

NOTICE OF 2015 ANNUAL GENERAL MEETING

21 October 2015

Dear Shareholder,

MDS Financial Group Limited
Annual General Meeting: 27 November 2015 at 11.00am

It gives me great pleasure to invite you to attend MDS Financial Group's Annual General Meeting and I enclose the Notice of Meeting which sets out the items of business.

The meeting will be held at 11.00am on Friday 27 November 2015 in the Board Room of K & L Gates at Level 31, 1 O'Connell Street, Sydney, NSW 2000.

The Board of Directors of MDS Financial Group considers the Annual General Meeting to be an important event on our calendar and we look forward to the opportunity to update you on the Company's performance for the year and also answer any questions you may have regarding changes that have occurred at MDS Financial Group over the past 12 months in particular the successful acquisition and integration of the Sequoia Financial Group.

In addition to the ordinary business of considering the financial and remuneration reports for the 2015 Financial Year there are a number of additional items we will be asking Shareholders to consider, including the re-election of a Directors, the ratification of previous issues of Shares, the issuing of Shares for the acquisition of Sequoia Wealth Group Pty Ltd and a proposed name change for the Company.

Details of these items are included in the enclosed Notice of Meeting.

If you have questions in relation to the upcoming Annual General Meeting, please call MDS Financial Group on +61 2 8114 2222.

If you are not able to attend the meeting to vote in person, please complete the enclosed Proxy Form and return it by mail or fax.

The Board recommends that you vote in favour of all items of business.

I look forward to welcoming you to the 2015 Annual General Meeting.

Yours Sincerely,

Michael Carter
Chairman
MDS Financial Group Limited

MDS FINANCIAL GROUP LIMITED

NOTICE OF 2015 ANNUAL GENERAL MEETING

TIME: 11.00am (AEDT)

DATE: 27 November 2015

PLACE: K & L Gates
Level 31
1 O'Connell 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 Secretary on +61 2 8114 2222.

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VENUE

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11.00am (AEDT) on 27 November 2015 at:

**K & L Gates
Level 31
1 O'Connell 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

1. A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. You must return both proxy forms together in the same envelope.
2. A proxy need not be a Shareholder of the Company.
3. To vote by proxy, please complete and sign the enclosed Proxy Form in accordance with the instructions set out in the Proxy Form. Please review the instructions carefully.
4. If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.
5. If the Chairman of the Meeting is appointed as your proxy, or may be appointed by default, and you do not wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in the box on the bottom of page 1 of the Proxy Form marked "Important Note". By marking this box, you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of a particular resolution and votes cast by him other than as proxy holder will be disregarded because of that interest. The Chairman intends to vote 100% of all open proxies in favour of each resolution. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman will not cast your votes on the resolution and your votes will not be counted in computing the required majority if a poll is called on the resolution.
6. If a corporate representative of a company Shareholder (or a body corporate appointed as proxy for one or more Shareholders) is to attend the Meeting, a properly executed original (or certified copy) of the appropriate "Certificate of Appointment of Corporate Representative" should be produced for admission to the Meeting. Previously lodged "Certificates of Appointment of Corporate Representative" will be disregarded by the Company. The appointment must comply with section 250D of the Corporations Act.
7. If an attorney is to attend the Meeting on behalf of a Shareholder, a properly executed original (or originally certified copy) of an appropriate power of attorney must be received by the Company by the deadline for the receipt of proxy forms, being no later than 11am on 25 November 2015. Previously lodged powers of attorney will be disregarded by the Company.
8. **Signing Instructions** - You must sign the Proxy Form as follows in the spaces provided:

Individual:	Where the holding is in one name, the Shareholder must sign.
Joint Holding:	Where the holding is in more than one name, all the Shareholders should sign.
Power of Attorney:	If you are signing under a power of attorney, you must lodge an original or certified photocopy of the appropriate power of attorney with your completed Proxy Form.

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.

9. Completed Proxy Forms (together with any authority under which the proxy was signed or a certified copy of the authority) must be returned before 11am on 25 November 2015 in one of the following three ways:

By mail to: Computershare Investor Services Pty Ltd

GPO Box 242
Melbourne
VIC 3001
Australia

By facsimile: +61 3 9473 2555

By email: andrew.phillips@mdsfinancial.net

NOTICE OF 2015 ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders will be held at 11.00am (AEDT) on 27 November 2015 at K & L Gates Level 31, 1 O'Connell Street, Sydney, NSW 2000.

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 11.00am (AEDT) on 25 November 2015.

Terms and abbreviations used in the Notice of Meeting are defined in the Glossary.

AGENDA

ORDINARY BUSINESS

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2015 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

2. RESOLUTIONS

RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

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

"That for the purposes 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 30 June 2015."

Voting Exclusion Statement:

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member, collectively referred to as a **Prohibited Voter**.

However, a Prohibited Voter may vote on this Resolution if:

- (a) the Prohibited Voter does so as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 1; and,
- (b) the vote is not cast on behalf of a Prohibited Voter.

RESOLUTION 2: APPROVAL AND RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

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

*"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the allotment and issue of 12,500,000 Shares (**Prior Placement Shares**) each at an issue price of \$0.004 to Timestream Pty Ltd on the terms and conditions in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast on Resolution 2 by:

- a person who participated in the issue of the Prior Placement Shares and
- any person who might have obtained a benefit (except a benefit solely in their capacity as a holder of ordinary securities) if the Resolution is passed, or an associate of that person

However, the Company will not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- it is cast by the Chairperson 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.

RESOLUTION 3: APPROVAL AND RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

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

*"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the allotment and issue of 48,333,333 Shares (**Prior Placement Shares**) each at an issue price of \$0.003 to Dabski International Pty Ltd on the terms and conditions in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast on Resolution 3 by:

- a person who participated in the issue of the Prior Placement Shares; and
- any person who might have obtained a benefit (except a benefit solely in their capacity as a holder of ordinary securities) if the Resolution is passed, or an associate of that person.

However, the Company will not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- it is cast by the Chairperson 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.

RESOLUTION 4: APPROVAL AND RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

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

*"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the allotment and issue of 142,908,100 Shares (**Prior Placement Shares**) each at an issue price of \$0.002 to Mason Family Super Pty Ltd, Mr Peter Stirling and Mrs Ros Stirling, Khoo Gee Choo, Total Legend Super Pty Ltd, Mr Andrew Phillips, Beeton Enterprises Pty Ltd and Stena Lane Pty Ltd on the terms and conditions in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast on Resolution 4 by:

- person who participated in the issue of the Prior Placement Shares; and
- any person who might have obtained a benefit (except a benefit solely in their capacity as a holder of ordinary securities) if the Resolution is passed, or an associate of that person.

However, the Company will not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- it is cast by the Chairperson 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.

RESOLUTION 5: APPROVAL AND RATIFICATION OF THE ISSUE OF 248,812,500 SHARES FOR OF 66.4% CONSIDERATION FOR THE ACQUISITION OF SECURITIES IN SEQUOIA WEALTH GROUP PTY LIMITED TO THE VENDORS

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

"That, for the purposes of Listing Rule 7.1 of the ASX Listing Rules, and for all other purposes, the shareholders ratify the issue of 248,812,500 Shares at a deemed price of \$0.002 per Share in partial consideration for the purchase by the Company of securities in Sequoia Wealth Group Pty Limited under the terms of a Share Purchase Agreement as set out in the Explanatory Statement."

