

# MNEMON LIMITED

ACN 125 736 914

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of shareholders of Mnemon Limited (the **Company**) will be held at Level 19, Aurora Place, 88 Phillip Street, Sydney 2000 on Thursday 27 November 2014 at 9.30am (AEDT) (**Meeting**).

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

### BUSINESS OF THE MEETING

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#### Item 1: Financial Statements and Reports

To receive and consider the Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2014.

#### Item 2: Remuneration Report

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

*"To adopt the Remuneration Report for the year ended 30 June 2014."*

Notes:

- (i) In accordance with section 250R of the Corporations Act 2001, the vote on this resolution will be advisory only and will not bind the directors or the Company.
- (ii) A voting exclusion statement applies to this resolution (see Explanatory Notes for details).

#### Item 3: Election of Directors

To consider and, if thought fit, pass the following as ordinary resolutions of the Company:

3.1 *"That Mr Jonathan Pinshaw be elected as a director of the Company."*

3.2 *"That Mr Mark Bayliss be elected as a director of the Company."*

3.3 *"That Mr Will Vicars be elected as a director of the Company."*

#### Item 4: Re-election of Director – Ms Naseema Sparks

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

*"That Ms Naseema Sparks, being a director who is retiring in accordance with clause 13.5 of the Company's constitution, and being eligible, offers herself for re-election, be re-elected as a director of the Company."*

#### Item 5: Non-executive Directors' Remuneration

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

*"That, for the purposes of Listing Rule 10.17 and for all other purposes, effective from the close of the Meeting the total amount that may be paid in aggregate and in any one year by the Company to the Non-executive Directors as remuneration for services be increased by \$400,000, from \$200,000 to \$600,000."*

*Note: A voting exclusion statement applies to this resolution (see Explanatory Notes for details).*

## ENTITLEMENT TO VOTE

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The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered shareholders of the Company as at 7.00pm (AEDT) on Tuesday 25 November 2014 (**Entitlement Time**).

This means that if you are not the registered holder of a share in the Company at the Entitlement Time, you will not be entitled to attend and vote at the Meeting.

## ANNUAL REPORT

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Copies of the Company's full Annual Report may be accessed at our website [www.mnemon.com.au](http://www.mnemon.com.au) and clicking on the Investors Information tab.

## VOTING OPTIONS AND PROXIES

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If you do not plan to attend the meeting in person, you are encouraged to complete and return the Proxy Form, which accompanies this Notice of Annual General Meeting.

### Voting by Proxy

A shareholder who is entitled to attend and vote at this Meeting is entitled to appoint not more than 2 proxies to attend and vote in place of the shareholder.

If the shareholder appoints 2 proxies, the shareholder may specify the proportion or number of votes each proxy is entitled to exercise. If no proportion or number of votes is specified, each proxy may exercise half of the shareholder's votes. If the specified proportion or number of votes exceed that which the shareholder is entitled to, each proxy may exercise half of the shareholder's votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.

A proxy need not be a shareholder of the Company. A body corporate appointed as a shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the Meeting. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

Subject to the specific proxy provisions applying to Item 2 (see the Explanatory Notes below):

- If a shareholder has not directed their proxy how to vote, the proxy may vote as the proxy determines, and
- If a shareholder appoints the Chairman of the Meeting as proxy and does not direct the Chairman how to vote on an item of business, the Chairman will vote in accordance with their voting intention as stated in this Notice of Meeting, namely in favour of each of the proposed resolutions set out in the Notice of Meeting.

### Proxy Voting by the Chairman

For Item 2 (Remuneration Report), where the Chairman is appointed as a shareholder's proxy and that shareholder has:

- Marked the Chairman's box on the proxy form; and
- Has not specified the way in which the Chairman is to vote on Item 2,

the shareholder is directing the Chairman to vote in accordance with the Chairman's voting intentions for this item of business.

The Chairman intends to vote all undirected proxies in favour of all resolutions put in the Notice of Meeting.

## Proxy Forms

To be effective, the Proxy Form must be completed, signed and lodged (together with the relevant original power of attorney or a certified copy if the proxy is signed by an attorney) with the Company's share registry, as an original or by facsimile, **no later than 9.30am (AEDT) on Tuesday 25 November 2014 (Proxy Deadline)**.

