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The Manager
Company Announcements Office
ASX Limited
Level 6, 20 Bridge Street
SYDNEY NSW 2000

NOTICE OF ANNUAL GENERAL MEETING AND PROXY FORM SENT TO MEMBERS

Pursuant to ASX Listing Rule 3.17, Yellow Brick Road Holdings Limited confirms that it has today sent its members a copy of the attached Notice of Annual General Meeting and related Proxy Form.

Yours faithfully



Richard Shaw
Company Secretary
Yellow Brick Road Holdings Limited
(02) 8226 8200

YELLOW BRICK ROAD HOLDINGS LIMITED
ACN 119 436 083

**NOTICE OF ANNUAL GENERAL MEETING
AND EXPLANATORY MEMORANDUM**

*For a meeting to be held on Tuesday 25 October 2016 at 10.00am (Sydney time)
at Canberra Room, Level 4, Sofitel Hotel, 61-101 Phillip Street, Sydney*

**THIS IS AN IMPORTANT DOCUMENT AND SHOULD
BE READ IN ITS ENTIRETY**

**If you do not understand any part of this document
please contact a professional adviser immediately**

YELLOW BRICK ROAD HOLDINGS LIMITED
ACN 119 436 083

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that an Annual General Meeting of the members of Yellow Brick Road Holdings Limited (“**Company**”) will be held at Canberra Room, Level 4, Sofitel Hotel, 61-101 Phillip Street, Sydney at 10.00am (Sydney time) on Tuesday 25 October 2016.

The business to be considered at the Annual General Meeting is set out below. Information on the proposals to which the business relates is set out in the Explanatory Memorandum which accompanies this Notice. This Notice should be read in conjunction with the accompanying Explanatory Memorandum.

Ordinary Business

Financial statements and reports

To receive and consider the Financial Report, Directors’ Report and Auditor’s Report for the financial year ended 30 June 2016.

All shareholders can view the Annual Report which contains the Financial Report for the year ended 30 June 2016 on the Company’s website at https://www.ybr.com.au/YBR/media/Investor-Centre/YBR_Appendix_4E_and_Annual_Report_to_shareholders.pdf.

Following consideration of the Reports, the Chairman will give shareholders a reasonable opportunity to ask questions about or comment on the management of the Company.

The Chairman will also give shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- a. the conduct of the audit;
- b. the preparation and content of the Independent Auditor’s Report;
- c. the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- d. the independence of the Auditor in relation to the conduct of the audit.

The Chairman will also give the Auditor a reasonable opportunity to answer written questions submitted by shareholders that are relevant to the content of the Independent Auditor’s Report or the conduct of the audit. A list of relevant written questions submitted by shareholders will be made available at the start of the AGM and any written answer tabled by the Auditor at the AGM will be made available as soon as practicable after the Meeting.

Ordinary Resolutions

1. Re-election of Adrian Bouris as a Non-Executive Director

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

“That Adrian Bouris, who retires by rotation in accordance with clause 5.2 of the Company’s Constitution and, being eligible, offers himself for re-election, be re-elected as a Non-Executive Director of the Company.”

2. Election of John George as a Director of the Company

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

“That John George, who was appointed as a Director of the Company on 3 June 2016 and, being eligible, offers himself for election, be elected as a Non-Executive Director of the Company.”

3. Adoption of Remuneration Report (Non-Binding Advisory Vote)

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

“That the Remuneration Report for the financial year ended 30 June 2016 (as set out in the Company’s Directors’ Report) be adopted.”

The Remuneration Report is contained in the 2016 Annual Report (available at https://www.ybr.com.au/YBR/media/Investor-Centre/YBR_Appendix_4E_and_Annual_Report_to_shareholders.pdf.)

Note – in accordance with section 250R(3) of the *Corporations Act 2001 (Cth)* (the “**Act**”) the vote on this Resolution is advisory only and does not bind the Directors or the Company but will be recorded for the purposes of section 250U of the Act.

Voting Exclusion Statement – Resolution 3

A vote on Resolution 3 must not be cast (in any capacity) by, or on behalf of, the following persons:

- (a) a member of the Key Management Personnel (**KMP**) whose remuneration details are included in the 2016 Remuneration Report; or
- (b) a closely related party of such a KMP (including close family members and companies the KMP controls).

