

12 January 2018
Code: TAU

GENERAL MEETING ANNOUNCEMENT

The Directors of Trustees Australia have dispatched a Notice of General Meeting of the Company, to be held on 9 February 2018, to primarily consider a resolution to approve an issue of non-voting Preference Shares (CRPS) to the major shareholders of the Company to help fund the continued development of the Cashwerkz Fintech platform for the placement and management of term deposits with Australian Banks.

On 31 July 2017, Shareholders approved the demerger of Jimmy Crow Limited and the acquisition of Cashwerkz Pty Ltd. In conjunction, Shareholders also approved a placement to raise up to \$10 million through the issue of Shares (Placement) and a Director Placement.

The Cashwerkz acquisition and Director Placement was completed on 18 August 2017. Since that time the Company has been focusing on developing the significant synergies between the traditional financial services offered by the Company and its subsidiaries and building the momentum for properly marketing the combined group of services to prospective customers.

Additionally, the development of the Cashwerkz platform has continued, concentrating on adaptations which are able to deliver some material short term opportunities to increase revenues and long term synergistic partnerships.

To assist with this and maintain compliance with Net Tangible Asset requirements under the Group's financial services licences, the Board approved the issue to an unassociated investor of 2,443,500 convertible redeemable preference shares (CRPS), each with a face value of \$1.00 on 29 December 2017. These funds have been progressively subscribed since 30 August 2017. This issue was able to be completed without requiring shareholder approval as it was not with a related party.

Separately, under a similar arrangement, Adcock Private Equity and the Hackett Entities (each a Subscriber) have agreed subject to shareholder approval, to subscribe for up to \$5,000,000 of CRPS.

The CRPS are equity securities and, as Mr Adcock and Mr Hackett are directors of the Company and therefore related parties, Shareholder approval is required for the Second Director Placement to the entities controlled by them. These funds will be used to redeem the CRPS on issue to the unassociated investor and continue the development of the business and Cashwerkz platform prior to the Placement being completed.

Additionally, the Company wishes to seek a further approval for the Placement to complete within three months from the date of the upcoming Meeting or at any later date pursuant to any waiver granted by ASX. At the same time the directors seek to refresh the prior approval of incentive Performance Options to Directors, which also requires shareholder approval.

Please consider the Notice attached and the Explanatory Memorandum in full and provide your assistance by voting by proxy or by attending the Meeting to do so.

TRUSTEES AUSTRALIA LIMITED

MICHAEL HACKETT

Chairman
Ends.



Notice of General Meeting

A General Meeting of the shareholders of Trustees Australia Limited (ABN: 42 010 653 862) will be held in the Trustees Australia Office Building at Level 6, 140 Ann Street, Brisbane on 9th February 2018 at 12 noon (AEST).

This Notice of Meeting should be read in its entirety. If Shareholders are in any doubt as to how they should vote, they should seek advice from their professional advisor prior to voting. Please contact the Company Secretary on +61 7 3020 3020 if you have questions concerning the Meeting.

Trustees Australia Limited
ABN 42 010 653 862

Notice of General Meeting

Notice is hereby given that a General Meeting of the Shareholders of Trustees Australia Limited (**Company**) will be held in the Trustees Australia office building at Level 6, 140 Ann Street, Brisbane on 9th February 2018 at 12 noon (AEST) (**Meeting**).

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and Proxy Form are each part of this Notice of Meeting.

Shareholders are urged to vote by attending the Meeting in person or by returning a completed Proxy Form. Instructions on how to complete a Proxy Form are set out in the Explanatory Memorandum.

Proxy Forms must be received by no later than 12 noon (AEST) on 7th February 2018.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1 of the Explanatory Memorandum.

Agenda

RESOLUTION 1 - ISSUE OF CONVERTIBLE REDEEMABLE PREFERENCE SHARES

To consider, and if thought fit, to pass with or without amendment the following resolution as an ordinary resolution:

“That, subject to Resolution 1 being passed and for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the issue of up to 5,000,000 Convertible Redeemable Preference Shares (CRPS) to Adcock Private Equity Limited and the Hackett Entities on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 2 - ATTACHMENT OF ADDITIONAL RIGHTS TO CRPS

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

“That, subject to Resolution 1 being approved and for the purposes of section 254A(2) of the Corporations Act and for all other purposes, approval is given for the issue of Convertible Redeemable Preference Shares (CRPS) in the Company on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 3 - ISSUE OF SHARES TO RAISE UP TO \$ 10,000,000

To consider, and if thought fit, to pass with or without amendment the following resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the issue of Shares at an issue price of no less than 80% of the VWAP for Shares calculated over the last 5 days on which sales in Shares were recorded before the day on which the issue is made to raise up to \$10,000,000 (the \$10 million Placement) and otherwise on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 4 - ISSUE OF SECURITIES UNDER THE TAU INCENTIVE PLAN TO MICHAEL HACKETT

To consider, and if thought fit, to pass with or without amendment the following as an ordinary resolution:

“That for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the grant of up to 2.0 million Performance Options to Michael Hackett or his nominee under the TAU Incentive Plan on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 5 - ISSUE OF SECURITIES UNDER THE TAU INCENTIVE PLAN TO NATHAN LEMAN

To consider, and if thought fit, to pass with or without amendment the following as an ordinary resolution:

