



FE Investments Group Limited
ABN 72 107 745 095

2018 Annual General Meeting Notice

ACTIONS TO BE TAKEN BY SHAREHOLDERS

The 2018 Annual General Meeting of FE Investments Group Limited to which this Notice of Meeting relates will be held at

11.00am (AEST)

Thursday, 30 August 2018

At the offices of KPMG Australia
Level 38
Tower Two
International Towers Sydney
Barangaroo Avenue
SYDNEY NSW 2000

Your vote is important

The business of the Annual General Meeting affects your shareholding and your vote is important.

Eligibility to attend and vote

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 at 5.00pm (AEST) on Tuesday, 28 August 2018.

Last date to submit Proxy Form

Your completed Proxy Form must be received by the Company Secretary no later than 11.00am (AEST) on **Tuesday, 28 August 2018**. Please complete and sign the enclosed Proxy Form, returning:

By mail PO Box 1592, Booragoon WA 6954

By email eryn@kestelcorp8.com.au

In person Level 32, 101 Miller Street, North Sydney

Appointing a proxy

You can appoint a proxy to attend and vote on your behalf as an alternative to attending the meeting in person or casting a direct vote.

To appoint a proxy, please write the name of the appointed proxy in the box on the proxy form denoted by Ω. You can direct your proxy how to vote on the resolutions by marking "For", "Against" or "Abstain".

A proxy does not need to be a shareholder of the Company. A proxy may be an individual or a company. You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Forms and specify the percentage or number of votes each proxy is appointed to exercise. If you do not specify a percentage or number, each proxy may exercise half of the votes. You must return both Proxy Forms together. If you require additional Proxy Forms, please contact the Company Secretary on +61 (0) 435 905 770.

If you sign the enclosed Proxy Form, and mark the box against the Chairman, the Chairman will be appointed as your proxy. The Chairman currently intends to vote undirected proxies on, and in favour of, all proposed resolutions.

If you appoint a proxy, you may still attend the meeting. However, your proxy's right to vote and speak will be suspended while you are present.

Attending the meeting in person

Eligible shareholders may attend the meeting and vote in person.

If you intend to attend the meeting in person, you do not need to submit a Proxy Form.

You may still attend the meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will suspend your proxy appointment while you are present at the meeting.

Please bring your Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the meeting, but the Company will need to verify your identity. Please arrive 20 minutes prior to the start of the Annual General Meeting on the date and at the venue set out above.

Voting by Corporate Representative

A shareholder that is a corporation may appoint an individual to act as its representative to vote at the meeting in accordance with section 250D of the Corporations Act 2001 (Cth) (Corporations Act). The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed. The appropriate "Appointment of Corporate Representative" form should be completed and produced prior to admission to the meeting. This form may be obtained from the Company's share registry.

Impact of your proxy appointment on your voting instructions

If you appoint the Chairman as your proxy and have not directed him how to vote, you are authorising the Chairman to cast your undirected vote on all proposed resolutions in accordance with his intentions set out below.

If you appoint any other member of the Board of directors, a member of senior management who is named in the remuneration report (KMP) or their closely related parties as your proxy, they will not be able to vote your proxy on the Remuneration report unless you have directed them how to vote.

"Closely related party" is defined in the Corporations Act and includes a spouse, dependant and certain other close family members, as well as any companies controlled by a KMP.

If you intend to appoint a KMP or the Chairman as your proxy, you are encouraged to direct them how to vote by marking "For", "Against" or "Abstain" for each of those items of business.

The Chairman's voting intentions

The Chairman intends to vote undirected proxies on, and in favour of, all the proposed resolutions. If there is a change to how the Chairman intends to vote undirected proxies, FEI will make an announcement to the market.

The Chairman's decision on the validity of a vote cast by a proxy or vote cast in person, is conclusive.

2018 ANNUAL GENERAL MEETING NOTICE

Notice is given that the 2018 Annual General Meeting of FE Investments Group Limited will be held at 11.00 am (AEST) on Thursday, 30 August 2018 at the offices of KPMG Australia, at Level 38, Tower Two, International Towers Sydney, Barangaroo Avenue, NSW 2000 for transacting the business set out in this Notice.

The Explanatory Memorandum to this Notice of Meeting forms part of the Notice and provides additional information on matters to be considered at the Annual General Meeting.