However, a person described above may cast a vote on Resolution 3 as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the proxy appointment is in writing that specifies the way the proxy is to vote (e.g. for, against, abstain) on the resolution; or
- (b) the vote is cast by the chair of the meeting and the appointment of the chair as proxy:
 - (i) does not specify how the proxy is to vote on the resolution; and
 - (ii) expressly authorises the chair of the meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

“Key management personnel” and “closely related party” have the same meaning as set out in the Act.

4. Ratification of Issue of Shares to Nominated Employees

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

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue of 280,468 shares on 19 September 2016 to nominated employees, at the issue price and on the other terms described in the Explanatory Statement which forms part of this Notice of Meeting, is approved.”

Voting Exclusion Statement – Resolution 4

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast on Resolution 4 by any person who participated in the issue and any associates of those persons.

However, the Company need not disregard a vote on Resolution 4 if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with 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.

In addition, a vote must not be cast on Resolution 4 by a member of the KMP of the Company, or a closely related party of a KMP, acting as proxy for a person entitled to vote, if their appointment does not specify the way the proxy is to vote on Resolution 4. The restriction on voting undirected proxies does not apply to the person chairing the meeting if the proxy appointment expressly authorises the chair of the meeting to exercise undirected proxies.

5. Ratification of Private Placement of Shares – 2 June 2016

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

“That for the purposes of ASX Listing Rule 7.4, and for all other purposes, the issue of 2,596,153 ordinary shares at an issue price of \$0.26 per share on 2 June 2016 to the persons identified, and on the terms described, in the Explanatory Statement which forms part of this Notice of Meeting, is approved.”

Voting Exclusion Statement – Resolution 5

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast on Resolution 5 by any person who participated in the issue and any associates of those persons.

However, the Company will not disregard a vote on Resolution 5 if:

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

Special Resolution

6. Approval of 10% Placement Facility

To consider and, if thought fit, pass the following as a special resolution of the Company:

"That, pursuant to and in accordance with ASX Listing Rule 7.1A of the ASX Listing Rules and for all other purposes, the shareholders of the Company approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum which forms part of this Notice of Meeting."

Voting Exclusion Statement – Resolution 6

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast on Resolution 6 by a person who may participate in the 10% Placement Facility and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of shares, if this Resolution is passed, and any associates of those persons. At this point in time, there are no potential allottees to whom shares may be issued under this Resolution. On that basis, no shareholders are currently excluded from voting.

However, the Company need not disregard a vote cast on Resolution 6 if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with 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.

ADDITIONAL INFORMATION

This Notice is accompanied by an Explanatory Memorandum which provides an explanation of the business of the Meeting, including the proposed Resolutions.

Voting Entitlement

The Board of Directors of the Company has determined in accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that for the purpose of voting at the Annual General Meeting, shares will be taken to be held by those who hold them at 7.00 pm (Sydney time) on 23 October 2016. This means that if you are not the registered holder of a relevant share at the time, you will not be entitled to vote in respect of that share.

If more than one joint holder of shares is present at the Meeting (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

Voting by Proxy

Each shareholder who is entitled to attend and vote at the Meeting may appoint a proxy to attend and vote on behalf of that shareholder. The proxy need not be a shareholder. Please note that a proxyholder cannot vote on a show of hands but can speak at the meeting and can vote on a poll.

A shareholder who is entitled to cast two or more votes may appoint one or two proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. If a shareholder appoints two proxies and the appointment does not specify the proportion, or number, of shareholder's votes, each proxy may exercise half the votes (disregarding fractions). Neither proxy may vote on a show of hands.

In the event that a shareholder appoints a proxy and specifies the way the proxy is to vote on a particular Resolution:

- (a) where the proxy is not the Chairman:
 - (i) the proxy need not vote on a poll but if the proxy does so then the proxy must vote the way that the shareholder specifies; and
 - (ii) if a poll is demanded and the proxy does not attend or vote, then the Chairman is taken to have been appointed as the proxy; and
- (b) where the Chairman is the proxy (including where the Chairman is taken to have been appointed the proxy as set out above) the proxy must vote on a poll and must vote the way that the shareholder specifies.

