

YELLOW BRICK ROAD HOLDINGS LIMITED
ACN 119 436 083

**NOTICE OF ANNUAL GENERAL MEETING
AND EXPLANATORY MEMORANDUM**

For a meeting to be held on Tuesday 26 November 2019 at 10:00am (Sydney time) at Sofitel Wentworth Hotel, Hobart Room, 61-101 Phillip Street, Sydney

**THIS IS AN IMPORTANT DOCUMENT AND SHOULD
BE READ IN ITS ENTIRETY**

**If you do not understand any part of this
document, please contact a professional adviser
immediately**

YELLOW BRICK ROAD HOLDINGS LIMITED
ACN 119 436 083

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that an Annual General Meeting ("AGM") of the members of Yellow Brick Road Holdings Limited ("Company") will be held at Sofitel Wentworth Hotel, Hobart Room, 61-101 Phillip Street, Sydney at 10:00am (Sydney time) on Tuesday 26 November 2019.

The business to be considered at the AGM is set out below. Information on the proposals to which the business relates is set out in the Explanatory Memorandum which accompanies this Notice. This Notice should be read in conjunction with the accompanying Explanatory Memorandum.

Ordinary Business

Financial statements and reports

To receive and consider the Financial Report, Directors' Report and Auditor's Report for the financial year ended 30 June 2019.

All shareholders can view the Annual Report which contains the Financial Report, Directors' Report and Auditor's Report for the year ended 30 June 2019 on the Company's website at <https://ybr.com.au/investor-centre/annualreport19.pdf>.

This item of business is for discussion at the Annual General Meeting and is not a resolution.

Ordinary Resolutions

1. Re-election of Adrian Bouris as a Non-Executive Director

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

"That Adrian Bouris, who retires by rotation in accordance with clause 5.2 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Non-Executive Director of the Company."

2. Adoption of Remuneration Report (Non-Binding Advisory Vote)

To consider and, if thought fit, pass the following as a non-binding ordinary resolution of the Company:

"That the Remuneration Report for the financial year ended 30 June 2019 (as set out in the Company's Directors' Report) be adopted."

The Remuneration Report is contained in the 2019 Annual Report (available at <https://ybr.com.au/investor-centre/annualreport19.pdf>).

Note – in accordance with section 250R(3) of the Corporations Act the vote on this Resolution is advisory only and does not bind the Directors or the Company but will be recorded for the purposes of section 250U of the Corporations Act. However, if at least 25% of the votes cast on this resolution are against it, the conditional spill resolution in item 7 below will be put to the Meeting.

3. Approval of prior issue of Shares to Nominated Employees

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

"That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders of the Company approve the issue of 1,531,120 shares on 18 December 2018 to nominated employees of the Company, at the issue prices and on the other terms described in the Explanatory Memorandum which accompanies the notice of meeting convening the meeting at which this resolution is proposed."

4. Approval of prior issue of Shares to Nominated Employee

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

"That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders of the Company approve the issue of 313,714 shares on 5 July 2019 to Gary Walsh (an employee of the Company), at the issue price and on the other terms described in the Explanatory Memorandum which accompanies the notice of meeting convening the meeting at which this resolution is proposed."

5. Approval of prior issue of Shares – September 2019 placement

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

"That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders of the Company approve the issue of 14,000,000 fully paid ordinary shares in the Company at a price of 6 cents per share on 19 September 2019 to raise a total of \$840,000, on the basis set out in the Explanatory Memorandum which accompanies the notice of meeting convening the meeting at which this resolution is proposed."

6. Approval for issue of 26,000,000 Shares to Magnetar Affiliates

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

"That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the issue of up to 26,000,000 ordinary shares at an issue price of 6 cents per share to raise a total of \$1,560,000 by way of placement to the persons identified as the "Magnetar Affiliates" in the Explanatory Memorandum that accompanies the notice convening the meeting at which this resolution is proposed."

7. Spill Resolution (if required)

Note – this Resolution will only be voted on if the outcome of Resolution 2 is such that at least 25% of the votes cast are against the adoption of the Remuneration Report. See item 7 of the Explanatory Memorandum for further details.