Proxy forms may be submitted in one of the following ways:

- (i) **By mail** to Computershare Investor Services Pty Ltd using the reply paid envelope or GPO Box 242, Melbourne VIC 3001. Please allow sufficient time so that it reaches Computershare Investor Services Pty Ltd by the Proxy Deadline;
- (ii) **By fax** to Computershare Investor Services Pty Ltd on +1800 783 447(within Australia) or +61 3 9473 2555 (outside Australia);
- (iii) **Online** via the Company's Share Registry website at [www.investorvote.com.au](http://www.investorvote.com.au) Please refer to the Proxy Form for more information; or
- (iv) **By hand delivery** to Computershare at Level 4, 60 Carrington Street, Sydney NSW 2000.

Proxy Forms and Powers of Attorney must be received by the Proxy Deadline.

## CORPORATE REPRESENTATIVES

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Where a shareholding is registered in the name of a corporation, the corporate shareholder may appoint a person to act as its representative to attend the meeting by providing that person with:

- (i) a letter or certificate authorising him or her as the corporation's representative, executed in accordance with the corporation's constitution; or
- (ii) a copy of the resolution appointing the representative, certified by a secretary or director of the corporation.

BY ORDER OF THE BOARD



**Leanne Ralph**  
Company Secretary  
10 October 2014

## Explanatory Notes

### ITEM 1 – Financial Statements

As required by section 317 of the *Corporations Act 2001* the financial report, directors' report and auditor's report of the Company for the most recent financial year will be presented to the meeting. The financial report contains the financial statements of Mnemon Limited. As permitted by the Corporations Act, a printed copy of the Annual Report has been sent only to those shareholders who have elected to receive a printed version.

There is no requirement for a formal resolution on this item.

The Chairman of the meeting will allow a reasonable opportunity at the meeting for shareholders to ask questions about or make comments on the management of the Company. Shareholders will also be given a reasonable opportunity at the meeting to ask the Company's auditor, Ernst & Young (EY), questions about its audit report, the conduct of its audit of the Company's financial report for the year ended 30 June 2014, the preparation and content of its audit report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of EY in relation to the conduct of the audit.

Shareholders may submit written questions to EY to be answered at the meeting, provided the question is relevant to the content of EY's audit report or the conduct of the audit of the company's financial report for the year ended 30 June 2014.

Written questions must be received no later than 5.00pm (AEDT) on Wednesday 19 November 2014. Any written questions to EY can be sent to Computershare Investor Services Pty Ltd, GPO Box 242, Melbourne VIC 3001 (or by Fax: on +1800 783 447(within Australia) or +61 3 9473 2555 (outside Australia)).

### ITEM 2 – Adoption of remuneration report

#### 2.1 Reasons for Resolution

In accordance with section 300A of the *Corporations Act 2001* the Company has proposed a Remuneration Report for the consideration of shareholders.

As provided by section 250R(3) of the Corporations Act, the resolution on this item of business is advisory only and does not bind the board or the Company.

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders, and conforms with market practice for delivery of reward.

In summary, the remuneration report in the Annual Report:

- explains the principles used for determining the nature and amount of remuneration of directors and senior managers of the Company;
- outlines the role of the Remuneration and Nomination Committee;
- sets out remuneration details for each director and senior executive of the Company (including the value of any options granted to those persons);
- outlines service contracts of key management personnel; and
- provides details of options granted to directors and key management personnel

#### 2.2 Voting Exclusion Statement

As required by the *Corporations Act 2001*, the Company will disregard any votes cast on Item 2 by any member of the Company's Key Management Personnel (KMP) or a Closely Related Party of any such member unless the person:

- (i) votes as a proxy appointed by writing that specifies how the person is to vote on the resolutions; or
- (ii) is the Chairman of the Meeting and votes as a proxy appointed by writing that authorises the Chairman to vote on the resolutions even though that resolution is connected with the remuneration of a member of the Company's KMP.

**What this means for shareholders:** If you intend to appoint a member of the KMP (such as one of the directors) as your proxy, please ensure that you direct them how to vote on the proposed resolution in Item 2. If you intend to appoint the Chairman of the Meeting as your proxy, you can direct him how to vote by marking the boxes for Item 2 (for example, if you wish to vote for, against or abstain from voting), or you can choose not to mark any of the boxes for Item 2 and give the Chairman your express authority to vote your undirected proxy (in which case the Chairman will vote in favour of this item of business).