Important Note Regarding Appointing a Proxy:

The laws that apply to voting on Resolutions relating to the remuneration of KMP have changed. Certain categories of persons (including Directors and the Chairman of the Meeting) are now prohibited from voting on such Resolutions, including as proxy in some circumstances. If you are appointing a proxy, to ensure that your vote counts, please read the following, together with the instructions on the proxy form, carefully.

If you appoint a member of the KMP (which includes Directors and the Chairman of the Meeting) or any of their closely related parties as your proxy, in general, for your vote to count, you must direct your proxy how to vote on **Resolutions 3 and 4**.

The Chairman intends to exercise all undirected proxies in favour of **Resolutions 3 and 4**. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on **Resolutions 3 and 4**, by signing and returning the proxy form, the shareholder is considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

In addition, a vote must not be cast on **Resolutions 3 and 4** by a member of the KMP of the Company, or a closely related party of a KMP, acting as proxy for a person entitled to vote, if their appointment does not specify the way the proxy is to vote on **Resolutions 3 and 4**.

A proxy appointment form is enclosed with this Notice. For the appointment of a proxy to be effective for the Meeting, the following documents must be received by 10.00am (Sydney time) on 23 October 2016:

- (a) the proxy's appointment; and
- (b) if the appointment is signed by the appointer's attorney – the authority under which the appointment was signed or a certified copy of the authority.

HOW TO VOTE

Voting in person

A shareholder that is an individual may attend and vote in person at the Meeting. If you wish to attend the Meeting, please bring the enclosed proxy form to the meeting to assist in registering your attendance and number of votes. Please arrive 20 minutes prior to the start of the Meeting to facilitate this registration process.

Voting by corporate representative

A shareholder that is a corporation may appoint an individual to act as its representative to vote at the meeting in accordance with section 250D of the *Corporations Act 2001* (Cth) (**Corporations Act**). The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed. The appropriate "Appointment of Corporate Representative" form should be completed and produced prior to admission to the meeting. This form may be obtained from the Company's share registry.

Voting by proxy

If you do not wish to attend the Meeting, you may appoint a proxy to attend and vote on your behalf. A body corporate may also appoint a proxy. A proxy need not be a shareholder. If a representative of a corporate proxy is to attend the Meeting, you must ensure that the appointment of the representative is in accordance with section 250D of the Corporations Act. The corporate representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed. A form of the certificate may be obtained from the Company's share registry.

You are entitled to appoint up to two proxies to attend the Meeting and vote on your behalf and may specify the proportion or number of votes that each proxy is entitled to exercise. If you do not specify the proportion or number of votes that each proxy is entitled to exercise, each proxy may exercise half of the votes. If you wish to appoint a second proxy, an additional proxy form may be obtained by telephoning the Company's share registry or you may copy the enclosed proxy form. To appoint a second proxy, you must follow the instructions on the proxy form.

Note: Sections 250BB and 250BC of the Corporations Act took effect on 1 August 2011 and apply to voting by proxy. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chairman of the meeting, who must vote the proxies as directed.

If the proxy has two or more appointments that specify different ways to vote on a resolution, the proxy must not vote on that resolution on a show of hands.

To be valid, your proxy form (and any power of attorney under which it is signed) must be received at an address given below by 10:00am (Sydney time) on 23 October 2016. Any proxy form received after that time will not be valid for the scheduled Meeting.

Online	At www.investorvote.com.au
By mail	Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
By fax	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
By mobile	Scan the QR Code on your proxy form and follow the prompts
Custodian voting	For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions

Shareholder Questions

Shareholders who are unable to attend the Meeting or who may prefer to register questions in advance are invited to do so. Please log onto www.investorvote.com.au and register your questions after you have lodged your vote, or alternatively send through your questions when you submit the proxy form.

To allow time to collate questions and prepare answers, please submit any questions by 10am (Sydney time) on Monday 17 October 2016. Questions will be collated and, during the AGM, the Chairman will seek to address as many of the more frequently raised topics as possible. However, there may not be sufficient time available at the AGM to address all topics raised. Please note that individual responses will not be sent to shareholders.

