

Change in Director voting recommendation for the Annual General Meeting

In the Notice of Meeting (**NOM**) for the upcoming Annual General Meeting of Property Connect Holdings Limited (ASX: PCH) (**Company**) to be held on Friday, 30 November 2018:

- Michael Carter (Chairman) and David Nolan (Director) recommended to shareholders that Resolution 1 “Re-election of Darren Patterson as a Director” be passed; and
- Darren Patterson (Director) and Mr Nolan recommended to shareholders that Resolution 2 “Re-election of Michael Carter as a Director” be passed.

Resolution 1 – Re-election of Darren Patterson as a Director

As a result of developments that have taken place since announcement of the NOM to ASX, both Mr Carter and Mr Nolan now believe it is no longer in the Company’s best interests for Mr Patterson to continue as a Director of the Company and do NOT recommend that Resolution 1 be passed.

Further, in the NOM the Chairman stated that he intended to vote undirected proxies in favour of Resolution 1. As a result of these recent developments, the Chairman intends to vote undirected proxies AGAINST Resolution 1.

Resolution 2 – Re-election of Michael Carter as a Director

Mr Nolan’s recommendation that Resolution 2 be passed remains unchanged.

Mr Carter has requested that Mr Patterson confirm whether Mr Patterson’s recommendation that Resolution 2 be passed remains unchanged. At the time of this announcement, Mr Carter has received a response from Mr Patterson indicating that he does NOT recommend that Resolution 2 be passed.

The Company could not reach agreement with Mr Patterson on the additional wording he proposed to be included in this announcement.

Minimum of Three Directors Required

If either Mr Patterson or Mr Carter are not re-elected and the number of Directors falls below the statutory minimum of three, the remaining director/s will have the power to appoint one or more other directors, who would be required to seek re-election at the next annual general meeting of the Company.

Because of the significance of this change in recommendation to shareholders and the proximity of the 2018 Annual General Meeting, it was considered appropriate that an ASX announcement be made. A letter providing further explanation to shareholders in relation to Resolution 1 is attached and will be sent to shareholders together with a new proxy form if shareholders who have already cast their vote, or given the Chairman an undirected proxy, wish to reconsider their vote in relation to Resolution 1 in light of the reversal of the voting recommendation.

Mr Patterson has stated that he reserves his right to send a letter to shareholders in relation to his change of recommendation for Resolution 2.

-END-

For more information, please contact:

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About Property Connect

Property Connect has developed the LiveOffer technology, designed to create an easy, fair and transparent system under which potential purchasers and tenants can negotiate the best offer on a property for purchase and rental. Property Connect enables all parties in the property transaction process to secure optimal terms for each property, either in a sales or letting environment.

The company is listed on the Australian Securities Exchange (ASX:PCH).

www.propertyconnect.com

22 November 2018

Change in Director voting recommendation for the Annual General Meeting

As announced to the ASX on 22 November 2018 (**Announcement**), the recommendation made in the Notice of Annual General Meeting by the Directors (other than Mr Patterson) that shareholders vote For Resolution 1, being the re-election of Mr Darren Patterson as a director of the Company, has been reversed.

In addition, the recommendation made by Mr Patterson that shareholders vote For Resolution 2, being the re-election of Mr Carter as a director of the Company, has been reversed by Mr Patterson. However, Mr Nolan's recommendation remains unchanged and that shareholders vote For Mr Carter to be re-elected as a director of the Company.

Resolution 1 – Re-election of Darren Patterson as a Director

The Directors (other than Mr Patterson) **now recommend that shareholders vote Against Resolution 1.**

Since November 2016, Mr Patterson has made a useful contribution to the Company as a Director, through his consultant arrangements and until recently as the designated CEO reporting to the Board. Mr Patterson disagreed with and was disappointed by the Board's decision in terminating his position as CEO, and separately his inclusion for re-election at the upcoming Annual General Meeting.

The majority of the Board (comprising myself as Chairman and fellow Director David Nolan) determined that the CEO role in its current form could and should not continue, due to amongst other reasons, the need for the Company to reduce its cost base in light of its capital position.

As Chairman I also determined, in accordance with the Company Constitution, that Mr Patterson should be the nominated Director for retirement by rotation and re-election at the Annual General Meeting. Mr Patterson and Mr Nolan were re-elected on the same day and could not reach agreement as to who was to stand for re-election.

Whilst acknowledging both matters have been difficult decisions, since this time I have been unable to reach a satisfactory resolution on several important issues including access to important documents / records and timely responses to matters of ongoing business.

In light of these developments, I have reversed my recommendation that shareholders support the re-election of Mr Patterson as a Director of the Company. In addition, as Chair I now intend to vote undirected proxies AGAINST, being the re-election of Mr Patterson as a Director of the Company. Mr Nolan has also withdrawn his support for Mr Patterson to be re-elected.

Resolution 2 – Re-election of Michael Carter as a Director

As stated in the Announcement:

- Mr Nolan's recommendation that Resolution 2 be passed remains unchanged;
- Mr Patterson has indicated that he does NOT recommend that Resolution 2 be passed (and

- that I be re-elected as a Director); and
- Mr Patterson reserves his right to send a letter to shareholders in relation to his change of recommendation for Resolution 2.

Enclosed is a new proxy form for shareholders who have already cast their votes on Resolutions 1 or 2 and who wish to reconsider their vote on Resolutions 1 or 2 in light of the reversal of the directors' voting recommendations.

Please note that the enclosed proxy form must be received by the Company or its share registry no later than 48 hours before the time of the Meeting scheduled for 11.00 am, Friday 30 November 2018. If you are posting your proxy form to Computershare, please ensure you allow sufficient time for your proxy form to be received by the deadline.

Any questions regarding the process should be directed to Computershare in the first instance on +61 3 9473 2555.

Yours sincerely,

Michael Carter

Chairman, Property Connect Holdings Limited