

CLIME INVESTMENT MANAGEMENT LIMITED
ABN 37 067 185 899

NOTICE OF ANNUAL GENERAL MEETING

Clime Investment Management Limited ("Clime" or the "Company") gives notice that the Annual General Meeting of Shareholders will be held at:

**2:00pm (AEDT) on Thursday the 12th of November 2015 at
Level 7, 1 Market Street, Sydney, NSW, 2000**

BUSINESS

Financial Statements and Reports

To receive and consider the financial statements of Clime for the year ended 30 June 2015, together with the Directors' Report and the Auditor's Report as set out in the Annual Report.

Note: There is no requirement for Shareholders to approve these reports.

Resolution 1: Remuneration Report

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

"That the Company adopt the Remuneration Report for the year ended 30 June 2015 in accordance with Section 250R(2) of the Corporations Act 2001."

Note:

1. The vote on this resolution is advisory only and does not bind the Directors or the Company.
2. Clime's key management personnel and their closely related parties must not cast a vote on the remuneration report unless they are appointed in writing as a proxy for a member eligible to vote on the resolution and that proxy specifies how to vote on the resolution.
3. The Chairman will vote all undirected proxies in favour of this resolution. If you wish to vote "against" or "abstain" you should mark the relevant box in the attached proxy form.

Resolution 2: Re-election of Mr. Donald McLay as a Director

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

"That Mr. Donald McLay, who was appointed since the last general meeting and who retires in accordance with the Company's Constitution and, being eligible for re-election, be re-elected as a Director."

Resolution 3: Increase in non-executive Director's Fees

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

"That shareholders approve the maximum total remuneration of Directors be increased from \$180,000 per annum to \$260,000 per annum."

Listing Rule 10.17 is relevant to this resolution.

Voting Exclusion Statement:

The Company will disregard any votes cast on this resolution by a Director and an associate of a Director.

However, the Company will 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 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.

Note: The Company's key management personnel and their closely related parties must not cast a vote on this resolution unless they are appointed in writing as a proxy for a member eligible to vote on the resolution and that proxy specifies how to vote on the resolution. The Chairman will vote all undirected proxies in favour of this resolution.

Resolution 4: Change of Auditor

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

"That Pitcher Partners be appointed as auditor of Clime investment Management Limited, subject to the Australian Securities & Investment Commission giving its consent to the resignation of Moore Stephens Sydney."

A notice of nomination of Pitcher Partners as auditor of the Company is enclosed (Annexure A) with this notice in accordance with section 328(3) of the Corporations Act 2001. Without limitation, Section 327B of the Corporations Act is relevant to this resolution.

OTHER BUSINESS

In accordance with the Corporations Act 2001, a reasonable opportunity will be given to Shareholders at the meeting to ask questions about, or to make comment on, the management of the Company. Shareholders will have reasonable opportunity to ask the auditor, or their representative, questions relevant to the Company audit and preparation and content of the Independent Auditor's Report.

OTHER INFORMATION

The Explanatory Memorandum accompanies and forms part of this Notice. All Shareholders should read the Explanatory Memorandum carefully and in its entirety. Shareholders who are in doubt regarding any part of the business of the Annual General Meeting should consult their financial or legal adviser for assistance.

VOTING BY PROXY

Any Shareholder of the Company entitled to attend and vote at this Annual General Meeting is entitled to appoint a Proxy to attend and vote instead of that Shareholder.

The Proxy does not need to be a Shareholder of the Company. A Shareholder that is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each Proxy is appointed to exercise. If no proportion or number is specified, each Proxy may exercise half of the Shareholder's votes.

Proxies must be:

- (a) lodged at the Company's share registry, Boardroom Pty Limited, or
- (b) faxed to the fax number specified below,

not later than 2.00pm (AEDT) on Tuesday 10 November 2015.

Hand deliveries	Boardroom Pty Limited Level 12, Grosvenor Place 225 George Street Sydney NSW 2000
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Postal deliveries	Boardroom Pty Limited GPO Box 3993 Sydney NSW 2001
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Fax number for lodgment	(02) 9290 9655
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PROXY FORM

The proxy form has been enclosed with this Notice. Please read all instructions carefully prior to completing the proxy form.