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

AGENDA

• Adoption of 2018 Annual Financial Report

To receive and consider the annual financial report of the Company and its controlled entities for the financial year ended 31 March 2018 together with the declaration of the directors, the director's report, the Remuneration Report and the auditor's report.

NON-BINDING Resolution

1. Adoption of 2018 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 purpose 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 report for the financial year ended 31 March 2018."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution.

Voting exclusion statement

In accordance with Section 250R of the Corporations Act, the Company will disregard any vote cast on Resolution 1 by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member.

However, the Company need not disregard a vote if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution **or** the proxy is the Chair of the Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
- it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

Further, a Restricted Voter who is appointed as a proxy will not vote on this Resolution unless:

- the appointment specifies the way the proxy is to vote on Resolution 1; or
- the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 1. In exceptional circumstances, the Chair of the Meeting may change their voting intention on this Resolution, in which case an ASX announcement will be made.

Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting. If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

ORDINARY Resolutions

2. Re-Election of Director through Rotation

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

"That, in accordance with clause 13.2 of the Company's Constitution and for all other purposes, Mr Maxwell James Green, who retires by rotation in accordance with the Company's Constitution, and being eligible for re-election, is hereby re-elected as a Director of the Company."

2.1 Election of Director

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

"That, in accordance with clause 13.4 of the Company's Constitution and for all other purposes, Mr Fang Sun a Non-Executive Director who was appointed to the Board on 9 July 2018, as an addition to the Board and being eligible for election, offers himself for election as a Director of the Company."

2.2 Election of Director

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

"That, in accordance with clause 13.4 of the Company's Constitution and for all other purposes, Mr Marcus Ritchie an Executive Director who was appointed to the Board on 31 July 2018, as an addition to the Board and being eligible for election, offers himself for election as a Director of the Company."

2.3 Election of Director

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

"That, in accordance with clause 13.4 of the Company's Constitution and for all other purposes, Mr Anthony Lally a Non-Executive Director who was appointed to the Board on 31 July 2018, as an addition to the Board and being eligible for election, offers himself for election as a Director of the Company."

3. Ratification of Past Issue of Placement Shares

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 and for all other purposes, Shareholders ratify the past issue of 10,000,000 Shares to Sunbow Limited at an issue price of \$0.17 per Share on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Sunbow Limited who participated in or who will obtain a material benefit because of, the proposed issue or an associate of Sunbow Limited. However, the Company will not disregard a vote if it is cast by (a) a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or (b) 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.

SPECIAL Resolution

4. Approval of 10% Placement Capacity Pursuant to ASX Listing Rule 7.1A

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

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is provided for the Company to issue Equity Securities up to 10% of the issued capital of the Company calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company will not disregard a vote if it is cast by a person who is a 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.

By Order of the Board



Eryn Kestel
Company Secretary
18 July 2018

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide Shareholders with information which the Directors believe to be material in deciding whether to pass the Resolutions.

This Explanatory Statement should be read in conjunction with the accompanying Notice and is a brief explanation of the matters for which Shareholder approval is sought in each Resolution.

2018 AUDITED ANNUAL REPORT

The first agenda item is to receive and consider the audited annual report of the Company for the financial year ended 31 March 2018. The report has been approved by the directors and audited by the independent auditor.

Section 317 of the Corporations Act requires the audited financial statements, together with the declaration of the directors, the directors', the remuneration and the auditor's reports for the year that ended 31 March 2018 to be presented to the Shareholders at the 2018 Annual General Meeting.

Copies of the 2018 Audited Annual Report have been mailed to all registered Shareholders who have opted to receive such materials. These documents can also be found on the Company's website at www.feigroup.com.au

Whilst there is no requirement for the reports to be approved by shareholders, in accordance with sections 250S and 250T of the Corporations Act, shareholders will have a reasonable opportunity at the meeting to bring questions forward and make comments on the reports and management of the Company.

Shareholders will also have a reasonable opportunity to ask the auditor questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company and the independence of the auditor.

Shareholders who are unable to attend the Annual General Meeting can submit written questions under Section 250PA of the Corporations Act to the management of the Company and/or the Auditor. The questions will need to be submitted no later than five (5) business days before the Annual General Meeting (no later than Monday, 13 August 2018) to the address listed on the proxy form.