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

"That:

- (a) a general meeting of the Company (**spill meeting**) be held within 90 days of the passing of this resolution;
- (b) all the non-executive Directors in office when the Directors' report for the year ended 30 June 2019 was approved and who remain in office at the time of the spill meeting, cease to hold office immediately before the end of the spill meeting; and
- (c) resolutions to appoint persons to offices that will be vacated immediately before the end of the spill meeting be put to the vote at the spill meeting."

ADDITIONAL INFORMATION

This Notice is accompanied by an Explanatory Memorandum which provides an explanation of the business of the Meeting, including the proposed Resolutions.

Voting Entitlement

The Board of Directors of the Company has determined in accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that for the purpose of voting at the AGM, shares will be taken to be held by those who hold them at 7.00 pm (Sydney time) on Sunday 24 November 2019. This means that if you are not the registered holder of a relevant share at the time, you will not be entitled to vote in respect of that share.

If more than one joint holder of shares is present at the Meeting (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

Voting by Proxy

Each shareholder who is entitled to attend and vote at the Meeting may appoint a proxy to attend and vote on behalf of that shareholder. The proxy need not be a shareholder. Please note that a proxyholder need not vote on a show of hands (but if the proxy does so, the proxy must vote as directed), can speak at the meeting (this authority is suspended while the member is present at the meeting) and can vote on a poll.

A shareholder who is entitled to cast two or more votes may appoint one or two proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. If a shareholder appoints two proxies and the appointment does not specify the proportion, or number, of shareholder's votes, each proxy may exercise half the votes (disregarding fractions). Neither proxy may vote on a show of hands.

In the event that a shareholder appoints a proxy and specifies the way the proxy is to vote on a particular Resolution:

- (a) where the proxy is not the Chairman:
 - (i) the proxy need not vote on a poll but if the proxy does so then the proxy must vote the way that the shareholder specifies; and
 - (ii) if a poll is demanded and the proxy does not attend or vote, then the Chairman is taken to have been appointed as the proxy; and
- (b) where the Chairman is the proxy (including where the Chairman is taken to have been appointed the proxy as set out above) the proxy must vote on a poll and must vote the way that the shareholder specifies.

If you appoint a member of the KMP (which includes Directors and the Chairman of the Meeting) or any of their closely related parties as your proxy, in general, for your vote to count, you must direct your proxy how to vote on Resolutions 2 and 7 (if required).

The Chairman intends to exercise all undirected proxies in favour of Resolutions 2 and 7 (if required). If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolutions 2 or 7 (if required), by signing and returning the proxy form, the shareholder is considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

In addition, a vote must not be cast on either Resolution 2 or Resolution 7 (if required) by a member of the KMP of the Company, or a closely related party of a KMP, acting as proxy for

a person entitled to vote, if their appointment does not specify the way the proxy is to vote on that Resolution.

KMP voting restrictions for Resolutions 2 and 7 (if required)

Under the Corporations Act, voting restrictions apply to the Company's KMP and their closely related parties for Resolutions 2 and 7 (if required). The term "closely related party" in relation to a member of KMP includes a spouse, dependant and certain other close family members, as well as any companies controlled by the KMP. Please refer to the Explanatory Memorandum for more details.

Online proxy appointment

You may appoint and direct your proxy online, by using your smartphone or by visiting www.investorvote.com.au.

To use this option, you will need your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) and your allocated Control Number as shown on your proxy form. You will be taken to have signed the proxy form if you lodge it in accordance with the instructions on the www.investorvote.com.au website. To use your smartphone voting service, scan the QR code which appears on your proxy form and follow the instructions provided. To scan the code you need to have already downloaded a free QR code reader app to your smartphone. When scanned, the QR code will take you directly to the mobile voting site. A proxy cannot be appointed electronically if they are appointed under a power of attorney or similar authority. The online proxy facility may not be suitable for shareholders who wish to appoint two proxies with different voting directions. Please read the instructions for online proxy submissions carefully before you lodge your proxy.

Custodians and other intermediaries may appoint and direct their proxy online by visiting www.intermediaryonline.com (subscribers only).