“That for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the grant of up to 2.0 million Performance Options to Nathan Leman or his nominee under the TAU Incentive Plan on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 6 - ISSUE OF SECURITIES UNDER THE TAU INCENTIVE PLAN TO BROOK ADCOCK

To consider, and if thought fit, to pass with or without amendment the following as an ordinary resolution:

“That for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the grant of up to 2.0 million Performance Options to Brook Adcock or his nominee under the TAU Incentive Plan on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 7 - ISSUE OF SECURITIES UNDER THE TAU INCENTIVE PLAN TO JOHN NANTES

To consider, and if thought fit, to pass with or without amendment the following as an ordinary resolution:

“That for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the grant of up to 4.0 million Performance Options to John Nantes or his nominee under the TAU Incentive Plan on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

VOTING PROHIBITION AND EXCLUSION STATEMENTS

In accordance with Listing Rule 14.11, the Company will disregard any votes cast on the following Resolutions by the following persons:

Resolution 1 – Issue of CRPS to Adcock Private Equity and the Hackett Entities	Adcock Private Equity and Michael Hackett, and persons who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and their associates.
Resolution 3 – Placement	A person who may participate in the proposed issue and persons who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and their associates.
Resolutions 4 – 7 Issue of Directors’ Options	Directors of the Company and their associates.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the direction on the Proxy 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 Form to vote as the proxy decides.

By order of the Board of Directors

Trustees Australia Limited

Jerome Jones

Company Secretary

10 January 2018

Trustees Australia Limited
ABN 42 010 653 862

Explanatory Memorandum

1 INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held in the Trustees Australia office building at Level 6, 140 Ann Street, Brisbane on 9th February 2018 at 12 noon (AEST). The purpose of this Explanatory Memorandum is to provide information to assist Shareholders in deciding how to vote on the Resolutions set out in the Notice.

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice, and includes the following:

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A Proxy Form is located at the end of the Explanatory Memorandum.

Please contact the Company Secretary on +61 7 3020 3020 if you wish to discuss any matter concerning the Meeting.

Any forward looking statements in this Explanatory Memorandum are based on the Company's current expectations about future events. They are, however, subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of both the Company, and the board, which could cause actual results, performance or achievements expressed or implied by forward-looking statements in this Explanatory Memorandum.

This Explanatory Memorandum does not take into account any person's investment objectives, financial situation or particular needs. If you are in any doubt about what to do in relation to the Meeting you should consult your financial or other professional advisor.

Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

Proxies

All Shareholders are invited and encouraged to attend the Meeting. Any Shareholder who is unable to attend in person, may appoint a representative (or proxy) to attend on their behalf by signing and returning the Proxy Form (attached to the Notice) to the Company in accordance with the instructions on the Proxy Form. The Company encourages Shareholders completing a Proxy Form to direct the proxy how to vote on each Resolution.

The Proxy Form must be received no later than 48 hours before the commencement of the Meeting, i.e. by no later than 12 noon on 7th February 2018. Any Proxy Form received after that time will not be valid for the Meeting.

A Proxy Form may be lodged in the following ways:

By Mail	Trustees Australia Limited GPO Box 6 Brisbane QLD 4001
By Email	shareholders@trusteesau.com.au
By Facsimile	+61 7 3020 3080

Shareholders lodging a Proxy Form are not precluded from attending and voting in person at the Meeting.

Corporate representatives

Any Shareholder which is a body corporate may appoint a person to act as their corporate representative at the Meeting by providing that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as the body corporate's representative. The authority must be produced at the Meeting and may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

An Appointment of Corporate Representative Form is available from the Company's Share Registry on the Boardroom Ltd website at www.boardroomlimited.com.au.

Eligibility to vote

The Directors have determined that, for the purposes of voting at the Meeting, Shareholders are those persons who are the registered holders of Trustees Australia Existing Shares at 5.00pm (AEST) on 7th February 2018.

2 CONVERTIBLE REDEEMABLE PREFERENCE SHARES SUBSCRIPTION AGREEMENT

2.1 Introduction

On 31 July 2017 Shareholders approved the acquisition of Cashwerkz Pty Ltd. In conjunction, Shareholders also approved:

- (a) a placement to raise up to \$10 million through the issue of Shares at an issue price no less than 80% of the Company's 5 day VWAP prior to the Share issue (\$10m **Placement**); and
- (b) to satisfy the minimum cash and net tangible asset (**NTA**) backing requirements of the various AFSs held by the combined Trustees Australia Group on an interim basis, a placement (**Director Placement**) to Adcock Private Equity, an entity controlled by Brook Adcock, and the Hackett Entities (both Directors of the Company) to raise \$650,000 at the same issue price as the \$10m Placement (or, in the event the Placement did not occur within 3 months following Shareholder approval, the Company's VWAP for that period), subject to a minimum issue price of \$0.20.

The Cashwerkz acquisition and Director Placement completed on 18 August 2017. Since that time the Company has been focusing on developing the significant synergies between the traditional financial services offered by the Company and its subsidiaries and building the momentum for properly marketing the combined group of services to prospective customers.

Additionally, the development of the Cashwerkz platform has continued, concentrating on adaptations which are able to deliver some material short term opportunities to increase revenues and long term synergistic partnerships.

As part of this process, the Board decided it would be in the Company's best interests to briefly defer raising capital via the Placement approved at the General Meeting held on 31 July 2017.