#### **Directors' Recommendation**

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

#### **ITEM 3 – Election of Directors**

As shareholders will be aware, it is proposed that the Company will merge with Grays (Aust) Holdings Pty Ltd (**Grays**) in early November 2014 and be re-named 'Grays eCommerce Group Limited'. It is also proposed that Mr Jonathan Pinshaw, Mr Mark Bayliss and Mr Will Vicars will each be appointed Directors of the Company at the time of the merger (that is, prior to the Annual General Meeting) pursuant to clause 13.9 of the Company's Constitution.

Clause 13.9 of the Company's Constitution states that Directors are permitted to appoint a person as a Director either to fill a casual vacancy or as an addition to the existing Directors. A Director appointed under this clause holds office until the conclusion of the next annual general meeting of the Company and is eligible for election at that meeting.

As Mr Pinshaw, Mr Bayliss and Mr Vicars have not been appointed as Directors as at the date of this Notice, each of them have provided to the Company a nomination to be appointed a Director and a written consent to be a Director, in accordance with clause 13.7 of the Company's Constitution.

Details of these candidates are set out below.

Note, if the merger with Grays does not proceed or has not been effected before the date of the Annual General Meeting, each of Mr Pinshaw, Mr Bayliss and Mr Vicars will withdraw their nomination to be appointed Directors prior to the Annual General Meeting.

##### **ITEM 3.1 Election of Director – Mr Johnathan Pinshaw**

Mr Pinshaw is an experienced board director and business leader. He has held non-executive director roles in a number of public companies including Just Group (Chairman), Australian Consolidated Investments (Chairman), Fairfax Media (Deputy Chairman), James Hardie and Country Road. He has also chaired a number of private equity owned companies. Previous executive roles include Managing Director of public companies OPSM Group and Freedom Furniture, as well as Chief Executive Officer roles with Gestetner Asia-Pacific and Brierley Investments Australia.

Mr Pinshaw holds a Bachelor of Business Science (Hons) from the University of Cape Town and a Bachelor of Commerce (Hons) from the University of South Africa.

##### **ITEM 3.2 Election of Director – Mr Mark Bayliss**

Mr Bayliss is a senior executive with over 25 years' experience in international and publicly listed companies, including with leveraged buy-outs, private equity turn-arounds and with all aspects of strategic, operational and financial management. Mr Bayliss' previous positions include Group Chief Executive at Quick Service Restaurants, Partner at Anchorage Capital Partners, Executive Chairman at Antares Restaurant Group and Chief Financial Officer at Australian Discount Retail Group and Fairfax Media.

Mr Bayliss is a member of the Institute of Chartered Accountants in England and Wales and a graduate of the London School of Economics where he obtained a BSc (Econ).

##### **ITEM 3.3 Election of Director – Mr Will Vicars**

Mr Vicars is Chief Investment Officer at Caledonia and sits on the boards of Caledonia, DFO Investments and The Caledonia Foundation. Mr Vicars is Vice-Chairman and a non-executive director of St Luke's Hospital Foundation, a non-executive director of Oroton Group and Oneview.

Prior to Caledonia, Mr Vicars worked as a Senior Portfolio Manager at NRMA Investments and at Bankers Trust.

Mr Vicars holds a Bachelor of Arts, majoring in Economics, from the University of Sydney.

#### **Directors' Recommendation**

The Board unanimously recommends that shareholders vote in favour of these resolutions.

#### **ITEM 4 – Retirement and Re-election of Directors**

In accordance with the Company's constitution an election of Directors must be held at each Annual General Meeting. The Constitution states that one-third of all Directors must retire and offer themselves for re-election, excluding Directors appointed during the year by the Board. If no Directors are scheduled to be elected by virtue of the ASX Listing Rules or the Constitution, then one-third of Directors must still retire and be re-elected by the members of the Company. Normally, this would be the Director who has held office the longest since being appointed or last being elected.

Listing Rule 14.4 states that no Director is entitled to hold office without re-election past the third AGM following the Director's appointment or three years, whichever is longer.

