

Notice of Annual General Meeting 2017

Notice is given that the Annual General Meeting (AGM) of members of WAM Active Limited (the Company) will be held as follows:

Date 29 November 2017

Time 9.00am (AEDT)

Venue The Auditorium, Wesley Centre, 220 Pitt Street, Sydney

Business

Financial statements and Reports

To receive and consider the financial Statements, Directors' Report and Auditor's Report of the Company for the financial year ended 30 June 2017.

Note: There is no requirement for shareholders to approve these reports.

Resolution 1: Adoption of Remuneration Report

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

"That in accordance with Section 250R of the Corporations Act 2001 (Cth) and the Company's Constitution, the Remuneration Report, as set out in the Directors' Report, be adopted."

Notes:

- a) the vote on this resolution is advisory only and does not bind the Directors or the Company.
- b) the Company's key management personnel (whose remuneration details are included in the Remuneration Report) and their closely related parties must not cast a vote on the Remuneration Report unless they are appointed in writing as a proxy for a member eligible to vote on the resolution and that proxy specifies how to vote on the resolution.
- c) the Chairman will vote all undirected proxies in favour of this resolution. If you wish to vote 'against' or 'abstain' you should mark the relevant box in the attached proxy and question form.

Resolution 2: Re-election of Director – Matthew Kidman

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

"That Mr Matthew Kidman, who retires by rotation in accordance with the Rule 6.5 of the Company's Constitution and Listing Rule 14.4 and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

Resolution 3: Re-election of Director – Kate Thorley

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

"That Ms Kate Thorley, who retires by rotation in accordance with the Rule 6.5 of the Company's Constitution and Listing Rule 14.4 and, being eligible, offers herself for re-election, be re-elected as a Director of the Company."

Resolution 4: Approval of additional 10% placement capacity

To consider and, if thought fit, pass the following resolution, with or without amendment, as a **special resolution**:

"That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of equity securities up to 10% of the issued share capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum."

Note: Without limitation, Listing Rule 7.1A is relevant to this special resolution.

Voting exclusion statement: The Company will disregard any votes cast on this Resolution 4 by any person who may participate in the proposed issue of equity securities under this Resolution 4 and any person who might obtain a benefit, except a benefit solely in the capacity of a shareholder if Resolution 4 is passed and any of their associates, unless the vote is cast:

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

Note: *In accordance with Listing Rule 14.11.1 and the relevant note under that rule concerning Listing Rule 7.1A, as at the date of this notice of Meeting it is not known who may participate in the proposed issue (if any). On that basis, no shareholders are currently excluded.*

Proxies

A member entitled to attend and vote at this AGM is entitled to appoint not more than two proxies to attend and vote in his/her place. A proxy does not need to be a member of the Company.

If a member appoints two proxies, the member may specify the proportion or number of votes each proxy is entitled to exercise. If no proportion or number of votes is specified, each proxy may exercise half of the member's votes. If the specified proportion or number of votes exceeds that which the member is entitled to, each proxy may exercise half of the member's votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.

Proxies can be appointed in one of three ways:

- a) online through the share registry's website at: www.votingonline.com.au/wamactiveagm2017
- b) by posting or delivering the proxy and question form by hand to the share registry (addresses below); or
- c) by faxing the proxy and question form to the share registry (fax number below).

Proxies must be appointed no later than 48 hours before the AGM i.e. 9.00am (AEDT) on 27 November 2017.

Hand deliveries to our share registry:
Boardroom Pty Limited
Level 12
225 George Street
Sydney NSW 2000

Postal address:
Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

Fax number:
+ 61 2 9290 9655

A proxy and question form is provided with this Notice.

Optional question for the Chairman or Auditor

We aim to provide shareholders with the best opportunity to ask questions about the Company and its external audit at the AGM. If you would like to ask a question, please complete the optional question for the Chairman or Auditor on the enclosed proxy and question form and return it to Boardroom.

Entitlement to Vote

In accordance with section 1074E(2)(g)(i) of the *Corporations Act 2001* (Cth) and regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the Meeting all shares in the capital of the Company will be taken to be held by the persons who held them as registered holders at 7.00pm (AEDT) on 27 November 2017. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the AGM.

By order of the Board

Linda Vo
Company Secretary
13 October 2017

Explanatory Memorandum

This Explanatory Memorandum sets out further information regarding the proposed resolutions to be considered by shareholders of WAM Active Limited (the Company) at the 2017 Annual General Meeting (AGM) to be held commencing at 9.00am (AEDT) on 29 November 2017 at **The Auditorium, Wesley Centre, 220 Pitt Street, Sydney**.

The Directors recommend that shareholders read this Explanatory Memorandum before determining whether or not to support the resolutions.