To provide additional working capital and to comply with the net tangible assets requirements of the Group's AFSs, the Company has entered into further funding agreements (**CRPS Subscription Agreements**) with an unrelated third party investor who agreed to progressively subscribe up to \$2,500,000 as part of an agreement to issue up to 2,500,000 Convertible Redeemable Preference Shares (CRPS). The Board was able to approve this issue to the Subscriber, an unassociated investor without separate shareholder approval and 2,443,500 CRPS, each with a face value of \$1.00 have been issued pursuant to this agreement on 29 December 2017. These funds have been progressively subscribed since 30 August 2017.

Separately, under a similar arrangement, Adcock Private Equity and the Hackett Entities (each a **Subscriber**) have agreed subject to shareholder approval, to subscribe for convertible redeemable preference shares (CRPS) with a total subscription amount of up to \$5,000,000. (**Second Director Placement**)

The CRPS are equity securities and, as Mr Adcock and Mr Hackett are directors of the Company and therefore related parties, Shareholder approval is required for the Second Director Placement to the entities controlled by them.

Under the Listing Rules, the Company had 3 months to complete the \$10m Placement. The Company wishes to proceed with the \$10m Placement and, for that reason, also seeks a further approval for the Placement to complete within 3

months from the date of the Meeting or any later date pursuant to any waiver granted by ASX. Funds raised under the \$10m Placement will be used for general working capital including the continued development of the Cashwerkz platform and revenue oriented adaptations and, depending upon the Company's circumstances, to redeem the CRPS.

In summary, the primary purpose of the Meeting is to seek approval for the Second Director Placement and to refresh the approval for the Placement.

2.2 Details of the CRPS Subscription Agreement and CRPS

Under the CRPS Subscription Agreements, Adcock Private Equity and the Hackett Entities have each agreed to subscribe for CRPS with a total subscription amount of up to \$3,500,000 and \$1,500,000 respectively comprising the Second Director Placement. The material terms of the agreements are as follows:

- (a) Subject to ASX granting a waiver, funds will be available by way of a subscription facility under which, upon the Company giving notice, the Subscriber is required to subscribe to that number of CRPS set out in the notice (up to the **Facility Limit** equal to the Second Director Placement). The Facility will expire on 30 September 2018.
- (b) In the event ASX does not grant a waiver for the progressive issue of CRPS as requested, the CRPS, upon approval of Resolution 1, will be issued within one month of the Meeting.
- (c) The obligation to subscribe for CRPS is conditional upon obtaining Shareholder approval and subject to general commercial conditions and there being no event of default subsisting at the time the CRPS are due to be issued.
- (d) The CRPS issued cannot be converted to ordinary Shares without further Shareholder approval and are intended to be redeemed from the Placement.

The terms of the CRPS are summarised in section 4.2 and set out in detail in Annexure 1 to this Explanatory Memorandum.

2.3 Inter conditionality

Resolutions 1 and 2 are conditional upon the passing of one another, so that each will not have effect unless and until the other is passed.

2.4 Directors' recommendation

The Directors, other than Messrs Hackett and Adcock, recommend that Shareholders approve the Proposed Transactions and vote in favour of the Resolutions as the CRPS Subscription Agreement will provide the Company with working capital and assurance of continuing the development of the Cashwerkz platform to full revenue generation stage in a manner that will not adversely impact upon the Group's AFSL's.

Messrs Adcock and Hackett have a personal interest in the Resolutions and decline to make a recommendation to Shareholders.

Each Director has advised an intention to vote all Shares in which they have a relevant interest, in favour of all Resolutions unless excluded.

3 RESOLUTION 1 – ISSUE OF CRPS

As set out in section 2.1, the Hackett Entities and Adcock Private Equity have each agreed to subscribe for CRPS.

3.1 Requirement for Shareholder approval

(a) Listing Rule 10.11

Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party. If shareholder approval is obtained under Listing Rule 10.11, shareholder approval is not required under Listing Rule 7.1, and the proposed issue will be included in the 15% annual limit permitted by Listing Rule 7.1.

Adcock Private Equity and the Hackett Entities are related parties of the Company and therefore the proposed issue of CRPS requires Shareholder approval.

(b) Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the company unless either:

- (i) the giving of the financial benefit falls within one of the exceptions to the provision, including where the benefit is given on terms on terms that would be reasonable in the circumstances if the public company or entity and the related party were dealing at arm's length, or less favourable to the related party; or
- (ii) prior shareholder approval is obtained to the giving of the financial benefit.

Adcock Private Equity and the Hackett Entities are related parties of the Company because Messers Adcock and Hackett are directors of the Company.

The independent Directors consider the issue to be reasonable in the circumstances as if the Company and the related party were dealing at arm's length so that Shareholder approval is not required for the purposes of Chapter 2E, for the following reasons:

- (i) funds raised from the issue will be beneficial in assisting the cashflow of the Company and continued development of the Cashwerkz platform and business development;
- (ii) the CRPS are non-voting; and
- (iii) may be redeemed by the Company at its option when no longer required.

(c) Section 606 of the Corporations Act

Section 606 of the Corporations Act contains takeover provisions and prohibits certain acquisitions of securities. Adcock Private Equity currently has a 38,261,643 Shares representing a voting power of 44.48% in the Company, and the Hackett Entities hold 20,105,065 Shares representing a voting power of 23.4%. Neither can acquire further Shares without complying with the various exceptions to the Section 606 prohibition.

