



LAWFINANCE LIMITED

ACN 088 749 008

NOTICE OF ANNUAL GENERAL MEETING 2019 AND EXPLANATORY MEMORANDUM

TIME: 2:00pm (AEST)
DATE: 15 May 2019
PLACE: Level 5, 126 Phillip Street, Sydney NSW
2000

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting. Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company, on (+61 2) 9696 0220.

TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at **2:00pm** (AEST) on **Wednesday, 15 May 2019** at:

Automatic Group, Level 5, 126 Phillip Street, Sydney NSW 2000

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and either:

1. deliver the Proxy Form:
 - (a) by hand to: Link Market Services Ltd, 1A Homebush Bay Drive, Rhodes NSW 2138;
 - (b) by post to: LawFinance Limited, C/- Link Market Services Ltd, Locked Bag A14, Sydney South NSW 1235; or
 - (c) by facsimile to (+61 2) 9287 0309; or
2. lodge online at: www.linkmarketservices.com.au, instructions as follows:

Select 'Investor Login' and enter LawFinance Limited code LAW in the Issuer name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your proxy form), postcode and security code which is shown on the screen and click 'Login'. Select the 'Voting' tab and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website;

so that the Proxy Form is received not later than 48 hours before the commencement of the Annual General Meeting.

Proxy Forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that an Annual General Meeting of shareholders of LawFinance Limited (ACN 088 749 008) will be held at **2:00pm** (AEST) on **Wednesday, 15 May 2019** at Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000.

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Memorandum forms part of this Notice of Meeting.

The Board has determined pursuant to Regulation 7.11.37 of the Corporations Regulations that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at **7:00 pm** (AEST) on **Monday, 13 May 2019**. Terms and abbreviations used in this Notice of Meeting and Explanatory Memorandum are defined in the Glossary to this Notice of Meeting.

ORDINARY BUSINESS

ORDINARY BUSINESS – FINANCIAL STATEMENTS AND REPORTS

“To receive and to consider the Annual Financial Report of the Company for the financial year ended 31 December 2018 together with the declaration of the Directors, the Directors’ Report, the Remuneration Report and the Auditor’s Report for that financial year.”

Note: This item of ordinary business is for discussion only and is not a Resolution.

However, pursuant to the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, or make comments in relation to, each of the reports during consideration of these items.

ORDINARY BUSINESS – RESOLUTIONS

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

“That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s Annual Financial Report for the financial year ended 31 December 2018.”

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement: In accordance with the Corporations Act, LawFinance will disregard any votes cast on Resolution 1 by or on behalf of a member of the KMP, or any of that person’s Closely Related Parties (such as close family members and any controlled companies of those persons) (each a **Restricted Voter**). However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; and
- (b) it is not cast on behalf of a Restricted Voter.

If you appoint the person chairing the Meeting (**Chair**) and you are not a Restricted Voter, by submitting the Proxy Form you authorise the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his or her stated intention to vote in favour of Resolution 1. If you do not want your vote exercised in favour of Resolution 1, you should direct the Chair to vote “against”, or to abstain from voting on, this Resolution.

RESOLUTION 2 – RE-ELECTION OF MR DAVID WATTEL AS DIRECTOR

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

“That Mr David Wattel, a Director who retires by rotation in accordance with the Company’s Constitution and ASX Listing Rule 14.5, and being eligible offers himself for re-election as a Director of the Company, effective immediately.”

RESOLUTION 3 – RE-ELECTION OF MR TIM STOREY AS DIRECTOR

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

“That Mr Tim Storey, a Director who retires by rotation in accordance with the Company’s Constitution and ASX Listing Rule 14.5, and being eligible offers himself for re-election as a Director of the Company, effective immediately.”

RESOLUTION 4 – ASX LISTING RULE 7.1A APPROVAL OF FUTURE ISSUE OF SECURITIES

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

“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, the Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

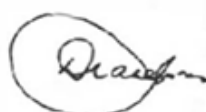
- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an Associate of those persons.

However, the Company will 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 directions on the Proxy Form; or
- (b) it is cast by the Chair 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.

Dated: 4 April 2019

BY ORDER OF THE BOARD



Diane Jones
Chief Executive Officer

EXPLANATORY MEMORANDUM

FINANCIAL STATEMENTS AND REPORTS

FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution and the Corporations Act, the business of the Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 31 December 2018 together with the declaration of the Directors, the Director's Report, the Remuneration Report and the Auditor's Report.

