporations Act in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the Meeting.
- 7 The Chairman intends to vote undirected proxies in favour of each item of business to the extent permitted by law. If you appoint the Chairman as your proxy expressly or by default and you do not direct the Chairman how to vote on a resolution, by completing and returning the proxy form you authorise the Chairman to exercise the proxy and vote as the Chairman sees fit on a resolution, even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP of the Company.

# Explanatory Memorandum

PTB Group Limited ACN 098 390 991

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## Introduction

- 1 This Explanatory Memorandum has been prepared for the Shareholders of the Company in conjunction with the Notice of Annual General Meeting of the Company to be held at the Company's Brisbane office at 22 Orient Avenue, Pinkenba, Queensland at 1.00pm (Brisbane time) on Wednesday, 22 November 2017.
- 2 All Shareholders should read this Explanatory Memorandum in full and if they have any questions, Shareholders should obtain professional advice before making any decisions in relation to the resolutions to be put to Shareholders at the Meeting.

## Ordinary business

### Financial statements and reports

- 3 The Corporations Act requires that the Directors' report, the auditor's report and the financial report be laid before the annual general meeting. In addition, the Company's constitution provides for these reports to be received and considered at the meeting.
  - 4 Apart from the matters involving remuneration which are required to be voted upon, neither the Corporations Act nor the Company's constitution requires a vote of Shareholders at the annual general meeting on the financial statements and reports. However Shareholders will be given reasonable opportunity at the meeting to raise questions with respect to these reports.
  - 5 In addition to asking questions at the meeting, Shareholders may also submit written questions to the Chairman about the management of the Company or to the Company's auditor if the question is relevant to:
    - (a) the content of the audit report; or
    - (b) the conduct of its audit of the Company's annual report for the year ended 30 June 2017.
- Note:** Under section 250PA(1) Corporations Act a Shareholder must submit the question to the Company no later than the fifth business day before the day on which the AGM is held.
- 6 Any written questions may be submitted to the Company Secretary before 5.00pm on 15 November 2017 by email to [dzgrajewski@pacificturbine.com.au](mailto:dzgrajewski@pacificturbine.com.au), by fax, +61 7 3260 1180 or by post, PO Box 90, Pinkenba, Queensland 4008. A question form is attached to this Notice.
  - 7 Copies of the questions to the auditor received, and any written answers that have been prepared, will be available at the Meeting.

## Resolution 1 – Adoption of remuneration report

- 8 Section 250R(2) Corporations Act requires that the section of the Directors' report dealing with the remuneration of each member of the KMP of the consolidated entity be put to Shareholders for adoption.
- 9 The resolution of Shareholders is not binding on the Directors or the Company. However, if more than 25% of the votes cast on this resolution are against the adoption of the remuneration report, the remuneration report for the following year must either address any comments received from Shareholders or explain why no action has been taken in response to those comments. If, at the following annual general meeting, the remuneration report is again voted against by 25% or more of votes cast, a 'spill resolution' will be put to Shareholders. If at least 50% of the votes cast are in favour of the 'spill resolution' a special meeting of the Company will be held within 90 days at which the Directors in office at the time of the second annual general meeting (excluding the managing director) must resign and stand for re-election.
- 10 The remuneration report is set out on pages 8 to 13 of the 2017 annual report distributed to Shareholders. The report:
  - (a) sets out and explains the nature and level of remuneration paid to Directors, the Company Secretary and the Chief Financial Officer, who comprise the KMP of the consolidated entity for the year ended 30 June 2017;
  - (b) discusses the link between the Board's policies and the Company's performance; and

- (c) makes clear that the basis for remunerating non-executive Directors is distinct from the basis for remunerating executives, including executive Directors.
- 11 A reasonable opportunity will be provided to ask questions about, or make comments on, the remuneration report at the Meeting.
- 12 The Directors unanimously recommend that Shareholders vote in favour of this resolution.

## **Resolution 2 – Re-election of Mr Craig Baker as Director**

- 13 Rule 16.1 of the Company's constitution requires that at every annual general meeting, one-third of the Directors (other than the managing director) must retire from office. Craig Baker retires by rotation in accordance with rule 16.1 of the Company's constitution, but being eligible, offers himself for re-election.
- 14 Craig Baker was born in 1946 in New Zealand. He has had extensive experience in the aviation industry and is a qualified accountant having been involved in aviation businesses as a General Manager, Director and Finance Manager for over 35 years.
- 15 Craig was appointed as a Director on 9 October 2001. He was Managing Director of PTB until his resignation on 30 June 2017. Craig was then appointed as Chairman of the Board effective from 1 July 2017. He has held no Director positions with other listed companies in the last three years.
- 16 Craig is the Chairman of the Remuneration Committee and a member of the Audit and Risk Management Committee of the Company.
- 17 The Directors (with Craig Baker abstaining) unanimously recommend that Shareholders vote in favour of this resolution.