The CRPS are non-voting and are not included in determining Adcock Private Equity's and the Hackett Entities' respective voting power in the Company. The CRPS held by Adcock Private Equity and the Hackett Interests may be converted to Shares only with prior approval of unrelated Shareholders.

3.2 Information required by Listing Rule 10.13

For the purposes of Listing Rule 10.13, the following information is provided about the proposed issue of CRPS to the Subscribers:

- (a) The securities will be issued to Adcock Private Equity and the Hackett Entities, or their nominees subject to the Company receiving valid applications to subscribe.
- (b) The maximum number of CRPS to be issued is 5,000,000. If the CRPS are converted the maximum number of Shares to be issued upon conversion of CRPS is calculated as follows:

$$\text{Number of Shares to be issued} = \frac{\text{Number of CRPS} \times \text{Face Value}}{\text{Conversion Price}}$$

- (c) The Company has sought a waiver to allow CRPS to be issued progressively and at the Company's request during the term of the CRPS Facility (expiring 30 September 2018). In the event ASX decline to grant the waiver, the CRPS will be issued no later than 1 month after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue will occur on the same date.
- (d) CRPS will be issued with a face value of \$1.00. The conversion price used to determine the number of Shares to be issued on conversion of CRPS is equal to the VWAP for the 5 day period prior to and including the second last day on which sales in Shares were recorded before the conversion date.
- (e) each CRPS security is intended to be equal to:
 - (i) the issue price under the Placement; or
 - (ii) in the event the Placement does not occur within the period required by the Listing Rules to issue the securities (as extended by any waiver), the VWAP for the period between Completion and the second last day on which sales in Shares were recorded before the issue date.

The securities to be issued on conversion are fully paid Shares in the capital of the Company.

- (f) A voting exclusion statement is included in the Notice.
- (g) Funds raised under the issue will be used for continuing the development of the Cashwerkz term deposit management platform, marketing for the generation of new revenue sources and general working capital.

3.3 Directors' recommendation

The Directors, other than Messrs Adcock and Hackett, unanimously recommend that Shareholders vote in favour of Resolution 1, as it will provide the Company with short term funding whilst the Company undertakes the Placement.

Messrs Adcock and Hackett decline to make a recommendation to Shareholders in relation to Resolution 1 as they have a material personal interest in the outcome of Resolution 1. Messrs Hackett and Adcock and their respective associates will not be entitled to vote on Resolution 1.

4 RESOLUTION 2 - ATTACHMENT OF ADDITIONAL RIGHTS TO PREFERENCE SHARES

4.1 Background

Section 254A(2) of the Corporations Act specifies that a company can issue preference shares only if the rights attached to them are set out in the company's constitution or have otherwise been approved by special resolution of the company.

The Board is seeking Shareholder approval, by Special Resolution, to attach certain rights to the Company's unissued preference shares, so that preference shares issued by the Board in the future will be issued on the terms and with the rights provided for in the terms of the CRPS set out in further detail above in Annexure 1 of the Explanatory Memorandum) (**Convertible Redeemable Preference Share Terms**). Accordingly, Resolution 2 seeks approval to attach the rights contemplated by the Preference Share Terms to the CRPS which are not already provided for in clause 2.4 of, or otherwise in, the Constitution.

The rights to be attached to the unissued preference shares, that is, the rights which are in addition to the rights broadly provided in clause 2.4 of the Constitution, or otherwise applying to the preference shares of the Company under the Constitution are summarised below.

4.2 Rights to be attached to the Preference Shares

The following rights (in general terms) are to be attached to the preference shares of the Company (which are those rights contemplated by the Preference Share Terms which are not already provided for in the Constitution):

- (a) Dividend

CRPS are entitled to a payment of dividends at the rate of 7.5% per annum based on the Face Value of each CRPS, which may be accrued and paid at redemption or conversion.

(b) Return of Capital on winding up

Until Conversion, if there is a return of capital on a winding up of the Company, CRPS Holders will be entitled to receive out of the assets of the Company available for distribution to holders of CRPS, in respect of each CRPS held, a cash payment equal to the Face Value and any accrued and unpaid Dividend before any return of capital is made to holders of Shares or any other class of shares ranking behind the CRPS.

(c) Redemption

The Company can redeem the CRPS at any time.

(d) Transferability

CRPS are transferrable.

(e) General rights of the CRPS

The following general rights will apply to CRPS:

- (i) CRPS do not confer on their holders any right to participate in profits or property except as set out in these Terms or in the Constitution.
- (ii) If, upon a return of capital, there are insufficient funds to pay in full the amounts referred to above and the amounts payable in respect of any other shares in the Company ranking as to such distribution equally with the CRPS on a winding up of the Company, the CRPS Holders and the holders of any such other shares will share in any distribution of assets of the Company in proportion to the amounts to which they respectively are entitled.
- (iii) Until Conversion, the CRPS do not confer on the CRPS Holders any further right to participate in the surplus assets of the Company on a winding up than those set out in these Terms.
- (iv) Until all CRPS have been converted, the Company must not, without approval of the CRPS Holders, issue shares ranking in priority to the CRPS or permit the variation of any rights of any existing shares to shares ranking equally or in priority to the CRPS, but the Directors are at all times authorised to issue further CRPS ranking equally with any existing CRPS.
- (v) If a takeover bid is made for ordinary shares, acceptance of which is recommended by the Directors, or the Directors recommend a member's scheme of arrangement, the Directors will use reasonable endeavours to procure that equivalent takeover offers are made to the CRPS Holder or that they participate in the scheme of arrangement.

