

4 October 2016

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the 2016 Annual General Meeting of Shareholders of NAOS Absolute Opportunities Company Limited (ACN 169 448 837) (the "Company") will be held as follows:

Date: 18 November 2016

Time: 10.00am (Sydney time)

Venue: Taylor Collison
Level 10, 167 Macquarie Street
Sydney NSW 2000
Australia

ORDINARY BUSINESS

1. Financial Statements and Report

To receive and consider the Financial Report of the Company and the reports of the Directors and Auditor for the period 1 July 2015 to 30 June 2016.

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

2. Remuneration Report

Resolution 1 - To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"The Company adopts the Remuneration Report as set out in the Directors Report for the period 1 July 2015 to 30 June 2016."

Voting Exclusion Statement

The Company will disregard any votes cast (in any capacity) on this resolution by or on behalf of:

- A member of the key management personnel of the Company (KMP) as disclosed in the Company's Remuneration Report; and
- A closely related party of those persons (such as close family members and any companies the person controls), unless the vote is cast as proxy for a person who is entitled to vote, and:
- The vote is cast in accordance with a direction on the Voting/Proxy Form; or
- In the absence of a direction on the Voting/Proxy Form, the vote is cast by the Chair of the Meeting.

3. Remuneration of auditors

Resolution 2 - To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"The members authorise the Directors to determine the remuneration of the Company's auditor."

5. Re-election of Director – Mr Sebastian Evans

Resolution 3 - To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Mr Sebastian Evans who retires in accordance with the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company.”

Notes:

- (a) The non-candidate directors unanimously support the re-election of Mr Sebastian Evans.
- (b) The Chair of the Meeting intends to vote available proxies in favour of the re-election of Mr Sebastian Evans.

Proxies

A Shareholder entitled to attend and vote at this Meeting is entitled to appoint not more than two proxies to attend and vote in his/her stead.

A proxy holder need not be a shareholder of the Company.

If the shareholder appoints two (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 votes. If the specified proportion or numbers 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.

Proxies must be:

- (a) Lodged online;
- (b) Lodged by posting them or delivering them by hand to the address specified below; or
- (c) Received at the fax number specified below

Proxies must also be received not later than 48 hours before the Meeting (being 10.00am (Sydney time) on Wednesday, 16 November 2016).

Online: www.votingonline.com.au/nacagm2016

Address: Boardroom Pty Limited
Level 12
225 George Street
Sydney NSW 2000

Postal address: Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

Fax number: +612 9290 9655

A form of proxy is provided with this Notice.

Entitlement to Vote

In accordance with section 1074E(2)(g)(i) of the Corporations Act, 2001 (Cth) and Regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the meeting all shares in the capital of the Company will be taken to be held by the persons who held them as registered holders at 7.00pm (Sydney time) on Wednesday, 16 November 2016. Accordingly, share transfers registered after that time will be disregarded in determining entitlement to attend and vote at the Meeting.

By order of the Board

A handwritten signature in black ink, appearing to be 'SE', written in a cursive style.

Sebastian Evans
Director

EXPLANATORY NOTES

This document forms part of the Notice of the 2016 Annual General Meeting of NAOS Absolute Opportunities Company Limited (ACN 169 448 837) (the "Notice"). Defined terms used in these Explanatory Notes have the same meaning given to them in the Notice.

Item 1: Financial Statements and other Reports

This item allows members the opportunity to consider the Financial Statements, Directors Report and Auditor's Report of the Company. Section 317 of the Corporations Act 2001 requires each of the Financial Report (which includes the Financial Statements and Directors' Declaration), the Directors' Report and the Auditor's Report for the last financial year to be laid before the Annual General Meeting.

There is no requirement for these reports to be formally approved by shareholders.

The reports referred to in Item 1 of the Notice of Annual General Meeting are included in the Annual Report sent to shareholders who have requested to receive a copy. If you have not elected to receive a hard copy of the Company's 2016 Annual Report, it can be accessed on the Company's website at <http://www.naos.com.au>

Shareholders will be given a reasonable opportunity at the Meeting to ask questions and comment on these reports and on the business, operations and management of the Company.

Item 2: Remuneration Report

Resolution 1 provides members the opportunity to vote on the Company's Remuneration Report.

The Company's Remuneration Report to shareholders forms part of the Company's Directors' Report for the year ended 30 June 2016. Section 250R of the Corporations Act, 2001 (Cth) requires a listed company to put a resolution to its shareholders to adopt its Remuneration Report.

The Remuneration Report is submitted to shareholders for their consideration and adoption by way of a non-binding resolution. The vote on this resolution is advisory only and does not bind the Directors or the Company.