By order of the Board of Directors
of Yellow Brick Road Holdings Limited



RICHARD SHAW
COMPANY SECRETARY
20 September 2016

YELLOW BRICK ROAD HOLDINGS LIMITED
ACN 119 436 083
Annual General Meeting
Explanatory Memorandum

Important Information

This Explanatory Memorandum has been prepared for the information of the shareholders of Yellow Brick Road Holdings Limited (the “**Company**”) in connection with the business to be conducted at the Annual General Meeting of the Company to be held at Canberra Room, Level 4, Sofitel Hotel, 61-101 Phillip Street, Sydney at 10.00 am (Sydney time) on Tuesday 25 October 2016. The purpose of this Explanatory Memorandum is to provide information that the Directors believe to be material to shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

You should read this document carefully.

This Explanatory Memorandum and the accompanying Notice are important. You should read each document in its entirety before deciding how to vote on the Resolutions at the Meeting. If you are in doubt as to what you should do, you should consult your financial, legal or other professional adviser.

Subject to the abstentions noted below, the Directors unanimously recommend Shareholders vote in favour of all Resolutions. The Chairman of the Meeting intends to vote all available undirected proxies in favour of each resolution.

Resolutions 1, 2, 4 and 5 are ordinary resolutions, which require a simple majority of votes cast by shareholders present and entitled to vote on the resolution. Resolution 3, relating to the Remuneration Report, is advisory and does not bind the Directors or the Company. Resolution 6 is to be voted on as a special resolution. For a special resolution to be passed, at least 75% of the votes cast by shareholders present and entitled to vote on the resolution must be in favour of the Resolution.

No Investment Advice

This Explanatory Memorandum does not constitute financial product advice and it does not purport to contain all of the information that a prospective investor may require in evaluating a possible investment in the Company. This Explanatory Memorandum has been prepared without taking account of any person’s particular investment objectives, financial situation or needs.

Role of ASX

Copies of this Explanatory Memorandum and the Notice have been lodged with ASX for the purposes of ASX Listing Rule 15.1.4. Neither ASX nor any of its officers take any responsibility for the contents of this Explanatory Memorandum and the Notice.

Glossary

Unless otherwise defined in this document, capitalised terms have the meaning set out in the Glossary at the end of this Explanatory Memorandum.

FINANCIAL STATEMENTS AND REPORTS

The first item of the Notice of Annual General Meeting deals with the presentation of the consolidated Annual Financial Report of the Company for the financial year ended 30 June 2016 together with the Directors' Declaration and Report in relation to that financial year and the Auditor's Report on those Financial Statements. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No Resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the business, operations and management of the Company.

The Chairman will also provide shareholders a reasonable opportunity to ask the Company's auditor questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the Independent Audit Report;
- (c) the accounting policies adopted by the Company in relation to the preparation of accounts; and
- (d) the independence of the auditor in relation to the conduct of the audit.

ORDINARY RESOLUTIONS

Resolution 1 – Re-election of Adrian Bouris as a Non-Executive Director

In accordance with clause 5.2 of the Company's Constitution, Adrian Bouris will retire by rotation from Office at the Meeting, and being eligible, offers himself for re-election as a Non-Executive Director.

Adrian Bouris is a Non-Executive Chairman of Yellow Brick Road and has extensive experience in investment banking and corporate and commercial law. He is currently Principal and Managing Director of BBB Capital Pty Limited, a boutique corporate advisory and investment company. Prior to founding BBB Capital Pty Limited, Adrian was Managing Director of the Australian Investment Banking Division of ING Bank N.V., and was previously Director of SG Hambros Australia. He is also Director of the Surf Travel Company Holdings Pty Limited and Non-Executive Director of Surfing New South Wales, Sterling Publishing Pty Ltd and Smarter Money Investments Pty Ltd.

The Directors (with Adrian Bouris abstaining) unanimously recommend that shareholders vote in favour of Resolution 1.

The Chairman intends to vote any undirected proxies held by him in favour of Resolution 1.

Resolution 2 – Election of John George as a Non-Executive Director

John George was appointed as a Director of the Company on 3 June 2016 and, being eligible, offers himself for election, be elected as a Non-Executive Director of the Company.