Proxy Appointment by post or fax

A proxy can also be appointed by using the proxy form enclosed with this notice of meeting. Information on how to complete the proxy form is included on the form.

For the appointment of a proxy using a proxy form, the following documents must be lodged:

- (a) the completed proxy form; and
- (b) if the proxy form is signed by the appointer's attorney – the authority under which the proxy form was signed or a certified copy of the authority.

Lodgement of proxy appointments

For the appointment of a proxy to be effective for the meeting, the Company must receive an online proxy appointment through the www.investorvote.com.au website or a duly completed proxy form (and if signed by an attorney, the attorney's authority or a certified copy), in either case by **10.00am on Sunday, 24 November 2019**.

Proxy forms may be posted or faxed to the Company's share registry at:

Computershare Investor Services Pty Limited

GPO Box 242

MELBOURNE VIC 3001

Australia

Facsimile: 1800 783 447 (within Australia)

+61 3 9473 2555 (outside Australia)

If posting, please allow sufficient time for your form to be received by 10.00am on 24 November 2019.

Corporate representatives

A corporate shareholder wishing to appoint a person to act as its representative at the Meeting may do so by providing that person with:

- a properly executed letter, certificate, form, or other document, such as an "Appointment of Corporate Representative" confirming that they are authorised to act as the corporate shareholder's representative. A form may be obtained from www.investorcentre.com under the tab "Need a printable form?"; or
- a copy of the resolution appointing the representative, certified by a director or secretary of the corporate shareholder.

A copy of the signed document must be produced prior to admission to the Meeting.

By order of the Board of Directors
of Yellow Brick Road Holdings Limited

SEAN PREECE
COMPANY SECRETARY
22 October 2019

YELLOW BRICK ROAD HOLDINGS LIMITED
ACN 119 436 083
Annual General Meeting
Explanatory Memorandum

Important Information

This Explanatory Memorandum has been prepared for the information of the shareholders of Yellow Brick Road Holdings Limited (the "**Company**") in connection with the business to be conducted at the Annual General Meeting of the Company to be held at Sofitel Wentworth Hotel, Hobart Room, 61-101 Phillip Street, Sydney at 10:00am (Sydney time) on Tuesday 26 November 2019.

The purpose of this Explanatory Memorandum is to provide information that the Directors believe to be material to shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

You should read this document carefully.

This Explanatory Memorandum and the accompanying Notice are important. You should read each document in its entirety before deciding how to vote on the Resolutions at the Meeting. If you are in doubt as to what you should do, you should consult your financial, legal or other professional adviser.

No Investment Advice

This Explanatory Memorandum does not constitute financial product advice and it does not purport to contain all of the information that a prospective investor may require in evaluating a possible investment in the Company. This Explanatory Memorandum has been prepared without taking account of any person's particular investment objectives, financial situation or needs.

Role of ASX

Copies of this Explanatory Memorandum and the Notice have been lodged with ASX for the purposes of ASX Listing Rule 15.1. Neither ASX nor any of its officers take any responsibility for the contents of this Explanatory Memorandum and the Notice.

Glossary

Unless otherwise defined in this document, capitalised terms have the meaning set out in the Glossary at the end of this Explanatory Memorandum.

FINANCIAL STATEMENTS AND REPORTS

The first item of the Notice of Annual General Meeting deals with the presentation of the consolidated Annual Financial Report of the Company for the financial year ended 30 June 2019 together with the Directors' Declaration and Report in relation to that financial year and the Auditor's Report on those Financial Statements. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No Resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask

questions and make comments on the accounts and on the business, operations and management of the Company.

The Chairman will also provide shareholders a reasonable opportunity to ask the Company's auditor or their representative questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the Auditor's Report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

The Chairman will also provide shareholders a reasonable opportunity for the auditor or their representative to answer any written questions submitted to the auditor under section 250PA of the Corporations Act if the question is relevant to:

- (a) the content of the Auditor's Report to be considered at this Meeting; or
- (b) the conduct of the audit of the annual financial report to be considered at this Meeting.

To submit a question to the auditor under section 250PA of the Corporations Act, it must be given to the Company no later than 19 November 2019.