RESOLUTION 1 ADOPTION OF 2018 REMUNERATION REPORT

In accordance with Section 250R (2) of the Corporations Act at a listed company's Annual General Meeting, the Board is required to table the Company's Remuneration Report so that a resolution that the Remuneration Report be adopted can be put to shareholders.

The Remuneration Report is incorporated into the Directors' Report contained in the 2018 Annual Report and in accordance with Section 300A of the Corporations Act sets out the remuneration policy of the Company and reports the current remuneration arrangements for the directors and senior management of the Company.

The Remuneration Report:

- sets out the remuneration arrangements for each director and any service agreements;
- explains the Board's policies in relation to the objectives and structure of remuneration paid to Directors; and
- provides details of any equity-based compensation.

The Directors believe that the Company's remuneration policies and structures as outlined in the Remuneration Report are appropriate for the size of the Company, its business and objectives.

In accordance with Section 250SA of the Corporations Act, shareholders present at the Annual General Meeting will be given an opportunity by the chair of the Meeting to ask questions about or make comment on the 2018 Remuneration Report.

Resolution 1 is advisory only and the outcome does not bind either the Company or the directors of the Company.

A failure of Shareholders to pass Resolution 1 will not require the directors to alter any of the arrangements in the Remuneration Report. However, the Board will consider the outcomes of the votes when considering the future remuneration arrangements of the Company.

The Director and Executive Remuneration Act which came into effect on 1 July 2011 provides Shareholders with the opportunity to remove the Board under the two strike rules.

If at least 25% of the votes cast on the Adoption of the Remuneration Report Resolution vote against the Resolution for two (2) years consecutively, the Board Spill provisions will be triggered.

Previous voting results

Neither the 2016 or 2017 Remuneration Reports received a vote of more than 25% against its adoption at the Company's annual general meetings held on 30 November 2016 and 31 August 2017. Accordingly, if at the 2018 Annual General Meeting at least 25% of the votes cast on Resolution 1 are against adoption of the Remuneration Report it will not result in the Company putting a Spill Resolution to shareholders.

Pursuant to the Corporations Act, the directors and other Restricted Voters may not vote on this Resolution and may not cast a vote as proxy, unless the appointment gives a direction on how to vote or the proxy is given to the Chair and expressly authorises the Chair to exercise your proxy, even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. The Chair intends to use any such proxies to vote in favour of the Resolution. In exceptional circumstances, the Chair of the Meeting may change his voting intention on Resolution 1, in which case an ASX announcement will be made.

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on this Resolution.

Recommendation of Board

The Board of Directors unanimously recommends that Shareholders vote in favour of Resolution 1.

Resolution 2

Re-Election of Director through Rotation

Resolution 2 seeks approval for the re-election of Mr Maxwell James Green as non-executive Director and Chairman with effect at the conclusion of the Annual General Meeting.

The Company's Board Charter ensures that, always, there is an appropriate mix of skills and experience on the Board to provide the necessary knowledge required to meet the Company's objective.

In accordance with ASX Listing Rule 14.4 and clause 13.2 of the Company's Constitution, Directors must retire after the third Annual General Meeting since they were last elected. The Directors to retire at an annual general meeting are those that have been longest in office since their last election.

At this Annual General Meeting, Mr Green is the non-executive Director and Chairman due to retire by rotation pursuant to the Company's Constitution and the ASX Listing Rules and being eligible is seeking re-election as a Director of the Company.

The Company has four (4) Non-Executive Directors – Mr Green, Mr Cook Huang, Mr Sun and soon to be elected Mr Lally accordingly, one (1) must retire by rotation.

Mr Maxwell James Green
Non-Executive Director and Chairman
Appointed on 31 July 2017

Qualifications

BA,LLB (UNSW) and LLM (University of London)

Experience and expertise

Mr Green has extensive experience gained over more than 30 years in commerce and law, both in investment banking and private legal practice working in commercial law, business strategy, mergers and acquisitions, equity capital raising, venture capital and capital management.

Mr Green is currently Managing Director at PrimaryMarkets Advisory and a non-executive director of Imagine Intelligent Materials Limited. Before joining PrimaryMarkets, Mr Green oversaw M&A Advisory at Patersons Securities as well as leading Corporate Finance at Austock (Phillip Capital). Before investment banking, he was a Senior Partner of a national law firm.