Mr George has an extensive background in accounting, corporate advisory, transition management, governance, investor relations, mergers and acquisitions. He is currently Director of private consulting firm Standard Edge, SGD Partners and previously held senior roles at KPMG, ASIC and Shine Corporate. His qualifications include former Deputy State President of the Governance Institute of Australia and Deputy Chair of the public Companies Forum Group (Queensland).

The Directors (with John George abstaining) unanimously recommend that Shareholders vote in favour of Resolution 2.

The Chairman intends to vote any undirected proxies held by him in favour of Resolution 2.

Resolution 3 - Adoption of Remuneration Report (Non-Binding Advisory Vote)

The Annual Report for the financial year ended 30 June 2016 contains a remuneration report which sets out the remuneration policies applicable to the Company and reports the remuneration arrangements that were in place for the Company's Directors and senior executives for the financial year ended 30 June 2016.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting before shareholders are asked to vote on Resolution 3, to adopt the remuneration report.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. However, your Directors will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

Under the provisions of the Corporations Act known generally as the "two strikes rule", shareholders should note that 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 the Company's Directors (other than any managing director who may continue to hold office indefinitely without re-election under the ASX Listing Rules) must stand for re-election. Shareholders should be aware that at the Company's 2015 Annual General Meeting, less than 25% of the votes that were cast voted against the adoption of the 2015 Remuneration Report and accordingly no spill resolution can result at the 2016 Annual General Meeting.

In the interests of good corporate governance, the Directors abstain from making a recommendation in relation to Resolution 3.

The Chairman intends to vote any undirected proxies held by him in favour of Resolution 3.

Resolution 4 – Ratification of Issue of Shares to Nominated Employees

Under ASX Listing Rule 7.1, a company may issue up to 15% of its ordinary securities in a 12 month period, without seeking shareholder approval.

ASX Listing Rule 7.4.2 provides that shareholders may approve an issue of securities after the fact so that the securities issued are regarded as having been made with approval for the purpose of ASX Listing Rule 7.1.

Accordingly, Resolution 4 is seeking ratification for the 280,468 shares that were issued on 19 September 2016 without shareholder approval. The issue of these shares was within the capacity of ASX Listing Rule 7.1. The Company is seeking approval for the purpose of ASX Listing Rule 7.4 so that the Company will have the flexibility to issue further securities under ASX Listing Rule 7.1 if the need arises in the next 12 months.

For the purposes of ASX Listing Rule 7.5, the following information is provided:

280,468 shares were issued to nominated employees as consideration for services provided during the financial year ending 30 June 2015. The shares were issued in lieu of cash bonuses. A price of \$0.477 per share has been used to determine the entitlement for these shares.

The shares were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing shares.

The issue was subject to relevant employees continuing to be employed by the Company for at least 12 months from the end of the financial year ending 30 June 2015. Each recipient has been identified by senior management as a high performing employee and management's proposed allocations were approved by the Company's Directors as an appropriate reward, incentive and retention mechanism.

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 the achievement of strategic objectives and the creation of value for shareholders, and conforms with the market best practice for delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Directors believe that the issue of shares in lieu of cash consideration is desirable, and in the best interests of the Company and its shareholders, as it will align the interests of the nominated employees with those of the shareholders.

The total value of the shares at the closing price of \$0.17 per share as at 12 September 2016 is \$47,680; however as noted above, no cash consideration was payable in respect of the shares and no funds were raised.

It should be noted that, for the purposes of Part 2J.3 of the Corporations Act, the Directors are satisfied that the issue of the shares for nil consideration will not materially prejudice the Company's ability to pay its creditors.

A Voting Exclusion Statement is set out under Resolution 4 in the Notice of Meeting. None of the nominated employees who participated in the issue of shares are a related party.

The Directors recommend that shareholders vote in favour of Resolution 4.

The Chairman intends to vote any undirected proxies held by him in favour of Resolution 4.

Resolution 5 – Ratification of Private Placement of Shares – 2 June 2016

Under Listing Rule 7.1, a company must obtain shareholder approval if it wants to issue more than 15% of its equity securities. ASX Listing Rule 7.4.2 provides that shareholders may approve an issue of securities after the fact so that the securities are regarded as having been made with approval for the purpose of Listing Rule 7.1.

