



**Tassal Group Limited  
GPO Box 1645  
Hobart  
Tasmania, 7001**

**ABN 15 106 067 270**

1 February 2016

**FROM THE CHAIRMAN**

Dear Shareholder,

Following the acquisition of De Costi Seafoods Pty Ltd by Tassal Operations Pty Ltd (a wholly owned subsidiary of Tassal Group Limited), Tassal is required to hold a General Meeting in accordance with the enclosed Notice of General Meeting.

The General Meeting will be held at Computershare Investor Services, Yarra Falls, 452 Johnston Street, Abbotsford Victoria, on Friday 4 March 2016, and will commence at 9:30 am (with registration open from 9:00 am).

By way of background, when Tassal acquired De Costi on 1 July 2015, we were required to enter into an Accession Deed and provide security over De Costi assets to Tassal's banking syndicate by 31 March 2016. These are normal commercial requirements under funding facilities. To effect this legally, Tassal is required to pass a special resolution under the Corporations Act to receive shareholder approval for this.

Explanatory notes have been prepared and accompany the enclosed Notice of Meeting to assist you in understanding the special resolution to be put to the General Meeting.

**The Directors unanimously recommend shareholders vote in favour of the Special Resolution.**

I encourage you to participate in this vote, and if unable to attend in person, to vote online or complete and return the enclosed Appointment of Proxy in the envelope provided.

Thank you for your continued support.

Yours sincerely,

Allan McCallum

Chairman



TASSAL GROUP LIMITED  
ABN 15 106 067 270

## Notice of General Meeting 2016

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**Friday 4 March 2016**

**Commencing at 9:30am (AEDT\*)**

**NOTE:  
REGISTRATIONS  
COMMENCE AT  
9:00am (AEDT\*)**

(\* AEDT: Australia Eastern Daylight Time)

**THIS IS AN IMPORTANT DOCUMENT. PLEASE READ IT CAREFULLY.**  
IF YOU ARE UNABLE TO ATTEND THE GENERAL MEETING, PLEASE COMPLETE THE APPOINTMENT OF PROXY FORM  
ENCLOSED AND RETURN IT IN ACCORDANCE WITH THE INSTRUCTIONS SET OUT ON THAT FORM.

# 2016 | Notice of General Meeting

Tassal Group Limited



**Notice is hereby given that a General Meeting of shareholders of Tassal Group Limited ("the Company") will be held at Computershare Investor Services Pty Ltd, Yarra Falls, 452 Johnston Street, Abbotsford, Victoria on Friday 4 March 2016 commencing at 9:30am (AEDT) for the purposes of transacting the following special business:**

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## **Special Business:**

- 1. Financial assistance in connection with the acquisition of De Costi Seafoods Pty Ltd**

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

"That, for the purpose of section 260B(2) of the Corporations Act 2001 (Cth) and for all other purposes, approval is given for the provision of financial assistance by De Costi Seafoods Pty Ltd (ACN 606 307 804) in connection with the acquisition by Tassal Operations Pty Ltd (ACN 106 324 127), a wholly owned subsidiary of the Company, of all the issued shares in De Costi Seafoods Pty Ltd as described in the Explanatory Notes accompanying and forming part of this Notice."

**Note:** Approval is sought by special resolution, which requires at least 75% of the votes that are cast by members entitled to vote on the resolution in favour of the resolution

## **By Order of the Board**

**Monika Maedler**  
**Company Secretary**  
**1 February 2016**

## **Explanatory Notes for Shareholders**

Additional information concerning the item of special business is contained in the Explanatory Notes to the Notice of General Meeting, which accompanies and forms part of the Notice of General Meeting. The Notice of General Meeting should be read in conjunction with the Explanatory Notes.

### **Eligibility to Vote**

Regulation 7.11.37 of the Corporations Regulations 2001 permits the Company to specify a time, not more than 48 hours before the meeting, at which a "snap-shot" of shareholders will be taken for the purposes of determining shareholder entitlements to vote at the meeting. The Company's Directors have determined that all shares of the Company that are quoted on ASX at 7.00 pm (AEDT) on 2 March 2016 shall, for the purposes of determining voting entitlements at the General Meeting, be taken to be held by the persons registered as holding the shares at that time. This means that any person registered as the holder of an ordinary share in the capital of the Company at 7.00pm (AEDT) on 2 March 2016, is entitled to attend and vote at the General Meeting in respect of that share. Accordingly, transactions registered after that time will be disregarded in determining shareholders entitled to attend and vote at the General Meeting.