- (vi) Until conversion, the CRPS confer no rights to subscribe for new securities in the Company or to participate in any bonus issues.

4.3 Consequences of Resolution 2 being passed

If Shareholders approve Resolution 2, the Company will lodge with ASIC a copy of Resolution 2 in accordance with section 708A(12C)(e) (Form 2205) of the Corporations Act. The effect of doing so will be that if and when the Company subsequently issues the CRPS, as contemplated by and in accordance with the CRPS Facility Agreement, the issue of those new preference shares of the Company will not constitute a variation of the rights of any other shareholders of the Company under section 246C(5) or 246C(6) of the Corporations Act on the basis that the rights attaching to the new shares (the CRPS) will have been provided for in a notice, document or resolution that is lodged with ASIC.

5 RESOLUTION 3 – PLACEMENT TO RAISE UP TO \$10,000,000

Resolution 3 seeks Shareholder approval for the Company to raise up to \$10,000,000 at an issue price no less than 80% of the Company's 5 day VWAP.

At the Company's General Meeting held on 31 July 2017, shareholders approved a similar proposal for a placement of up to \$10,000,000 in ordinary Shares in the Company. ASX Listing Rule 7.3.2 requires that the term for issue of such securities is no longer than three months after the date Shareholder approval was given. That period has lapsed and the Company seeks the renewal of the approval by this Resolution 3.

The Company has applied to ASX for a waiver to extend the period may issue the Shares under the Placement to 30 September 2018 a period of slightly less than seven months.

The dilutive effect of the Placement, assuming various issue prices based on the current number of Shares on issue at the date of this Notices is as follows:

Amount raised (\$)	Issue price per Share (\$)	Dilutive effective (%)
10,000,000	0.150	77.50%
10,000,000	0.175	66.43%
10,000,000	0.200	58.12%
10,000,000	0.225	51.66%
7,500,000	0.150	58.12%
7,500,000	0.175	49.82%
7,500,000	0.200	43.59%

7,500,000	0.225	38.75%
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5.1 Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided about the issue:

- (a) The maximum number of Shares to be issued under the Placement is yet to be determined, however no more than \$10,000,000 will be raised at an issue price no less than 80% of the Company's 5 day VWAP.
- (b) Shares issued under the Placement will be issued no later than 3 months after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue will occur on the same date.
- (c) The Shares will be issued for an issue price to be determined, and no less than 80% of the Company's 5 day VWAP.
- (d) The Shares will be issued to unrelated third parties who are yet to be identified.
- (e) The Shares to be issued will be fully paid ordinary shares in the capita of the Company and will rank equally for all existing Shares on issue.
- (f) Funds raised from the Placement will be used for working capital, further development of the Group's technology platform and adaptations to generate new revenues, and, depending upon the Company's circumstances, to redeem the CRPS.
- (g) A voting exclusion statement is included in the Notice of Meeting.

5.2 Directors' recommendation

The Board (other than Messrs Hackett and Adcock) unanimously recommends that Shareholders vote in favour of Resolution 3 so that the Placement can be made to raise up to \$10,000,000 without using the Company's 15% placement capacity.

Associates of Messrs Hackett and Adcock may, in redemption of the CRPS, receive part of the proceeds from the Placement and, for that reason, decline to make a recommendation.

6 RESOLUTION 4 – 7 – ISSUE OF SECURITIES UNDER THE TRUSTEES AUSTRALIA INCENTIVE PLAN TO DIRECTORS

6.1 Introduction

At the General Meeting of the Company held on 31 July 2017 resolutions generally similar to Resolutions 4-7 were approved by shareholders to provide a monetary incentive to more closely align Directors' interests with Shareholders' interests, the Directors propose to grant up to 10 million Performance Options under the TAU Incentive Plan to the Directors and proposed Directors of Trustees Australia.

The Performance Options approved by shareholders were not issued within the one month period following the date of the 31 July 2017 meeting as set out in the notice for the 31 July 2017 meeting and therefore the approval lapsed. Resolutions 4-7 are proposed to reinstate the approval of the prior meeting with the following amended performance hurdles, term and exercise price:

Vesting hurdle	TSR Period
	After any 5 consecutive Trading Days within the period from the date of the Meeting to 31/12/2019 that the TSR increase to TSR Base continually exceeds 50%
TSR increase to TSR Base	50%
Exercise Price	\$0.290

Number of Options Exercisable for hurdles

Michael Hackett	2,000,000
Nathan Leman	2,000,000
Brook Adcock	2,000,000
John Nantes	4,000,000

Where:

5 Day VWAP means the VWAP for Shares calculated over the 5 trading days on which trades of Shares were recorded.

Dividends means all dividends and distributions paid by the Company.

TSR means Total Shareholder Returns calculated as:

$$= \frac{(Price\ end - Price\ begin + Dividends)}{Price\ begin}$$

Price begin means the 5 Day VWAP prior to the date the TSR Period begins.

Price end means the 5 Day VWAP prior to the date the TSR Period ends.

TSR Base means the 5 Day VWAP prior to the date Performance Options are granted.

As the Directors are each related parties of the Company, Shareholder approval is required for the proposed issue.