Accordingly, Resolution 5 is seeking ratification for the 2,596,153 shares that were issued on 2 June 2016 without shareholder approval. The issue of these shares was within the 15% limit permitted by ASX Listing Rule 7.1. The Company is seeking approval for the purpose of Listing Rule 7.4 so that the Company will have the flexibility to issue further securities under ASX Listing Rule 7.1 if the need arises in the next 12 months.

For the purposes of ASX Listing Rule 7.5, the following information is provided:

2,596,153 shares were issued to Loan Avenue Pty Limited as part consideration for the acquisition of the Loan Avenue loan origination and mortgage management business.

The shares were issued as fully paid up at \$0.26 per share.

The above shares are ordinary fully paid shares in the capital of the Company.

No funds were raised from the placement of these shares.

A Voting Exclusion Statement is set out under Resolution 5 in the Notice of Meeting.

The Directors recommend that shareholders vote in favour of Resolution 5.

The Chairman intends to vote any undirected proxies held by him in favour of Resolution 5.

SPECIAL RESOLUTION

Resolution 6 – Approval of 10% Placement Facility

1. General

ASX Listing Rule 7.1A enables small to mid-cap listed companies to seek shareholder approval by special resolution to issue securities equivalent to an additional 10% of the number of ordinary securities on issue by way of placements over a 12 month period (**10% Placement Facility**). This is in addition to the existing 15% placement capacity permitted by ASX Listing Rule 7.1.

A company is eligible to seek shareholder approval for this additional placement capacity if it satisfies both of the following criteria:

- (a) it has a market capitalisation of \$300 million or less; and
- (b) it is not included in the S&P/ASX 300 Index.

The Company currently satisfies both the above criteria, and it is anticipated that it will also satisfy both these criteria at the date of the Meeting.

Accordingly, Resolution 6 is seeking approval of ordinary shareholders by special resolution for the issue of such number of equity securities as calculated under the formula in ASX Listing Rule 7.1A.2, at an issue price as permitted by ASX Listing Rule 7.1A.3 to such persons as the Board may determine, on the terms described in this Explanatory Memorandum, which forms part of the Notice of Meeting.

At the date of this Notice, the Company has on issue 281,233,793 ordinary shares. If Resolutions 5 and 6 are approved, the Company will have the capacity to issue:

- (a) 42,185,068 equity securities under ASX Listing Rule 7.1; and
- (b) subject to shareholder approval being obtained under Resolution 6, 28,123,379 equity securities under ASX Listing Rule 7.1A.

The actual number of equity securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the equity securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

The effect of Resolution 6 will be to allow the Directors to issue the equity securities under ASX Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1. In accordance with ASX Listing Rule 7.1A.3, equity securities issued under ASX Listing Rule 7.1A.2 must be in an existing quoted class of the Company's equity securities, being ordinary shares.

2. **Information Required by ASX Listing Rule 7.3A**

For the purposes of ASX Listing Rule 7.3A, the following information is provided:

- (a) The minimum price at which the equity securities will be issued will be no less than 75% of the volume weighted average market price for equity securities in that class calculated over the 15 Trading Days on which trades are recorded immediately before:
 - (i) the date on which the price at which the equity securities are to be issued is agreed; or
 - (ii) if the equity securities are not issued within five Trading Days of the date in paragraph (i) above, the date on which the equity securities are issued.
- (b) If Resolution 6 is approved by shareholders and the Company issues securities under the 10% Placement Facility, the existing ordinary shareholders face the risk of economic and voting dilution as a result of the issue of equity securities which are the subject of this Resolution, to the extent that such equity securities are issued, including:
 - (i) the market price of equity securities may be significantly lower on the issue date than on the date on which this approval is being sought; and
 - (ii) the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date, or the equity securities may be issued as part consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the equity securities.
- (c) The following table gives examples of the potential dilution of existing ordinary shareholders on the basis of the current market price of shares and the current number of ordinary securities for variable “A” calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of the Notice.