ORDINARY RESOLUTIONS

Resolution 1 – Re-election of Adrian Bouris as a Non-Executive Director

In accordance with clause 5.2 of the Company's Constitution, Adrian Bouris will retire by rotation from office at the Meeting, and being eligible, offers himself for re-election as a Non-Executive Director of the Company.

Adrian Bouris has over 28 years' experience in investment banking and corporate and commercial law. He is currently Principal and Managing Director of BBB Capital Pty Ltd, a boutique corporate advisory and investment company. Prior to founding BBB Capital Pty Ltd, Adrian was Managing Director of the Australian Investment Banking Division of ING Bank N.V. and was previously Director of SG Hambros Australia.

The Directors (with Adrian Bouris abstaining) unanimously recommend that Shareholders vote in favour of Resolution 1.

The Chairman intends to vote any undirected proxies held by him in favour of Resolution 1.

Resolution 2 - Adoption of Remuneration Report (Non-Binding Advisory Vote)

The Annual Report for the financial year ended 30 June 2019 contains a remuneration report which sets out the remuneration policies applicable to the Company and reports the remuneration arrangements that were in place for the Company's Directors and senior executives for the financial year ended 30 June 2019.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting before shareholders are asked to vote on Resolution 2, to adopt the remuneration report.

The vote on this Resolution will be advisory only and will not bind the Directors or the Company, except as outlined below and in the explanatory notes for Resolution 7. However, the Board will take the outcome of the vote into consideration when reviewing the Company's remuneration practices and policies.

The Company received a "first strike" against its Remuneration Report at the 2018 Annual General Meeting. The Board took that very seriously. As a result, the Board completed a comprehensive review of our executive remuneration framework.

Additional information

Under the Corporations Act, if at least 25% of the votes cast on the resolution to adopt the remuneration report at two consecutive Annual General Meetings are against the resolution, shareholders must be given an opportunity to vote on a "spill resolution" (as set out in Resolution 7) at the second meeting. This is known as the "two strikes" rule.

Due to the "two strikes" rule, votes against Resolution 2 may lead to a further meeting to elect Directors.

As noted above, the Company received a "first strike" at the 2018 Annual General Meeting against its 2018 Remuneration Report. As a result, if at least 25% of the votes cast on Resolution 2 are cast against that resolution, the Company would receive a "second strike" and would be required to put the conditional spill resolution in item 7 to the Meeting. For details of the effect of the spill resolution, please read the explanatory notes for Resolution 7 in the Explanatory Memorandum.

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 2:

- by or on behalf of a member of the KMP whose remuneration is disclosed in the 2019 Remuneration Report (and their closely related parties) in any capacity; and
- as proxy by a person who is a member of the KMP at the date of the meeting (and their closely related parties),

unless the vote is cast as proxy for a person entitled to vote on Resolution 2:

- in accordance with a direction on the proxy form; or
- by the Chairman of the meeting and the Chairman has received express authority in the proxy form to vote undirected proxies as the Chairman sees fit even though Resolution 2 is connected with the remuneration of the KMP.

Noting that each Director has a personal interest in his own remuneration from the Company, the Board unanimously recommends to Shareholders that they vote in favour of Resolution 2.

The Chairman intends to vote any undirected proxies held by him in favour of Resolution 2.

Resolution 3 – Approval of prior issue of Shares to Nominated Employees

Background

Under Listing Rule 7.1, a company may issue up to 15% of its equity securities in a 12 month period, without seeking shareholder approval.

ASX Listing Rule 7.4.2 provides that shareholders may approve an issue of securities after the fact so that the securities issued are regarded as having been made with approval for the purpose of Listing Rule 7.1.

Accordingly, Resolution 3 is seeking ratification for the 1,531,120 shares that were issued on 18 December 2018 without shareholder approval. The issue of these shares was within the capacity of Listing Rule 7.1. The Company is seeking approval for the purpose of Listing Rule 7.4 so that the Company will have the flexibility to issue further securities under ASX Listing

Rule 7.1 if the need arises in the next 12 months.