In accordance with the amendments to the Corporations Act, the Company is no longer required to provide a hard copy of the Company's Annual Financial Report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's Annual Financial Report unless specifically requested to do so, Shareholders may view the Company Annual Financial Report on its website at <https://www.lawfinancecom.au/investor-centre/annual-reports/>.

No resolution is required for this item, but Shareholders will be given the opportunity to ask questions and to make comments on the management and performance of the Company.

The Company's auditor will be present at the Meeting. During the discussion of this item, the auditor will be available to answer questions on the:

- Conduct of the audit;
- Preparation and content of the Auditor's Report;
- Accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- Independence of the auditor in relation to the conduct of the audit.

Written questions of the auditor

If you would like to submit a written question about the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report of the Company's auditor, please send your question to the Company Secretary. A list of qualifying questions will be made available at the Meeting.

Please note that all written questions must be received at least five business days before the Meeting, which is by Wednesday, 8 May 2019.

RESOLUTIONS

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 Background

In accordance with section 250R(2) of the Corporations Act, the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company's Annual Financial Report.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Financial Report and is also available on the Company's website at <https://www.lawfinance.com.au/investor-centre/annual-reports/>.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to KMPs (including Directors) and sets out remuneration details, service agreements and the details of any share-based compensation.

1.2 Voting

The Chair intends to exercise all available proxies in favour of Resolution 1. A voting exclusion applies to Resolution 1. In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the KMP, or any of that person's Closely Related Parties (such as close family members and any controlled companies of those persons) (each a **Restricted Voter**). However, the Company need not disregard a vote if:

- it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; and
- it is not cast on behalf of a Restricted Voter.

If the Chair is appointed as your proxy, and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form you are considered to have provided the Chair with express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP.

1.3 Directors' recommendation

The non-executive Directors recommend that Shareholders vote in favour of this Resolution.

RESOLUTIONS 2 AND 3 - RE-ELECTION OF DIRECTORS

2.1 Why is the Company seeking Shareholder approval?

The Company's Constitution requires that if the Company has three or more Directors, a third (or the number of Directors nearest to one third) of those Directors must retire at each Annual General Meeting, provided always that no Director (except a Managing Director) may hold office for a period in excess of three years or until the third Annual General Meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election. A Director who retires by rotation under clause 13.2 of the Company's Constitution is eligible for re-election.

ASX Listing Rule 14.5 provides that an entity which has Directors must hold an election of Directors at each annual general meeting.

Mr David Wattel was last elected as a Director at the Extraordinary General Meeting which took place on 26 September 2018.

Mr Tim Storey was last re-elected as a Director at the Annual General Meeting which took place on 30 November 2016.

Under Resolution 2, Mr Wattel is retiring by rotation and is submitting himself for re-election at this year's Annual General Meeting. Under Resolution 3, Mr Storey is retiring by rotation and is submitting himself for re-election at this year's Annual General Meeting.

Background

David Wattel

Mr David Wattel is an executive director of the Company. Mr Wattel graduated from the University of Illinois in 1984 with a degree in economics before obtaining his Juris Doctor in 1988 from Arizona State University college of Law.

He has practiced personal injury law ever since graduating. He founded Wattel & York; a multi-state personal injury and medical malpractice law firm. He speaks at numerous conferences in the area of personal injury and litigation.

Mr Wattel founded NHF in 1999, and has since this time been actively managing and overseeing the growth of the business.

Tim Storey

Mr Tim Storey is a non-executive director and Chairman of the Company. Mr Storey chairs Stride Property Group (NZX: SPG), is a Director of Investore Property Limited (NZX:IPL) and holds a number of directorships in various private and public companies.

Mr Storey is a barrister and solicitor and was a partner at one of New Zealand's premier law firms through to 2006. He has practised in both Australia and New Zealand, focusing on corporate, commercial and property transactions. He is a member of the Institute of Directors (NZ) and the Financial Services Institute of Australasia.

2.2 Directors' recommendation

The Directors of the Company (excluding Mr Wattel in respect of Resolution 2 and Mr Storey in respect of Resolution 3) believe that Resolutions 2 and 3 are in the best interests of the Company and unanimously recommend that Shareholders vote in favour of these Resolutions.