All current Directors, except those filling a casual vacancy, were appointed on the same day, 17 January 2014, therefore one has to resign and submit themselves for re-election at this Meeting. Ms Naseema Sparks has agreed to resign and is eligible for election at this meeting.

Ms Sparks is the current Non-Executive Chairman of the Company, Chairman of the Remuneration and Nomination Committee and a member of the Audit and Risk Committee.

Ms Sparks is deputy Chairman of Racing NSW, non-executive director of Melbourne IT, AIG Australia and PMP. She was previously the managing director of M&C Saatchi and has extensive experience in traditional and digital marketing.

Ms Sparks holds an MBA from the Melbourne Business School and is a fellow of the Australian Institute of Company Directors.

#### **Directors' Recommendation**

The Board unanimously (other than Ms Sparks) recommends that shareholders vote in favour of this resolution.

#### **ITEM 5 – Non-executive Directors' Remuneration**

In anticipation of the appointment of additional non-executive Directors, it is proposed to increase the maximum aggregate remuneration that may be paid to non-executive directors by \$400,000, from \$200,000 per annum to \$600,000 per annum.

Shareholder approval of this proposal is sought under clause 13.12 of the Company's Constitution and under ASX Listing Rule 10.17.

The Board's remuneration policy for non-executive directors aims to ensure that the Company can attract and retain suitably skilled, experienced and committed individuals to serve on the Board.

The proposed increase in the maximum aggregate amount payable to non-executive Directors will enable non-executive Directors' fees to be paid to incoming Directors and ensure fees are in line with future market rates. It is the Board's policy that the remuneration of non-executive Directors should accord with market rates and the level of responsibilities involved with each Board position. Also relevant to the Company's remuneration policy for non-executive Directors is the Company's commitment to the independence of its non-executive Directors.

For the purposes of ASX Listing Rule 10.17, no securities have been issued to non-executive Directors under rule 10.11 or 10.14 at any time over the last three years.

#### **Voting Exclusion Statement**

The Company will disregard any votes cast on the proposed Item 5 by any Director of the Company and any associate of any such persons. However, the Company need not disregard a vote if:

- a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy does.

#### **Directors' Recommendation**

As the non-executive Directors have a personal interest in Item 5, all Directors abstain from making a recommendation on this resolution.

## GLOSSARY

**\$** means Australian Dollars

**AEDT** means Australian Eastern Daylight Time as observed in Sydney, Australia.

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

**ASX** means ASX Limited

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

**Board** means the current board of directors of the Company.

**Closely Related Party** has the meaning as defined in section 9 of the Corporations Act.

**Company** means Mnemon Limited (ACN 125 736 914)

**Constitution** means the Company's Constitution.

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

**Directors** means the current directors of the Company.

**Explanatory Notes** means the Explanatory Notes accompanying the Notice.

**Key Management Personnel** has the meaning as defined in section 9 of the Corporations Act.

**Notice** or **Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting and the explanatory notes accompanying the Notice and the Proxy Form.

**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 30 June 2014.

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

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

**Shareholder** means a holder of a Share.

# Mnemon Limited

ACN 125 736 914

## 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

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

## Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

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



**Cast your proxy vote**



**Access the annual report**



**Review and update your securityholding**

### Your secure access information is:

**Control Number: 999999**

**SRN/HIN: I999999999**

**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 9.30am (AEDT) on Tuesday 25 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 or abstain as they choose (to the extent permitted by law). 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](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 →**



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

XX

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

☐

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 Mnemon Limited to be held at Level 19, Aurora Place, 88 Phillip Street, Sydney 2000 on Thursday 27 November 2014 at 9.30am (AEDT) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** 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 Item 2 (except where I/we have indicated a different voting intention below) even though Item 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 Item 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                  |
|-----|---------------------------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|
| 1   | To receive and consider the Financial Statement and Reports for the year ended 30 June 2014 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2   | To adopt the Remuneration Report for the year ended 30 June 2014                            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3.1 | The election of Mr Jonathan Pinshaw as a Director of the Company                            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3.2 | The election of Mr Mark Bayliss as a Director of the Company                                | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3.3 | The election of Mr Will Vicars as a Director of the Company                                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4   | The re-election of Ms Naseema Sparks as a Director of the Company                           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5   | To adopt the Non-executive Directors' Remuneration                                          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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 / /

MNZ

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Computershare +