## **Resolution 3 – Election of Mr Russell Cole as Director**

- 18 The Board appointed Russell Cole to the Board on 28 February 2017. In accordance with Rule 13.2 of the Company's constitution, Mr Cole automatically retires but may be put forward for election at the next General Meeting.
- 19 Russell graduated from the University of Queensland with a Bachelor of Commerce and is a Chartered Accountant and Registered Company Auditor. He has over 25 years' experience in public practice as a Chartered Accountant specialising in the corporate sector with significant experience in audit, risk management and corporate governance. He has spent 15 years as an audit and assurance partner of national accounting firms with a particular focus on emerging listed companies.
- 20 Russell is the Chairman of the Audit and Risk Management Committee and a member of the Remuneration Committee. He has held no Director positions with other listed companies in the last three years.
- 21 The Directors (with Russell Cole abstaining) unanimously recommend that Shareholders vote in favour of this resolution.

## **Resolution 4 – Election of Mr Prince Gunasekara as Director**

- 22 The Board appointed Prince Gunasekara to the Board on 1 September 2017. In accordance with Rule 13.2 of the Company's constitution, Mr Gunasekara is also required to be put forward for election at the next General Meeting.
- 23 Mr Gunasekara is a Sri Lankan born aviation expert with over 20 years' experience, particularly within Japanese aviation. Prince has worked across many areas of the industry, including but not limited to procurement, aircraft parts and aircraft engines for Japanese aircraft operators.
- 24 Since joining the PTB team in 2013 as an Engine Sales Manager, Prince has been instrumental in introducing key Japanese investors and business partners. Business in Japan is built on the back of strong relationships and trust. As such, Prince has cultivated these relationships over many years and offers significant value for PTB Group, and its business partners and customers alike.



- 25 Prince's industry knowledge and his understanding of the PTB businesses, operations and growth strategy makes him an ideal addition to the Board. Furthermore, he brings with him a skill set complementary to that of existing Board members, making him well placed to help drive the strategic direction of PTB Group.
- 26 Prince has held no Director positions with other listed companies in the last three years.
- 27 **The Directors (with Prince Gunasekara abstaining) unanimously recommend that Shareholders vote in favour of this resolution.**

## **Special business**

### **Resolution 5 – Increase to the non-executive director fee cap**

- 28 Resolution 5 seeks approval to set the maximum aggregate sum payable to non-executive Directors at \$200,000 per annum, which is an increase of \$100,000 per annum. Under rule 13.3 of the Company's constitution and Listing Rule 10.17, the approval of Shareholders in general meeting is required for this increase.
- 29 The reasons for requesting the increase to the maximum aggregate remuneration for non-executive Directors are as follows:
- (a) the current limit of \$100,000 was set at the 2006 Annual General Meeting;
  - (b) the Board currently consists of one executive Director and four non-executive Directors. Since November 2006 when the current limit was approved, the proportion of non-executive directors has increased;
  - (c) the Board is of the view that the proposed increase to non-executive directors' aggregated remuneration is commensurate with market remuneration paid to non-executive directors at equivalent ASX listed companies and is necessary to retain and attract appropriately qualified non-executive directors to the Company; and
  - (d) the Company does not intend to allocate the full amount immediately. The proposed increase has been calculated to allow for growth over time in both the remuneration and the number of non-executive directors.
- 30 No securities have been issued to any non-executive Directors with Shareholder approval under Listing Rules 10.11 or 10.14 within the last three years.
- 31 Details of the Directors' remuneration are contained in the remuneration report for the financial year ended 30 June 2017, which can be found in the Company's 2017 annual report distributed to Shareholders.
- 32 If approved, the maximum amount of \$200,000 will be applied to the various non-executive Directors in accordance with the Company's constitution. Under the constitution, fees are paid in the proportion and manner agreed by Directors or, in default of agreement, divided equally.
- 33 **The Directors abstain from making a recommendation on this resolution.**

### **Resolution 6 – Ratification and approval of previous allotment and issue of securities**

- 34 On 27 June 2017, the Company issued 2,236,224 fully paid ordinary Shares at an issue price of \$0.46 per Share to Mr Prince Priyantha Gunasekara through a placement.
- 35 The purpose of this Resolution 6 is for Shareholders to approve and ratify, under Listing Rule 7.4 (and for all other purposes), this security issue which occurred during the 12 months before the date of this Meeting which counts toward the Company's 15% limit under Listing Rule 7.1.
- 36 Listing Rule 7.1 provides that (subject to certain exceptions, none of which applied to this issue) prior approval of Shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by the Company during the previous 12 months, exceed 15% of the number of the securities at the commencement of that 12 month period.

