

Notice of Annual General Meeting

Tamawood Limited ACN 010 954 499

To be held at:

Gambaro's Restaurant
33 Caxton Street
Petrie Terrace
Brisbane, Queensland

on 28 November 2014 at 2:00pm (Brisbane time)

This is an important document. If you are in any doubt about how to deal with this document, please consult your legal, financial or other professional adviser.

Chairman's letter to Shareholders

22 October 2014

Dear Shareholder

AGM

The Tamawood Board invites all Shareholders to attend the Annual General Meeting at 2:00pm on 28 November 2014, to be held at Gambaro's Restaurant, 33 Caxton Street, Petrie Terrace, Brisbane.

I welcome your attendance at the Annual General Meeting. If you are unable to attend the meeting please complete the attached proxy form and return it in accordance with the instructions provided.

Yours sincerely

A handwritten signature in black ink that reads "R. Lynch". The signature is written in a cursive, slightly stylized font.

Robert Lynch
Chairman

Notice of annual general meeting

Tamawood Limited ACN 010 954 499

Notice is given that the Annual General Meeting of Tamawood Limited (**Company**) will be held at:

Location	Gambaro's Restaurant, 33 Caxton Street, Petrie Terrace, Brisbane
Date	28 November 2014
Time	2:00pm

The business to be considered at the meeting is set out below.

Agenda

Ordinary Business

Financial Statements and Reports

- 1 To receive and consider the Company's financial statements, the related Directors' Report, Directors' Declaration and Independent Audit Report for the financial year ended 30 June 2014.

Resolution 1 – Remuneration Report

- 2 To consider and, if in favour, to pass the following resolution under section 250R(2) Corporations Act:

'That the section of the report of the Directors for the financial year ended 30 June 2014, dealing with the remuneration of the Directors, secretary and senior executives, be adopted.'

Note: This resolution will be decided as if it were an ordinary (majority) resolution, but under section 250R(3) Corporations Act the vote does not bind the directors of the Company.

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the key management personnel of the Company ("**KMP**") (as identified in the Remuneration Report and which includes all of the Directors) or their closely related parties (defined in the Corporations Act to include certain of their family members, dependents and companies they control), as well as any undirected votes given to a KMP as proxyholder. However the Company need not disregard a vote cast by a KMP or closely related party of the KMP if:

- (a) it is cast by a person as proxy for a person who is permitted to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by a person chairing the meeting as proxy for a person who is permitted to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 2 – Re-Election of Mr Rade Dudurovic as a Director

- 3 To consider and, if in favour, to pass the following as an ordinary resolution:

'That Mr Rade Dudurovic who retires by rotation in accordance with Rule 10.3 of the Company's constitution and is eligible for re-election, be re-elected as a Director of the Company.'

Note: Information about Mr Dudurovic appears in the Explanatory Memorandum.

Resolution 3 – Election of Mr Timothy Bartholomaeus as a Director

4 To consider and, if in favour, to pass the following as an ordinary resolution:

'That Mr Timothy Bartholomaeus in accordance with Rule 10.3 of the Company's constitution and being eligible and offering himself for election, be elected as a Director of the Company.'

Note: Information about Mr Bartholomaeus appears in the Explanatory Memorandum.

Resolution 4 – Change of Auditor

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

"Subject to the Australian Securities and Investments Commission (ASIC) consenting to the resignation of Grant Thornton as auditor of the Company that, pursuant to section 327B of the Corporations Act 2001 (Cth) and for all other purposes, Hanrick Curran Audit Pty Ltd be appointed as auditor of the Company with effect from the later of the conclusion of the 2014 Annual General Meeting and the day on which ASIC gives its consent."

Note: Information about change of auditor appears in the Explanatory Memorandum.