### **Appointing a Proxy**

1. If you are entitled to attend and vote at the General Meeting, you have a right to appoint a person to attend and vote for you at the General Meeting as your proxy. To appoint a proxy please complete the enclosed Appointment of Proxy Form. A proxy need not be a shareholder of the Company and may be an individual or a body corporate. A body corporate-appointed proxy may appoint a representative to exercise the powers that the body corporate may exercise as the member's proxy.
2. A shareholder entitled to cast two or more votes is entitled to appoint up to two persons to attend the meeting and vote and may specify the proportion or number of votes each proxy is appointed to exercise. To appoint a second proxy you must write the names of both proxies and the percentage of votes or number of securities for each proxy in the specified area in "Step 1" of the proxy 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.
3. You may appoint the Chairman of the General Meeting as your proxy by nominating him in the proxy form. If you return your proxy form but do not nominate the identity of your proxy, the Chairman will automatically be your proxy. If you return your proxy form but your nominated proxy does not attend the meeting, then your proxy will revert to the Chairman. For resolutions determined on a poll, if your nominated proxy is either not recorded as attending the meeting or does not vote on the resolution, the Chairman is taken, before voting on the resolution closes, to have been appointed as your proxy for the purposes of voting on the resolution.

### **Lodging your Proxy Form**

Any duly executed Appointment of Proxy Form and the power of attorney (if the proxy form is signed by the appointor's attorney) or other authority under which it is signed or a copy of that power or authority certified as a true copy by statutory declaration **must be received at an address given below no later than 9:30am (AEDT) on 2 March 2016. Any Appointment of Proxy Form received after that time will not be valid for the scheduled General Meeting.**

The Appointment of Proxy Form accompanying this Notice of General Meeting may be lodged using the envelope or:

## **ONLINE VOTING**

*To be valid, the proxy form, and any authority under which the form is signed, must be received by the Company or the Company's Share Registry by 9:30am (AEDT) on 2 March 2016*  
Vote online: [www.investorvote.com.au](http://www.investorvote.com.au)

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

<b><u>IN PERSON</u></b>	Registered Office – Level 9, 1 Franklin Wharf, Tasmania, Australia 7000 Share Registry – Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford, Victoria, Australia 3067
<b><u>BY MAIL</u></b>	Registered Office – Level 9, 1 Franklin Wharf, Tasmania, Australia 7000 Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria, Australia, 3001
<b><u>BY FAX</u></b>	Registered Office – 61 3 6244 9002 Share Registry – 1800 783 447 (within Australia) or 61 3 9473 2555 (outside Australia)

**Custodian Voting** - For intermediary Online subscribers only (Custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions.

If you appoint a proxy, you may still attend the General Meeting. However, your proxy's rights to speak and vote are suspended while you are present. Accordingly, you will be asked to revoke your proxy if you register at the General Meeting.

## **Attending the General Meeting**

If you attend the General Meeting, please bring your personalised proxy form with you. The bar code at the top of the form will help you to register. If you do not bring your form with you, you will still be able to attend the General Meeting but representatives from Computershare Investor Services Pty Limited will need to verify your identity. You will be able to register from 9:00am (AEDT) on the day of the General Meeting.

## **Voting by Corporations**

In order to vote at the General Meeting (other than by proxy), a corporation that is a shareholder must appoint a person to act as its corporate representative. The appointment must comply with the Corporations Act. A "Certificate of Appointment of Corporate Representative" must be either lodged with the Share Registry, prior to the commencement of the General Meeting or the corporate representative must bring to the General Meeting evidence of his or her appointment including any authority under which it is signed. The authorisation may be effective for this General Meeting only or for all meetings of Tassal Group Limited. A copy of a certificate of appointment may be obtained from the Share Registry.

The Chairman of the meeting intends to vote all available proxies in favour of the Resolution.

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**Item 1 - Giving of financial assistance in connection with the acquisition of De Costi Seafoods Pty Ltd**

Item 1 seeks approval of the Company's shareholders by special resolution pursuant to Section 260B (2) of the Corporations Act 2001 (Cth) to approve the provision of financial assistance by De Costi Seafoods Pty Ltd (**De Costi**) in connection with the acquisition by Tassal Operations Pty Ltd (**Purchaser**), a wholly owned subsidiary of the Company, of all the issued shares in De Costi pursuant to a Share Sale Agreement dated 1 July 2015 (as amended on 31 July 2015) (**Acquisition**).

