

28 March 2014

Dear Shareholder

I cordially invite you to a General Meeting of Donaco International Limited (the **Company**), at which approval will be sought for the issue of fully paid ordinary shares in the Company as part of a capital raising exercise.

The successful completion of this capital raising has reinforced the support given to the Company by a number of leading Australian and overseas institutions. The funds raised will be used to enhance the Company's prospects of successfully closing on a range of investment opportunities. These opportunities are within our core area of expertise, being leisure and entertainment businesses in Asia Pacific.

The General Meeting will be held at 11:00am (Sydney time) on **Tuesday, 6 May 2014**, at Four Points by Sheraton Hotel, 161 Sussex Street Sydney. I enclose your Notice of Meeting, together with your personalised Proxy Form.

#### *Attendance*

If you wish to attend the meeting:

- please bring this letter with you to assist us to process your registration efficiently; and
- it would be helpful if you could tell us that you wish to attend by calling us on (02) 9017 7000.

#### *Voting*

It is not compulsory to vote at the meeting. If you would like to vote on the resolutions contained in the Notice of Meeting, you may either attend the meeting or alternatively appoint a proxy to vote for you at the meeting by using the attached Proxy Form. If you intend to appoint a proxy, please complete the Proxy Form and return to Boardroom Pty Ltd in accordance with the directions on the reverse side of the form by **5:00pm (Sydney time) on Friday, 2 May 2014**.

Yours sincerely,



Stuart J McGregor  
Chairman

#### PLEASE BRING THIS LETTER TO THE GENERAL MEETING

This General Meeting of Donaco International Limited will be held at 11:00am (Sydney time) on Tuesday, 6 May 2014, at Four Points by Sheraton Hotel, with registration commencing at 10:30am (Sydney time).

Representatives of corporate shareholders should present satisfactory evidence of appointment when registering.

Donaco International Limited

Suite 2.02, 55 Miller Street  
Pyrmont, NSW, 2009 Australia

[TEL] +61 (02) 9017 7000 [FAX] +61 (02) 9017 7001  
[ABN] 28 007 424 777



## Donaco International Limited

ABN 28 007 424 777

Registered Office: Suite 2.02  
55 Miller Street  
PYRMONT NSW 2009

### Notice of General Meeting of Members

Donaco International Limited gives notice that a General Meeting of members will be held at 11:00am (Sydney time) on Tuesday, 6 May 2014, at:

Four Points by Sheraton Hotel  
161 Sussex Street  
Sydney NSW 2000

### Items of Business

#### Ordinary Business:

**Resolution 1:** Approval of previous issue of 29,320,000 Shares issued in November and December 2013

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

*“That the issue of 29,300,000 Shares on 26 November 2013, and the issue of 20,000 Shares on 10 December 2013, which is more fully described in the Explanatory Statement, is approved for the purposes of Listing Rule 7.4 of the Listing Rules and for all other purposes.”*

**Resolution 2:** Approval of previous issue of 26,748,343 Shares issued on 1 April 2014

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

*“That the issue of 26,748,343 Shares on 1 April 2014, which is more fully described in the Explanatory Statement, is approved for the purposes of Listing Rule 7.4 of the Listing Rules and for all other purposes.”*

**Resolution 3:** Approval of new issue of 29,642,635 Shares

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

*“That the issue of 29,642,635 Shares on 13 May 2014, which is more fully described in the Explanatory Statement, is approved for the purposes of Listing Rule 7.1 of the Listing Rules and for all other purposes.”*

By order of the Board



Ben Reichel  
Executive Director &  
Company Secretary

**Explanatory Statement**

**Resolution 1: Approval of previous issue of 29,320,000 Shares issued in November and December 2013**

The Company previously raised funds by way of a placement of 29,300,000 Shares to a number of professional and sophisticated investors under section 708 of the Corporations Act. The placement was announced on 20 November 2013, and the Shares were issued on 26 November 2013.

In addition, the Company issued 20,000 Shares under a prospectus dated 20 November 2013. These Shares were issued on 10 December 2013.

The purpose of that raising was to ensure sufficient working capital for the purposes of liquidity and marketing expenses for the Company’s expanded casino gaming business at Lao Cai, Vietnam.

Listing Rule 7.1 provides that the Company must not issue more than 15% of its issued capital in any 12 month period without shareholder approval. The total issue of 29,320,000 Shares was issued in accordance with the 15% in 12 months limitation set out in Listing Rule 7.1.

However, under Listing Rule 7.4, the Company may seek subsequent approval to specified issues of securities, and if that approval is granted, such issues do not count toward the 15% limit.

The following information is provided in relation to this share issue, in accordance with the requirements of Listing Rules 7.4 and 7.5.

Number of shares issued	29,320,000
Price at which the shares were issued	\$0.86
Terms of the securities	Ordinary fully paid shares in the same class and ranking equally with existing fully paid ordinary shares on issue in all respects.
Basis on which allottees were determined	29,300,000 Shares – Book build process to professional and sophisticated investors.  20,000 Shares – Applications under a prospectus dated 20 November 2013.
Intended use of the funds raised	Working capital for marketing and operational purposes for the Company’s gaming business.
Voting exclusion statement	Refer Note 1 below

The Board believes that it is in the best interests of the Company to maintain its ability to issue up to a full 15% of its issued capital, in order that it may issue further securities in the next 12 months if necessary, enabling the Company to continue to pursue its objectives.