Dated 22 October 2014

By order of the Board



Robert Lynch
Chairman

Notes

- (a) A shareholder who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.
- (b) The proxy need not be a shareholder of the Company. A shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- (c) If you wish to appoint a proxy and are entitled to do so, then complete and return the **attached** proxy form.
- (d) KMP (or their closely related parties) (as defined in the Corporations Act) appointed as a proxy must not vote on a resolution connected directly or indirectly with the remuneration of KMP if the proxy is undirected unless:
 - (i) the proxy is the person chairing the meeting; and
 - (ii) the proxy appointment expressly authorises the person chairing the meeting to vote undirected proxies on that resolution.
- (e) If the proxy form specifies the way the proxy is to vote on a particular resolution the proxy need not vote on a show of hands but if the proxy does so, it must vote as specified in the proxy form.
- (f) If the proxy has two or more appointments that specify different ways to vote on the resolution the proxy must not vote on a show of hands.
- (g) If the proxy is the chair of the meeting, the proxy must vote on a poll or must vote the way specified in the proxy form.
- (h) If the proxy is not the chair of the meeting the proxy need not vote on the poll, but if the proxy does so, the proxy must vote as specified in the proxy form.
- (i) If the proxy form specifies the way the proxy is to vote on a particular resolution and the proxy is not the chair of the meeting and a poll is demanded and either:
 - (i) the proxy is not recorded as attending; or
 - (ii) the proxy does not vote,

the chair of the meeting is deemed the proxy for that resolution.

- (j) A corporation may elect to appoint a representative, rather than appoint a proxy, under the Corporations Act in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.
- (k) If you have any queries on how to cast your votes then call Geoff Acton or Narelle Lynch on (07) 3274 0761 during business hours.

Glossary of terms

In the accompanying Notice of Meeting and Explanatory Memorandum the following words and expressions have the following meanings:

Term	Definition
AGM, Annual General Meeting or Meeting	means the annual general meeting of Shareholders.
ASX	means ASX Limited ACN 008 624 691 or the securities exchange operated by it, as the context requires.
Board	means the board of directors of the Company.
Chairman	means the Chairman of the Company as approved from time to time and includes an acting Chairman.
Company	means Tamawood Limited ACN 010 954 499.
Directors	means the directors of the Company from time to time.
Explanatory Memorandum	means the Explanatory Memorandum accompanying and which forms part of this Notice.
Law or Corporations Act	means <i>Corporations Act 2001</i> and the Corporations Regulations (as defined in the Corporations Act 2001).
Listing Rules or ASX Listing Rules	means the official listing rules of ASX.
Notice, Notice of Meeting	means the Notice of AGM included in this booklet.
Share	means an ordinary share in the capital of the Company, the terms of which are contained in the constitution of the Company.
Shareholders	means the holders of the Shares in the Company from time to time.

Explanatory Memorandum

Tamawood Limited ACN 010 954 499

Introduction

This is an important document that needs your immediate attention.

Please read the following Explanatory Memorandum and accompanying information carefully.

It is important that you either attend the meeting personally or complete and lodge the proxy form attached to the Notice of Meeting.

If you do not understand this Explanatory Memorandum or are in any doubt about the action to be taken, you should consult your solicitor, accountant, investment advisor or other professional advisor immediately.

This Explanatory Memorandum has been prepared to assist Shareholders with their consideration of the resolutions to be put to the Annual General Meeting to be held on 28 November 2014 as set out in the accompanying Notice, and should be read with, and forms part of, the accompanying Notice.

This Explanatory Memorandum is required pursuant to various regulatory and ASX requirements.