6.2 Information required by Listing Rule 10.15A

For the purposes of Listing Rule 10.15A, the following information is provided about the proposed issue of Performance Options:

- The maximum number of securities to be issued to the directors is 10.0 million Performance Options. Each Performance Option entitles the holder, upon satisfaction of the relevant performance hurdle and payment of exercise price as set out in section 6.1, to be issued one Share.
- The milestones to be satisfied for the issue of Performance Options the exercise price are set out in section 9.1.
- The Directors who are entitled to participate in the Plan are as follows:

- (i) Michael Hackett;
 - (ii) Nathan Leman
 - (iii) Brook Adcock
 - (iv) John Nantes
- (d) A voting exclusion statement is included in the Notice.
 - (e) No loans are to be provided in relation to the Performance Options to be issued under the Company's Incentive Plan.
 - (f) Details of any securities issued under the Company's Incentive Plan and a statement that approval for the issue of securities was obtained under Listing Rule 10.14 will be published in each annual report of the Group relating to the period in which securities have been issued.
 - (g) It is intended that 10 million Performance Options will be issued to the Directors collectively no later than 3 years after the date of the meeting.

6.3 Directors recommendation

The Directors make no recommendation to Shareholders in respect of voting on Resolutions 4-7, as each is in a position to benefit from approval of the Resolutions.

7 ADDITIONAL INFORMATION

There is no information material to a decision by a Shareholder whether or not to approve the Resolutions (being information that is known to any of the Directors and which has not previously been disclosed to Shareholders) other than as disclosed in this Explanatory Memorandum.

Shareholders should seek professional advice in relation to any questions they may have arising out of this Explanatory Memorandum.

8 DEFINITIONS

In the Notice and Explanatory Memorandum:

Adcock Private Equity	means Adcock Private Equity Pty Limited ACN 137 476 843
AEST	means Australian Eastern Standard Time.
ADI	means an Authorised Deposit-taking Institution as defined by the Banking Act 1959 (Cth) and includes banks, building societies and credit unions.
APRA	means Australian Prudential Regulation Authority.
ASIC	means Australian Securities and Investments Commission.
ASX	means ASX Limited or the Australian Securities Exchange operated by ASX Limited, as the context requires.
Board	means the board of Directors.
Company or Trustees Australia	means Trustees Australia Limited (ABN: 42 010 653 862).
Conversion Price	has the meaning given in section 3.2.
Constitution	means the constitution of the Company at the date of this Notice.
Corporations Act	means the Corporations Act 2001 (Cth) as amended.
CRPS	means the convertible redeemable preference shares as described in section 3.2
CRPS Subscription Agreements	has the meaning given in section 2.1.
Director	means a director of the Company.
Eligible Shareholder	means a Shareholder on the Record Date with a registered address in Australia or New Zealand.
Explanatory Memorandum	means this explanatory memorandum that accompanies the Notice of Meeting.
Facility Limit	Means in respect of the CRPS to be issued \$5,000,000.
Hackett Entities	means entities which subscribe for CRPS that are controlled by Michael Hackett.
Listing Rules	means the listing rules of the ASX or NSX (as the context requires).
Meeting	means the meeting of Shareholders convened by this Notice.

Notice or Notice of Meeting	means this notice of meeting, which includes the Explanatory Memorandum and the attached Independent Experts Report.
Official List	means the official list of the ASX.
Placement	has the meaning given in section 2.1.
Proxy Form	means the proxy form attached to this Notice.
Resolution	means a resolution set out in the Notice.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a holder of a Share.
Share Registry	means Boardroom Pty Limited ACN 003 209 836.
Trustees Australia	means Trustees Australia Limited ABN 42 010 653 862.
VWAP	means volume weighed average price (as defined in the Listing Rules).

ANNEXURE 1 – CONVERTIBLE REDEEMABLE PREFERENCE SHARE TERMS

1 GLOSSARY

1.1 Constitution

Unless the context otherwise requires words and expressions used in the Terms have the meanings given in the Constitution.

1.2 Corresponding meaning

If a word or phrase is defined, its other grammatical forms have a corresponding meaning.

1.3 Definitions

The following expressions have the following meanings:

ASTC	ASX Settlement and Transfer Corporation Pty Ltd (ABN 49 008 504 532) or any successor.
Automatic Conversion	has the meaning given to that term in clause 3.1.
Automatic Conversion Date	30 June 2019.
Board	The board of directors of the Company.
CHESS	the Clearing House Electronic Subregister System operated by ASTC
Company	Trustees Australia Limited ACN 010 653 862
Constitution	The constitution of the Company as amended from time to time.
Conversion	in relation to a CRPS, the taking effect of the rights specified in clauses 3.1, 5 and 6.4 in relation to that CRPS and Convert and Converted have corresponding meanings.
Conversion Date	the Automatic Conversion Date or the New Conversion Date, as applicable.
Conversion Price	The conversion price used to determine the number of Shares to be issued on conversion of CRPS is equal to the VWAP for the 5 day period prior to and including the second last day on which sales in Shares were recorded before the Conversion Date.
Corporations Act	the Corporations Act 2001 (Cth);