- 37 The allotment and issue of securities detailed in this Resolution 6 did not exceed the 15% threshold. However, Listing Rule 7.4 provides that where an entity ratifies an issue of securities, the issue is treated as having been made with approval for the purpose of Listing Rule 7.1, thereby replenishing that entity's 15% capacity and enabling it to issue further securities up to that limit.
- 38 Resolution 6 proposes the ratification and approval of the allotment and issue of securities for the purpose of satisfying the requirements of Listing Rule 7.4.
- 39 In compliance with the information requirements of Listing Rule 7.5, Shareholders are advised of the following particulars on the allotment and issue to which the resolution relates:

Date of issue	Number of securities	Issue price per security	Terms of securities issued	Persons to whom securities were issued	Basis for determining allottees and use of funds raised by the issue
27 June 2017	2,236,224	\$0.46	Securities rank equally with the existing securities on issue.	Mr Prince Priyantha Gunasekara	Securities issued through a private placement. Funds used for working capital purposes and to fund growth of the Company's Pacific Turbine USA business.

- 40 **The Directors (with Prince Gunasekara abstaining) recommend you vote for this resolution.** For completeness, the Company notes that Mr Gunasekara was not a Director (and the Board had not resolved or otherwise formed an intent to appoint him as a Director) at the time of this placement.

## Resolution 7 – Approval of additional capacity to issue shares under Listing Rule 7.1A

### Background

- 41 Listing Rule 7.1 allows the Company to issue a maximum of 15% of its capital in any 12 month period without requiring shareholder approval. Under Listing Rule 7.1A, eligible entities (companies that are not included in the S&P/ASX300 Index and have a market capitalisation equal to or less than \$300 million) can issue a further 10% (on top of the 15% permitted by Listing Rule 7.1) of the share capital in 12 months on a non-pro rata basis.
- 42 The Company is an eligible entity as at the date of this Notice and must remain compliant with the requirements of Listing Rule 7.1A to be able to utilise the additional capacity to issue shares under that Listing Rule.
- 43 The ability of the Company to issue shares under Listing Rule 7.1A is subject to shareholder approval by way of special resolution at a general meeting.

### Specific information under the Listing Rules

- 44 For the purposes of Listing Rule 7.3A the Company provides the following information:

<b>Minimum price at which the equity securities may be issued</b>	<p>The issue price of each security must be no less than 75% of the volume weighted average price for the shares calculated over the 15 trading days on which trades in that class were recorded immediately before:</p> <p>(a) the date on which the price, at which the securities are to be issued, is agreed; or</p> <p>(b) if the securities are not issued within five trading days of the date in paragraph (a), the date on which the securities are issued.</p>
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<b>Risk of economic and voting dilution</b>	<p>An issue of securities under Listing Rule 7.1A involves the risk of economic and voting dilution for existing ordinary security holders. The risks include:</p> <ul style="list-style-type: none"> <li>(a) the market price for securities may be significantly lower on the issue date than on the date of the approval under Listing Rule 7.1A; and</li> <li>(b) the securities may be issued at a price that is at a discount to the market price for the securities on the issue date.</li> </ul> <p>Under Listing Rule 7.3A.2, a table describing the notional possible dilution, based upon various assumptions as stated, is set out below.</p>
<b>Date by which the Company may issue the securities</b>	<p>Shareholder approval under Listing Rule 7.1A is valid for period commencing on the date of the Meeting and expiring on the first to occur of the following:</p> <ul style="list-style-type: none"> <li>(a) the date which is 12 months after the date of the Meeting; and</li> <li>(b) the date of the approval by holders of the Company's ordinary securities of a transaction under Listing Rules 11.1.2 or 11.2.</li> </ul>
<b>Purposes for which the equity securities may be issued, including whether the Company may issue them for non-cash consideration</b>	<p>It is the board's current intention that any funds raised under an issue of securities will be applied to meet general operating expenses and further the Company's growth strategies. This may include costs to:</p> <ul style="list-style-type: none"> <li>(a) continue growth of the Company's USA business;</li> <li>(b) increase engine production; and</li> <li>(c) implement freight efficiencies.</li> </ul> <p>It is not the current intention to issue securities for non-cash consideration.</p>
<b>Details of the Company's allocation policy for issues under approval</b>	<p>The Company does not currently know the nature of the capital raising which may be conducted under Listing Rule 7.1A (if any). No allocation policy has therefore been determined.</p> <p>The Company's allocation is dependent on the prevailing market conditions at the time of any proposed issue pursuant to Listing Rule 7.1A. The identity of the allottees will be determined on a case-by-case basis having regard to factors including but not limited to the following:</p> <ul style="list-style-type: none"> <li>(a) the methods of raising funds that are available to the Company including but not limited to, rights issue or other issue in which existing security holders can participate;</li> <li>(b) the effect of the issue of the Listing Rule 7.1A shares on the control of the Company;</li> <li>(c) the financial situation and solvency of the Company; and</li> <li>(d) advice from corporate, financial and broking advisers (if applicable).</li> </ul> <p>The allottees may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.</p>
<b>Previous approvals under Listing Rule 7.1A</b>	<p>The Company sought and obtained approval under Listing Rule 7.1A at a general meeting on 9 June 2017 but has not issued any securities under this authority.</p> <p>The information required by Listing Rule 7.3A.6 is set out below.</p>

