

17 February 2017

## NOTICE OF GENERAL MEETING

Notice is given that a General Meeting of Shareholders of NAOS Absolute Opportunities Company Limited (ACN 169 448 837) (the "**Company**") will be held as follows:

Date: 21 March 2017  
Time: 10.00am (Sydney time)  
Venue: NAOS Asset Management  
Level 34 MLC Centre  
19 Martin Place  
Sydney NSW 2000

## BUSINESS

### 1. Approval of placement of fully-paid ordinary shares by the Company:

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

*'That for the purposes of Listing Rule 7.4, the issue of 6,242,598 fully-paid ordinary shares in the Company on 22 February 2017 made by way of placement, is approved and ratified.'*

#### ***Voting Exclusion***

The Company will disregard any vote cast on the resolution by any shareholder of the Company who participated in the issue the subject of that resolution and by any associate of any such shareholder.

However, the Company will not disregard a vote cast on the resolution if:

- A. 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
- B. it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

## Proxies

A Shareholder entitled to attend and vote at this Meeting is entitled to appoint not more than two proxies to attend and vote in his/her stead.

A proxy holder need not be a shareholder of the Company.

If the shareholder appoints two (2) proxies, the shareholder may specify the proportion or number of votes each proxy is entitled to exercise. If no proportion or number of votes is specified, each proxy may exercise half of the votes. If the specified proportion or numbers of votes exceed that which the shareholder is entitled to, each proxy may exercise half of the shareholder's votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.

Proxies must be:

- (a) Lodged online;
- (b) Lodged by posting them or delivering them by hand to the address specified below; or
- (c) Received at the fax number specified below

Proxies must also be received not later than 48 hours before the Meeting being 10.00am (Sydney time) on Sunday, 19 March 2017.

Online: [www.votingonline.com.au/nacgm2017](http://www.votingonline.com.au/nacgm2017)

Address: Boardroom Pty Limited  
Level 12  
225 George Street  
Sydney NSW 2000

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

Fax number: +612 9290 9655

A form of proxy is provided with this Notice.

### **Entitlement to Vote**

In accordance with section 1074E(2)(g)(i) of the Corporations Act, 2001 (Cth) and Regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the meeting all shares in the capital of the Company will be taken to be held by the persons who held them as registered holders at 7.00pm (Sydney time) on Friday, 17 March 2017. Accordingly, share transfers registered after that time will be disregarded in determining entitlement to attend and vote at the Meeting.

By order of the Board



Sebastian Evans  
Director

## EXPLANATORY NOTES

This document forms part of the Notice of the General Meeting of NAOS Absolute Opportunities Company Limited (ACN 169 448 837) (the “**Notice**”). Defined terms used in these Explanatory Notes have the same meaning given to them in the Notice.

### **Item 1: Ratification of Placement**

The Resolution seeks shareholder approval for the purposes of ASX Listing Rule 7.4, to ratify the placement of 6,242,598 fully-paid ordinary shares in the Company issued on 16 February 2017 (**Placement Shares**).

The Placement Shares were issued under a placement to sophisticated and professional investors who did not require disclosure for the purposes of Chapter 6D of the Corporations Act and were nominated by Taylor Collison, who acted as lead manager for the placement.

The Placement Shares were issued at \$1.12, which is the same price at which ordinary shares were offered to existing shareholders under the Company’s share purchase plan announced to the market on 16 February 2017 (**SPP**).

The Company intends to use to the funds raised from the Placement Shares (and SPP) to continue with its proven investment strategy of providing investors with positive absolute returns via exposure to generally mid-cap investments mainly listed in Australia, whilst focusing on the preservation of shareholder’s capital. The Directors believe that a number of excellent long-term mid-cap opportunities exist in the market place, and will use the funds raised to invest in under-valued mid-cap companies to take advantage of these opportunities.

### ***What is the effect of listing rule 7.1?***

In general terms, ASX Listing Rule 7.1 imposes a 15% cap on the number of shares that can be issued by a company in any twelve month period (**15% limit**). However, a company is permitted to issue shares (or other securities) in excess of the 15% limit if those shares are issued in reliance on an exception to ASX Listing Rule 7.1 or the issue is approved by shareholders. ASX Listing Rule 7.4 enables shareholders to subsequently approve an issue of shares for the purposes of ASX Listing Rule 7.1.

### ***Why is the Company seeking approval for the issues of shares?***

The Placement Shares used the Company’s 15% limit. As a result, the Company cannot issue shares or other securities in the period to 16 February 2018 unless it can rely on an exception to Listing Rule 7.1 or shareholder approval is obtained.

The Company is seeking the proposed shareholder approval to refresh the Company’s 15% limit. The approval would allow the Company to issue any shortfall in the SPP to professional and sophisticated investors (who do not required disclosure for the purposes of Chapter 6D).

If this approval is not given at the Meeting, the Company will not be able to ensure the maximum amount is raised under the SPP and will be unable during the period up to 16 February 2018 to issue any securities which do not fall under an exception to the 15% rule in listing rule 7.2 or with convening another general meeting to approve the issue.

The Directors unanimously recommend that shareholders vote in favour of the resolution.

You should be aware that the Chair of the Meeting intends to vote undirected proxies in favour of the resolution.

### ***Voting Exclusion***

Voting exclusions apply to the resolution. See the Notice of Meeting for details.



NAOS Absolute Opportunities Company Limited

**All Correspondence to:**

✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)

☎ **By Phone:** (within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00am (Sydney Time) on Sunday 19 March 2017.**

### 🖥 TO VOTE ONLINE

### 📱 BY SMARTPHONE

**STEP 1:** VISIT <http://www.votingonline.com.au/nacgm2017>

**STEP 2:** Enter your Postcode OR Country of Residence (if outside Australia)

**STEP 3:** Enter your Voting Access Code (VAC):



Scan QR Code using smartphone  
QR Reader App

### TO VOTE BY COMPLETING THE PROXY FORM

#### STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

##### Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

#### STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

##### Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

#### STEP 3 SIGN THE FORM

The form **must** be signed as follows:

**Individual:** This form is to be signed by the securityholder.

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

**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

#### STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:00am (Sydney Time) on Sunday 19 March 2017.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

**Proxy forms may be lodged using the enclosed Reply Paid Envelope or:**

💻 **Online** <http://www.votingonline.com.au/nacgm2017>

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia

👤 **In Person** Boardroom Pty Limited  
Level 12, 225 George Street,  
Sydney NSW 2000 Australia

#### Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

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#### Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

**Please note, you cannot change ownership of your securities using this form.**

## PROXY FORM

### STEP 1 APPOINT A PROXY

I/We being a member/s of **NAOS Absolute Opportunities Company Limited** (Company) and entitled to attend and vote hereby appoint:

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the **Chair of the Meeting** (mark box)

**OR** if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the General Meeting of the Company to be held at **NAOS Asset Management, Level 34 MLC Centre, 19 Martin Place, Sydney NSW 2000 on Tuesday, 21 March 2017 at 10:00am (Sydney Time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chair of the Meeting intends to vote undirected proxies in favour of each of the items of business.

### STEP 2 VOTING DIRECTIONS

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

Item 1 Ratification of Placement

For Against Abstain\*

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### STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company  
Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone..... Date / / 2017