CRPS	The convertible redeemable preference shares known as “CRPS” issued on the terms set out in these Terms or, where the context requires, each preference share.
CRPS Holder	Each person registered in the Register from time to time as a holder of CRPS.
Directors	The board of directors of the Company.
Dividend	The non-cumulative dividend payable on each CRPS at the Dividend Rate
Dividend Rate	7.5% per annum based on the Face Value of each CRPS.
Face Value	\$1.00 per CRPS
New Conversion Date	has the meaning given to that term in clause 6.4
Redeem	in relation to a CRPS, redeem, buy-back (other than an on-market buy-back within the meaning of the Corporations Act) or reduce capital, or any combination of such activities, in connection with that CRPS in accordance with clause 7, and Redeemed, Redeemable and Redemption have the corresponding meanings;
Redemption Date	10 Business Days after the Company issues a Redemption Notice
Redemption Notice	A notice given by the Company to a CRPS Holder in a form determined by the Company, of its intention to Redeem the CRPS in accordance with clause 7.
Redemption Period	The period ending on 30 December 2018.
Register	The register of CRPS maintained by the Company and includes any sub-register of that register.
Shares	a fully paid ordinary share in the capital of the Company
Terms	The terms and conditions for the issue of CRPS in the Company as these terms and conditions are amended, supplemented or replaced from time to time and as set out herein.
VWAP	The volume weighed average price (as defined in the ASX Listing Rules).

2 CONVERTIBLE PREFERENCE SHARES

2.1 CRPS

The CRPS are fully paid redeemable convertible preference shares in the capital of the Company (CRPS). They are issued, and may be Redeemed or Converted according to these Terms.

2.2 Face Value

Each CRPS will be issued fully paid at the Face Value.

3 AUTOMATIC CONVERSION

3.1 Automatic Conversion

Subject to clause 6.4, each CRPS will be Converted on the Automatic Conversion Date in accordance with clause 5 (**Automatic Conversion**) unless the CRPS has been previously Redeemed.

3.2 No other Conversion

The Company does not have the right to convert the CRPS other than in the circumstances listed in clause 3.1.

4 NO HOLDER CONVERSION RIGHT

Save as provided for in these Conditions, no CRPS Holder has a right to Convert CRPS.

5 CONVERSION

5.1 Conversion number

In the event of a Conversion all CRPS will convert into Shares on the following basis:

$$\text{Number of Shares} = \frac{\text{Number of CRPS} \times \text{Face Value}}{\text{Conversion Price}}$$

5.2 Rights on Conversion

A CRPS, upon Conversion, confers all of the rights attaching to a Share but these rights do not take effect until 5.00pm (Sydney time) on the Conversion Date. At that time:

- (a) all other rights conferred or restrictions imposed on that CRPS under these Terms will no longer have effect; and
- (b) the Share resulting from the Conversion will rank equally with all other Shares.

5.3 Effect of Conversion

Conversion does not constitute a redemption, buy-back, cancellation or termination of CRPS or an issue, allotment or creation of a new Share.

5.4 Statement

Upon Conversion the Company shall provide the CRPS Holder with a certificate or statement of holding for the Shares the subject of a Conversion.

5.5 Dividend

Despite anything else in these Terms, upon Conversion of the relevant CRPS, any entitlement to a Dividend (accrued or otherwise) with respect to CRPS, will cease to accrue and be deemed to be written off.

6 QUOTATION OF SHARES

6.1 Rank equally

Each Share arising from Conversion will rank *pari passu* with all other fully paid Shares, except that such Shares arising from Conversion will not be entitled to any dividend or any other distribution or entitlement that has been declared or determined but not paid as at the Conversion Date.

6.2 Cleansing Notice

On the Automatic Conversion Date, subject to clause 6.3, the Company must provide to ASX a notice complying with section 708A(12C)(e) as inserted by ASIC's Corporations(Sale Offers: Securities Issued on Conversion of Convertible Notes) Instrument 2016/82 (**Cleansing Notice**).

6.3 Cleansing Prospectus

If on the Automatic Conversion Date the Company would be unable to provide to ASX a Cleansing Notice in respect of a Conversion because it is unable to comply with the requirements of sections 708A(5)(e) and 708A(6) of the Corporations Act (including where trading in the Shares on ASX was suspended for more than a total of five days in the preceding 12 month period) or for any other reason is unable to provide to ASX a Cleansing Notice for the purposes of clause 6.2, the Company must within 10 Business Days after the Automatic Conversion Date lodge with ASIC a prospectus complying with section 708A(11) of the Corporations Act (**Cleansing Prospectus**).

6.4 Adjustment of Conversion Date

If the Company is under an obligation to lodge a Cleansing Prospectus, and the Automatic Conversion Date would occur prior to actual lodgement of the Cleansing Prospectus then the Conversion of the CRPS will not occur until the date on which the Company has complied with its obligations under clause 6.3 (for the purposes of this clause 6.4, the **New Conversion Date**) and each CRPS will be Converted on the New Conversion Date in accordance with clause 5 unless the CRPS has been previously Redeemed.

6.5 Uncertified

Shares arising from Conversion will be issued in uncertificated form through CHESS.

6.6 Statements

Statements of holdings for Shares arising from Conversion will be dispatched by the Company by mail free of charge as soon as practicable but in any event within 10 Business Days after the relevant Conversion Date.

7 REDEMPTION

7.1 Redemption mechanics to apply to Redemption

The Company may redeem a CRPS during the Redemption Period by:

- (a) giving a Redemption Notice to CRPS Holders; and
- (b) paying to the CRPS Holders on the Redemption Date:
 - (i) the Face Value of each CRPS the subject of the Redemption Notice; and
 - (ii) the Dividend due on the relevant CRPS on the Redemption Date, (together the **Redemption Amount**).