Resolution 1: Adoption of Remuneration Report

The Corporations Act requires that at a listed company's AGM, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and key management personnel of the Company. The Remuneration Report is part of the Directors' Report contained in the Annual Report of the Company for the financial year ending 30 June 2017.

The Directors will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at this meeting when reviewing the Company's remuneration policies. If 25% or more of the votes cast are 'against' the adoption of the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a 'spill resolution') that another meeting of the Company's members be held within 90 days. At this further meeting, all of the Company's Directors must go up for election. The spill resolution is an ordinary resolution.

*The Directors recommend that shareholders **vote in favour** of adopting the Remuneration Report.*

Resolutions 2 and 3: Re-election of Director – Matthew Kidman and Kate Thorley

Under the Company's Constitution, one third of the Directors or the number nearest to one third of the Company's longest serving Directors since the last election or re-election, and not including a Director appointed by the remaining Directors either to fill a casual vacancy or as an addition to the existing Directors, must retire unless re-elected. Each retiring Director is eligible for re-election in accordance with the Listing Rules and the Constitution.

Resolution 2 provides for the re-election of Mr Matthew Kidman as a Director in accordance with the Constitution.

*The Directors (excluding Mr Matthew Kidman) support the re-election of Mr Matthew Kidman and recommend that shareholders **vote in favour** of Resolution 2.*

Resolution 3 provides for the re-election of Ms Kate Thorley as a Director in accordance with the Constitution.

*The Directors (excluding Ms Kate Thorley) support the re-election of Ms Kate Thorley and recommend that shareholders **vote in favour** of Resolution 3.*

Resolution 4: Approval of additional 10% placement capacity

Listing Rule 7.1A provides that an eligible entity may seek shareholder approval by special resolution at its AGM to issue equity securities equivalent to an additional 10% of the number of ordinary securities on issue over a period of 12 months after the AGM (10% Placement Capacity). This is in addition to the existing 15% placement capacity permitted by Listing Rule 7.1.

If shareholders approve Resolution 4, the number of equity securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out below).

An eligible entity is one that, as at the date of the relevant AGM:

- a) is not included in the S&P/ASX 300 Index; and
- b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of less than \$300,000,000.

Any equity securities issued must be in the same class as an existing class of quoted equity securities. The Company currently has two classes of quoted equity securities on issue, being Shares (ASX code: WAA) and Options (ASX code: WAAO).

While the Company does not have any immediate plans to issue equity securities, purposes for which equity securities may be issued pursuant to Resolution 4 may include the raising of capital to facilitate further investment opportunities.

The number of equity securities that the Company may issue under the approval sought by Resolution 4 will be calculated in accordance with the following formula as set out in Listing Rule 7.1A.2:

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

Where:

A = the number of fully paid Shares on issue 12 months before the date of issue or agreement to issue:

- (i) plus the number of Shares issued in the 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid Shares that became fully paid in the 12 months;
- (iii) plus the number of fully paid Shares issued in the 12 months under Listing Rules 7.1 and 7.4; and
- (iv) less the number of fully paid Shares cancelled in the 12 months.

D = 10%.

E = the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of the shareholders under Listing Rule 7.1 or 7.4.

Technical information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 4:

- a) Minimum Price: under the Listing Rules, the minimum price at which the equity securities may be issued is 75% of the volume weighted average market price of equity securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the equity securities are to be issued is agreed; or
 - (ii) if the equity securities are not issued within 5 trading days of the date in paragraph (i) above, the date on which the equity securities are issued.
- b) Risk of voting dilution: shareholders should be aware there is a risk of economic and voting dilution that may result from an issue of equity securities under the 10% Placement Capacity, including the risk that:
 - (i) the market price for equity securities in that class may be significantly lower on the issue date than on the date of the Meeting where approval is being sought; and
 - (ii) the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the date of issue.

Any issue of equity securities under the 10% Placement Capacity will dilute the interests of shareholders who do not receive any equity securities under the issue, unless the only equity securities issued under the 10% Placement Capacity are options and these options are not exercised.

If Resolution 4 is approved by shareholders and the Company issues the maximum number of equity securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below, assuming that any options issued under the 10% Placement Capacity are exercised.