Information required under ASX Listing Rule 7.5

1,531,120 Shares were issued to nominated employees of the Company as consideration for services provided during the financial year ended 30 June 2017. The Shares were issued at an issue price of 9.3 cents per Share in lieu of cash remuneration being paid to those employees.

As such, no funds were raised by the Company as a result of the issue of the 1,531,120 Shares.

The 1,531,120 Shares were issued on the same terms as, and rank equally with, all other ordinary shares in the capital of the Company then on issue.

The issue was subject to the relevant employees continuing to be employed by the Company for at least 12 months. The 1,531,120 Shares were issued to 26 different employees, being employees determined by senior management as a high performing employee who should be rewarded. Senior management's proposed allocations of shares were then approved by the Company's Directors as an appropriate reward, incentive and retention mechanism.

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders and conforms with the market best practice for delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency.

The Directors believe that the issue of Shares in lieu of cash consideration is desirable, and in the best interests of the Company and its Shareholders, as it will align the interests of the nominated employees with those of the Shareholders.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of a person who participated in the issue or an associate of that person.

However, the Company will not disregard a vote if it is cast by:

- a person as proxy for a person who is entitled to vote, in accordance with directions on the proxy form; or
- 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.

The Directors recommend that shareholders vote in favour of Resolution 3.

The Chairman intends to vote any undirected proxies held by him in favour of Resolution 3.

Resolution 4 – Approval of prior issue of Shares to Nominated Employee

Background

Under Listing Rule 7.1, a company may issue up to 15% of its equity securities in a 12 month period, without seeking shareholder approval.

ASX Listing Rule 7.4.2 provides that shareholders may approve an issue of securities after the fact so that the securities issued are regarded as having been made with approval for the purpose of Listing Rule 7.1.

Accordingly, Resolution 4 is seeking ratification for the 313,714 shares that were issued on 5 July 2019 without shareholder approval. The issue of these shares was within the capacity of Listing Rule 7.1. The Company is seeking approval for the purpose of Listing Rule 7.4 so that the Company will have the flexibility to issue further securities under ASX Listing Rule 7.1 if the need arises in the next 12 months.

Information required under ASX Listing Rule 7.5

313,714 Shares were issued to Gary Walsh, an employee of the Company, in satisfaction of a bonus for services provided during the financial year ended 30 June 2018. The Shares were issued at an issue price of 13 cents per Share in lieu of a cash bonus being paid to the employee.

As such no funds were raised by the Company as a result of the issue of the 313,714 Shares.

The 313,714 Shares were issued on the same terms as, and rank equally with, all other ordinary shares in the capital of the Company then on issue.

The issue of the 313,714 Shares was subject to Gary Walsh continuing to be employed by the Company for at least 12 months. The award of the bonus and issue of the shares in lieu of the cash bonus was approved by the Company's Directors as an appropriate reward, incentive and retention mechanism.

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and conforms with the market best practice for delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency.

The Directors believe that the issue of Shares in lieu of a cash bonus is desirable, and in the best interests of the Company and its Shareholders, as it will align the interests of the relevant employee with those of the Shareholders.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of a person who participated in the issue or an associate of that person.

However, the Company will not disregard a vote if it is cast by:

- a person as proxy for a person who is entitled to vote, in accordance with directions on the proxy form; or
- 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.

The Directors recommend that shareholders vote in favour of Resolution 4.

The Chairman intends to vote any undirected proxies held by him in favour of Resolution 4.

Resolution 5 – Approval of prior issue of Shares – September 2019 placement

Background

The Company is seeking the approval of members for the purposes of ASX Listing Rule 7.4, in respect of the issue of 14,000,000 fully paid ordinary shares that were issued under its share placement in September 2019.

On 19 September 2019 the Company completed a capital raising by way of private placement, through the issue of 14,000,000 ordinary shares at 6 cents per share, raising \$840,000 before costs (the "**Placement**").

Effect of approval

In general terms, Listing Rule 7.1 of the ASX Listing Rules imposes a 15% cap on the number of equity securities (including ordinary shares) that can be issued by the Company, without the approval of shareholders, in any 12 month period ("**15% limit**"). However, the Company is permitted to issue shares in excess of the 15% limit if those shares are issued in reliance on an exception to Listing Rule 7.1 or the issue is approved by shareholders. Listing Rule 7.4 enables shareholders to subsequently approve the issue of such shares for the purposes of Listing Rule 7.1.