The Chair intends to exercise all available proxies in favour of Resolutions 2 and 3.

RESOLUTION 4 - ASX LISTING RULE 7.1A APPROVAL OF FUTURE ISSUE OF SECURITIES

ASX Listing Rule 7.1A enables eligible entities to seek Shareholder approval by Special Resolution passed at an annual general meeting to issue equity securities (which must be in the same class as an existing quoted class of equity securities of the Company) which do not exceed 10% of the existing ordinary share capital without further Shareholder approval. The ability of the Company to make an issue under Listing Rule 7.1A is in addition to its 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation less than the amount prescribed by ASX (currently \$300 million).

As of the date of this Notice of Meeting, the Company is an eligible entity. If at the time of the Meeting the Company is no longer an eligible entity this Resolution will be withdrawn.

Approval under this Resolution is sought for the Company to issue equity securities under Listing Rule 7.1A.

If this Resolution is approved the Company may make an issue of equity securities under Listing Rule 7.1A at any time (either on a single date or progressively) up until the earlier of:

- (a) the date which is 12 months after the date of the 2019 Annual General Meeting; or
- (b) the date on which Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

Accordingly, the approval given if this Resolution is passed will cease to be valid on the earlier of 15 May 2020 or the date on which holders of the Company's ordinary securities approve a transaction under Listing Rules 11.1.2 or 11.2.

The maximum number of equity securities which may be issued in the capital of the Company under the approval sought by this Resolution will be determined in accordance with the following formula prescribed in Listing Rule 7.1A.2:

(A x D) – E

where:

- A** is the number of shares on issue 12 months before the date of issue or agreement to issue:
- (i) plus the number of fully paid 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 with approval of the holders of shares under Listing Rules 7.1 and 7.4 (this does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without Shareholder approval); and
 - (iv) less the number of fully paid shares cancelled in the 12 months.
- D** is 10%.
- E** is 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 the issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rules 7.1 or 7.4.

The ability of the Company to make an issue under Listing Rule 7.1A is in addition to its 15% placement capacity under Listing Rule 7.1. The effect of Resolution 4 will be to allow the Company to issue equity securities under Listing Rule 7.1A without using the Company's 15% placement capacity under Listing Rule 7.1.

The issue price of the equity securities issued under Listing Rule 7.1A will be determined at the time of issue. The minimum price at which the equity securities, the subject of this Resolution, will be issued is 75% of the volume weighted average market price (**VWAP**) of the Company's equity securities in that class, calculated over the 15 days on which trades in that class were recorded immediately before either:

- (a) the date on which the price at which the equity securities are to be issued is agreed; or
- (b) if the equity securities are not issued within 5 ASX trading days of the date in paragraph (a) the date on which the securities are issued.

If this Resolution is approved, and the Company issues equity securities under Listing Rule 7.1A, the existing Shareholders' economic and voting power in the Company will be diluted. There is a risk that:

- (a) the market price for the Company's equity securities in that class may be significantly lower on the issue date than on the date of the approval of this Resolution; and
- (b) the equity securities issued under Listing Rule 7.1A may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date;

which may have an effect on the amount of funds raised by the issue.

The table set out below shows the dilution of existing Shareholders on the basis of:

- The market price of the Company's ordinary shares and the number of ordinary shares as at 25 March 2019.
- Two examples where the number of ordinary shares on issue ("A") has increased, by 50% and 100%. The number of ordinary shares on issue may increase as a result of issues of ordinary shares that do not require Shareholder approval (for example, pro-rata entitlements issues) or as a result of future specific placements under Listing Rule 7.1 that are approved by Shareholders.
- Two examples of where the issue price of ordinary shares has decreased by 50% and increased by 100% as against the market price as at 25 March 2019.