ENTITLEMENT TO VOTE

In accordance with Section 1074E(2)(g)(i) of the Corporations Act 2001 and Regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the meeting all shares will be taken to be held by the persons who held them as registered Shareholders at 7.00 pm (AEDT) on Tuesday 10 November 2015. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

By Order of the Board



Richard Proctor
Company Secretary

EXPLANATORY MEMORANDUM

Financial Statements and Reports

Under Section 317 of the Corporations Act 2001 the Company is required to lay the Company's Financial Report, Directors' Report and Auditor's Report (together comprising the Annual Report) before its Shareholders at its Annual General Meeting.

The Annual Financial Report is submitted for Shareholders' consideration and discussion at the Annual General Meeting as required.

Meeting attendees are invited to direct questions to the Chairman in respect of any aspect of the Annual Report they wish to discuss. Representatives of the Company's auditor, Moore Stephens Sydney, will be present for discussion purposes on matters of relevance to the audit.

There is no requirement for Shareholders to approve any of these reports.

RESOLUTION 1: Remuneration Report

Resolution 1 provides Shareholders the opportunity to vote on the Company's Remuneration Report. Under Section 250R(2) of the Corporations Act 2001, the Company must put the adoption of its Remuneration Report to the vote at the Annual General Meeting. The Remuneration Report is contained in the Directors' Report (within the Company's Annual Report). This vote is advisory only and does not bind the Directors or the Company.

The Board will consider the outcome of the vote and comments made by Shareholders on the remuneration report at this meeting when reviewing Clime's remuneration policies. If 25% or more of the votes that are cast are voted against the adoption of the remuneration report at two consecutive annual general meetings Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of Clime's directors other than the managing director must stand for election.

Key management personnel (including Directors) and their closely related parties must not cast a vote on the remuneration report, unless as holders of directed proxies for Shareholders eligible to vote on Resolution 1.

Clime encourages all Shareholders to cast their votes on this resolution. The Chairman will vote all undirected proxies in favour of this resolution. If you wish to vote "against" or "abstain" you should mark the relevant box in the attached proxy form.

RESOLUTION 2: Re-election of Mr. Donald McLay as a Director

Under rule 6.2 of Clime's constitution the Directors may at any time appoint another director. Any director so appointed holds office only until the end of the next following general meeting and is eligible for re-election at that meeting.

Resolution 2 provides for the re-election of Mr. Donald McLay as Director of Clime in accordance with rule 6.2 of Clime's constitution.

The Directors (excluding Mr. Donald McLay) unanimously recommend that Shareholders vote in favour of Resolution 2.

RESOLUTION 3: Increase in non-executive Director's Fees

In accordance with ASX Listing Rule 10.17, a proposed increase in the remuneration pool for the directors requires shareholder approval.

Fees for the directors are set at a level to attract and retain directors with the necessary skills and experience to allow the board to have a proper understanding of, and competence to deal with, current and emerging issues.

The fees paid to the directors are currently subject to a maximum pool of \$180,000 (inclusive of statutory entitlements).

The board seeks approval for an increase of \$80,000 in the total annual remuneration pool to \$260,000 (inclusive of statutory entitlements) with effect from 1 January 2016.

The Board has recently conducted a review of Non-Executive Directors fees and considers that it is reasonable and appropriate at this time to seek an increase in the remuneration pool for the Non-Executive Directors for the following reasons:

- a. The \$180,000 limit has been in place since November 2011. The company has undergone significant growth since then and this has resulted in an increase to Non-Executive Director commitments and responsibilities. The increase will provide flexibility for the Board to continue to attract and retain Non-Executive Directors of the highest caliber ; and
- b. As the company grows and diversifies the Board may wish to appoint a fourth Non-Executive Director with different skills and expertise to widen the Board's capabilities. Thus to increase the current limit allows the company the ability to take advantage of new opportunities that may present themselves.
- c. It will allow for the payment of appropriate fees over time, taking into account the increasing time and responsibilities required of Non-Executive Directors generally and in particular with regard to increasing corporate governance complexity, and other regulatory requirements, and the growth of the Company's business.

The Board confirms that it does not currently intend to utilise the full increased cap, but considers that the increase is reasonable and appropriate for the reasons set out above. Note that no Securities have been issued to a non-executive director under listing rule 10.11 or 10.14 in the past 3 years.