Voting Exclusion

The Company will disregard any votes cast on Resolution 5 by:

- a person who participated in the issue of the Prior Placement Shares; and
- any person who might have obtained a benefit (except a benefit solely in their capacity as a holder of ordinary securities) if the Resolution is passed, or an associate of that person.

However, the Company will not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- it is cast by the Chairperson 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.

RESOLUTION 6:

APPROVAL OF THE ISSUE OF 83,025,000 SHARES TO BEETON ENTERPRISES PTY LTD FOR THE ACQUISITION OF 22.1% OF SECURITIES IN SEQUOIA WEALTH GROUP PTY LTD

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

"That, for the purposes of Listing Rule 7.4 of the ASX Listing Rules and for all other purposes, the shareholders approve the issue of 83,025,000 Shares at a deemed price of \$0.002 per Share to Beeton Enterprises Pty Ltd as consideration for the purchase by the Company of securities in Sequoia Wealth Group Pty Ltd under a Share Sale Agreement as set out in the Explanatory Statement."

Voting Exclusion

The Company will disregard any votes cast on Resolution 6 by:

- any person who may participate in the proposed issue (**Participant**); and
- any person who might have obtained a benefit (except a benefit solely in their capacity as a holder of ordinary securities) if the Resolution is passed, or an associate of that person.

However, the Company will not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- it is cast by the Chairperson 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.

RESOLUTION 7:

APPROVAL OF THE ISSUE OF 41,512,500 TO VISTA INVESTMENTS (NSW) PTY LTD FOR THE ACQUISITION OF 11.1% OF SECURITIES IN SEQUOIA WEALTH GROUP PTY LTD

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

"That, for the purposes of Listing Rule 7.4 of the ASX Listing Rules and for all other purposes, the shareholders approve the issue of 41,512,500 Shares at a deemed price of \$0.002 per Share to Vista Investments Pty Ltd as consideration for the purchase by the Company of securities in Sequoia Wealth Group Pty Ltd under a Share Sale Agreement as set out in the Explanatory Statement."

Voting Exclusion

The Company will disregard any votes cast on Resolution 7 by:

- any person who may participate in the proposed issue (**Participant**); and
- any person who might have obtained a benefit (except a benefit solely in their capacity as a holder of ordinary securities) if the Resolution is passed, or an associate of that person.

However, the Company will not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- it is cast by the Chairperson 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.

RESOLUTION 8:

APPROVAL FOR ADDITIONAL PLACEMENT CAPACITY

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 all other purposes, approval is given for the Company to allot and issue 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 on the Explanatory Statement."

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 8 by:

- any person who may participate in the proposed issue (Participant);
- any person who might obtain a benefit (other than a benefit solely in the capacity of a holder of ordinary Shares) if the Resolution is passed; and
- any associate of a Participant.

However, the Company need 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
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 9:

APPROVAL OF EMPLOYEE SHARE OPTION PLAN

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

"That for the purposes of ASX Listing Rules 7.1 and 7.2 Exception 9, sections 200B and 200E of the Corporations Act, and for all other purposes, shareholders approve with effect from the close of this Meeting, the Company's Employee Share Option Plan (ESOP) and the issue of options by the Board in its discretion in accordance with the provisions of that ESOP."

Voting Exclusion Statement:

No voting exclusion exists for the Resolution

RESOLUTION 10: ELECTION OF A DIRECTOR – MR MICHAEL CARTER

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

"That for the purpose of Rule 3.3 of the Constitution and for all other purposes, Mr Michael Carter, a Director appointed by the Board, who retires automatically at this Annual General Meeting and being eligible, is elected as a Director."

Voting Exclusion Statement:

No voting exclusion exists for the Resolution

RESOLUTION 11: ELECTION OF A DIRECTOR – MR DELAN PAGLIACCIO

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

"That for the purpose of Rule 3.3 of the Constitution and for all other purposes, Mr Delan Pagliaccio, a Director appointed by the Board, who retires automatically at this Annual General Meeting and being eligible, is elected as a Director."

Voting Exclusion Statement:

No voting exclusion exists for the Resolution

RESOLUTION 12: RE-ELECTION OF A DIRECTOR – MR MARCEL COLLIGNON

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

"That for the purpose of Rule 3.6 of the Constitution and for all other purposes, Marcel Collignon who retires by rotation, and being eligible, is re-elected as a Director."

Voting Exclusion Statement:

No voting exclusion exists for the Resolution

RESOLUTION 13: CHANGE OF COMPANY NAME

To consider and, if thought fit, pass the following resolution as a **special resolution** of the Company:

"That, for the purposes of section 157(1) of the Corporations Act and for all other purposes, the name of the Company be changed to 'Sequoia Financial Group Limited' effective from the close of this Meeting as set out in the Explanatory Statement."

Voting Exclusion Statement:

No voting exclusion exists for the Resolution

**DATED: 21 OCTOBER 2015
BY ORDER OF THE BOARD**

**ANDREW PHILLIPS
COMPANY SECRETARY**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 11.00am (AEDT) on 27 November 2015 at K & L Gates, Level 31, 1 O'Connell Street, Sydney, NSW 2000.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, 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 30 June 2015, together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

The Company will not provide a hard copy of the Company's Annual Financial Report to Shareholders unless specifically requested to do so. Shareholders may view the Company's Annual Financial Report on its website at www.mdsfinancial.com.au.

2. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

2.1. General

The Remuneration Report is set out in the Directors' Report in the Company's 2015 Annual Financial Report. The Remuneration Report sets out the Company's remuneration arrangement for the Directors and senior management of the Company.

Section 250R (2) of the Corporations Act requires that a resolution to adopt the Remuneration Report be put to the vote of the Shareholders at the Annual General Meeting. However, Shareholders should note that the vote on Resolution 1 is advisory only and is not binding on the Company or its Directors.

If at least 25% of the votes cast on Resolution 1 are votes against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2016 Annual General Meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of Directors of the Company (**Spill Resolution**).

If more than 50% of shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the Company's 2016 Annual General Meeting. All of the Directors who were in office when the Company's 2016 Directors' Report was approved, other than the Managing Director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

2.2. Proxy Restrictions

Pursuant to the Corporations Act, if you elect to appoint the Chair, or another member of Key Management Personnel whose remuneration details are included in the Remuneration Report or any Closely Related Party of that member as your proxy to vote on this Resolution 1, **you must direct the proxy how they are to vote** (or, if the Chair is appointed as your proxy you may elect to place a mark in the box on the bottom of page 1 of the Proxy Form marked "Important Note"). Where you do not direct a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report or Closely Related Party of that member on how to vote on this Resolution 1 (or if the Chair is appointed as your proxy and you do not either direct the Chair how to vote on this Resolution 1 or place a mark in the box on the bottom of page 1 of the Proxy Form marked "Important Note"), the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to this Resolution 1.

2.3. Definitions

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth).