Financial Statements and Reports

- 1 The Corporations Act requires that the related Directors' Report, Directors' Declaration, Independent Audit Report and the financial statements of the Company for the year ended 30 June 2014 be presented to the AGM. In addition, the Company's constitution provides for such reports and statements to be received and considered at the Meeting. Apart from the matters involving remuneration which are required to be voted upon, neither the Corporations Act nor the Company's constitution requires a vote of Shareholders at the AGM on such reports or statements, however Shareholders will be given ample opportunity to raise questions with respect to these reports and statements at the Meeting.
- 2 The Directors would like to draw your attention specifically to note 19(d) in the notes to the financial statements of the Company, whereby 7,500 ordinary shares in Dixon NSW Pty Ltd (a subsidiary of the Company) were transferred from the Company to the Chairman, Mr Robert Lynch, for a price of \$10,000. The shares transferred represent 2.5% of the total issued ordinary shares in Dixon NSW Pty Ltd
 - (a) It has been a goal of the Company to enter in the Melbourne residential home market, however until recently market conditions did not permit the Company to make this move with confidence. Given the experience and success Mr Lynch has had with Mirvac Group in previous roles in this geographical area the Board considered it appropriate to give Mr Lynch the opportunity to take a direct ownership position in Dixon NSW Pty Ltd, the company which will drive this area of potential growth. The Company considered giving Mr Lynch the opportunity to have a minor interest in Dixon NSW Pty Ltd this would incentive him to drive this exciting new area of the business and derive more benefit for the Company overall.
 - (b) Paramount to the Board's decision to sell the 2.5% stake in Dixon NSW Pty Ltd was to ensure that the transaction was undertaken on arm's length terms. To this end all decisions of the Board on the matter were taken in the absence of Mr Lynch. The Board also considered the following key factors:
 - (i) given the absence of comparable transactions, the need to ensure that the price reflected the market value of the shares in Dixon NSW Pty Ltd being sold to Mr Lynch; and
 - (ii) the impact of the transaction on Tamawood (e.g. the impact of dealing on those terms on the financial position and performance of Tamawood) and non-associated members.
 - (c) Dixon NSW Pty Ltd's accounting profit for the year ended 30 June 2014 was \$160,944 and as such the prima facie net after tax profit was \$112,661 (being \$160,944 multiplied by 70%). The Board, in Mr Lynch's absence, gave due consideration to the financial position of Dixon NSW Pty Ltd and after applying an earnings multiple of x2.5, determined the appropriate value of the shares was \$10,000 (rounded).

- (d) The Board also considered the benefit which will accrue to the Company as a whole by virtue of Mr Lynch having a direct ownership interest in Dixon NSW Pty Ltd, the company responsible for growing market share in the Melbourne market. This benefit was weighed against the impact of the transaction on Tamawood. The 2.5% which the shares sold to Mr Lynch represented relative to all shares in Dixon NSW Pty Ltd on issue at the time, was considered by the Board to have minimal impact on Tamawood.
- (e) Based on the decision making process broadly set out above the Board, in Mr Lynch's absence, determined to proceed with the sale of the 7,500 shares in Dixon NSW Pty Ltd for \$10,000 to Mr Lynch on the basis that the transaction was on arm's length terms and in the best interests on the Company.

3 In addition to asking questions at the Meeting, Shareholders may address written questions to the Chairman about the management of the Company, or to the Company's Auditor which are relevant to:

- (a) the content of the Independent Audit Report to be considered at the Meeting; or
- (b) the conduct of the audit of the annual financial report to be considered at the Meeting.

Any written questions must be submitted to the Company Secretary on or before 26 November 2014 by email, fax or post.

Email: geoff@dixonhomes.com.au

Fax: (07) 3272 7380

Mailing Address: PO Box 16 Sherwood Qld 4075

Ordinary business

Resolution 1 - Remuneration Report

- 1 The Corporations Act requires that the section of the Directors' Report dealing with the remuneration of Directors and the 5 most highly remunerated executives (**Remuneration Report**) be put to the vote of Shareholders for adoption by way of a non-binding vote.
- 2 The Remuneration Report may be found in the Annual Report (pages 8 to 11).
- 3 The resolution of Shareholders is advisory only and **not binding** on the Company. However, the Board will take the discussion at the Meeting into consideration when determining the Company's remuneration policy.
- 4 The Remuneration Report sets out the remuneration policy for the Company and its controlled entities and:
 - (a) reports and explains the remuneration arrangements in place for executive Directors, senior management and non executive Directors;
 - (b) explains Board policies in relation to the nature and value of remuneration paid to non executive Directors, executives and senior managers; and
 - (c) discusses the relationship between the Board policies and Company performance.
- 5 A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.
- 6 Following consideration of the Remuneration Report, the Chairman will give Shareholders a reasonable opportunity to ask questions about or to make comments upon, the Remuneration Report.
- 7 In accordance with the Corporations Act, the Company will disregard any votes cast in relation to Resolution 1 by a member of the key management personnel, details of whose remuneration are included in the Remuneration Report and any closely related party of such a member in contravention of section 250R or 250BD of the Corporations Act. Restrictions apply to votes cast as proxy unless exceptions apply.