### Information under Listing Rule 7.3A.6

As the Company has previously obtained Shareholder approval under Listing Rule 7.1A, in accordance with Listing Rule 7.3A.6 the Company advises that 9,910,394 securities have been issued in the 12 months preceding the date of the Meeting, representing 18.76% of the total securities on issue 12 months before the date of the Meeting. This assumes no issues occur between the date of this Notice and the date of the Meeting.

Details of the securities issued in the 12 months preceding the date of this annual general meeting are set out in the following table:

<b>Date of issue</b>	<b>Number and class of securities</b>	<b>Terms of securities issued</b>	<b>Issue price per security</b>	<b>Persons to whom securities were issued, or the basis for determining allottees</b>	<b>Total cash consideration<sup>1</sup>, what it was spent on and proposed application of balance of funds raised</b>
21 June 2017	3,000,000 fully paid ordinary Shares	Securities rank equally with the existing securities on issue. However, the securities are subject to the terms of the employee share scheme approved by Shareholders on 9 June 2017, as described in the relevant notice of meeting.	\$0.55, which was a premium to the closing market price on the date of issue.	Shares issued to an associate of the managing director, Mr. Stephen Smith.	The Company provided a loan for a principal sum of \$1.65 million to facilitate the subscription for the Shares issued. On cash repayment of the loan, it is intended that the funds will be used for general working capital purposes.
26 June 2017	4,674,170 fully paid ordinary Shares	Securities rank equally with the existing securities on issue.	\$0.45, representing a 6.25% discount to the closing market price on the date of issue.	Shares issued to Shareholders who participated in the dividend reinvestment plan.	Total consideration of \$2,103,376.50 for Shares issued pursuant to the Company's dividend reinvestment plan.
27 June 2017	2,236,224 fully paid ordinary Shares	Securities rank equally with the existing securities on issue.	\$0.46, representing a 4.17% discount to the closing market price on the date of issue.	A sophisticated investor, Mr Prince Priyantha Gunasekara.	Total consideration of \$1,028,663.04. Funds have been used for working capital purposes and to fund growth of the Company's Pacific Turbine USA business.

### Information under Listing Rule 7.3A.2

- 45 Listing Rule 7.3A.2 requires the Company to provide a table demonstrating the potential dilution effect based on three different assumed prices of securities and three different numbers of securities on issue in the Company.
- 46 The following table shows the dilution of existing shareholdings on the basis of the current market price of securities as at 19 October 2017 (being the trading price at close of trade on the trading day immediately prior to printing of this Notice) and the current number of securities for Variable 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 applying the assumptions set out in the following paragraphs.