Mr Green is a past President of the NSW Division of the Australian Institute of Company Directors (AICD) and was a Director of the AICD, Century Australia Investments Ltd and Scott Corporation Ltd..

Independence

If elected, the Board does consider Mr Green to be an independent Director.

Recommendation of Board

The Directors of the Company (with Mr Green abstaining) recommend that Shareholders vote in favour of Resolutions 2 because of the skills, experience and knowledge that Mr Green will be able to bring to the Company.

Resolution 2.1
Election of Director

Mr Fang Sun
Non-Executive Director
Appointed on 9 July 2018

Qualifications

Bachelor of Arts (BA), Major in Journalism; and
Master of Business Administration (MBA)

Experience and expertise

Mr Sun has extensive experience across a range of industry sectors in Asia, including ecommerce, management, publishing, film and television funding. Mr Sun has over 20 years' experience in senior executive roles with a diverse range of organisations.

Mr Sun has a Bachelor of Arts (BA), Major in Journalism from Renmin University of China and a Master of Business Administration (MBA) from Tsinghua University.

Independence

If elected, the Board does not consider Mr Sun to be an independent Director.

Recommendation of Board

The Directors of the Company (with Mr Sun abstaining) recommend that Shareholders vote in favour of Resolution 2.1 because of the skills, experience and knowledge that Mr Sun will be able to bring to the Company.

Resolution 2.2

Election of Director

Mr Marcus Ritchie
Executive Director
Appointed on 31 July 2018

Qualifications

Bachelor of Management, Finance and Strategic Management; and
Chartered Management Accountant (CIMA)

Experience and expertise

Mr Ritchie is an experienced director with a demonstrated history of working with Australia's key clients including ANZ Banking Group, Phillipcapital, Bank of America Merrill Lynch whereby he has gained a skill set encompassing senior client management, execution of debt restructuring, project finance and Mergers & Acquisitions.

Mr Ritchie has gained experience from working in New York and London, including American Express Company, Strategy AXP Financial Services Europe, Mizhuo Corporate Bank and Dresdner Kleinwortwasserstein.

He is a business development professional who enjoys supporting clients to achieve their desired company goals through a strong sense of communication supported by an ability to execute tasks through to the end.

Independence

If elected, the Board does not consider Mr Ritchie to be an independent Director as he is joining the executive team.

Recommendation of Board

The Directors of the Company (with Mr Ritchie abstaining) recommend that Shareholders vote in favour of Resolution 2.2 because of the skills, experience and knowledge that Mr Ritchie will be able to bring to the Company.

Resolution 2.3

Election of Director

Mr Anthony Lally
Non-Executive Director
Appointed on 31 July 2018

Qualifications

Fellow of the Institute of Actuaries – United Kingdom;
Fellow of the Institute of Actuaries – Australia
Graduate of the Australian Institute of Company Directors; and
Olympic Athlete

Experience and expertise

Mr Lally is a qualified actuary and has a deep and broad experience as a Non-Executive Director and Chair.

His experience covers the disciplines of governance, strategy development, risk management and change, both operational and cultural. His extensive investment expertise covers investment governance, investment strategy and management.

Mr Lally has extensive Senior Executive experience in a number of disciplines, including life insurance, funds management, strategy development, sales and marketing, financial management, superannuation, risk management and financial planning.

Mr Lally has a strong professional network across the financial services sector. He has extensive experience in the superannuation industry, both as the CEO of a major fund, as well as Non-Executive Director and Non-Executive Chair of the major superannuation industry representative organisation.

Given, Mr Lally's experience and financial knowledge, it is only appropriate that Mr Lally is appointed as the Chair of the Audit and Remuneration Committee.

Independence

If elected, the Board does consider Mr Lally to be an independent Director.

Recommendation of Board

The Directors of the Company (with Mr Lally abstaining) recommend that Shareholders vote in favour of Resolution 2.3 because the Company is very fortunate to have a Director as Mr Lally with vast beneficial knowledge and relevant skills.

Resolution 3

Ratification of Past Issue of Placement Shares

General

Resolution 3 seeks shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of 10 million Shares in the capital of the Company that have already been issued from the Company's 15% placement capacity

The 10 million Shares were issued from the Company's 15% placement capacity as the Board utilised the ability under ASX Listing Rule 7.1 to be able to issue up to 15% of its issued capital without Shareholder approval.