Directors' Recommendation

- 8 **The Directors make no recommendation in relation to Resolution 1.**

Resolution 2 - Re-election of Mr Rade Dudurovic as a Director

- 9 Mr Rade Dudurovic retires by rotation in accordance with rule 10.3 of the Company's constitution and is eligible for re-election at this Annual General Meeting under rule 10.4 of the Company's constitution.
- 10 Mr Rade Dudurovic offers himself for re-election as a Director at this Annual General Meeting.
- 11 Mr Dudurovic has an extensive background in private equity with strong exposure to industrial and branded consumer manufacturing and distribution businesses particularly in the Asian region. He has qualifications in commerce and law and is a CPA as well as Senior Fellow of FINSIA. Rade is Non-executive Chairman of Antaria Limited (ANO) and QMI Pty Ltd and a Non-executive Director of AstiVita Limited (AIR). Rade has been a Non-executive Director of Tamawood Limited since September 2007 and Chairman of the Audit Committee since 2008. He is also a member of the Group's Remuneration, Nominations and Risk Management Committees.

Directors' Recommendation

- 12 **The Directors (with Mr Dudurovic abstaining) recommend that Shareholders vote for this resolution.**

Resolution 3 – Election of Mr Timothy Bartholomaeus as a Director

- 13 That Mr Timothy Bartholomaeus in accordance with Rule 10.3 of the Company's constitution and being eligible and offering himself for election, be elected as a Director of the Company.
- 14 Mr Bartholomaeus has been with the group since 1996 commencing as a Building Designer. Since 2001 he held a number of management positions including Designer and Estimating Manager, Construction Manager, Administration Manager, Premium Brands Manager and Sales & Marketing Manager. Timothy has been Chief Operating Officer since 2010 and is a Director of the Group's Dixon Homes NSW operations. Timothy has regularly attended Board Meetings since 2010 and has significantly contributed to the Board's ability to navigate through a difficult period in the aftermath of the Global Financial Crisis.

Directors' Recommendation

- 15 **The Directors (with Mr Bartholomaeus abstaining) recommend that Shareholders vote for this resolution.**

Resolution 4 –Change of Auditor

- 16 Grant Thornton has submitted its resignation as auditor to the Company and advised the Company that it has applied to the Australian Securities & Investments Commission ("ASIC") for consent to resign effective from the later of the conclusion of the 2014 Annual General Meeting and the day on which ASIC gives its consent.
- 17 Hanrick Curran has provided its consent to this appointment, subject to ASIC consenting to the resignation of Grant Thornton as auditor of the Company and the approval by members.
- 18 On the assumption that ASIC consents to Grant Thornton's resignation as auditor, Narelle Lynch, as a shareholder of the Company, has nominated Hanrick Curran Audit Pty Ltd to act as the auditor of the Company. In accordance with section 328B(3) of the Corporations Act, a copy of the notice of nomination is included at Annexure A.

Directors' Recommendation

- 19 **The Directors recommend that Shareholders vote in favour of this resolution.**

Proxy form

Section 1: Name and address of member

Full name

Address

Section 2: Appointment of proxy

I/We, being a member of the Company and entitled to attend and vote appoint

☐

the Chairman of the meeting
(mark with an 'X' and
complete section 3)

OR

Write here the full name of the person or body corporate you are appointing if this person is **someone other than** the Chairman of the meeting.

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the meeting, as my proxy to attend, to vote in accordance with the following directions in Section 3 (**the Chairman will vote in favour of all undirected proxies#**), and to act generally on my/our behalf, at the annual general meeting of the Company to be held at:

Location	Gambaro's Restaurant, 33 Caxton Street, Petrie Terrace, Brisbane, Queensland
Date	28 November 2014
Time	2:00pm (Brisbane time)

and at any adjournment of that meeting.

#If you wish to appoint the Chairman of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

Chairman authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chairman of the Meeting as my/our proxy or the Chairman of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1, I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy in respect of this resolution even though Resolution 1 is connected with the remuneration of a member of key management personnel for the Company.

Section 3: Voting instructions

Voting directions to proxy – please mark ☒ to indicate your directions.