Accordingly, the Company seeks shareholder approval for the total issue of the 29,320,000 Shares issued in November and December 2013 for the purposes of Listing Rule 7.4.

Note 1: Voting Exclusion Statement

Under Listing Rule 14.11, the Company will disregard any votes cast on Resolution 1 by any person who participated in the issue, and their associates.

However, the Company need not disregard any of the above mentioned votes if:

- cast by a person as proxy for a person entitled to vote, in accordance with the directions on the proxy form; or
- 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.

**Resolution 2: Approval of previous issue of 26,748,343 Shares issued on 1 April 2014**

The Company is currently seeking to raise funds under a placement of 56,390,978 Shares to a number of professional and sophisticated investors under section 708 of the Corporations Act (**Placement**). The proceeds will be used for potential acquisitions and investment opportunities identified by the Company.

Listing Rule 7.1 provides that the Company must not issue more than 15% of its issued capital in any 12 month period without shareholder approval. However, under Listing Rule 7.4, the Company may seek subsequent approval to specified issues of securities, and if that approval is granted, such issues do not count toward the 15% limit.

Under the Placement, 26,748,343 shares were issued on 1 April 2014, in accordance with the 15% in 12 months limitation set out in Listing Rule 7.1.

The following information is provided in relation to this share issue, in accordance with the requirements of Listing Rules 7.4 and 7.5.

Number of shares issued	26,748,343
Price at which the shares were issued	\$1.33
Terms of the securities	Ordinary fully paid shares in the same class and ranking equally with existing fully paid ordinary shares on issue in all respects.
Basis on which allottees were determined	Book build process to professional and sophisticated investors.
Intended use of the funds raised	Working capital for potential acquisitions and investment opportunities identified by the Company.
Voting exclusion statement	Refer Note 1 below

The Board believes that it is in the best interests of the Company to maintain its ability to issue up to a full 15% of its issued capital, in order that it may issue further securities in the next 12 months if necessary, enabling the Company to continue to pursue its objectives.

Accordingly, the Company seeks shareholder approval for the issue of the 26,748,343 Shares issued on 1 April 2014 for the purposes of Listing Rule 7.4.

**Note 1: Voting Exclusion Statement**

Under Listing Rule 14.11, the Company will disregard any votes cast on Resolution 2 by any person who participated in the issue, and their associates.

However, the Company need not disregard any of the above mentioned votes if:

- cast by a person as proxy for a person entitled to vote, in accordance with the directions on the proxy form; or
- 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.

**Resolution 3: Approval of new issue of 29,642,635 Shares**

Listing Rule 7.1 provides that the Company must not issue more than 15% of its issued share capital in any 12 month period without shareholder approval.

The issue of the remaining 29,642,635 shares under the Placement is therefore subject to shareholder approval.

The following information is provided in relation to this share issue, in accordance with the requirements of Listing Rules 7.1 and 7.3.

Number of shares to be issued subject to shareholder approval	29,642,635
Date of issue of shares	13 May 2014
Price at which the shares will be issued	\$1.33
Terms of the securities	Ordinary fully paid shares in the same class and ranking equally with existing fully paid ordinary shares on issue in all respects.
Basis on which allottees were determined	Book build process to professional and sophisticated investors.
Intended use of the funds raised	Working capital for potential acquisitions and investment opportunities identified by the Company.
Voting exclusion statement	Refer Note 1 below

Note 1: Voting Exclusion Statement

Under Listing Rule 14.11, the Company will disregard any votes cast on a resolution by:

- a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; and
- an associate of that person (or those persons).

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in a accordance with a direction on the proxy form to vote as the proxy decides.

## Glossary

In this Notice of Meeting:

**\$** means Australian dollars.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited or the Australian Securities Exchange (as the context requires).

**Board** means the board of Directors.

**Company** means Donaco International Limited (ACN 007 424 777).

**Constitution** means the constitution of the Company.

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

**Director** means a director of the Company.

**Explanatory Statement** means the explanatory statement, which accompanies and forms part of this Notice of Meeting.

**General Meeting** means the general meeting convened by this Notice of Meeting.

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

**Notice of Meeting** means this notice of extraordinary general meeting, including the Explanatory Statement.

**Placement** has the meaning given in the explanatory statement to Resolution 1.

**Proxy Form** means the proxy form accompanying this Notice of Meeting.

**Shareholder** means a holder of Shares.

**Shares** means fully paid ordinary shares in the capital of the Company.





#### All Correspondence to:

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

Level 7, 207 Kent Street,  
Sydney NSW 2000 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** [www.boardroomlimited.com.au](http://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 5:00pm AEST on Friday 2 May 2014.**

### 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:

- 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.
- 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 **5:00pm AEST on Friday 2 May 2014.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

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

📠 **By Fax** + 61 2 9290 9655

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

👤 **In Person** Level 7, 207 Kent 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 FORM**

**STEP 1 APPOINT A PROXY**

I/We being a member/s of **Donaco International 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 General Meeting of the Company to be held at the **Four Points by Sheraton Hotel, 161 Sussex Street, Sydney on Tuesday 6 May 2014 at 11:00am AEST** 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.

The Chair of the Meeting intends to vote undirected proxies in favour of each of the items of business.

**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 Approve previous issue of shares in November and December 2013	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	To Approve previous issue of shares on 1 April 2014	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	To Approve new issue of shares	<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	Securityholder 2	Securityholder 3
<div style="border: 1px solid black; height: 30px; width: 100%;"></div>	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name..... Contact Daytime Telephone..... Date / / 2014