Remuneration Report means the remuneration report set out in the Directors' Report section of the Company's Annual Financial Report for the year ended 30 June 2015.

3. RESOLUTION 2: RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

3.1. General

On 2 January 2015 the Company completed a placement to raise \$50,000 (before costs) through the issue of 12,500,000 Shares (being the **Prior Placement Shares**) to Timestream Pty Ltd at \$0.004 per Share (**Prior Placement**). Refer to the Company's ASX announcement of 2 January 2015 and the Appendix 3B lodged with ASX on the same date.

The Prior Placement Shares were issued under the Company's 15% placement capacity in accordance with Listing Rule 7.1 (without the need for Shareholder approval).

Resolution 2 seeks Shareholder approval for the ratification of the issue of the Prior Placement Shares.

Resolution 2 is an ordinary resolution.

The Chairperson will cast all available proxies in favour of Resolution 2.

3.2. Listing Rule 7.4

Listing Rule 7.4 allows an issue of securities made without the approval of Shareholders to be ratified by Shareholders, in order to refresh the 15% capacity under Listing Rule 7.1, provided at the time the issue was made, the issue was made within the Company's existing 15% capacity under Listing Rule 7.1.

The Prior Placement Shares were issued and allotted on 2 January 2015, Shareholder approval is therefore now sought pursuant to Listing Rule 7.4 to ratify the issue of the Prior Placement Shares so that the Company refreshes its capacity to issue up to 15% of its issued ordinary capital, if required, in the next 12 months without first requiring Shareholder approval for those future issues.

3.3. Specific Information Required by Listing Rule 7.5

Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to Listing Rule 7.4:

- 12,500,000 Shares (being the Prior Placement Shares) were issued as part of the Prior Placement.
- The Prior Placement Shares were each issued at a price of \$0.004 per Prior Placement Share.
- The Prior Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally to in all respect with the Company's existing Shares on issue.
- The Prior Placement Shares were issued to professional and sophisticated investors who are not related parties or associates of related parties of the Company.
- The funds raised from the issue of the Prior Placement Shares was utilised for working capital.
- A voting exclusion statement is included in the Notice.

4. RESOLUTION 3: RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

4.1. General

On 18 March 2015 the Company completed a placement to raise \$145,000 (before costs) through the issue of 48,333,333 Shares (being the **Prior Placement Shares**) to Dabski International Pty Ltd at \$0.003 per Share (**Prior Placement**). Refer to the Company's ASX announcement of 18 March 2015 and the Appendix 3B lodged with ASX on the same date.

The Prior Placement Shares were issued under the Company's 15% placement capacity in accordance with Listing Rule 7.1 (without the need for Shareholder approval).

Resolution 3 seeks Shareholder approval for the ratification of the issue of the Prior Placement Shares.

Resolution 3 is an ordinary resolution.

The Chairperson will cast all available proxies in favour of Resolution 3.

4.2. Listing Rule 7.4

Listing Rule 7.4 allows an issue of securities made without the approval of Shareholders to be ratified by Shareholders, in order to refresh the 15% capacity under Listing Rule 7.1, provided at the time the issue was made, the issue was made within the Company's existing 15% capacity under Listing Rule 7.1.

The Prior Placement Shares were issued and allotted on 18 March 2015, Shareholder approval is therefore now sought pursuant to Listing Rule 7.4 to ratify the issue of the Prior Placement Shares so that the Company refreshes its capacity to issue up to 15% of its issued ordinary capital, if required, in the next 12 months without first requiring Shareholder approval for those future issues.

4.3. Specific Information Required by Listing Rule 7.5

Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to Listing Rule 7.4:

- 48,333,333 Shares (being the Prior Placement Shares) were issued as part of the Prior Placement.
- The Prior Placement Shares were each issued at a price of \$0.003 per Prior Placement Share.
- The Prior Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally to in all respect with the Company's existing Shares on issue.
- The Prior Placement Shares were issued to professional and sophisticated investors who are not related parties or associates of related parties of the Company.
- The funds raised from the issue of the Prior Placement Shares was utilised for working capital.
- A voting exclusion statement is included in the Notice.

5. RESOLUTION 4: RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

5.1. General

On 6 August 2015, 30 September 2015 and 19 October 2015 the Company completed placement(s) to raise \$285,816.00 (before costs) through the issue of 142,908,100 Shares (being the **Prior Placement Shares**) to Mason Family Super Pty Ltd, Mr Peter Stirling and Mrs Ros Stirling, Khoo Gee Choo, Total Legend Super Pty Ltd, Mr Andrew Phillips, Beeton Enterprises Pty Ltd and Stena Lane Pty Ltd at \$0.002 per Share (**Prior Placement**). Refer to the Company's ASX announcement of 6 August 2015, 30 September 2015 and 19 October 2015 including the Appendix 3B lodged with ASX on the same date(s).

The Prior Placement Shares were issued under the Company's 15% placement capacity in accordance with Listing Rule 7.1 (without the need for Shareholder approval).

Resolution 4 seeks Shareholder approval for the ratification of the issue of the Prior Placement Shares.

Resolution 4 is an ordinary resolution.

The Chairperson will cast all available proxies in favour of Resolution 4.

5.2. Listing Rule 7.4

Listing Rule 7.4 allows an issue of securities made without the approval of Shareholders to be ratified by Shareholders, in order to refresh the 15% capacity under Listing Rule 7.1, provided at the time the issue was made, the issue was made within the Company's existing 15% capacity under Listing Rule 7.1.

The Prior Placement Shares were issued and allotted on 6 August 2015, on 16 September 2015, and on 19 October 2015. Shareholder approval is therefore now sought pursuant to Listing Rule 7.4 to ratify the issue of the Prior Placement Shares so that the Company refreshes its capacity to issue up to 15% of its issued ordinary capital, if required, in the next 12 months without first requiring Shareholder approval for those future issues.

5.3. Specific Information Required by Listing Rule 7.5

Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to Listing Rule 7.4:

- 142,908,100 Shares (being the Prior Placement Shares) were issued as part of the Prior Placement.
- The Prior Placement Shares were each issued at a price of \$0.002 per Prior Placement Share.
- The Prior Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally to in all respect with the Company's existing Shares on issue.
- The Prior Placement Shares were issued to professional and sophisticated investors who are not related parties or associates of related parties of the Company.
- The funds raised from the issue of the Prior Placement Shares was utilised to off-set amounts owed to the parties and/or working capital.
- A voting exclusion statement is included in the Notice.

6. RESOLUTION 5:

APPROVAL AND RATIFICATION OF THE ISSUE OF 248,812,500 SHARES AS 66.4% CONSIDERATION FOR THE ACQUISITION OF SECURITIES IN SEQUOIA WEALTH GROUP PTY LTD

6.1. General

On the 14 October 2015, the Company signed a Share Purchase Agreement to acquire 100% of the issued capital Sequoia Wealth Group Pty Limited (**SWG**).

SWG is an Australian company providing general advice to a number of clients in the Australian equities market. SWG currently is a Corporate Authorised Representative (**CAR**) of the Company, thus utilising the Company's Australian Financial Services Licence (**AFSL**). Therefore as part of the Company's product and service offering expansion, it entered into this Agreement.