The effect of the approval by shareholders under Resolution 5 would be that the 14,000,000 Shares issued under the Placement by the Company will not count towards the 15% limit.

The Company's capital base is critical to its ability to manage its business. It is important for the Board to have maximum flexibility in accessing all forms of capital.

The requirement to obtain shareholder approval for an issue (and the need to convene a special meeting to do so), before the issue, could limit the Company's ability to take advantage of opportunities that may arise to raise equity capital.

As announced by the Company to the ASX on 13 September 2019, in addition to the 14,000,000 Shares issued on 19 September 2019, the Company has agreed to issue a further 26,000,000 Shares at 6 cents per share to raise a further \$1,560,000, subject to there being no objections under the Foreign Acquisitions and Takeovers Act 1975 (Cth) to the issue.

The further 26,000,000 Shares are able to be issued within the Company's existing 15% limit capacity under Listing Rule 7.1, and the issue of the further 26,000,000 Shares is not dependent upon the passing of Resolution 5.

Information required under ASX Listing Rule 7.5

Each of the 14,000,000 Shares were issued at an issue price of 6 cents per Share.

The funds raised from the issue of the 14,000,000 Shares are to be used to pay for costs in connection with the Company's planned securitisation initiative and general working capital needs.

The 14,000,000 Shares were issued on the same terms as, and rank equally with, all other ordinary shares in the capital of the Company then on issue, except that the 14,000,000 Shares are subject to voluntary escrow for a period of 12 months commencing from 19 September 2019.

The 14,000,000 Shares were allotted to the following affiliates of Magnetar Capital ("**Magnetar Affiliates**") in the following respective numbers:

Name	Number of Shares
Magnetar Constellation Master Fund Ltd	5,600,000
Magnetar Constellation Fund II Ltd	2,100,000
Magnetar Constellation Master Fund V Ltd	1,400,000
Magnetar Longhorn Fund LP	1,400,000
Magnetar Structured Credit Fund LP	1,400,000
Magnetar Xing He Master Fund Ltd	1,400,000
Magnetar SC Fund Ltd	700,000

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of a person who participated in the issue or an associate of that person.

However, the Company will not disregard a vote if it is cast by:

- a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- 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.

Board Recommendation

The Directors believe that it is in the best interests of the Company that the Directors maintain their ability to issue up to 15% of the issued capital of the Company over the next 12 months.

The Directors recommend that members vote in favour of Resolution 5.

Resolution 6 – Approval for issue of 26,000,000 Shares to Magnetar Affiliates

Background

On 13 September 2019, the Company announced that it had agreed to issue to the Magnetar Affiliates (as defined in item 5 of this Explanatory Memorandum) 40,000,000 fully paid ordinary shares in the capital of the Company at 6 cents per share to raise \$2,400,000 via private placement.

14,000,000 of the Shares have already been issued to the Magnetar Affiliates, as described in item 5 of this Explanatory Memorandum. Accordingly, 26,000,000 Shares remain to be issued to the Magnetar Affiliates via private placement ("**Tranche 2 Placement**").

The issue to the Magnetar Affiliates of the balance of the 26,000,000 Shares under the Tranche 2 Placement is conditional on there being no objections under the Foreign Acquisitions and Takeovers Act 1975 (Cth) to the Magnetar Affiliates subscribing for and being issued the 26,000,000 Shares.

Listing Rule 7.1 of the ASX Listing Rules imposes a 15% cap on the number of equity securities that can be issued by the Company, without the approval of shareholders, in any 12 month period ("**15% limit**"). However, the Company is permitted to issue equity securities in excess of the 15% limit if those equity securities are issued in reliance on an exception to Listing Rule 7.1 or the issue is approved by shareholders.