The Directors will consider the outcome of the vote and comments made by shareholders on the remuneration report at the meeting when reviewing the Company's remuneration policies.

However, if the Company's Remuneration Report receives a 'no' vote of 25% or more at two consecutive Annual General Meetings, a resolution must then be put to shareholders at the second Annual General Meeting as to whether another meeting should be held (within 90 days) at which all Directors (except the Company's Managing Director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

Shareholders will be given a reasonable opportunity at the Meeting to ask questions and comment on the Remuneration Report for the year ended 30 June 2016.

At the 2015 Annual General Meeting of the Company's members, the Company's shareholders approved the Company's Remuneration Report for the period 1 July 2014 to 30 June 2015. In particular, the Company, did not receive a 'no' vote of 25% or more in relation to that report at that meeting.

The Directors unanimously recommend that shareholders vote in favour of Item 2, noting that each Director has a personal interest in his or her own remuneration from the Company.

The Chair of the Meeting will be a member of the key management personnel, details of whose remuneration is included in the Remuneration Report. You should be aware that the Chair of the Meeting intends to vote undirected proxies in favour of the adoption of the Remuneration Report.

By appointing the Chair of the Meeting to be your proxy, you expressly authorise the Chair of the Meeting to exercise your proxy in relation to Item 2 (including an undirected proxy) even though the Chair of the Meeting is a member of the key management personnel.

A shareholder may appoint the Chair of the Meeting as proxy with a direction to cast the votes contrary to the Chair's stated voting intentions, or to abstain from voting on that resolution. The chair will vote all available 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.

Item 3: Remuneration of Auditor

Resolution 2 seeks shareholder approval for the directors to determine the Company's auditor's remuneration.

In accordance with good corporate governance practice, shareholders are asked to authorise the Directors to determine the auditor's remuneration.

The Directors unanimously recommend that shareholders vote in favour of the resolution.

You should be aware that the Chair of the Meeting intends to vote undirected proxies in favour of the resolution.

Item 4: Re-election of Director

The Company's Constitution requires one third of the Company's Directors or the number nearest to one-third, to retire at every annual general meeting. It also requires that the Company's longest serving Directors since the last election or re-election, retire at that meeting. The Constitution also provides that a retiring Director is eligible for re-election as a director, so long as they satisfy the eligibility requirements to serve in that office.

Resolution 3 provides for the re-election of Mr Sebastian Evans as a Director of the Company in accordance with Company's Constitution.

At this Annual General Meeting, Mr Sebastian Evans is retiring from office in accordance with rule 6.7 of the Company's Constitution. Mr Sebastian Evans is eligible to stand for election as a director of the Company and is seeking re-election to that office. Details of the qualifications and experience Mr Evans follow:

Mr Sebastian Evans

Mr Evans joined the Company's Board of Directors as a Director when the Company was formed in May 2014 and has since that time served as a Director of the Company. Mr Evans is the Managing Director and the major shareholder of the Investment Manager, Naos Asset Management Limited. He is also the Chief Investment Officer for both the Naos Absolute Opportunities Company Limited and the Naos Emerging Opportunities Company Limited. Prior to this, Mr Evans was an investment analyst at the Investment Manager, focusing on emerging companies. Mr Evans holds a Masters of Applied Finance majoring in Investment Management, a Bachelor's degree in commerce, majoring in finance and International Business, and a Graduate Diploma in Management from the Australian Graduate School of Management (AGSM). Mr Evans also holds a Diploma in Financial Services and is RG146 Competent.

The Directors (excluding Mr Evans) unanimously recommend that the shareholders vote in favour of Item 4.

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 10:00am (Sydney time) on Wednesday 16 November 2016.**

TO VOTE ONLINE

STEP 1: VISIT www.votingonline.com.au/nacagm2016

STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)

STEP 3: Enter your Voting Access Code (VAC):

BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

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 **10:00am (Sydney time) on Wednesday 16 November 2016**. 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:

 **Online** www.votingonline.com.au/nacagm2016

 **By Fax** + 61 2 9290 9655

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

 **In Person** Boardroom Pty Limited
 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.

NAOS Absolute Opportunities Company Limited (NAC)

ABN 49 169 448 837

☐

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 **NAOS Absolute Opportunities Company Limited** (Company) and entitled to attend and vote hereby appoint:

☐

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 **Taylor Collison, Level 10, 167 Macquarie Street, Sydney NSW 2000 on Friday, 18 November, 2016 at 10:00am (Sydney time)** 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.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair 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 Chair 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 the key management personnel for Naos Absolute Opportunities Company Limited.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 1). If you wish to appoint the Chair 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	Remuneration of Auditors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	To re-elect Mr Sebastian Evans as a Director	<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 / / 2016