ASX Listing Rule 7.4 enables the Company to ratify an issue of securities made without prior Shareholder approval under Listing Rule 7.1 if:

- the issue of Shares did not breach Listing Rule 7.1; and
- Shareholders subsequently approve the issue of those securities by the Company.

The Company confirms:

- the issue of the 10 million Shares did not at any time breach ASX Listing Rule 7.1; and
- the Shares were issued without prior Shareholder approval on 28 March, 9 May and 29 May 2018 from the Company's 15% placement capacity under ASX Listing Rule 7.1 and now at this Annual General Meeting, Shareholder approval is sought to subsequently approve the issue of these Shares.

The effect of the ratification is to restore, to the extent of the ratification, the Company's maximum discretionary power to issue further Shares up to 15% of the issued capital of the Company without requiring Shareholder approval.

The Company is likely to issue further Securities within the next 12 months, so the Company seeks approval of the 10 million Share issue to provide future flexibility to place Shares.

If Resolution 3 is not approved by shareholders, whilst the issue will remain valid and effective, the number of Securities the Company may issue over the next 12-month period without prior Shareholder approval will be fewer, which may reduce the Company's ability to manage future capital requirements.

On the 26 March 2018, the Company announced the details of a private placement with Sunbow Limited.

The terms of the placement comprised a total raising of \$1,700,000 through the issue of 10 million fully paid Ordinary Shares at 17 cents per Share. The Shares to be issued in three (3) tranches over the three (3) months of March to May 2018.

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided:

- a total of 10 million Shares were issued in three (3) tranches – tranche 1 of 3,333,333 on 28 March 2018, tranche 2 of 3,333,333 on 9 May 2018 and tranche 3 of 3,333,334 on 29 May 2018;
- the issue price per Share was 17 cents (\$0.17) each;
- the Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing fully paid ordinary Shares on issue;
- the Shares were issued to Sunbow Limited, an investment entity based in Hong Kong, which is not a related party of the Company;
- funds totalling \$1,700,000 (before costs) will be deployed towards general corporate purposes and bolstering the Company's capital base; and
- a voting exclusion statement is included in the Notice.

Recommendation of Board

The Board believes that it is in the best interests of the Company to maintain the ability to issue up to its full placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval so that the Company retains financial flexibility and can take advantage of commercial opportunities that may arise and therefore it is recommended that Resolution 3 is approved.

Resolution 4 – Approval of 10% Placement Capacity Pursuant to Listing Rule 7.1A

General

The Company is seeking to issue an additional 10% of its issued capital over the next 12-month period pursuant to Listing Rule 7.1A.

ASX Listing Rule 7.1A, allows an Eligible Entity to seek shareholder approval by special resolution passed at an annual general meeting to issue an additional 10% of its issued capital in addition to the normal 15% placement capacity under ASX Listing Rule 7.1

At least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 4 for it to be passed.

An entity is eligible for the purposes of ASX Listing Rule 7.1A if it has a market capitalisation of \$300 million or less and it is not included in the S&P/ASX300 Index. For illustrative purposes only, on 12 June 2018, the Company's market capitalisation was approximately \$18 million based on the last trading price on that date and currently, the Company is not included in the S&P/ASX300 Index.

The Company is therefore an Eligible Entity and can seek approval for the additional 10% Placement Capacity pursuant to ASX Listing Rule 7.1A.

The additional 10% Placement Capacity can only be used to issue Equity Securities, being a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities. As at current date, the Company has one (1) class of quoted Equity Securities on issue, being Shares (ASX code: FEI), therefore in accordance with ASX Listing Rule 7.1A, it will only be Shares that can be issued from the additional 10% Placement Capacity.

At the date of this Notice of Meeting, the Company has on issue 149,715,027 Shares. In broad terms, the Company has the capacity to issue the following Equity Securities immediately following the Meeting:

- 22,457,254 Equity Securities under its 15% Placement Capacity (ASX Listing Rule 7.1); and

- Subject to Shareholder approval being obtained under this Resolution, a further 14,971,503 Equity Securities under the additional 10% Placement Capacity (ASX Listing Rule 7.1A).