SWG though having similar shareholders to the Sequoia Financial Group Ltd (**SFG**), was not part of the transaction the Company completed on 2 January 2015 to acquire SFG, as SWG was newly established and was developing at the time the Share Purchase Agreement was agreed to and no consideration or value could be placed on SWG, until one years' worth of trading was completed. It is noted that SWG is totally independent from the Company and SFG, with any relationship such as being a CAR is at arm's length.

The purchase price for the acquisition of SWG has been determined to be \$600,000. The purchase price is based on a multiple of 1.2 times the annual Normalised Net Revenue of SWG for the twelve months ended 30 June 2015. The purchase price will be satisfied by way of issuing a total of 300,000,000 Shares (**Purchase Shares**) in the Company at an issue price of \$0.002 per share.

In addition, further shares were issued for the estimated net cash position of SWG at the time of completion. At the time of completion the net cash position was assessed to be \$150,000. The net cash position was satisfied by way of issuing 75,000,000 share (**Net Cash Shares**) in the Company at an issue price of \$0.002 per share.

Therefore the total of the Purchase Shares and Net Cash Shares issued by the Company to acquire SWG was 375,000,000 fully paid ordinary shares issued at a price of \$0.002 per Share (together the "**Shares**").

The first allotment of 66.4% of the purchase price and net cash was satisfied on 19 October 2015 by the issue of 248,812,500 Shares. These Shares, which is a pro rata of the total of the Purchase Shares and Net Cash Shares entitled by specific SWG shareholders were issued under ASX Listing Rule 7.1. These specific SWG shareholders are not deemed to be related parties and so are therefore able to be issued shares under ASX Listing Rule 7.1.

Two Company Directors, namely Mr Beeton and Mr Collignon are deemed to be related parties, each holding 22.1% and 11.1% of SWG respectively, therefore are unable to be issued Purchase Shares under ASX Listing Rule 7.1.

The issue of the relative Shares to Mr Beeton and Mr Collignon, 83,025,000 and 41,512,500 respectively will be issued upon gaining shareholder approval in Resolution 6 and Resolution 7 of this General Meeting.

The Purchase Shares will be under escrow until 1 October 2016, and are issued to the following SWG Shareholders:

Pamela Beeton Investments Pty Ltd – a Company of Ms. Pamela Beeton	
11.1%	41,512,500 shares
Kali Gandaki Investments Pty Ltd – a Company of Mr. John Collignon	
22.1%	41,512,500 shares
Mr. Hamish McCathie	
22.1%	41,512,500 shares
Benjamin Green Family Trust – a trust of Mr. Benjamin Green	
10.0%	37,500,000 shares
Mr. George Tucker	
0.5%	1,875,000 shares
MACFS Pty Ltd – a Company of Mr. Michael Cerreto	
0.5%	1,875,000 shares

Total Shares issued under ASX Listing Rule 7.1	248,812,500 shares
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Resolution 5 seeks to ratify the issue of 248,812,500 Shares to the above shareholders of SWG as consideration for the acquisition of all of the shares in SWG as set out above.

Resolution 5 is an ordinary resolution. A voting exclusion exists for this Resolution

Board Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 5.

The Chairperson will cast all available proxies in favour of Resolution 5.

6.2. ASX Listing Rule 7.1

ASX Listing Rule 7.1 permits a company to issue securities representing no more than 15% of the issued capital of that company in any 12 month period without shareholder approval. The Company issued the Purchase Shares to SCP within the 15% capacity permitted under ASX Listing Rule 7.1.

6.3. ASX Listing Rule 7.4

ASX Listing Rule 7.4 allows an issue of securities made without the approval of shareholders to be treated as having been made with approval for the purposes of ASX Listing Rule 7.1 provided the issue did not breach ASX Listing Rule 7.1 and shareholders subsequently approve the issue.

Approval is now sought pursuant to ASX Listing Rule 7.4 to approve the prior issue of the Purchase Shares so that the Company retains its capacity to issue up to 15% of its issued capital, if required, in the next 12 months without shareholder approval. This will enable the Company to pursue further acquisition opportunities in the next 12 months.

In compliance with the information requirements of ASX Listing Rule 7.5, shareholders are advised of the following particulars in relation to the issue:

- the total number of Shares issued was 248,812,500;
- the Shares were issued as part consideration for the transfer of the entire issued capital of SWM to the Company at a deemed price of \$0.002 per Share;
- the Shares issued ranked pari passu with the existing Shares on issue;
- the allottee of the Shares was the SWG shareholders listed above;
- no funds were raised by the Shares issued.

7. RESOLUTION 6:

APPROVAL OF THE ISSUE OF 83,025,000 SHARES IN THE COMPANY TO BEETON ENTERPRISES PTY LTD FOR THE ACQUISITION OF 22.1% OF SEQUOIA WEALTH GROUP PTY LTD

7.1. General

On the 14 October 2015, the Company signed a Share Purchase Agreement to acquire 100% of the issued capital Sequoia Wealth Group Pty Limited (**SWG**)

SWM is an Australian company providing general advice to a number of clients in the Australian equities market. SWM currently is a Corporate Authorised Representative (**CAR**) of the Company, thus utilising the Company's Australian Financial Services Licence (**AFSL**). Therefore as part of the Company's product and service offering expansion, it entered into this Agreement.

SWG though having similar shareholders than the Sequoia Financial Group Ltd (**SFG**), was not part of the transaction the Company completed on 2 January 2015 to acquire SFG, as SWG was newly established and was developing at the time the Share Purchase Agreement was agreed to and no consideration or value could be placed on SWM, until one years' worth of trading was completed. It is noted that SWG is totally independent from the Company and SFG, with any relationship such as being a CAR is at arm's length.

The purchase price for the acquisition of SWG has been determined to be \$600,000. The purchase price is based on a multiple of 1.2 times the annual Normalised Net Revenue of SWG for the twelve months ended 30 June 2015. The purchase price will be satisfied by way of issuing a total of 300,000,000 Shares (**Purchase Shares**) in the Company at an issue price of \$0.002 per share.

In addition further shares were issued for the estimated net cash position SWG at the time of completion. At the time of completion the net cash position was assessed to be \$150,000. The net cash position was satisfied by way of issuing 75,000,000 Share (**Net Cash Shares**) in the Company at an issue price of \$0.002 per share.

Therefore the total of the Purchase Shares and Net Cash Shares issued by the Company to acquire SWG was 375,000,000 fully paid ordinary shares (together the “**Shares**”)

The first allotment of 66.4% of the purchase price and net cash was satisfied on 19 October 2015 by the issue of 248,812,500 Shares. These Shares, which is the pro rata total Purchase Shares and Net Cash Shares entitled to by the specific SWG shareholders, were issued under ASX Listing Rule 7.1. These specific SWG shareholders are not deemed to be related parties and so are therefore able to be issued shares under ASX Listing Rule 7.1.

Two Company Directors, namely Mr Beeton and Mr Collignon are deemed to be related parties, each holding 22.1% and 11.1% of SWG respectively, therefore are unable to be issued Purchase Shares under ASX Listing Rule 7.1.

The issue of the relative Purchase Shares to Mr Beeton and Mr Collignon, 83,025,000 and 41,512,500 respectively will be issued upon gaining shareholder approval in Resolution 6 and Resolution 7 of this General Meeting.

