

Notice of Annual General Meeting 2016

Notice is given that the Annual General Meeting (AGM) of members of WAM Capital Limited (the Company) will be held as follows:

Date 23 November 2016

Time 10.00am (AEDT)

Venue The Hilton, 488 George Street, Sydney

Business

Financial statements and Reports

To receive the Financial statements, Directors' Report and Auditor's Report of the Company for the financial year ended 30 June 2016.

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

Resolution 1: Adoption of Remuneration Report

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

"That in accordance with Section 250R of the Corporations Act 2001 (Cwth) and the Company's Constitution, the Remuneration Report, as set out in the Directors' Report, be adopted."

Notes:

- a) the vote on this resolution is advisory only and does not bind the Directors or the Company.
- b) the Company's key management personnel (whose remuneration details are included in the Remuneration Report) 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.
- c) 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 and question form.

Resolution 2: Re-election of Director – Matthew Kidman

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

"That Mr Matthew Kidman, who retires by rotation in accordance with the Rule 6.7 of the Company's Constitution and Listing Rule 14.5 and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

Resolution 3: Re-election of Director – Lindsay Mann

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

"That Mr Lindsay Mann, who retires by rotation in accordance with the Rule 6.7 of the Company's Constitution and Listing Rule 14.5 and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

Resolution 4: Re-election of Director – Kate Thorley

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

“That, in accordance with Rule 6.2 of the Company’s Constitution, Ms Kate Thorley, be re-elected as a Director of the Company.”

Resolution 5: Increase in Directors’ fee pool

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

“That in accordance with ASX Listing Rule 10.17 and the Company’s Constitution, the maximum total remuneration of Directors be increased from \$180,000 per annum to \$190,000 per annum.”

For the purposes of ASX Listing Rule 10.17, shareholder approval is sought to increase the maximum aggregate amount of the Directors’ fee pool from \$180,000 to \$190,000 per annum due to an increase in the size of the Board from six to seven Directors.

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 and question 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 and questionform 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 6: Approval to refresh the Company’s 15% placement capacity

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

“To approve the prior issue of 55,660,842 ordinary shares on the terms detailed below for the purposes of ASX Listing Rule 7.4 and for all other purposes.”

The Board believes that it is in the best interests of the Company to maintain the ability to issue up to its full placement capacity set out in ASX Listing Rule 7.1. Accordingly the Company is seeking shareholder approval under ASX Listing Rule 7.4 for the purposes of ratifying a placement of 55,660,842 fully paid ordinary shares (ranking pari passu with existing fully paid ordinary shares) at an issue price of \$2.14. The additional funds raised under the placement have been invested in accordance with the Company’s disciplined investment process.

The shares were placed with professional and sophisticated investors in August 2016. The professional and sophisticated investors were current members of the Company who either approached the Company and indicated they wished to be a participant and/or, were approached by the Company’s lead manager with respect to the placement. The placement was oversubscribed and there was a scale back.

Voting exclusion statement

The Company will disregard any votes cast on this Resolution by any person who participated in the issue of shares and any of their associates. However, the Company need not disregard a vote if:

- a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy and question 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 the direction on the proxy and question form to vote as the proxy decides.

Proxies

A member entitled to attend and vote at this AGM is entitled to appoint not more than two proxies to attend and vote in his/her place. A proxy does not need to be a member of the Company. If a member appoints two proxies, the member 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 member's votes. If the specified proportion or number of votes exceeds that which the member is entitled to, each proxy may exercise half of the member's votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.

Proxies can be appointed in one of three ways:

- a) online through the share registry's website at www.votingonline.com.au/wamcapitalagm2016;
- b) by posting or delivering the proxy and question form by hand to the share registry (addresses below); or
- c) by faxing the proxy and question form to the share registry (fax number below).

Proxies must be appointed no later than 48 hours before the AGM ie.10.00am (AEDT) on 21 November 2016.

Hand deliveries to our share registry:	Boardroom Pty Limited Level 12 225 George Street Sydney NSW 2000
--	---

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

Fax number:	+ 61 2 9290 9655
-------------	------------------

A proxy and question form is provided with this Notice.

Optional question for the Chairman or Auditor

We aim to provide shareholders with the best opportunity to ask questions about the Company and its external audit at the AGM. If you would like to ask a question, please complete the optional question for the Chairman or Auditor on the enclosed proxy and question form and return it to Boardroom.

Entitlement to Vote

In accordance with section 1074E(2)(g)(i) of the *Corporations Act 2001* (Cwth) 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 (AEDT) on 21 November 2016. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the AGM.

By order of the Board

Kate Thorley
Company Secretary
17 October 2016

Explanatory Memorandum

This Explanatory Memorandum sets out further information regarding the proposed resolutions to be considered by shareholders of WAM Capital Limited (the Company) at the 2016 Annual General Meeting (AGM) to be held commencing at 10.00 am (AEDT) on 23 November 2016 at **The Hilton, 488 George Street, Sydney**.

The Directors recommend that shareholders read this Explanatory Memorandum before determining whether or not to support the resolutions.

Resolution 1: Adoption of Remuneration Report

Resolution 1 provides members the opportunity to vote on the Company's Remuneration Report. Under Section 250R(2) of the Corporations Act, the Company must put the adoption of its Remuneration Report to the vote at its AGM. The Remuneration Report is contained in the Directors' 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 the Company'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 AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a 'spill resolution') that another meeting be held within 90 days at which all of the Company's Directors other than the managing director must go up for election. The spill resolution is an ordinary resolution.