The 26,000,000 Shares to be issued under the Tranche 2 Placement are able to be issued within the 15% limit as at the date of this Notice, and so therefore this Resolution 6 does not have to be passed by shareholders in order for the Company to be able to issue the 26,000,000 Shares. However, the effect of Resolution 6, if passed, will be to allow the Company to issue up to 26,000,000 Shares during the period of up to 3 months after the date on which the Meeting is held without using the Company's 15% placement capacity under Listing Rule 7.1.

Accordingly, the Company is seeking shareholder approval to the issue of 26,000,000 Shares for the purposes of ASX Listing Rule 7.1 under Resolution 6.

Further information about the Tranche 2 Placement

The respective number of Shares to be issued to each Magnetar Affiliate under the Tranche 2 Placement will be:

Name	Number of Shares
Magnetar Constellation Master Fund Ltd	2,600,000
Magnetar Constellation Fund II Ltd	2,600,000
Magnetar Constellation Master Fund V Ltd	2,600,000
Magnetar Longhorn Fund LP	10,400,000
Magnetar Structured Credit Fund LP	3,900,000
Magnetar Xing He Master Fund Ltd	1,300,000
Magnetar SC Fund Ltd	2,600,000

Under the ASX Listing Rules, none of the Magnetar Affiliates, nor their associates, may vote on Resolution 6.

Information required under ASX Listing Rule 7.3

In addition to the above, the following details of the proposed issue of 26,000,000 Shares for which shareholder approval is sought are provided for the purposes of ASX Listing Rule 7.3:

- The maximum number of securities the Company is to issue under the Tranche 2 Placement is 26,000,000 Shares.
- The date by which the Company will issue the securities under the Tranche 2 Placement is no later than 3 months after the date of the Meeting.
- The issue price of the securities to be issued under the Tranche 2 Placement is 6 cents per Share.
- The names of the persons to whom the securities will be issued are as follows:
 - Magnetar Constellation Master Fund Ltd;

- Magnetar Constellation Fund II Ltd;
 - Magnetar Constellation Master Fund V Ltd;
 - Magnetar Longhorn Fund LP;
 - Magnetar Structured Credit Fund LP;
 - Magnetar Xing He Master Fund Ltd; and
 - Magnetar SC Fund Ltd.
- The terms of the securities are the same terms that apply to all other fully paid ordinary Shares. The Shares will rank equally in all respects with all other fully paid ordinary Shares from the time they are issued, except that the Shares will be subject to voluntary escrow for a period of 12 months from the date of issue of the Shares.
 - The intended use of the funds raised by the Tranche 2 Placement is to pay for costs in connection with the Company's planned securitisation initiative and general working capital needs.
 - The issue date of the securities to be issued under the Tranche 2 Placement is expected to be no later than 31 December 2019.
 - A voting exclusion statement is set out below.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- the Magnetar Affiliates;
- any 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
- an associate of any of the Magnetar Affiliates or the other persons excluded from voting.

However, the Company will not disregard a vote if 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
- 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.

Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 6.

Resolution 7 – Spill resolution (conditional resolution)

This item ("**spill resolution**") will only be put to the Meeting if at least 25% of the votes cast on Resolution 2 are against that resolution. If less than 25% of the votes cast on Resolution 2 are against the resolution, there will be no "second strike" and the spill resolution will not be put to the AGM.

If the spill resolution is put to the AGM, it will be considered as an ordinary resolution. If the spill resolution is passed, then an extraordinary general meeting of shareholders ("**spill meeting**") must be held within 90 days.

The following non-executive Directors who remain in office at the time of the spill meeting will cease to hold office at the end of the spill meeting unless they are willing to stand for re-election, and are re-elected, at that meeting:

Adrian Bouris
John George.

The Executive Chairman and Managing Director of the Company, Mark Bouris, would not be required to stand for election as a Director at the spill meeting, and would continue to hold office.

If Adrian Bouris is re-elected at the AGM, he would still need to be re-elected at any spill meeting, to remain in office.