Resolution 6 seeks Shareholder approval for the issue of 83,025,000 Shares each at an issue price of \$0.002 per Share to Beeton Enterprises Pty Ltd, a Shareholder and a company associated with Mr Scott Beeton, a Director, to be issued at a deemed price of \$0.002 for consideration for the acquisition of 22.1% of Sequoia Wealth Group. These shares will be escrowed until 1 October 2016.

Resolution 6 is an ordinary resolution. A voting exclusion exists for this Resolution

Board Recommendation:

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

The Chairperson will cast all available proxies in favour of Resolution 6.

7.2. Section 208 of Corporations Act

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in sections 210 to 216 of the Corporations Act.

Each of Mr Beeton and any entity that he controls, such as Beeton Enterprises Pty Ltd, are regarded as related parties of the Company by reason of Mr Beeton's position as a Director.

The issue of the Shares to Mr Beeton constitutes the giving of a financial benefit for the purposes of section 208 of the Corporations Act and the Board has determined that the Company will seek Shareholder approval for the purposes of that section.

7.3. Listing Rule 10.11

Listing Rule 10.11 restricts the Company's ability to issue securities to a related party unless approval is obtained from Shareholders. Beeton Enterprises Pty Ltd is regarded as a related party of the Company for the purposes of Listing Rule 10.11.

The effect of passing Resolution 6 will be to allow the Company to issue the Shares detailed in 1.1 to Beeton Enterprises Pty Ltd during the month after the Meeting (or a longer period, if allowed by ASX) without breaching Listing Rule 10.11 or using up the Company's 15% placement capacity under Listing Rule 7.1.

7.4. Specific information required by Listing Rule 10.13 and section 219 of the Corporations Act

Listing Rule 10.13 and section 219 of the Corporations Act require that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11 and Chapter 2E of the Corporations Act:

- The related party to whom Shares will be issued is Beeton Enterprises Pty Ltd (or its nominee).
- Beeton Enterprises Pty Ltd will be issued with the equivalent of \$166,050 in Shares for the 22.1% of Sequoia Wealth Group Pty Ltd held by Beeton Enterprises Pty Ltd. The maximum number of Shares to be issued to Beeton Enterprises Pty Ltd is 83,025,000 Shares each at an issue price of \$0.002 per Share, to be issued for consideration of 22.1% of Sequoia Wealth Group Pty Ltd.
- The Company will issue the Shares no later than one month after the date of the Meeting (or such longer period of time as ASX may in its discretion allow).
- The Shares will each have an issue price of \$0.002 per Share.
- The Shares will be fully paid ordinary shares in the capital of the Company and will rank pari passu with the Company's existing Shares on issue.
- Mr. Beeton, a Director, has an interest in Resolution 6 and therefore believes that it is inappropriate to make a recommendation.
- All other Directors, recommend that Shareholders approve Resolution 6.
- The financial benefits associated with the issue of the Shares include the following:

The value of the financial benefit that Mr. Beeton will receive is \$166,050 in Shares to be issued to Beeton Enterprises Pty Ltd (or its nominee) based on the issue price of \$0.002 per Share.

- Other than the information above and otherwise in this Explanatory Memorandum, the Company believes that there is no other information that would be reasonably required by Shareholders to pass Resolution 6.

8. RESOLUTION 7:

APPROVAL OF THE ISSUE OF 41,512,500 SHARES IN THE COMPANY TO VISTA INVESTMENTS (NWS) PTY LTD FOR THE ACQUISITION OF 11.1% OF SEQUOIA WEALTH GROUP PTY LTD

On the 14 October 2015, the Company signed a Share Purchase Agreement to acquire 100% of the issued capital Sequoia Wealth Group Pty Limited (**SWG**)

SWG is an Australian company providing general advice to a number of clients in the Australian equities market. SWG currently is a Corporate Authorised Representative (**CAR**) of the Company, thus utilising the Company's Australian Financial Services Licence (**AFSL**). Therefore as part of the Company's product and service offering expansion, it entered into this Agreement.

SWG though having similar shareholders than the Sequoia Financial Group Ltd (**SFG**), was not part of the transaction the Company completed on 2 January 2015 to acquire SFG, as SWG was newly established and was developing at the time the Share Purchase Agreement was agreed to and no consideration or value could be placed on SWG, until one years' worth of trading was completed. It is noted that SWG is totally independent from the Company and SFG, with any relationship such as being a CAR is at arm's length.

The purchase price for the acquisition of SWG has been determined to be \$600,000. The purchase price is based on a multiple of 1.2 times the annual Normalised Net Revenue of SWG for the twelve months ended 30 June 2015. The purchase price will be satisfied by way of issuing a total of 300,000,000 Shares (**Purchase Shares**) in the Company at an issue price of \$0.002 per share.

In addition further shares were issued for the estimated net cash position SWG at the time of completion. At the time of completion the net cash position was assessed at \$150,000. The net cash position was satisfied by way of issuing 75,000,000 Share (**Net Cash Shares**) in the Company at an issue price of \$0.002 per share.

Therefore the total of the Purchase Shares and Net Cash Shares issued by the Company to acquire SWG was 375,000,000 fully paid ordinary shares (together the "**Shares**")

The first allotment of 66.4% of the purchase price and net cash was satisfied on 19 October 2015 by the issue of 248,812,500 Shares. These Shares, which is the pro rata total Purchase Shares and Net Cash Shares entitled to by the specific SWG shareholders, were issued under ASX Listing Rule 7.1. These specific SWG shareholders are not deemed to be related parties and so are therefore able to be issued shares under ASX Listing Rule 7.1.

Two Company Directors, namely Mr Beeton and Mr Collignon are deemed to be related parties, each holding 22.1% and 11.1% of SWG respectively, therefore are unable to be issued Purchase Shares under ASX Listing Rule 7.1.

The issue of the relative Purchase Shares to Mr Beeton and Mr Collignon, 83,025,000 and 41,512,500 respectively will be issued upon gaining shareholder approval in Resolution 6 and Resolution 7 of this General Meeting.

8.1. General

Resolution 7 seeks Shareholder approval for the issue of 41,512,500 Shares each at an issue price of \$0.002 per Share to Vista Investments (NSW) Pty Ltd, a Shareholder and a company associated with Mr Marcel Collignon, a Director, to be issued at a deemed price of \$0.002 for consideration for the acquisition of 11.1% of Sequoia Wealth Group. These shares will be escrowed until 1 October 2016.

Resolution 7 is an ordinary resolution. A voting exclusion exists for this Resolution

Board Recommendation:

The Directors unanimously recommend Shareholders vote in favour of Resolution 7.

The Chairperson will cast all available proxies in favour of Resolution 7.

8.2. Section 208 of Corporations Act

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in sections 210 to 216 of the Corporations Act.

Each of Mr Collignon and any entity that he controls, such as Vista Investments (NSW) Pty Ltd, are regarded as related parties of the Company by reason of Mr Collignon's position as a Director.

The issue of the Shares to Mr Collignon constitutes the giving of a financial benefit for the purposes of section 208 of the Corporations Act and the Board has determined that the Company will seek Shareholder approval for the purposes of that section.