The Acquisition was completed on 31 July 2015.

**1.1 Background**

Pursuant to Section 260A (1) of the Corporations Act (Cth) (**Corporations Act**) a company may financially assist a person to acquire shares in the company only if:

- (a) giving the financial assistance does not materially prejudice:
  - (i) the interests of the company or its shareholders; or
  - (ii) the company's ability to pay its creditors;
- (b) the assistance is approved by shareholders under section 260B of the Corporations Act; or
- (c) the assistance is exempted under section 260C of the Corporations Act.

For the purposes of section 260A(1)(b), it will be necessary for shareholders of the acquired company (**Acquired Company**) to approve the giving of financial assistance in the context of an acquisition of the shares in the Acquired Company.

Section 260B of the Corporations Act provides a process for the shareholders in the Acquired Company to approve the giving of financial assistance. Approval has been or will be given by the Purchaser as the sole shareholder of De Costi in accordance with section 260B(1) of the Corporations Act.

In addition, under Section 260B (2) of the Corporations Act if the Acquired Company will be a subsidiary of an Australian listed corporation (the **Listed Holding Corporation**) immediately after the acquisition of the shares in the Acquired Company, then the financial assistance to be provided must also be approved by the Listed Holding Corporation's shareholders by way of a special resolution.

This approval is to be proposed as Resolution 1 of the Notice given that De Costi became a subsidiary of the Company at completion of the Acquisition.

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**1.2 Facility Agreement**

Under a Facility Agreement dated 22 June 2010 (as amended from time to time) (**Facility Agreement**) Westpac Banking Corporation (ABN 33 007 457 141) and Bankwest (ABN 48 123 123 124) (a division of the Commonwealth Bank of Australia) (the **Lenders**) agreed to provide to the Company and the Purchaser various financial facilities, including for the

funding of the purchase price for the Acquisition. These funds for the Acquisition were drawn down at completion of the Acquisition on 31 July 2015.

Pursuant the Facility Agreement, the Lenders also provide funding for general purposes, the purchase of capital equipment and working capital.

The Facility Agreement contains terms commensurate with an agreement of this nature, including numerous representations, warranties and undertakings and a guarantee and indemnity.

Under the Facility Agreement, any Australian corporation which becomes a wholly owned subsidiary of the Company (**New Subsidiary**) must, amongst other things, do the following:

- (a) enter into an accession deed (**Accession Deed**) whereby the new Subsidiary, together with the Company and each other wholly owned subsidiary of the Company (collectively **Tassal Companies**) jointly and severally, guarantees to the Lenders the payment of all outstanding moneys owing under the Facility Agreement in accordance with its terms and indemnifies the Lenders for any loss; and
- (b) give security over all its assets in favour of, and satisfactory to, the Lenders for securing the payment of all outstanding moneys owing under the Facility Agreement (**Security Interests**).

Accordingly, the Company and the Purchaser are required to ensure that De Costi enters into the Accession Deed and gives the Security Interests to the Lenders.

### **1.3 Financial Assistance**

By De Costi entering into, the Accession Deed or giving the Security Interests to the Lenders and entry into any other documents contemplated by the Facility Agreement, it will constitute the provision of financial assistance by De Costi in connection with the Acquisition for the purposes of sections 260A and 260B of the Corporations Act.

The reason De Costi proposes to give the financial assistance described above is to enable the Company and the Purchaser to comply with certain of its obligations under the Facility Agreement. If such obligations are not complied with, the Company and the Purchaser will be in default under the Facility Agreement.

The Lenders have agreed that the "financial assistance" shareholder approvals under section 260B of the Corporations Act are required to be obtained by 31 March 2016 for the purposes of the Facility Agreement.

### **1.4 Effect of the proposed financial assistance**

The Company and the other Tassal Companies are already parties to the Facility Agreement and are obliged to pay all moneys owing under the Facility Agreement in accordance with its terms and have given security over their assets in favour of the Lenders, so the giving of the financial assistance described above is unlikely to adversely affect the Company or its subsidiaries, except that the operations of De Costi will be restricted by the terms of the Facility Agreement, including the representations and undertakings given by them under, and the other provisions of, the Facility Agreement.

The guarantee and indemnity to be given by De Costi, by entry into the Accession Deed, will be on the same terms as the guarantee and indemnity already given by the Company and the other Tassal Companies to secure the facilities under the Facility Agreement. The substantial effect of the financial assistance described above on De Costi will be that it will



have guaranteed all moneys owing under the Facility Agreement and indemnified the Lenders for any loss.