- Resolution 1. Directors' remuneration report
- Resolution 2. Re-Election of Mr Rade Dudurovic as Director
- Resolution 3. Election of Mr Timothy Bartholomaeus as Director
- Resolution 4. Change of Auditor

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

Section 4: Signing by member

This section **must** be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Member 1

Sole Director and Sole Secretary

Member 2 (if joint holding)

Director/Company Secretary
(delete one)

Member 3 (if joint holding)

Director

Please provide the information below in case we need to contact you.

Contact name

Contact day time telephone

Date

Instructions for completion of proxy form

Section 1: Name and address of member

- 1 Insert your name and address. If it is a joint holding, insert details of all holders.

Section 2: Appointment of proxy

- 2 If you wish to appoint the Chairman of the meeting as your proxy, mark the box. If the person or body corporate you wish to appoint as your proxy is someone other than the Chairman of the meeting, write the full name of that person or body corporate in the space provided. A proxy may be an individual or a body corporate. If you leave this section blank or your named proxy does not attend the Meeting, the Chairman of the meeting will be your proxy. A proxy need not be a member of the Company.
- 3 **The Chairman strongly urges you to nominate a proxy other than himself or another Director unless you direct your proxy how to vote on each resolution. If you do not specify a person to act as proxy, or you appoint the Chairman, you are strongly advised to direct the proxy how to vote as the Chairman will vote in favour of each resolution. Therefore, in order to ensure your vote is not wasted, you are strongly urged to direct your proxy how to vote and if possible appoint a person who is not a Director or secretary of the Company.**
- 4 If you are entitled to cast two or more votes at the general meeting, you are entitled to appoint two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional proxy form may be obtained by telephoning the Company. Alternatively you may copy this form.
- 5 To appoint a second proxy:
 - (a) on each of the first proxy form and second proxy form state the percentage of your voting rights or number of shares applicable to that form (if the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise one half of your votes, and fractions of votes will be disregarded); and
 - (b) return both forms in the same envelope.

Section 3: Voting instructions

- 6 You may direct your proxy how to vote on an item of business by placing a mark in one of the three boxes opposite that item of business. All of your shares will be voted in accordance with your direction unless you indicate a proportion of voting rights on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may decide whether or how to vote on that item.
- 7 If you mark more than one box on an item, your vote on that item will be invalid.

Section 4: Signing by member

8 You must sign this form as follows in the spaces provided:

Individual	Where the holding is in one name, the member must sign.
Joint holding	Where the holding is in more than one name, all of the members must sign.
Power of Attorney	To sign under power of attorney, either the power of attorney must have already been lodged with the Company's share registry for notation or the original (or a certified copy) of the power of attorney must accompany this document.
Companies	<p>In the following cases, subject to the Company's constitution, the following person must sign:</p> <p>Australian proprietary company with a sole director who is also the sole company secretary - that person must sign;</p> <p>Australian proprietary company with a sole director and no company secretary - that person must sign;</p> <p>other Australian companies - two directors, or one director and one company secretary must sign; and</p> <p>foreign company - in accordance with the laws of the jurisdiction of incorporation and constituent documents.</p>

Section 5: Lodging of proxy

9 This proxy form (and the original or a certified copy of any power of attorney under which it is signed) must be received by the Company not later than close of business on the date set out below, by mail, hand delivery, or facsimile.

Last time and date for lodgement*	12:30pm (Brisbane time) on 26 November 2014
By mail	PO Box 16, Sherwood, Qld 4075
By delivery	1821 Ipswich Road, Rocklea, Qld 4106
By facsimile	(07) 3272 7380

* Any proxy form received after that time will not be valid.

Annexure A

The Directors
Tamwood Limited
PO Box 16
Sherwood QLD 4075

22 October 2014

Dear Sirs,

NOMINATION OF AUDITOR

Pursuant to section 328B(1) of the Corporations Act, I Narelle Lynch, being a shareholder of Tamawood Limited, provide notice of nomination of Hanrick Curran Audit Pty Ltd for appointment as the company auditor of Tamawood Limited.

It is intended that this nomination will be put forward as an item of business for consideration of shareholders at the annual general meeting that is to be held on 28 November 2014.

Yours sincerely

A handwritten signature in black ink, appearing to read 'N. Lynch', written in a cursive style.

Narelle Lynch