8.3. Listing Rule 10.11

Listing Rule 10.11 restricts the Company's ability to issue securities to a related party unless approval is obtained from Shareholders. Vista Investments (NSW) Pty Ltd is regarded as a related party of the Company for the purposes of Listing Rule 10.11.

The effect of passing Resolution 9 will be to allow the Company to issue the Shares detailed in Section 10.11 to Vista Investments (NSW) Pty Ltd during the month after the Meeting (or a longer period, if allowed by ASX) without breaching Listing Rule 10.11 or using up the Company's 15% placement capacity under Listing Rule 7.1.

8.4. Specific information required by Listing Rule 10.13 and section 219 of the Corporations Act

Listing Rule 10.13 and section 219 of the Corporations Act require that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11 and Chapter 2E of the Corporations Act:

- The related party to whom Shares will be issued is Vista Investments (NSW) Pty Ltd (or its nominee).
- Vista Investments (NSW) Pty Ltd will be issued with the equivalent of \$82,025 in Shares for the 11.1% of Sequoia Wealth Group Pty Ltd held by Vista Investments (NSW) Pty Ltd. The maximum number of Shares to be issued to Vista Investments (NSW) Pty Ltd is 41,512,500 Shares each at an issue price of \$0.002 per Share, to be issued for consideration of 11.1% of Sequoia Wealth Group Pty Ltd.
- The Company will issue the Shares no later than one month after the date of the Meeting (or such longer period of time as ASX may in its discretion allow).
- The Shares will each have an issue price of \$0.002 per Share.
- The Shares will be fully paid ordinary shares in the capital of the Company and will rank pari passu with the Company's existing Shares on issue.
- Mr. Collignon, a Director, has an interest in Resolution 7 and therefore believes that it is inappropriate to make a recommendation.
- All other Directors, recommend that Shareholders approve Resolution 7.

- The financial benefits associated with the issue of the Shares include the following:

The value of the financial benefit that Mr. Collignon will receive is \$83,025 in Shares to be issued to Vista Investments (NSW) Pty Ltd (or its nominee) based on the issue price of \$0.002 per Share.

- Other than the information above and otherwise in this Explanatory Memorandum, the Company believes that there is no other information that would be reasonably required by Shareholders to pass Resolution 7.

9. RESOLUTION 8: REAPPROVAL FOR ADDITIONAL PLACEMENT CAPACITY

9.1. General

ASX Listing Rule 7.1A provides that an eligible entity may seek Shareholder approval to allow it to issue Equity Securities up to 10% of its issued capital through placements over a period up to 12 months after the entity's Annual General Meeting (**10% Placement Capacity**). The 10% Placement Capacity is an addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity is one that, as at the date of the relevant Annual General Meeting:

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

The Company is an eligible entity.

The effect of Resolution 8 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

The Company is now seeking shareholder approval of Resolution 8 by way of a special resolution. Accordingly at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 8 for it to be passed.

9.2. ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an eligible entity to seek shareholder approval at its annual general meeting to issue Equity Securities comprising the 10% Placement Capacity in addition to those under the eligible entity's 15% annual placement capacity under Listing Rule 7.1.

ASX Listing Rule 7.1A.1 provides that Shareholder approval obtained under ASX Listing Rule 7.1A for the 10% Placement Capacity applies for the period commencing on the date of the annual general meeting at which the approval is obtained and expiring on the first to occur of the following:

- the date which is 12 months after the date of the annual general meeting at which the approval is obtained; and
- the date of approval by Shareholders of a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of the Company's activities) or ASX Listing Rule 11.2 (disposal of the Company's main undertaking).

Shareholder approval was first obtained under ASX Listing Rule 7.1A at the Company's Annual General Meeting on 8 November 2013 and was subsequently re-approved at the Annual General Meeting held on 24 November 2014. In accordance with Listing Rule 7.1A.1, this Shareholder approval will expire on 24 November 2015. Accordingly, the Company is seeking Shareholder approval for the 10% Placement Capacity under ASX Listing Rule 7.1A for the 12 month period following this Annual General Meeting, by way of this Resolution 8.

The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$8,545,666 (calculated at \$0.002 per Share) as at the date of this Notice.

The Equity Securities issued under ASX Listing Rule 7.1A must be in the same class as an existing class of quoted Equity Securities. As at the date of this Notice, the Company has only one class of quoted Equity Securities on issue, being the Shares.

The exact number of Equity Securities that the Company may issue under an approval under ASX Listing Rule 7.1A will be calculated according to the following formula:

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

Where:

- A** = the number of Shares on issue 12 months before the date of issue or agreement:
- (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
 - (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rule 7.1 or 7.4; and
 - (iv) less the number of Shares cancelled in the previous 12 months.
- D** = 10%.
- E** = the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of ordinary securities under ASX Listing Rule 7.1 or 7.4.

9.3. Information required by ASX Listing Rule 7.3A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 8:

- **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

1. the date on which the price at which the Equity Securities are to be issued is agreed; or
2. if the Equity Securities are not issued within 5 ASX trading days of the date in paragraph 4.3(a)(i), the date on which the Equity Securities are issued.

- **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Annual General Meeting and expiring on the first to occur of the following:

1. 12 months after the date of the Annual General Meeting; and
2. the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking).

- Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 8 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2, on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

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

Number of Shares on Issue (Current as at 19 October 2015)	Dilution			
	Number of Shares issued under 10% Placement Capacity	Funds raised based on issue price of \$0.001 (50% decrease in current price)	Funds raised based on issue price of \$0.002 (Current Price as at 19 October 2015)	Funds raised based on issue price of \$0.0025 (50% increase in current price)
4,272,833,132 (Current)	427,283,313	\$427,283	\$854,567	\$1,281,850
6,409,249,698 (50% increase)	640,924,970	\$640,925	\$1,281,850	\$1,922,775
8,545,666,264 (100% increase)	854,566,626	\$854,567	\$1,709,133	\$2,563,700

* The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. The current shares on issue are the Shares on issue as at 19 October 2015
2. The issue price set out above is the closing price of the Shares on the ASX on 19 October 2015.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Annual General Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A.

5. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
6. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Annual General Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

Purpose of Issue under 10% Placement Capacity

The Company may seek to issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration, in which case the Company may use funds raised towards an acquisition of new assets or investments (including expenses associated with such acquisition) and/or general working capital; or
- (ii) as non-cash consideration for the acquisition of new assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

Allocation under the 10% Placement Capacity

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

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

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the Company's circumstances, including, but not limited to, its financial position and solvency;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Previous Approval under ASX Listing Rule 7.1A

The Company previously obtained approval under ASX Listing Rule 7.1A on 24 November 2014. For the purposes of Listing Rule 7.3A.6, the Company notes that no shares were issued in the past twelve months under ASX Listing Rule 7.1A, however the Company does note that securities have been issued during the last twelve month period by way of two separate non-renounceable Rights Issues and under ASX Listing Rule 7.1, as detailed in the table below.

