

HOMELOANS LIMITED ABN 55 095 034 003

Notice of Annual General Meeting and Explanatory Memorandum

Date of Meeting: Wednesday 26 November 2014

Time of Meeting: 11.00am (Perth time)

Place of Meeting: Level 9
40 St Georges Terrace
Perth, Western Australia

HOMELOANS LIMITED

ABN 55 095 034 003

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2014 Annual General Meeting of Homeloans Limited will be held at Level 9, 40 St Georges Terrace Perth, Western Australia on 26th November 2014 at 11.00am (Perth time).

BUSINESS OF THE MEETING

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Company's financial statements and reports of the directors and auditors for the year ended 30 June 2014.

2. REMUNERATION REPORT

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

"That the Remuneration Report for the year ended 30 June 2014 be adopted."

Note: the vote on this resolution is advisory only and does not bind the directors or the company.

Voting exclusion statement - Resolution Number 2

Homeloans Limited will disregard any votes cast (in any capacity) on resolution number 2 by or on behalf of a member of Homeloans Limited key management personnel and their closely related parties. The names of the key management personnel are included in the Company's Remuneration Report for 2014.

However the Company will not disregard a vote cast on resolution number 2 by a member of Homeloans Limited key management personnel or their closely related parties if

- the vote is cast as a proxy appointed in writing that specifies how the proxy is to vote on the resolution and the vote is not cast on behalf of a member of Homeloans Limited key management personnel or their closely related parties; or
- the vote is cast by the Chairman of the meeting as proxy, who has been expressly authorised to vote on this resolution even though it is connected with the remuneration of key management personnel.

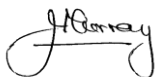
3. RE-ELECTION OF DIRECTORS

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

"That Mr Robert Norman Scott who retires by rotation in accordance with clause 13.4 of the Constitution is re-elected as a director."

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

BY ORDER OF THE BOARD



Jennifer Murray
Company Secretary

Dated this 24th day of October 2014

INFORMATION FOR SHAREHOLDERS

Explanatory Memorandum

The Explanatory Memorandum is included in and forms part of this Notice of Annual General Meeting and should be read in conjunction with it. It is an important document and should be read in its entirety. Please consult your professional advisor if you do not understand, or require further clarification in respect of any part of the document.

Attending the Meeting

All shareholders may attend the Annual General Meeting. In the case of joint shareholders, all holders may attend the meeting but only one holder may vote at the meeting in respect of the relevant shares (including by proxy). If more than one joint holder is present, and more than one of the joint holders vote in respect of the relevant shares, only the vote of the joint holder whose name stands first in the register in respect of the relevant shares is counted. A corporate shareholder may appoint one or more persons to act as its representative(s) but only one representative may exercise the corporate shareholder's powers at any one time. Appropriate evidence of appointment of corporate representative(s) must be provided.

Asking questions at the Meeting

We welcome shareholders' questions at the meeting. However, in the interests of all present, we ask that you confine your questions to matters before the meeting that are relevant to the shareholders as a whole.

We ask that you please submit your questions with your proxy form. You may also submit questions via the Company's website www.homeloans.com.au/contact

Voting entitlements

The following persons may vote at the Annual General Meeting:

- (a) a person entitled to vote if they have an interest in the Company that allows them to do so;
- (b) a proxy of a person entitled to vote; and
- (c) the Chairman as proxy for a person entitled to vote, in accordance with their directions.

Proxy votes

All shareholders who are entitled to attend and vote at the meeting have the right to appoint a proxy to attend and vote for them in accordance with the directions on the proxy form. If no directions are given to the proxy on the form, the proxy may vote as he or she thinks fit. A proxy need not be a shareholder of the company and may be an individual or body corporate.

A corporate shareholder must sign the proxy form in accordance with its Constitution or otherwise in accordance with the Corporations Act. Where the proxy form is signed under the hand of a duly authorised person or persons of a corporate shareholder, such authorisation must have been sighted at the company's share registry.

In accordance with the Corporations Act 2001 (Cth) any directed proxies that are not voted on a poll at the meeting will automatically default to the Chairman of the meeting, who is required to vote proxies as directed.

A proxy form is enclosed with this notice. If you wish to appoint a proxy please complete the form in accordance with the instructions on the form and return it to the company's share registry, Computershare Investor Services Pty Ltd.

Alternatively you may register your vote online at www.investorvote.com.au or scan the QR Code with your mobile device and follow the instructions on the secure website.

To be valid proxy forms or electronic voting instructions must be received by no later than 11.00am (Perth time) on Monday 24th November 2014, which is 48 hours before the time of holding the meeting.

Determination of entitlement to attend and vote

The directors have determined that the shareholding of each member and their voting entitlements for the Annual General Meeting be as set out in the Company's Share Register at 5.00pm (Perth time) on Monday 24th November 2014. Accordingly share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Annual Report information

The Annual Report for the year ended 30 June 2014 accompanies this notice of meeting (unless you have elected not to receive a copy of the report).