Variable "A" ASX Listing Rule 7.1A.2		Dilution		
		\$0.035 50% decrease in issue price	\$0.07 issue price **	\$0.14 100% increase in issue price
"A" is the number of shares on issue, being 483,635,467 *** shares	10% voting dilution	48,363,546	48,363,546	48,363,546
	Funds raised	\$1,692,724.11	\$3,385,448.22	\$6,770,896.44
"A" is a 50% increase in shares on issue, being 725,453,200*** shares	10% voting dilution	72,545,320	72,545,320	72,545,320
	Funds raised	\$2,539,086.20	\$5,078,172.40	\$10,156,344.80
"A" is a 100% increase in shares on issue, being 967,270,934*** shares *	10% voting dilution	96,727,093	96,727,093	96,727,093
	Funds raised	\$3,385,448.26	\$6,770,896.51	\$13,541,793.02

Notes:

- (i) The table assumes that the Company issues the maximum number of equity securities available under Listing Rule 7.1A.
- (ii) The table assumes that no options are exercised in ordinary shares before the date of the issue of equity securities under Listing Rule 7.1A.
- (iii) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of issues of equity securities under Listing Rule 7.1A based on that Shareholder's holding at the date of this Explanatory Statement.
- (iv) The table shows the effect of an issue of equity securities under Listing Rule 7.1A, not under the Company's 15% placement capacity under Listing Rule 7.1.
- (v) The issue of equity securities under the Listing Rule 7.1A consists only of ordinary shares. If the issue of equity securities includes options, it is assumed that those options are exercised into ordinary shares for the purposes of calculating the voting dilution effect on existing Shareholders.

* Any issue of equity securities is required to be made in accordance with the Listing Rules. Any issue made other than under the Company's 15% capacity (Listing Rule 7.1) or the Company's additional 10% capacity (Listing Rule 7.1A) and not otherwise made under an exception in Listing Rule 7.2 (for example, a pro-rata rights issue) would require Shareholder approval.

** Based on the closing price of the Company's Shares on ASX on 25 March 2019.

*** Based on the Company's Share structure as at 25 March 2019.

If this Resolution is approved the Company will have the ability to issue up to 10% of its issued capital without further Shareholder approval and therefore allow it to take advantage of opportunities to obtain further funds if required and available in the future.

As at the date of this Explanatory Statement, the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A to any particular person or at any particular time. The

total amount that may be raised by the issue of equity securities under Listing Rule 7.1A will depend on the issue price of the equity securities which will be determined at the time of issue. In some circumstances, the Company may issue equity securities under Listing Rule 7.1A for non-cash consideration (for example, in lieu of cash payments to consultants, suppliers or vendors). While the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A, the purposes for which the Company may issue equity securities under Listing Rule 7.1A include (but are not limited to):

- (a) raising funds to further develop the Company's business;
- (b) raising funds to be applied to the Company's working capital requirements;
- (c) acquiring assets. In these circumstances, the issue of the ordinary shares may be made in substitution for the Company making a cash payment for the assets; and
- (d) paying service providers or consultants of the Company.

The Company may issue equity securities for non-cash consideration for any purpose under Listing Rule 7.1A.

Details regarding the purposes for which any particular issue under Listing Rule 7.1A is made will be more fully detailed in an announcement to the ASX made pursuant to Listing Rule 7.1A.4 and Listing Rule 3.10.5A at the time the issue is made. The identity of the allottees of equity securities under Listing Rule 7.1A will be determined at the time the Company decides to make an issue having regard to a number of factors including:

- (a) the capital raising and acquisition opportunities available to the Company and any alternative methods for raising funds or acquiring assets that are available to the Company;
- (b) the potential effect on the control of the Company;
- (c) the Company's financial situation and the likely future capital requirements; and
- (d) advice from the Company's corporate or financial advisors.

The allocation policy the Company may adopt for a particular issue of equity securities under Listing Rule 7.1A and the terms on which those equity securities may be offered will depend upon the circumstances existing at the time of the proposed capital raising under Listing Rule 7.1A. Subject to the requirements of the Listing Rules and the Corporations Act, the Directors reserve the right to determine at the time of any issue of equity securities under Listing Rule 7.1A, the allocation policy that the Company will adopt for that issue. As at the date of the Notice of Meeting, the Company has not formed an intention to offer any of the securities to existing security holders, or to any class or group of existing security holders. Alternatively, as at the date of the Notice of Meeting, the Company has not formed an intention to offer the securities exclusively to new investors who have not previously been security holders of the entity.

However, if and when a proposed capital raising is pursued by the Company, offers made under Listing Rule 7.1A may be made to parties including professional and sophisticated investors, existing Shareholders of the Company, clients of Australian Financial Service Licence holders and/or their nominees, or any other person to whom the Company is able to make an offer of equity securities. Any issue to related parties will be subject to Shareholder approval being obtained.