<sup>1</sup> No securities were issued for non-cash consideration.  
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- 47 The table shows two examples where variable 'A' has increased, by 50% and 100%. Variable 'A' may increase as a result of issues of ordinary securities being counted toward Variable 'A' 12 months after their date of issue, issues 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 Listing Rule 7.1 that are approved at a future shareholders' meeting.
- 48 The table also shows two examples where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.31 50% decrease in issue price	\$0.62 Issue price	\$1.24 100% increase in issue price
<b>Current Variable 'A'</b> 62,749,389 Shares	<b>10% voting dilution</b>	6,274,938	6,274,938	6,274,938
	<b>Funds raised</b>	\$1,945,231	\$3,890,462	\$7,780,923
<b>50% increase in current Variable 'A'</b> 94,124,083 Shares	<b>10% voting dilution</b>	9,412,408	9,412,408	9,412,408
	<b>Funds raised</b>	\$2,917,846	\$5,835,693	\$11,671,386
<b>100% increase in current Variable 'A'</b> 125,498,778 Shares	<b>10% voting dilution</b>	12,549,877	12,549,877	12,549,877
	<b>Funds raised</b>	\$3,890,462	\$7,780,924	\$15,561,847

\* Current Variable A refers to current maximum potential after this Meeting assuming approval of Resolution 6 and no further issues.

The above table has been prepared on the following basis:

- The Company issues the maximum number of shares available under the 10% Listing Rule 7.1A approval.
- 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 share issues under Listing Rule 7.1A, based on that shareholder's holding at the date of the Meeting.
- The table shows only the effect of issues of shares under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- The issue of shares under Listing Rule 7.1A facility consists only of ordinary shares in the Company.
- The issue price is \$0.62, being the closing price of the shares on ASX as at 19 October 2017.

- 49 **The Directors recommend you vote for this resolution.**

PTB GROUP LIMITED - 2017 ANNUAL GENERAL MEETING  
QUESTIONS FROM SHAREHOLDERS

The Board welcomes Shareholder questions and comments on any Shareholder matters relevant to the business of the meeting.

We encourage you to submit your questions as early as possible to allow sufficient time for comprehensive answers to be prepared.

Please use this form to submit questions to the Board or the Company's auditor and return it to the Company Secretary, Daniel Zgrajewski on or before 15 November 2017 by post to PO Box 90, Pinkenba, QLD 4008, by facsimile to +61 7 3260 1180 or by e-mail to dzgrajewski@pacificturbine.com.au.

The Board will endeavour to address as many as possible of the more frequently raised shareholder matters during the course of the AGM. However, if a topic is not addressed at the meeting, an individual response will be sent to you.

Shareholder's Name:

Address:

Security Reference (SRN) or Holder Identification Number (HIN):

Question(s):

1.

2.

3.



**PTB GROUP LIMITED**

ACN 098 390 991

## LODGE YOUR VOTE



### ONLINE

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



### BY MAIL

PTB Group Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia



### BY FAX

+61 2 9287 0309



### BY HAND

Link Market Services Limited  
A Homebush Bay Drive, Rhodes NSW 2138



### ALL ENQUIRIES TO

Telephone: +61 1300 554 474



**X99999999999**

## PROXY FORM

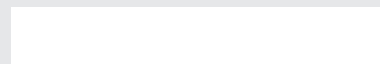
I/We being a member(s) of PTB Group Limited and entitled to attend and vote hereby appoint:

### 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



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 **1:00pm (Brisbane time) on Wednesday, 22 November 2017 at PTB Brisbane, 22 Orient Avenue, Pinkenba, Queensland (the Meeting)** and at any postponement or adjournment of the Meeting.

**Important for Resolutions 1 and 5:** 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 Resolutions 1 and 5, even though the Resolutions are 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 ☒.**

#### Resolutions

**For Against Abstain\***

**For Against Abstain\***

**1** Adoption of remuneration report

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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**5** Increase to the non-executive director fee cap

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

**2** Re-election of Mr Craig Baker as Director

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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**6** Ratification and approval of previous allotment and issue of securities

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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**3** Election of Mr Russell Cole as Director

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

**7** Approval of additional capacity to issue shares under Listing Rule 7.1A

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

**4** Election of Mr Prince Gunasekara as Director

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------



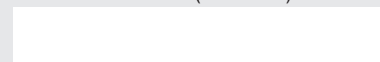
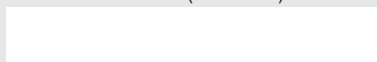
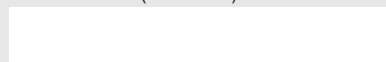
\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### 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, all shareholders must 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).

**PTB PRX1702C**



## 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 Resolutions are 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, all shareholders must 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 **1:00pm (Brisbane time) on Monday, 20 November 2017**, 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

PTB Group 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

\* 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.**