Total securities on issue twelve months ago	1,184,690,902	% increase over past twelve months
Securities issued in relation to the Acquisition of Sequoia Financial Group Ltd	2,618,445,438	221%
Securities issued in relation to Resolutions 3 and 6 of the EGM held 17 December 2014	17,142,858	1%
Securities issued under ASX Listing Rule 7.1	452,553,933	38%
Securities issued under ASX Listing Rule 7.1A	0	0%
Total Securities on issue at the date of this Notice of Meeting	4,272,833,132	261%

As in the above table, a total of 452,553,933 securities, to the value of \$978,440 in new capital, were issued under ASX Listing Rule 7.1 and were issued of the following basis:

- (i) On 2 January 2015, 12,500,000 securities were issued to Timestream Pty Ltd at a price of \$0.004 per security raising capital of \$50,000. These securities are Ordinary Company Shares with the same rights as all other existing issued securities.
- (ii) On 18 March 2015, 48,333,334 securities were issued to Dabski International Pty Ltd at a price of \$0.003 per security raising capital of \$145,000. These securities are Ordinary Company Shares with the same rights as all other existing issued securities.
- (iii) On 7 August 2015, 59,408,100 securities were issued at \$0.002 per security, raising capital of \$118,816. These securities are Ordinary Company Shares with the same rights as all other existing issued securities.

- (iv) These were issued to three separate parties:
 - (A) Mason Family Super Pty Ltd 25,658,100
 - (B) Mr Peter Stirling & Mrs Ros Stirling 13,750,000
 - (C) Khoo Gee Choo 20,000,000
- (v) On 30 September 2015, 76,000,000 securities were issued at \$0.002, raising capital of \$152,000. These securities are Ordinary Company Shares with the same right as all other existing issued securities.
- (vi) These were issued to three separate parties:
 - (A) Total Legend Super Pty Ltd 60,000,000
 - (B) Beeton Enterprises Pty Ltd 5,000,000
 - (C) Mr Andrew Phillips 11,000,000
- (vii) On 19 October 2015, 7,500,000 securities were issued to Stena Lane Pty Ltd at \$0.002, raising capital of \$15,000. These securities are Ordinary Company Shares with the same right as all other existing issued securities.
- (viii) On 19 October 2015, 248,812,500 securities were issued at \$0.002, for the acquisition of 66.4% of shares held in Sequoia Wealth Group Pty Ltd (as detailed in Resolution 5). These securities are Ordinary Company Shares with the same right as all other existing issued securities
- (ix) Each application was assessed on its own merit and applications accepted, as the Boards discretion, up to the limit of securities available to be issued under ASX Listing Rule 7.1;
- (x) The total capital issued under ASX Listing Rule 7.1 was \$978,440. Of this \$497,625 was to acquire 66.4% of Sequoia Wealth Group, \$190,816 was to settle specific debt with the remaining capital raised of \$290,000 to be used for general working capital requirements.

9.4. Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholders to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 8.

9.5. Board Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 8.

The Chairperson will cast all available proxies in favour of Resolution 8

10. RESOLUTION 9: APPROVAL OF EMPLOYEE SHARE OPTION PLAN

10.1. General

Pursuant to Resolution 9, the Company is seeking shareholder approval for the adoption by the Company of the Employee Share Option Plan (**ESOP**).

The Company proposes to adopt the ESOP to foster an ownership culture within the Company and to motivate senior management and directors to achieve performance targets of their representative business units and the Company as a whole.

The employees of the Company have been, and will continue to be, instrumental in the growth of the Company.

The Directors consider that the ESOP is an appropriate method to:

- 10.1.1. reward employees for their past performance;
- 10.1.2. provide long term incentives for participation in the Company's future growth; and
- 10.1.3. motivate and generate loyalty from employees.

Shareholders should note that no options have been issued to date under the ESOP.

10.2. Listing Rules

Listing Rule 7.1 requires shareholder approval for an issue of equity securities if, over a rolling 12 month period, the amount of equity securities issued (without prior shareholder approval) is more than 15% of the number of ordinary shares on issue at the start of that 12 month period.

Listing Rule 7.2 exception 9 provides that an issue of securities under an employee incentive scheme does not detract from the available 15% limit under Listing Rule 7.1 if the issue of securities is made under an employee incentive scheme and that employee incentive scheme was approved by shareholders no more than three years before the date of issue. The ESOP is regarded as an employee incentive scheme for the purposes of Listing Rule 7.2.

The Company intends that the issue of options under the ESOP not be included when undertaking the calculation pursuant to Listing Rule 7.1.

Accordingly, it is seeking shareholder approval in order for the Company to be able to issue options pursuant to the ESOP and have those options qualify under exception 9 to Listing Rule 7.2.

10.3. Corporations Act

Section 200B of the Corporations Act requires shareholder approval by ordinary resolution, and in accordance with the special provisions of section 200E of the Act, in order to access the exemption from the prohibition on a company giving a person a benefit in connection with that person's retirement from an office or position of employment in that company where that person is, or was in the three years prior to his or her retirement, in a managerial or executive office in that company.

The ESOP allows the Board, in its discretion, to afford persons ceasing employment with the Company certain benefits under the ESOP. The term "benefit" has a wide operation and includes the Board exercising its discretion to bring forward the option exercise period and permit an early exercise of the Participant's options granted under the ESOP (**Accelerated Exercise Period**).

For a section 200B benefit to be allowed, section 200E requires that this Notice of Meeting provide shareholders with either the value of the proposed benefits or, where the value of the proposed benefits cannot currently be ascertained, the manner in which the value of the proposed benefits is calculated, and the matters, events and circumstances that will, or are will likely to, affect the calculation of the value. The Board has not determined that it will exercise discretion to grant any Accelerated Exercise Periods.

In the circumstances of a possible Accelerated Exercise Period, the value of the termination benefits that the Board may give under the ESOP cannot be determined in advance, as many of the factors that will or are likely to affect that value will not be known until the time the benefit is decided to be awarded (if at all).

Specifically, the value of an Accelerated Exercise Period will depend on a number of factors, including the Company's share price at the time of vesting of the options and the number of options that the Board decides to allow vest early (if any). Shareholders should note the benefit is restricted to an acceleration of the vesting of an option, it does not change the exercise price or the number of shares which are subject to the options.

10.4. Summary of the terms of the ESOP

A summary of the terms of the ESOP is outlined below:

- 10.4.1. Participants in the ESOP may be employees of the Company (or any of its related bodies corporate), executive or a director of the Company (or any of its related bodies corporate), or any other person determined by the Board to be eligible to participate in the ESOP (**Participants**).
- 10.4.2. The Board is responsible for the administration of the ESOP.
- 10.4.3. Unless otherwise determined by the Board, options granted under the ESOP will be granted free of charge.
- 10.4.4. The exercise price, option period and exercise conditions of the options granted under the ESOP will be specified in the offer of options under the ESOP to a Participant, as determined by the Board.
- 10.4.5. The aggregate number of shares which may be issued upon the exercise of options issued pursuant to the ESOP shall not at any time exceed 10% of the total number of issued shares of the Company from time to time.
- 10.4.6. Shares which are issued as a result of the exercise of options granted under the ESOP will rank equally in all respects with all shares on issue and the Company will apply for quotation of those shares on ASX.

A copy of the full ESOP will be tabled at the meeting and is available on the Company's website.