The table also shows:

- (i) two examples where variable “A” has increased, by 50% and 100%. Variable “A” is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future shareholders’ Meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable “A” in Listing Rule 7.1A.2		Dilution		
		\$0.085 50% decrease in Issue Price	\$0.17 Issue Price	\$0.34 100% increase in Issue Price
Current Variable A 281,233,793 shares	10% Voting Dilution	28,123,379	28,123,379	28,123,379
	Funds raised	\$2,390,487	\$4,780,974	\$9,561,949
50% increase in current Variable A 421,850,689 shares	10% Voting Dilution	42,185,069	42,185,069	42,185,069
	Funds raised	\$3,585,731	\$7,171,462	\$14,342,923
100% increase in current Variable A 562,467,586 shares	10% Voting Dilution	56,246,859	56,246,859	56,246,859
	Funds raised	\$4,780,983	\$9,561,966	\$19,123,932

The table has been prepared on the following assumptions:

- (i) Resolutions 4, 5 and 6 are approved.
 - (ii) The Company issues the maximum number of equity securities available under the 10% Placement Facility in ASX Listing Rule 7.1A.
 - (iii) No Unlisted Options (including any Unlisted Options issued under the 10% Placement Facility) or any of the 10,000,000 unquoted performance rights currently on issue are exercised/converted into shares before the date of the issue of the equity securities.
 - (iv) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - (v) The table does not show an example of dilution that may be caused to a particular shareholder by reason of placements under the 10% Placement Facility, based on that shareholder’s holding at the date of the Meeting.
 - (vi) The table only shows the effect of issues of equity securities under ASX Listing Rule 7.1A, not under the 15% placement capacity available under ASX Listing Rule 7.1.
 - (vii) The issue of equity securities under the 10% Placement Facility consists only of shares.
 - (viii) The issue price is \$0.17, being the closing share price on the ASX as at 12 September 2016.
- (d) If any of the shares being approved by this Resolution are issued, they will be issued during the 10% Placement Period, that is, within 12 months of the date of the Annual General Meeting (i.e. by 25 October 2017). The approval being sought under Resolution 6 will cease to be valid in the event that shareholders approve a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking) prior to 25 October 2017.

- (e) The Company may seek to issue the equity securities for the following purposes:
- (i) cash consideration. In such circumstances, the Company intends to use the funds raised towards acquisition of new assets or investments (including expenses associated with such acquisition), continued development of the Company's current assets and/or general working capital; or
 - (ii) non-cash consideration for the acquisition of new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.
- (f) The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon the issue of any equity securities.
- (g) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of any equity securities that may be issued (subject to shareholder approval of Resolution 6) have not been determined as at the date of this Notice, but may include existing shareholders as well as new shareholders who are not related parties or associates of the Company. Any potential allottees will be determined on a case-by-case basis having regard to factors including, but not limited to, the following:
- (i) the methods of raising funds that are available to the Company (including but not limited to, rights issue or other issues in which existing security holders can participate), while balancing interest from potential allottees with the interests of existing shareholders;
 - (ii) the effect of the issue of the equity securities on the control of the Company. Allocation will be subject to takeover thresholds;
 - (iii) the financial situation and solvency of the Company and its projected need for working capital at any given time; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments.

(h) Previous Approval Under ASX Listing Rule 7.1A

- (i) The Company previously obtained shareholder approval under ASX Listing Rule 7.1A at its 2015 Annual General Meeting held on 24 November 2015.
- (ii) In the twelve months preceding the date of the 2016 Annual General Meeting, the Company has issued a total of 2,876,621 equity securities (i.e. 2,876,621 ordinary shares), which represents 0.98% of the total number of equity securities on issue at the commencement of the 12 month period (being 24 October 2015), details of which are as follows:
 - A total of 2,596,153 shares were issued on 2 June 2016. Shareholder approval under ASX Listing Rule 7.4 is being sought for the issue of these shares at this Meeting, under Resolution 4. Details of this share issue are included under Resolution 4, however the specific disclosure required under ASX Listing Rule 7.3A.6 is also included in the table below.

- A total of 280,468 shares were issued on 19 September 2016. Shareholder approval under ASX Listing Rule 7.4 is being sought for the issue of these shares at this Meeting, under Resolution 5. Details of this share issue are included under Resolution 5, however the specific disclosure required under ASX Listing Rule 7.3A.6 is also included in the table below.