In deciding how to vote on Resolution 7, the Board suggests that shareholders take the following factors into account:

- Response to first strike – The Board has taken significant action to address concerns expressed by shareholders relating to the company's executive remuneration framework, principally by the conducting of a review of all senior management positions and remuneration and a restructuring of senior management roles based on the results of the review, which has resulted in a consolidation of senior management roles and a consequential cost saving.
- Loss of Directors' leadership, skills and knowledge – The Company has benefitted from the clear focus and leadership the Board has provided to the business. Each of the relevant non-executive Directors has previously been elected as a Director and received strong support from shareholders. There is no assurance that the current Directors would be willing to stand for re-election at the spill meeting or, if they are, that they would be re-elected at that meeting. This creates significant risk that the governance of the Company would be disrupted and creates a real challenge to engage new Directors with the skills and knowledge expected of members of the Board.
- Disruption to the Company – If the spill resolution is passed, this will create instability in leadership and potentially negatively impact the Company's ability to implement its critical securitisation strategy. The Board has been integral in developing and overseeing this strategy.
- Costs – If the spill resolution is passed, the Company will incur significant costs in convening and holding the spill meeting.

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 7:

- by or on behalf of a member of the KMP whose remuneration is disclosed in the 2019 Remuneration Report (and their closely related parties) in any capacity; and
- as proxy by a person who is a member of the KMP at the date of the meeting (and their closely related parties),

unless the vote is cast as proxy for a person entitled to vote on Resolution 7:

- in accordance with a direction on the proxy form; or
- by the Chairman of the meeting and the Chairman has received express authority in the proxy form to vote undirected proxies as the Chairman sees fit even though Resolution 7 is connected with the remuneration of the KMP.

If you **do not** want a spill meeting to take place, you should vote "**against**" Resolution 7. If you want a spill meeting to take place, you should vote "**for**" Resolution 7.

Board recommendation

The Board recommends that shareholders vote against Resolution 7. The Chairman of the meeting intends to vote all available proxies against this resolution.

GLOSSARY

In this Explanatory Memorandum:

ASX means ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires.

Board means the board of directors of the Company.

Company means Yellow Brick Road Holdings Limited ACN 119 436 083.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Explanatory Memorandum means the Explanatory Memorandum accompanying the Notice.

Key Management Personnel or **KMP** means each individual whose remuneration is disclosed in the 2019 Remuneration Report (including each Director of the Company).

Listing Rules or **ASX Listing Rules** means the official listing rules of ASX.

Meeting or **Annual General Meeting** means the annual general meeting convened by the Notice.

Notice means the notice of meeting accompanying this Explanatory Memorandum.

Resolution means a resolution set out in the Notice.

Share or **Shares** means an ordinary fully paid share or shares in the capital of the Company.

Shareholder means a holder of Shares.

Yellow Brick Road Holdings Limited

ABN 44 119 436 083



YBR

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **by 10:00am (Sydney time) on Sunday, 24 November 2019.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

ATTENDING THE MEETING

If you are attending in person, please bring this form with you to assist registration.

Corporate Representative

If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Appointment of Corporate Representative" prior to admission. A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Use your computer or smartphone to appoint your proxy and vote at www.investorvote.com.au or scan your personalised QR code below using your smartphone.

Your secure access information is



Control Number: 999999

SRN/HIN: I999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Yellow Brick Road Holdings Limited hereby appoint

☐

the Chairman
of the Meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Yellow Brick Road Holdings Limited to be held at Sofitel Wentworth Hotel, Hobart Room, 61-101 Phillip Street, Sydney at 10:00am (Sydney time) on Tuesday 26 November 2019 and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 2 and 7 (except where I/we have indicated a different voting intention in step 2) even though Items 2 and 7 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business with the exception of Item 7 where the Chairman of the Meeting intends to vote against.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 2 and 7 by marking the appropriate box in step 2.

Step 2 Items of Business

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

	For	Against	Abstain
1 Re-election of Adrian Bouris as a Non-Executive Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Adoption of Remuneration Report (Non-Binding Advisory Vote)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of prior issue of Shares to Nominated Employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of prior issue of Shares to Nominated Employee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of prior issue of Shares – September 2019 placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval for issue of 26,000,000 Shares to Magnetar Affiliates	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Spill Resolution (if required)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business with the exception of Item 7 where the Chairman of the Meeting intends to vote against. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

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Computershare