10.5. Voting exclusion

Pursuant to Listing Rule 7.2 exception 9, the Company will disregard any votes cast on Resolution 12 by:

- 10.5.1. any Participant; and
- 10.5.2. an associate of that person (or those persons).

However, the Company need not disregard a vote if:

- 10.5.3. 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
- 10.5.4. it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

10.6. Recommendation

The Board recommends that shareholders vote in favour of this Resolution 9.

11. RESOLUTION 10: ELECTION OF A DIRECTOR – MR MICHAEL CARTER

11.1. General

Rule 3.3 of the Constitution requires that if the Board appoints a person to be a Director that Director automatically retires at the next annual general meeting and is eligible for re-election at that annual general meeting. Any Director so appointed is not taken into account in deciding the rotation or retirement of Directors at the Annual General Meeting that may otherwise be required by the Constitution.

Michael Carter retires automatically in accordance with Rule 3.3 of the Constitution and seeks election at the Annual General Meeting.

Michael Carter has been a member of the Board since March 2015 and is currently Non-Executive Chairman. He is Chairman of the Governance, Nomination & Remuneration and Risk and Compliance Committees and is a member of the Audit Committee.

Michael has extensive experience in financial services, strategic consulting and governance. He has previously held various Directorships and Responsible Manager positions within subsidiaries of the IOOF Group and was CEO of Bridges Financial Services and Executive Wealth Management from 2008 to 2014. During this time he also participated on a number of industry committees with the Association of Financial Advisers and Financial Services Council. Prior to this he held senior management positions with NRMA Insurance (now Insurance Australia Group) and Macquarie Bank (now Macquarie Group).

He brings to the Board his broad industry experience in wealth management, superannuation and stockbroking and now leads a rejuvenated, focused and positive dynamic around the Board table.

Qualifications: Bachelor of Engineering (Mining), Diploma of Financial Services, Member of the Australian Institute of Company Directors.

11.2. Board Recommendation

The Board, other than Mr Carter, who has an interest in the outcome of Resolution 9, unanimously recommends that Shareholders vote in favour of Resolution 10.

The Chairperson will cast all available proxies in favour of Resolution 10.

12. RESOLUTION 11: ELECTION OF A DIRECTOR – MR DELAN PAGLIACCIO

12.1. General

Rule 3.3 of the Constitution requires that if the Board appoints a person to be a Director that Director automatically retires at the next annual general meeting and is eligible for re-election at that annual general meeting. Any Director so appointed is not taken into account in deciding the rotation or retirement of Directors at the Annual General Meeting that may otherwise be required by the Constitution.

Delan Pagliaccio retires automatically in accordance with Rule 3.3 of the Constitution and seeks election at the Annual General Meeting.

Delan Pagliaccio has been a member of the Board since August 2015 and is currently an Executive Director. He is a member of the Governance and Nomination & Remuneration Committees.

Delan is an experienced senior executive in the finance industry specialising in stockbroking and derivatives trading. He has previously held Directorships and Responsible Manager positions with a number of stockbroking firms including AG Stockbroking from 2013 to 2014. Prior to this he was head of derivatives trading operations at E*Trade Australia Securities.

He brings to the Board skills and experience that supports the aspirations and initiatives in key areas of the Company's business activities.

Qualifications: Graduate Certificate (Accounting & Finance), Member of the Stockbrokers Association of Australia, Member of the Australian Institute of Company Directors.

12.2. Board Recommendation

The Board, other than Mr Pagliaccio, who has an interest in the outcome of Resolution 11, unanimously recommends that Shareholders vote in favour of Resolution 11.

The Chairperson will cast all available proxies in favour of Resolution 11.

13. RESOLUTION 12: RE-ELECTION OF A DIRECTOR – MR MARCEL COLLIGNON

13.1. General

Rule 3.6 of the Constitution requires that one third (or the number nearest one-third) of the Directors who are not appointed and required to retire in accordance with Rule 3.3, must retire at each Annual General Meeting, provided that no Director (except a Managing Director) shall 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 Rule 3.6 of the Constitution is eligible for re-election.

The Company currently has three Directors. Accordingly, the Company has two qualifying Directors for the purpose of Rule 3.6 and one must retire at the Annual General Meeting.

Mr Collignon retires by rotation in accordance with Rule 3.6 of the Constitution and seeks re-election at the Annual General Meeting.

Marcel Collignon has been a member of the Board since December 2014 and is an Executive Director. He is Chairman of the Audit Committee and a member of the Governance, Remuneration & Nomination and Risk and Compliance Committees.

Marcel is an experienced senior executive in financial markets, asset management and superannuation. He is the founder of Sequoia Specialist Investments.

He brings to the Board skills and experience that supports the aspirations and initiatives in key areas of the Company's business activities.

Qualifications: Bachelor of Commerce, Diploma of Financial Planning, ASX Derivative accreditations.

13.2. Board Recommendation

The Board, other than Mr Collignon, who has an interest in the outcome of Resolution 12, unanimously recommends that Shareholders vote in favour of Resolution 12.

The Chairperson will cast all available proxies in favour of Resolution 12.

14. SPECIAL RESOLUTION 13: CHANGE OF COMPANY NAME

14.1. General

As part of MDS's restructure post the acquisition of Sequoia on 2 January 2015 and the proposed rebranding of the company's operating subsidiaries, the Directors propose to change the Company's name to 'Sequoia Financial Group Limited' to better reflect the Company's repositioning in the financial services industry following the successful acquisition and integration of the Sequoia branded group of companies in January 2015. The Company has reserved the ASX code of "SEQ"

Section 157(1) of the Corporations Act states that if a Company wishes to change its name, it must pass a special resolution adopting that name.

A special resolution is a resolution which is passed by at least 75% of the votes that are cast by Shareholders entitled to vote on the resolution (in person or by proxy).

Whilst the change of name will be effective on and from the passing of the Resolution, ASX's records and the ASX code of the Company will not be updated immediately. ASX's records and the ASX code will acknowledge the change in the Company's name as soon as practicable

Board Recommendation

The Directors unanimously recommend Shareholders vote in favor of Resolution 13.

The Chairperson will cast all available proxies in favour of Resolution 13.

15. ENQUIRIES

Shareholders are requested to contact the Company Secretary on (+61 2) 8114 2222 if they have any queries in respect of the matters set out in these documents.

16. GLOSSARY

\$ means Australian dollars.

AEDT means Australian Eastern Daylight Time as observed in Melbourne, Victoria.

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

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules or **Listing Rules** means the Listing Rules of the ASX.

Board means the current board of Directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Closely Related Party has the meaning as set out in Section 2.3 of the Explanatory Statement.

Company means MDS Financial Group Limited (ABN 90 091 744 884).

Constitution means the Company's Constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Equity Security includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

Key Management Personnel has the meaning as set out in Section 2.3 of the Explanatory Statement.

Notice or **Notice of Annual General Meeting** or **Notice of Meeting** means this notice of general meeting including the Explanatory Statement and the Proxy Form.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report has the same meaning as set out in Section 2.3 of the Explanatory Statement.

Resolutions means the resolutions set out in the Notice of Annual General Meeting or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