The 2014 Annual Report is also available on the company's website at www.homeloans.com.au

EXPLANATORY MEMORANDUM
to Notice of Annual General Meeting

This Explanatory Memorandum is provided to shareholders of Homeloans Limited (the "Company") to explain the resolutions contained in the attached Notice of Annual General Meeting and to be put to shareholders at the Annual General Meeting to be held at Level 9, 40 St Georges Terrace Perth Western Australia, at 11.00am (Perth time) on 26th November 2014.

The Explanatory Memorandum provides shareholders with information that is reasonably required by shareholders to decide how to vote upon the resolutions to be considered at the meeting. The directors recommend that shareholders carefully read this Explanatory Memorandum before determining the manner in which they vote on a resolution.

Other than as contained in the Notice of Annual General Meeting, this Explanatory Memorandum and the company's Annual Report for the year ended 30 June 2014, the directors believe that there is no other information known to the Company or the directors that is reasonably required by shareholders to decide whether or not to pass each resolution.

1. Financial Statements and Reports

The Corporations Act requires the company's financial statements and reports for the last financial year to be laid before the Annual General Meeting. The financial statements and reports are contained in the Company's Annual Report for the year ended 30 June 2014 which accompanies the Notice of Annual General Meeting (unless you have elected not to receive a copy of the report).

No resolution is required in relation to the financial statements and reports. However shareholders will be given reasonable opportunity to raise questions on the financial statements and reports.

The company's auditors will also be present at the meeting and shareholders will have an opportunity to ask the auditors questions in relation to the conduct of the audit, the auditors report, the company's accounting policies and the independence of the auditor.

2. Remuneration Report

2.1 Non-binding vote

The directors submit the Company's Remuneration Report to shareholders for consideration and adoption by way of a non-binding resolution. However as a result of changes to the Corporations Act 2001, if at least 25% of the votes cast at the Annual General Meeting are cast against the adoption of the Remuneration Report for two consecutive years, the company will be required to put a resolution to shareholders (spill resolution) at the second annual general meeting, at which the second strike is recorded proposing the calling of a general meeting (spill meeting) to consider the appointment of directors of the company. The company's Remuneration Reports for previous years have been approved by shareholders.

The Remuneration Report is set out in the Directors' Report which forms part of the Annual Report for 2014. The Remuneration Report details the remuneration paid to the directors and other key management personnel during the financial year. It also explains the Board's policy for determining the nature and amount of the remuneration paid by the company. The relationship between the Board's remuneration policy and the company's performance and the performance hurdles applicable to the remuneration of key management personnel.

The company's remuneration policies and practices have been designed to align the interests of directors and key management personnel of the company and those of the company's shareholders. Although the vote on the proposed resolution is advisory only the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies.

Shareholders will be given a reasonable opportunity at the meeting to comment on and ask questions about the Company's Remuneration Report.

2.2 Recommendation

The Board unanimously recommends that shareholders vote in favour of this resolution.

3. Election of Directors

- 3.1** Mr Robert Norman Scott retires by rotation in accordance with clause 13.4 of the company's Constitution at the forthcoming Annual General Meeting and being eligible offers himself for re-election at the meeting.

Mr Scott's qualifications and experience are set out below:

Mr Scott was appointed to the Board on 9 November 2000. He is a Chartered Accountant with over 35 years experience. He was an International Partner with Arthur Andersen, retiring from that firm in 1995. He now consults to Perth based Gooding Partners Chartered Accountants.

Mr Scott is a non executive director of the following listed public companies:

Sandfire Resources Limited
Lonestar Resources Limited
RTG Mining INC

Mr Scott is the Chairman of the Audit and Risk Management Committee and a member of the Nomination and Remuneration Committee.

3.2 Recommendation

The Board (other than Mr Scott who is the subject of the relevant resolution) recommends that shareholders vote in favour of Mr Scott's re-election.

Homeloans



Homeloans Limited

ABN 55 095 034 003

Lodge your vote:



Online:

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

For all enquiries call:

(within Australia) 1300 264 082
(outside Australia) +61 3 9415 4391

000001 000 HOM
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form



Vote and view the annual report online

Go to 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:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

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 11.00am (Perth time) Monday, 24 November 2014

How to Vote on Items of Business

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

Appointment of Proxy

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

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

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

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

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

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

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

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

Attending the Meeting

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 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. Alternatively you may submit questions via the company's website www.homeloans.com.au/contact

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

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

☐

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



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Homeloans Limited hereby appoint

XX

☐ the Chairman of the Meeting

 OR

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Homeloans Limited to be held at Level 9, 40 St George's Terrace, Perth, Western Australia on Wednesday, 26 November 2014 at 11.00am (Perth time) and at any adjournment or postponement of that Meeting.

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

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

STEP 2

Items of Business

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

	For	Against	Abstain
Resolution 2 Remuneration Report	☐	☐	☐
Resolution 3 Re-election of Mr Robert Norman Scott as a Director	☐	☐	☐

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

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 / /