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval by special resolution may issue or agree to issue, during the approval period, the number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

A is the number of fully paid shares on issue 12 months before the date of issue or agreement:

- plus, the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- plus, the number of partly paid shares that became fully paid in the 12 months;
- plus, the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4 (which does not include the 10% Placement Capacity);
- less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% Placement Capacity.

D is 10%;

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 3:

Minimum price

Pursuant to and in accordance with Listing Rule 7.1A.3, the Equity Securities issued pursuant to approval under Listing Rule 7.1A must have an issue price of not less than 75% of the VWAP for the Equity Securities over the 15 trading days 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 five (5) trading days of the date in paragraph (1) above, the date on which the Equity Securities are issued.

The Company will disclose to the ASX the issue price on the date of issue of the Equity Securities

Risk of economic and voting dilution

As provided by Listing Rule 7.3A.2, if Resolution 4 is passed and the Company issues the Equity Securities, there is a risk of economic and voting dilution to the existing Shareholders. The Company currently has on issue 149,715,027 Shares and could issue 14,971,503 Shares immediately following the Meeting (however, it is important to note that the exact number of Equity Securities which may be issued will be calculated in accordance with the formula contained in Listing Rule 7.1A.2, details of which are set out above). Any issue of Equity Securities will have a dilutive effect on existing Shareholders.

There is a specific risk that:

- the Market Price for the Company's Equity Securities may be significantly lower on the date of the issue of any Equity Securities than it is on the date of the meeting; and
- the Equity Securities may be issued at a price that is at a discount to the Market Price for the Company's Equity Securities on the issue date, which may influence the amount of funds raised by the issue or the value of the Equity Securities; or
- As consideration (or part thereof) for the acquisition of a new asset, both of which may influence the amount of funds raised by the issue of Equity Securities under the Additional 10% Placement Capacity.

As required by Listing Rule 7.3A.2, the table below shows the dilution effect for existing Shareholders upon the issue of the maximum number of Equity Securities under the Additional 10% Placement Capacity, using different variables such as:

- the issued share capital has increased by both 50% and 100%; and
- the market price of the Shares as at the close of trade on 12 June 2018 has halved and then doubled.

Dilution Table				
Variable A in Listing Rule 7.1A.2	Number of Shares issued, and funds raised with a 10% dilution effect	\$0.06 Issue Price at half the current market price	\$0.12 Issue Price as at close of trade on 12 June 2017	\$0.24 Issue Price at double the current market price
Current Issued Shares 149,715,027	Shares issued	14,971,203	14,971,503	14,971,203
	Funds raised	\$898,272	\$1,796,580	\$3,593,089
	Dilution	10%	10%	10%
50% increase in Issued Shares 224,572,540 Shares	Shares issued	22,457,254	22,457,254	22,457,254
	Funds raised	\$1,347,435	\$2,694,870	\$5,389,741
	Dilution	10%	10%	10%
100% increase in Issued Shares 299,430,054 Shares*	Shares issued	29,943,005	29,943,005	29,943,005
	Funds raised	\$1,796,580	\$3,593,161	\$7,186,321
	Dilution	10%	10%	10%

* The number of Shares on issue could increase because of the issue of Shares that do not require Shareholder approval (such as under a pro rata rights issue or shares issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The following assumptions were made when preparing the dilution table:

1. There are currently **149,715,027** Shares on issue as at the date of this Notice of Meeting;
2. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares;
3. The Company issues the maximum number of Equity Securities available under the 10% Placement Capacity;
4. No Options are exercised into Shares before the date of the issue of the Equity Securities;
5. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. Therefore, the voting dilution is shown in each example as 10%;
6. The table does not show the dilution affect that may be caused to a Shareholder;
7. The table only shows the effect of issues of Equity Securities under Listing Rule 7.1A not under the 15% Placement Capacity under Listing Rule 7.1; and
8. The issue price of \$0.12 is the closing price of the Shares on the ASX as at 12 June 2018.

Date of Issue

As required by Listing Rule 7.3A.3, the Company will only issue the Equity Securities during the 12 months after the date of this Meeting which the Company anticipates will end on 30 August 2019.

The approval under this Resolution for the issue of the Equity Securities will cease to be valid if Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities of the Company) or Listing Rule 11.2 (the disposal of the main undertaking of the Company) before the anniversary of the Annual General Meeting.