RESOLUTION 4 – Appointment of Auditor

Moore Stephens Sydney has a long standing relationship with the Company. The Board and management have been, and continue to be, satisfied with the audit services of Moore Stephens Sydney.

Moore Stephens Sydney has agreed to merge with Pitcher Partners with effect from 31 October 2015 with the new entity becoming Pitcher Partners. The combined firm will include 27 partners and 240 staff.

This merger cements the Moore Stephens Sydney practice in the Sydney marketplace ultimately to provide greater depth and spread of expertise to clients and the combined firm will provide further strength in their specialist areas. The merger is beneficial to larger and more complex clients given the combined capability and depth of service offering of the Pitcher Partners Association. The Pitcher Partners Association of firms in Melbourne, Sydney, Perth, Adelaide, Newcastle and Brisbane is the 8th largest in Australia with 110 partners, of which 27 are audit partners, and more than 1200 staff. The Moore Stephens Sydney practice will further have access to the benefits and resources of becoming members of Baker Tilly International – the 8th largest independent network of accounting firms in the world.

With the dissolution of the Moore Stephens Sydney partnership as part of the broader merger, we are required to undergo a change in auditor process. This requires the resignation of the current Moore Stephens Sydney partnership and the appointment of the new auditor being Pitcher Partners.

Moore Stephens Sydney is in the process of seeking consent from ASIC to resign as auditor of the Company with effect from the end of the Annual General Meeting. Once consent has been obtained from ASIC, Moore Stephens Sydney will give its notice of resignation to the Company with effect from the end of the Annual General Meeting.

A member of the Company has nominated Pitcher Partners to be appointed auditor of the Company and Pitcher Partners has consented to act as auditor. Refer **Annexure A** for a copy of the nomination of Pitcher Partners as the auditor of the Company.

We have reviewed Pitcher Partners suitability for the role of external auditor. The outcome of this review was a recommendation that Pitcher Partners be appointed as the new auditor of the Company.

The Corporations Act 2001 (Cth) requires that Shareholders approve the appointment of a new auditor.

The Board recommends that shareholders vote in favour of the appointment of Pitcher Partners as the Company's auditors.

Annexure A:
Copy of shareholder nomination of new auditor

Double Pty Limited

ACN 054 009 175

22 September 2015

Mr. Richard Proctor
Company Secretary
Clime Investment Management Limited
Level 7, 1 Market Street
Sydney NSW 2000

Dear Mr. Proctor,

**RE: NOTICE OF NOMINATION OF AUDITOR IN ACCORDANCE WITH SECTION 328B OF THE
CORPORATION ACT 2011 (Cth)**

Double Pty Limited of 2 Summerville Crescent, Willoughby, NSW 2068 being a member of Clime Investment Management Limited nominates Pitcher Partners of Level 22, MLC Centre, 19 Martin Place, Sydney NSW 2000 for appointment to the position of Auditor of the company at the next Annual General Meeting.

Yours Sincerely,

Double Pty Ltd



John Bruce Abernethy
Director



All Correspondence to:

 **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

 **By Fax:** +61 2 9290 9655

 **Online:** www.boardroomlimited.com.au

 **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 2.00pm (AEDT) on Tuesday, 10 November 2015.**

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities 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 half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that 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 vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

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


Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.


Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**


STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **2.00pm (AEDT) on Tuesday, 10 November 2015.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

 **By Fax** + 61 2 9290 9655

 **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

 **In Person** Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Clime Investment Management Limited

ABN 37 067 185 899

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Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Clime Investment Management Limited** (Company) and entitled to attend and vote hereby appoint:

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the **Chair of the Meeting** (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the **Annual General Meeting of the Company to be held at Level 7, 1 Market Street, Sydney, NSW 2000 on Thursday, 12 November 2015 at 2:00pm (AEDT)** and at any adjournment of that meeting, to act 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.

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 & 3, I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy in respect of this resolution even though the resolution are connected with the remuneration of a member of key management personnel for Clime Investment Management Limited.

The Chairman of the Meeting will vote all undirected proxies in favour of all Resolutions, including Resolutions 1 & 3. 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

STEP 2 VOTING DIRECTIONS

* 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 vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	To Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr. Donald McLay as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Increase in non-executive Director's Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Change of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SHAREHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2015