In respect of the Remuneration Report resolution, key management personnel (whose remuneration details are included in the Remuneration Report) 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.

Key management personnel of the Company are identified as the Chairman and Directors of the Company. Their closely related parties are defined in the *Corporations Act 2001*, and include certain family members, dependants and companies they control.

The Company 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 and question form.

Resolution 2: Re-election of Director – Matthew Kidman

Under the Company's constitution one third of the Company's Directors or the number nearest to one-third, of the Company's longest serving Directors since the last election or re-election, and not including a Director appointed by the remaining Directors either to fill a casual vacancy or as an addition to the existing Directors, must retire unless re-elected. Each retiring Director is eligible for re-election in accordance with ASX Listing Rules and the Company's constitution.

Resolution 2 provides for the re-election of Mr Matthew Kidman as Director of the Company in accordance with the Company's constitution.

The Directors (excluding Mr Matthew Kidman) support the re-election of Mr Matthew Kidman and recommend that shareholders vote in favour of Resolution 2.

Resolution 3: Re-election of Director – Lindsay Mann

Under the Company's constitution one third of the Company's Directors or the number nearest to one-third, of the Company's longest serving Directors since the last election or re-election, and not including a Director appointed by the remaining Directors either to fill a casual vacancy or as an addition to the existing Directors, must retire unless re-elected. Each retiring Director is eligible for re-election in accordance with ASX Listing Rules and the Company's constitution.

Resolution 3 provides for the re-election of Mr Lindsay Mann as Director of the Company in accordance with the Company's constitution.

The Directors (excluding Mr Lindsay Mann) support the re-election of Mr Lindsay Mann and recommend that shareholders vote in favour of Resolution 3.

Resolution 4 – Re-election of Director – Kate Thorley

Ms Kate Thorley was appointed as a Non-Executive Director by the other Directors on 31 August 2016 in accordance with Rule 6.2 of the Company's Constitution and, having been appointed since the last general meeting of members, offers herself for re-election as a Director of the Company as required by Rule 6.2 of the Constitution.

Ms Thorley has over 10 years experience in the funds management industry and more than 15 years of financial accounting and corporate governance experience. Ms Thorley is the Chief Executive Officer of Wilson Asset Management (International) Pty Limited, Director of WAM Active Limited, WAM Research Limited, Future Generation Investment Company Limited and WAM Leaders Limited. Ms Thorley is also the Company Secretary of Future Generation Global Investment Company Limited. Ms Thorley holds a Bachelor of Commerce, a Graduate Diploma in Applied Finance and Investment, Graduate Diploma of Applied Corporate Governance and is a fully qualified CPA. Ms Thorley is a member of the Australian Institute of Company Directors and the Financial Services Institute of Australasia.

The Directors (excluding, Ms Kate Thorley who, given her interest in the outcome of this Resolution, declines to make a recommendation) unanimously recommend that shareholders vote in favour of this Resolution.

Resolution 5: Increase in Director's Fees

The board seeks approval for an increase of \$10,000 in the total annual remuneration payable to the Directors of the Company to \$190,000 (inclusive of statutory entitlements). The fees paid to the Directors are currently subject to a maximum pool of \$180,000 (inclusive of statutory entitlements). In accordance with ASX Listing Rule 10.17, a proposed increase in the remuneration pool for the Directors requires shareholder approval.

The Board of WAM Capital Limited invited the Chief Executive Officer of Wilson Asset Management (International) Pty Limited, Ms Kate Thorley to join the WAM Capital Limited Board in August 2016.

Resolution 6: Approval to refresh the company's 15% placement capacity

Shareholder approval is sought to refresh the Company's ability to issue up to 15% of its share capital without obtaining approval in accordance with Listing Rule 7.1. The board seeks approval to refresh the capacity allowed by ASX Listing Rule 7.1 by authorising the issuance of a total of 55,660,842 ordinary shares in August 2016. The shares were issued to professional and sophisticated investors (without a disclosure document) under a placement. The total amount raised at the time was \$119.1 million. The funds have been invested in accordance with the Company's disciplined investment process.

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 (AEDT) on Monday 21 November 2016**

💻 To vote online

📱 By smartphone

Step 1: Visit www.votingonline.com.au/wamcapitalagm2016

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

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



Scan QR Code using smartphone
QR Reader App

To vote by completing the proxy and question 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 and option 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 and option forms. On each proxy and option 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 and option 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 (AEDT) on Monday 21 November 2016**. Any proxy and option form received after that time will not be valid for the scheduled meeting.

Proxy and option forms may be lodged using the enclosed reply paid envelope or:

- 💻 **Online** www.votingonline.com.au/wamcapitalagm2016
- 📠 **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.

☐**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 and question form

Step 1 Appoint a proxy

I/We being a member/s of **WAM Capital 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 **The Hilton, 488 George Street, Sydney NSW 2000 on Wednesday, 23 November, 2016 at 10.00am (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.

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 Resolutions 1 and 5, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolution/s even though Resolutions 1 and 5 are connected with the remuneration of a member of the key management personnel for WAM Capital Limited.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1 and 5). 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	To re-elect Mr Matthew Kidman as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	To re-elect Mr Lindsay Mann as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	To re-elect Ms Kate Thorley as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Increase in Directors' fee pool	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval to refresh the Company's 15% placement capacity	<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

Optional question for the Chairman or Auditor

We aim to provide shareholders with the best opportunity to ask questions about the Company and its external audit at the Annual General Meeting. We will seek to respond to as many of the frequently asked questions as possible.