Purpose

As noted above, the purpose for which the Equity Securities may be issued include to raise funds for the Company and as non-cash consideration (further details of which are set out below).

Cash raised from the issue of Equity Securities, if undertaken, would be applied towards:

1. Capital ratio requirements for its subsidiary's business as a Non-Bank Deposit Takers (NBDT) institution to support asset growth;
2. Repayment of debt;
3. Potential acquisition of new assets and investments; and:
4. For ongoing future working capital purposes

The Company may issue Equity Securities for non-cash consideration, such as the acquisition of new assets or investments. If the Company issues Equity Securities for non-cash consideration, the Company will release to the market a valuation of the non-cash consideration that demonstrates that the issue price of the Equity Securities complies with Listing Rule 7.1A.3.

Company's Allocation Policy - Listing Rule 7.3A.5

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue of the Equity Securities. The identity of the potential investors of Equity Securities will be determined on a case – by - case basis having regard to several factors including but not limited to the following:

- (1) the methods of raising funds that are available to the Company including, but not limited to, rights issue; or
- (2) other issue in which existing shareholders can participate in such as Share Purchase Plans;
- (3) the effect of the issue of the Equity Securities on the control of the Company;
- (4) the financial situation and solvency of the Company; and
- (5) Advice from corporate, financial and broking advisers (if applicable).

The potential investors of the Equity Securities have not been determined as at the date of this Notice but may include existing substantial Shareholders and new Shareholders who are not related parties or associates of a related party of the Company.

Furthermore, if the Company is successful in acquiring new assets or investments for which Equity Securities are issued as consideration, it is likely that the potential investors of some of the Equity Securities will be the vendors of the new assets or investments.

Compliance with ASX Listing Rules 7.14A and 3.10.5A

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (a) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with ASX Listing Rule 7.1A.4; and
- (b) the information required by ASX Listing Rule 3.10.5A for release to the market.

Equity Issues over Last 12 Months

The Company previously obtained approval pursuant to ASX Listing Rule 7.1A at both the 2016 and 2017 Annual General Meetings;

The Company confirms that no Equity Securities were issued under the 10% Placement Capacity between 31 August 2017 and the date of finalisation of this Notice of Meeting; and

In accordance with the requirements of ASX Listing Rule 7.3A.6(b), all the cash and non-cash equity issues since the date of the 2017 Annual General Meeting held on 31 August 2017 are detailed in Annexure A.

For the purpose of Listing Rule 7.3A.6(a), the Company advises as follows:

A total of 24,521,729 Shares were issued in the 12-month period preceding the 2018 Meeting representing 19.6% of the Equity Securities on issue at the start of the 12 Month Period.

Equity Securities on issue at commencement of 12-month period	125,193,623
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Equity Securities issued in last 12-month period under Listing Rule 7.1	24,521,729
Percentage Equity Securities issued represents of total number of Equity Securities on issue at commencement of 12-month period	19.6%

The Company previously obtained Shareholder approval under Listing Rule 7.1A at the 2017 Annual General Meeting and in accordance with Listing Rule 7.3A.6, the Company confirms that no Equity Securities were issued under the 10% Placement Capacity between 30 November 2016 and the date of finalisation of this Notice of Meeting.

Voting Exclusion Statement

A voting exclusion statement is included for this Resolution in the Notice of Meeting accompanying the Explanatory Memorandum.

At the date of the Notice, the Company has not approached any existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities utilising this 10% Placement Facility following the 2017 Annual General Meeting. No existing Shareholder's votes will therefore be excluded under the voting at the Meeting.

Recommendation of the Board

The Directors of the Company believe that Resolution 4 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

The ability of the Company to issue Shares under the 10% Placement Capacity will enable the Company to issue Shares at a discount to the then market price in circumstances where it might otherwise be subjected to the cost, delay and uncertainty of having to go back to Shareholders for approval. The additional flexibility and speed to conduct capital raising will better position the Company to pursue its interests in the prevailing difficult market conditions.