As the Company has previously obtained Shareholder approval under Listing Rule 7.1A, it is required by Listing Rule 7.3A.6 to provide details of all issues of equity securities in the 12 months preceding the date of the Meeting. The details of all issues of equity securities by the Company during the 12 months preceding the date of the Meeting are detailed below:

Number/Class of equity securities issued	Terms of the securities issued	Price and discount to closing market price on the date of issue (if any)	Consideration details, including cash and non-cash consideration.	Allottees of the Securities
<i>Securities issued on 13 December 2018</i>				
100 fully paid ordinary shares	<p>Issued under the Company's Cleansing Prospectus dated 13 December 2018.</p> <p>The 100 fully paid ordinary shares rank equally with the existing fully paid ordinary shares on issue.</p>	<p>Issue price of \$0.08 per share.</p> <p>No discount.</p>	Cash consideration of \$8.00 (8 cents per Share).	Sutcliffe Walker and Associates Pty Limited.
<i>Securities Issued on 26 November 2018</i>				
600,000 fully paid ordinary shares	<p>Issued under the shortfall of a pro-rata rights issue.</p> <p>The 600,000 fully paid ordinary shares rank equally with the existing fully paid ordinary shares on issue.</p>	<p>Issue price of \$0.08 per share.</p> <p>No discount.</p>	<p>Cash consideration of \$48,000.00.</p> <p>100% of the consideration has been used to fund working capital.</p>	Issued to various sophisticated investors.
<i>Securities Issued on 21 November 2018</i>				
719,366 fully paid ordinary shares	<p>Issued following conversion of Performance Rights.</p> <p>The 719,366 fully paid ordinary shares rank equally with the existing fully paid ordinary shares on issue.</p>	N/A – Issued for nil consideration.	The Shares were issued on satisfaction of performance conditions and were issued for nil cash consideration.	Ms Diane Jones (or her associated entity).
475,000 fully paid ordinary shares	<p>Issued under the Equity Incentive Plan to employees of the Company.</p> <p>The 475,000 fully paid ordinary shares rank equally with the existing fully paid ordinary shares on issue.</p>	N/A – Issued for nil consideration.	475,000 fully paid ordinary shares issued for nil cash consideration.	Various staff members under the Company's Equity Incentive Plan.

<i>Securities Issued on 8 November 2018</i>				
329,880,000 warrants	Issued as consideration to the Syndicated Acquisition Facility lenders. Exercisable at \$0.14 on or before expiry date of 28 September 2022.	Deemed issue price and exercise price of \$0.14 per warrant. No discount.	Issued as consideration to the Syndicated Acquisition Facility lenders.	Washington H. Soul Pattinson & Company Limited and other lenders.
122,863,636 warrants	Issued as part consideration for the acquisition of National Health Finance HoldCo, LLC (NHF). The warrants are exercisable at \$0.14 on or before expiry date of 28 September 2022.	Deemed issue price and exercise price of \$0.14 per warrant. No discount.	Issued as consideration for the acquisition of their respective interests in NHF.	David Wattel and Mark Siegel.
<i>Securities Issued on 7 November 2018</i>				
215,097,403 fully paid ordinary shares	Issued as part consideration for the acquisition of National Health Finance HoldCo, LLC (NHF). The 215,097,403 fully paid ordinary shares rank equally with the existing fully paid ordinary shares on issue.	Issue price of \$0.08 per share. No discount.	Issued as consideration for the acquisition of the respective interests held by David Wattel and Mark Siegel in NHF. Consideration value of \$17,207,792.24 based on the issue price of \$0.08 per Share.	David Wattel and Mark Siegel.
93,750,000 fully paid ordinary shares	Issued to partially fund the acquisition of NHF. The 93,750,000 fully paid ordinary shares rank equally with the existing fully paid ordinary shares on issue.	Issue price of \$0.08 per share. No discount.	Cash consideration of \$7,500,000. 69% of the consideration has been used to fund the acquisition of NHF. The remaining 31% has been used to repay Company corporate debt.	Various institutional investors.
545,203 fully paid ordinary shares	Issued following conversion of Performance Rights. The 545,203 fully paid ordinary shares rank equally with the existing fully paid ordinary shares on issue.	N/A – Issued for nil consideration.	The Shares were issued on satisfaction of performance conditions and were issued for nil cash consideration.	Mr Tim Storey and Mr Anthony Hersch (or their associated entities).