7.2 Redemption restrictions

The Company may not Redeem any CRPS unless, at the same time, it redeems all CRPS or with the prior Special Consent of the holders of CRPS, it redeems the CRPS in proportion to the registered holdings of each holder.

7.3 Obligation on Company to Redeem

Upon giving a Redemption Notice, the Company will be obliged to redeem the relevant number of CRPS by making the payments referred to in clause 7.1(b) on the Redemption Date.

7.4 Effect of Redemption on CRPS Holders

On the Redemption Date, subject to Redemption occurring, the only right CRPS Holders will have in respect of CRPS the subject of the Redemption will be to obtain the Redemption Amount payable in accordance with these Terms and upon payment of the Redemption Amount, all other rights conferred, or restrictions imposed by the relevant CRPS will no longer have effect.

7.5 Redemption by buy-back of CRPS

If the Redemption involves a buy-back of CRPS:

- (a) the Redemption Notice constitutes a buy-back offer for the Redemption Amount payable on the relevant Redemption Date; and
- (b) the CRPS Holders must accept the buy-back offer for their CRPS and will be deemed to have accepted that buy-back offer for CRPS held by that CRPS Holder to which the Redemption Notice relates on the date the Redemption Notice is given and will be deemed to have sold those CRPS to the Company free of all encumbrances on the Redemption Date.

7.6 Cancellation of CRPS

CRPS the subject of Redemption will be cancelled and may not be re-issued.

7.7 Payment of Dividend

For the purposes of payment of a Dividend under clause 7.1(b)(i), the Company will be entitled to aggregate the Dividend determined for each CRPS Holder for all CRPS held by a CRPS Holder and the aggregated amount will be rounded up to the nearest cent.

8 GENERAL CRPS TERMS

8.1 Register

The Company shall maintain the Register.

8.2 General Rights

- (a) CRPS rank equally amongst themselves in all respects.
- (b) Until Conversion, the CRPS shall have an entitlement to the payment of Dividends equal to the Dividend Rate payable on Redemption before payment of a dividend to holders of Shares or any other class of shares ranking behind the CRPS.
- (c) Until Conversion, if there is a return of capital on a winding up of the Company, CRPS Holders will be entitled to receive out of the assets of the Company available for distribution to holders of CRPS, in respect of each CRPS held, a cash payment equal to the Face Value and any accrued and unpaid Dividend before any return of capital is made to holders of Shares or any other class of shares ranking behind the CRPS.
- (d) CRPS do not confer on their holders any right to participate in profits or property except as set out in these Terms or in the Constitution.
- (e) If, upon a return of capital, there are insufficient funds to pay in full the amounts referred to above and the amounts payable in respect of any other shares in the Company ranking as to such distribution equally with the CRPS on a winding up of the Company, the CRPS Holders and the holders of any such other shares will share in any distribution of assets of the Company in proportion to the amounts to which they respectively are entitled.
- (f) Until Conversion, the CRPS do not confer on the CRPS Holders any further right to participate in the surplus assets of the Company on a winding up than those set out in these Terms.
- (g) Until all CRPS have been converted, the Company must not, without approval of the CRPS Holders, issue shares ranking in priority to the CRPS or permit the variation of any rights of any existing shares to shares ranking equally or in priority to the CRPS, but the Directors are at all times authorised to issue further CRPS ranking equally with any existing CRPS.
- (h) If a takeover bid is made for ordinary shares, acceptance of which is recommended by the Directors, or the Directors recommend a member's scheme of arrangement, the Directors will use reasonable endeavours to procure that equivalent takeover offers are made to the CRPS Holder or that they participate in the scheme of arrangement.
- (i) Until conversion, the CRPS confer no rights to subscribe for new securities in the Company or to participate in any bonus issues.
- (j) A CRPS does not entitle a CRPS Holder to vote at any general meeting of the Company except in the following circumstances:
 - (i) on a proposal:
 - (A) to reduce the share capital of the Company;
 - (B) that affects rights attached to the CRPS;
 - (C) to wind up the Company; or
 - (D) for the disposal of the whole of the property, business and undertaking of the Company;
 - (ii) on a resolution to approve the terms of a buy back agreement;
 - (iii) on a resolution during a period in which a Dividend or part of a Dividend on the CRPS is in arrears; or
 - (iv) on a resolution during the winding up of the Company.

- (k) A Holder will have the same rights as the holders of Shares with respect to receiving notices at general meetings and financial reports and attending the Company's general meetings.
- (l) In the event that any material reconstruction of the ordinary share capital of the Company is proposed to shareholders, the proposal must contain a provision that all of the CRP on issue are redeemed prior to the restructure taking place in accordance with these Terms.
- (m) Subject to complying with all applicable laws, the Company may, without the authority, assent or approval of the CRPS Holders, amend or add to these terms of issue if such amendment or addition is, in the opinion of the Company:
 - (i) of a formal, minor or technical nature;
 - (ii) made to correct a manifest error; or
 - (iii) not likely (taken as a whole and in conjunction with all other modifications, if any, to be made contemporaneously with that modification) to be materially prejudicial to the interests of the CRPS Holders.
- (n) Each CRPS is-transferable by following standard procedure approved by the Constitution, Corporations Act and ASX Rules for off-market transfers.