#### **1.4.1 Advantages of the proposed financial assistance**

The advantages of the proposed financial assistance described above being provided by De Costi are as follows:

- (a) the Company and the Purchaser will be able to comply with their obligations under the Facility Agreement, thereby preserving the benefit of all the facilities available to the Company and its subsidiaries under the Facility Agreement;
- (b) the Company will avoid a situation where the Lenders may exercise their rights to demand repayment of all moneys owing by the Company and the Purchaser by reason of default under the Facility Agreement – such default will arise if De Costi is unable to give the proposed financial assistance described above; and
- (c) De Costi will derive a number of benefits, namely:
  - access to funding available under the Facility Agreement; and
  - it also facilitates the ability for De Costi together with the other Tassal Companies to only have one set of audited consolidated accounts and therefore, alleviates a significant administrative burden.

#### **1.4.2 Disadvantages of the proposed financial assistance**

The Directors of the Company do not believe that there are any real or likely disadvantages to the Company or to any other Tassal Companies in connection with the provision of the proposed financial assistance described above as the Company and the other Tassal Companies are already obliged to pay all the moneys owing under the Facility Agreement in accordance with its terms.

The disadvantages for De Costi in providing the proposed financial assistance described above are as follows:

- (a) it will guarantee the payment of all moneys owing under the Facility Agreement and indemnify the Lenders for any loss;
- (b) it will give the Security Interests to the Lenders as described above; and
- (c) its operations will be restricted by certain provisions contained in the Facility Agreement.

### **1.5 Voting**

Under the Corporation Act, in order for Resolution 1 as set out in the Notice to be successfully passed, it needs to be passed as a **special resolution**. This requires the Resolution to be passed by at least 75% of the votes cast by members of the Company entitled to vote on the Resolution.

### **1.6 Directors view in relation to the effect of the proposed financial assistance on the interests of the Company and its shareholders**

The Directors of the Company have formed the view, based on the information available at this time, that there are reasonable grounds to believe that the giving of the proposed financial assistance by De Costi as described above is in the best interests for the commercial benefit of the Company and each of its subsidiaries, including De Costi.

### **1.7 Prior notice to Australian Securities & Investment Commission**

As required by Section 260B(5) of the Corporations Act, a copy of the Notice of General Meeting (including these Explanatory Notes) were lodged with the Australian Securities & Investment Commission prior to dispatch to the Company's shareholders.

### **1.8 Disclosure**

The Directors consider that this Explanatory Notes contains all information known to the Company that would be material to the Company's shareholders in deciding how to vote on the proposed resolution (other than information that is not required to be included because it has been previously disclosed to shareholders)

### **1.9 Recommendation**

The Directors unanimously support and recommend shareholders vote in favour of the Resolution.



**Tassal Group Limited**  
ABN 15 106 067 270



## Lodge your vote:



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



**By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**  
(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

## Proxy Form



### Vote and view your shareholding online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to vote:

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

**For your vote to be effective it must be received by 9.30am (AEDT) on Wednesday, 2 March 2016**

## How to Vote on the Item of Business

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

### Appointment of Proxy

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

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

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

**A proxy need not be a securityholder of the Company.**

## Signing Instructions for Postal Forms

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

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

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

## Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form →**

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

# Proxy Form

Please mark ☒ to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Tassal Group Limited hereby appoint

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the Chairman  
of the Meeting **OR**



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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Tassal Group Limited to be held at Computershare Investor Services Pty Ltd, Yarra Falls, 452 Johnston Street, Abbotsford, Victoria on Friday, 4 March 2016 at 9.30am (AEDT) and at any adjournment or postponement of that Meeting.

## STEP 2 Item of Business



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

### Special Resolution

"That, for the purpose of section 260B(2) of the Corporations Act 2001 (Cth) and for all other purposes, approval is given for the provision of financial assistance by De Costi Seafoods Pty Ltd (ACN 606 307 804) in connection with the acquisition by Tassal Operations Pty Ltd (ACN 106 324 127), a wholly owned subsidiary of the Company, of all the issued shares in De Costi Seafoods Pty Ltd as described in the Explanatory Notes accompanying and forming part of this Notice."

For

☐

Against

☐

Abstain

☐

The Chairman of the Meeting intends to vote undirected proxies in favour of the item of business.

In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on the resolution, in which case an ASX announcement will be made.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact  
Name

\_\_\_\_\_

Contact  
Daytime  
Telephone

\_\_\_\_\_

Date / /