Details of all issues of equity securities during the twelve months preceding 25 October 2016		
Date of issue	2 June 2016	19 September 2016
Number issued	2,596,153	280,468
Class of equity securities	Fully paid ordinary shares	Fully paid ordinary shares
Names of persons to whom equity securities were issued	Loan Avenue Pty Limited	Nominated employees of the Company ¹
Issue price and discount to market price (if any)	The shares were issued and credited as fully paid up at \$0.26 per share. As the closing share price of 2 June 2016 was \$0.215 there is no discount to the market price	\$0.477 per share used to determine entitlement. This represents a 198% premium to the closing share price on 19 September 2016 i.e. the date of issue of the shares.
Total cash consideration	Not Applicable	The shares were issued in lieu of aggregate cash bonuses of \$133,784 payable to employees and therefore no cash was raised.
Use of cash consideration	Not applicable	Not applicable
Non-cash consideration	Acquisition of the Loan Avenue loan origination and mortgage management business. The current value of the shares as at 12 September 2016 (at \$0.17 per share) is \$441,346.	Not applicable

¹ See commentary provided under Resolutions 4 and 5 in this Explanatory Memorandum for further details.

(i) Voting Exclusion Statement

A Voting Exclusion Statement is set out under Resolution 6 in the Notice of Meeting. As at the date of the Notice, the Company has not approached any particular existing shareholder or security holder, or an identifiable class of existing security holder, to participate in an issue of shares. Therefore, no existing shareholder's votes will be excluded under the voting exclusion in the Notice.

(j) **Board Recommendation**

The Directors consider that the approval of the 10% Placement Facility described above is beneficial for the Company, as it provides the Company with the flexibility to issue up to the maximum number of securities permitted under ASX Listing Rule 7.1A in the next 12 months (without further shareholder approval), should it be required. At the date of the Notice, the Company has no plans to use the 10% Placement Facility should it be approved.

Resolution 6 is required to be passed as a special resolution and therefore requires approval of at least 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

The Directors unanimously recommend that shareholders vote in favour of Resolution 6.

GLOSSARY

In this Explanatory Memorandum:

10% Placement Facility has the meaning given in section 1 of the Explanatory Memorandum dealing with Resolution 4.

10% Placement Period has the meaning given in the Explanatory Memorandum under Resolution 6.

ASX means ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires.

Board means the board of directors of the Company.

Company means Yellow Brick Road Holdings Limited ACN 119 436 083.

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

Director means a director of the Company.

Explanatory Memorandum means the Explanatory Memorandum accompanying the Notice.

Key Management Personnel or **KMP** means each individual whose remuneration is disclosed in the 2016 Remuneration Report (including each Director of the Company).

Listing Rules or **ASX Listing Rules** means the official listing rules of ASX.

Meeting or **Annual General Meeting** means the annual general meeting convened by the Notice.

Notice means the notice of meeting accompanying this Explanatory Memorandum.

Option means an option to acquire a Share.

Resolution means a resolution set out in the Notice.

Share or **Shares** means an ordinary fully paid share or shares in the capital of the Company.

Shareholder means a holder of Shares.

Trading Day means a day determined by ASX to be a trading day in accordance with the ASX Listing Rules.

Unlisted Options means the 5,138,958 Options on issue as at the date of this Notice.

Yellow Brick Road Holdings Limited

ABN 44 119 436 083

Lodge your vote:



Online:

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

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

YBR

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

Proxy Form

XX



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999

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 10.00am (Sydney time) Sunday, 23 October 2016

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 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 or lodge them on www.investorvote.com.au after you have lodged your vote.

**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 Yellow Brick Road Holdings 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 Yellow Brick Road Holdings Limited to be held at Canberra Room, Level 4, Sofitel Hotel, 61-101 Phillip Street, Sydney, New South Wales on Tuesday, 25 October 2016 at 10.00am (Sydney time) 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 Resolutions 3 and 4 (except where I/we have indicated a different voting intention below) even though Resolutions 3 and 4 are 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 Resolutions 3 and 4 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
Resolution 1	Re-election of Adrian Bouris as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of John George as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Adoption of Remuneration Report (Non-Binding Advisory Vote)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Issue of Shares to Nominated Employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of Private Placement of Shares – 2 June 2016	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of 10% Placement Facility	<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

YBR

215182A

Computershare +