24,514,797 fully paid ordinary shares	<p>Issued under a pro-rata rights issue.</p> <p>The 24,514,797 fully paid ordinary shares rank equally with the existing fully paid ordinary shares on issue.</p>	<p>Issue price of \$0.08 per share.</p> <p>No discount.</p>	<p>Cash consideration of \$1,961,183.76.</p> <p>100% of the consideration has been used to fund working capital.</p>	Issued to existing Shareholders of the Company.
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Total equity securities issued in previous 12 months* ("A")	335,701,869
Percentage that "A" represents based on the total number of equity securities on issue at the commencement of that 12 month period	227%

*Based on Company's fully diluted capital structure as at 25 March 2019.

This Resolution is a Special Resolution. For a Special Resolution to be passed, at least 75% of the votes validly cast on the resolution by Shareholders (by number of ordinary shares) must be in favour of this Resolution.

Directors' recommendation

The Directors recommend that Shareholders vote in favour of this Resolution.

Glossary

In this Notice of Meeting, these terms have the following meanings:

AEST	Australian Eastern Standard Time as observed in Sydney, New South Wales.
Annual General Meeting or Meeting	Annual General Meeting of the Company and, unless otherwise indicated, means the meeting of the Company's members convened by this Notice of Meeting.
Associate	Has the meaning given to it by the ASX Listing Rules.
ASX	ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.
ASX Listing Rules or Listing Rules	The official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.
Board	The current board of Directors of the Company.
Chair	The person chairing the Annual General Meeting.
Closely Related Parties	Means: <ul style="list-style-type: none">(a) a spouse or child of a KMP;(b) a child of a KMP's spouse;(c) a dependant of the KMP or of a KMP's spouse;(d) anyone else who is one of a KMP's family and may be expected to influence the KMP, or be influenced by the KMP, in the KMP's dealings with the entity;(e) a company the KMP controls; or(f) a person prescribed by the Corporations Regulations.
Constitution	The constitution of the Company.
Corporations Act	The <i>Corporations Act 2001</i> (Cth) as amended or replaced from time to time.
Corporations Regulations	<i>Corporations Regulations 2001</i> (Cth) as amended or replaced from time to time.
Director	A current director of the Company.
Explanatory Memorandum	The explanatory memorandum accompanying this Notice of Meeting.
Group or the LawFinance Group	The Company and its subsidiaries.
LawFinance or the Company	LawFinance Limited ACN 088 749 008.
KMP	A member of the Company's key management personnel (including the Directors), whose details are included in the Remuneration Report including Tim Storey, Anthony Murphy, Diane Jones, David Wattel, Anthony Hersch, Craig Beaton, Richard Cruz and Sarika Merchant.
NHF	National Health Finance HoldCo, LLC
Notice of Meeting	This notice of Annual General Meeting including the Explanatory Memorandum and Proxy Form.

Proxy Form	The proxy form attached to this Notice of Meeting.
Resolution	The resolutions set out in this Notice of Meeting.
Share	A fully paid ordinary share in the capital of LawFinance.
Shareholder	A holder of a Share.


LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
LawFinance 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
1A Homebush Bay Drive, Rhodes NSW 2138

 **ALL ENQUIRIES TO**
Telephone: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of LawFinance Limited (**Company**) 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 **2:00pm (AEST) on Wednesday, 15 May 2019 at Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000** (the **Meeting**) and at any postponement or adjournment of the Meeting.

Important for Resolution 1: 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 Resolution 1, even though the Resolution is 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*
1 ADOPTION OF REMUNERATION REPORT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 RE-ELECTION OF MR DAVID WATTEL AS DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 RE-ELECTION OF MR TIM STOREY AS DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 ASX LISTING RULE 7.1A APPROVAL OF FUTURE ISSUE OF SECURITIES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



* If you mark the Abstain box for a particular Resolution, 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, either shareholder may 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).

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 Resolution is 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:

- 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
- 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, either shareholder may 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" must 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.

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 **2:00pm (AEST) on Monday, 13 May 2019**, 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

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

LawFinance 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)



COMMUNICATION PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

**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.**