The table below shows the potential dilution of existing shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the current market price of the Shares and the number of Shares on issue as at 13 October 2017. The table also assumes that no options on issue are exercised into Shares before the date of issue of the equity securities.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.5875 50% decrease in Issue Price	\$1.175 Issue Price	\$2.35 100% increase in Issue Price
39,166,976				
Current Variable A	10% Voting dilution	3,916,698 Shares	3,916,698 Shares	3,916,698 Shares
	Funds raised	\$2,301,060	\$4,602,120	\$9,204,239
58,750,464				
50% increase in current Variable A	10% Voting dilution	5,875,046 Shares	5,875,046 Shares	5,875,046 Shares
	Funds raised	\$3,451,590	\$6,903,180	\$13,806,359
78,333,952				
100% increase in current Variable A	10% Voting dilution	7,833,395 Shares	7,833,395 Shares	7,833,395 Shares
	Funds raised	\$4,602,120	\$9,204,239	\$18,408,479

Notes:

1. The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that do not require shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with shareholder approval under Listing Rule 7.1.
 2. The table above uses the following assumptions:
 - (i) The current Shares on issue are the Shares on issue as at 13 October 2017.
 - (ii) The issue price set out above is the closing price of the Shares on ASX on 13 October 2017.
 - (iii) The Company issues the maximum possible number of equity securities under the 10% Placement Capacity and no options on issue are exercised.
 - (iv) The Company has not issued any equity securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
 - (v) The calculations above do not show the dilution that any one particular shareholder will be subject to. All shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
 - (vi) This table does not set out any dilution pursuant to approvals under Listing Rule 7.1.
 - (vii) 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%.
- c) Date of Issue: equity securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:
- (i) 12 months after the date of the Meeting; and
 - (ii) the date of approval by shareholders of any transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking).
- The approval under Listing Rule 7.1A will cease to be valid in the event that shareholders approve a transaction under Listing Rule 11.1.2 or 11.2.
- d) Purpose of Issue under 10% Placement Capacity: the Company may issue equity securities under the 10% Placement Capacity for the following purposes:
- (i) as cash consideration in which case the Company intends to use funds raised for investment purposes in line with the Company's investment policy; or
 - (ii) as non-cash consideration for investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

- e) Allocation under the 10% Placement Capacity: The allottees of the equity securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of equity securities could consist of current shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
 - (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing shareholders may participate;
 - (iii) the effect of the issue of the equity securities on the control of the Company;
 - (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
 - (v) prevailing market conditions; and
 - (vi) advice from corporate, financial and broking advisers (if applicable).
- f) Previous approval under Listing Rule 7.1A: the Company obtained shareholder approval under Listing Rule 7.1A at the 2016 AGM held on 23 November 2016. In the 12 months preceding the date of that AGM, the Company issued a total of 205,119 Shares which represents 0.6% of the total number of equity securities on issue at commencement of that 12 month period.

Details are as follows:

Date of issue	No. of equity securities	Issued to	Issue price	Discount/(premium) to market price	Total consideration	Amount spent
13 December 16 – 6 October 17	3,267,187 ordinary shares	Optionholders following the exercise of options	\$1.14	3.4% - (3.6%)	\$3,724,593	\$3,724,593
26 May 17	205,119 ordinary shares	Eligible shareholders under a dividend reinvestment plan	\$1.08286	2.5%	\$221,115	N/A – Dividends reinvested

The funds raised from the exercise of options totalling \$3,724,593 were used for investment purposes in line with the Company's investment strategy.

Voting exclusion

A voting exclusion statement is included under Resolution 4 in this Notice of Meeting. As at the date of this Notice, the Company has not invited any existing shareholder to participate in an issue of equity securities under Listing Rule 7.1A. Therefore, no existing shareholders will be excluded from voting on Resolution 4.

Resolution 4 is a special resolution. Accordingly, at least 75% of votes cast by shareholders present and eligible to vote at the Meeting must be in favour of Resolution 4 for it to be passed.

*The Directors support the additional 10% placement capacity and recommend that shareholders **vote in favour of Resolution 4.***

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 9.00am (AEDT) on Monday 27 November 2017**

🖥 To vote online

- Step 1: Visit www.votingonline.com.au/wamactiveagm2017**
- 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 and question 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 and question form may be obtained by contacting the company's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two proxy and question forms. On each proxy and question 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 share 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 and question 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 **9.00am (AEDT) on Monday 27 November 2017**. Any proxy and question form received after that time will not be valid for the scheduled meeting.

Proxy and question forms may be lodged using the enclosed reply paid envelope or:

- 💻 **Online** www.votingonline.com.au/wamactiveagm2017
- 📠 **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 and question form

Step 1 Appoint a proxy

I/We being a member/s of **WAM Active 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 at **The Auditorium, Wesley Centre, 220 Pitt Street, Sydney NSW 2000 on Wednesday, 29 November 2017 at 9.00am (AEDT)** 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 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of Resolution 1 even though Resolution 1 is connected with the remuneration of a member of the key management personnel for WAM Active Limited.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 1). 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 1 To Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 To re-elect Mr Matthew Kidman as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 To re-elect Ms Kate Thorley as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Approval of additional 10% placement capacity	<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

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / / 2017

Optional question for the Chairman or Auditor

We aim to provide shareholders with the best opportunity to ask questions about the Company and its external audit at the Annual General Meeting. We will seek to respond to as many of the frequently asked questions as possible.