**ANNEXURE A –
Details of Equity Securities issued in the 12 months prior to the date of the 2018 Annual General Meeting**

Issue Date	Number	Class of security	Consideration	Recipient and reason for issue	Issue Price	Discount to market price at issue date	Cash received	Use of Funds	Funds Spent
04 September 2017	636,755	Shares	Non-Cash	Non-Executive Directors Mr Seton and Mr McDonald In satisfaction of 2017/2018 Director Fees	Deemed \$0.204	Nil	N/A	Market value of non-cash consideration as at 12 June 2018 is \$76,411.	Not Applicable
05 December 2017	8,884,974	Shares	Non-Cash	FEI vendors Tranche 2 Earn Out Shares as part of the consideration payable for the acquisition of 100% of FEI's issued capital.	Nil	Nil	N/A	Market value of non-cash consideration as at 12 June 2018 is \$1,066,197.	Not Applicable
19 December 2017	5,000,000	Shares	Cash	Non-Executive Director Mr Cook Huang In accordance with the terms and conditions of a negotiated Subscription Agreement.	\$0.20	No	\$1,000,000	Repayment of loaned funds which fully utilised all funds received.	\$1,000,000 Funds fully utilised
28 March 2018	3,333,333	Shares	Cash	Sunbow Limited Tranche 1 private placement	\$0.17	No	\$566,667	Bolster Subsidiary capital base. \$66,667 remains available.	\$500,000 ¹
09 May 2018	3,333,333	Shares	Cash	Sunbow Limited Tranche 2 private placement	\$0.17	No	\$566,667	Creation of efficiencies. \$536,667 remains available.	\$30,000 ²
28 May 2018	3,333,334	Shares	Cash	Sunbow Limited Tranche 3 private placement	\$0.17	No	\$566,667	Due diligence ³ . \$566,667 remains available.	Nil

• 17,561,486 Shares were released on 29 March 2018 following the cessation of a mandatory restriction period.

1 Funds from the 1st tranche private placement have been and will be deployed to bolster the Subsidiary – FE Investments' capital base to ensure compliance with the Non-Bank Deposit Takers Act 2013 (and related regulations) capital adequacy ratios.

2. Funds from the 2nd tranche private placement have been deployed to develop new Australian and New Zealand websites and the remaining funds will be deployed to accounting and administration system innovation and automation as well as review feasibility of growth within New Zealand.

3 Funds from 3rd tranche private placement will be deployed to review feasibility of geographic expansion to areas where the Company does not already operate

GLOSSARY

\$ means Australian dollars

10% Placement Capacity has the meaning set out on page 16

AEST means Eastern Standard Time as observed in Sydney, New South Wales.

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

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Days 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.

Chair means the chair of the Meeting.

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)*.

Company means FE Investments Group Limited (ACN

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Director means the current directors of the Company.

Eligible Entity has the meaning set out on page 16.

Equity Securities 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 is defined by AASB 124 Related Party disclosures as all directors and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

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

Ordinary Securities has the meaning set out in the ASX Rules.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 31 March 2018.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

VWAP means volume weighted average price.

WST means Western Standard Time as observed in Perth, Western Australia.

**APPOINTMENT OF PROXY
FE INVESTMENTS GROUP LIMITED
ACN 107 745 095**

Member Details

Name:

Contact Telephone No:

Appointment of Proxy

I/We being a Member/s of FE Investments Group Limited and entitled to attend and vote hereby appoint

☐

Chairman of the Meeting **OR**

Insert Name of Appointed Proxy Below

Or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to attend and act generally at the Annual General Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of FE Investments Group Limited to be held at the offices of KPMG Australia, Level 38, Tower Two, International Towers Sydney, Barangaroo Avenue, Sydney, NSW 2000 on Thursday, 30 August 2018, at 11.00am (AEST) and at any adjournment of that meeting.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances, the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on business of the Meeting

FOR AGAINST ABSTAIN

Resolution 1	Non-Binding Resolution Adoption of 2018 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ordinary Resolutions Re-election of Director through Rotation – Mr James Green	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2.1	Election of Non-Executive Director – Mr Fang Sun	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2.2	Election of Executive Director – Mr Marcus Ritchie	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2.3	Election of Non-Executive Director – Mr Lally	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of Past Issue of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Special Resolution			
Resolution 7	Approval of 10% Placement Capacity pursuant to ASX Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please Note: By marking the Abstain box for any of the above Resolutions, Shareholders are directing the proxy not to vote on that Resolution on a show Of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is -----%

PLEASE SIGN HERE
Individual or Member 1

Sole Director and
Sole Company Secretary

Member 2

Director

Member 3

Director/Company Secretary