

## **AXXIS TECHNOLOGY GROUP LIMITED**

### **NOTICE OF 2015 ANNUAL GENERAL MEETING**

Notice is hereby given that the 2015 Annual General Meeting of Axxis Technology Group Limited ACN 009 805 298 will be held at the registered office of Axxis Technology Group Limited, Suite 115, Jones Bay Wharf, 26-32 Pirrama Rd, Pyrmont NSW 2009, on Wednesday, 25 November 2015 at 2:00 p.m. AEDT.

The attached Explanatory Statement is provided to supply Shareholders with information to enable Shareholders to make an informed decision regarding the Resolutions set out in this Notice. The Explanatory Statement is to be read in conjunction with this Notice.

Capitalised terms used in this Explanatory Memorandum are defined in the Glossary.

#### **1. Agenda for the Meeting**

##### **Financial statements and reports**

The Meeting will consider the financial statements and reports of the Company including the income statement, balance sheet, statement of changes in equity, cash flow statement, the notes to the financial statements, the Directors' declaration and the reports of the Directors and Auditors for the financial year ended 30 June 2015.

While no resolution is required in relation to this item, Shareholders will be given the opportunity to ask questions and make comments on the Company's financial statements and reports.

The Company's auditor, PricewaterhouseCoopers (PwC), will be present at the Meeting and Shareholders will have an opportunity to ask the auditor questions in relation to the conduct of the audit, the auditor's report, the Company's accounting policies, and the independence of the auditor.

The Axxis Technology Group Limited 2015 Annual Report can be viewed online at the Company's website [www.axxis.com](http://www.axxis.com) on the "Annual Report" page.

##### **Resolution 1 - Adoption of Remuneration Report**

To consider and if thought fit, pass the following resolution as a non-binding resolution:

*"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the year ended 30 June 2015 included in the Directors' Report, which is attached to the Financial Statements as required under section 300A of the Corporations Act, be adopted by the Company."*

**Voting Exclusion Statement:** In accordance with the Corporations Act the Company will disregard any votes cast in relation to this resolution by or on behalf of the Key Management Personnel, which includes the Directors and executives in the consolidated group whose remuneration is included in the Remuneration Report and their closely related parties (Excluded Persons). However, the Company need not disregard a vote if:

- it is cast by an Excluded 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 accordance with a direction on the proxy form to vote as the proxy decides.

##### **Resolution 2 – Re-election of Peter Kazacos as a Director**

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

*"That, Peter Kazacos, being a Director of the Company, retires pursuant to article 13.2 of the Company's constitution, and having offered himself for re-election and being eligible, is re-elected as a Director of the Company."*

### **Resolution 3 – Election of Chris Calamos as a Director**

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

*“That Chris Calamos, having been appointed as a Director of the Company by the Board of Directors on 1 January 2015, offers himself for election pursuant to article 13.4 of the Company’s Constitution and being eligible, is elected as a Director of the Company.”*

### **Resolution 4 – Removal of Auditor**

To consider, and if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

*“That, PricewaterhouseCoopers, the current auditor of the Company, be removed as the auditor of the Company effective from the date of the Meeting.”*

### **Resolution 5 – Appointment of Auditor**

To consider, and if thought fit, to pass, with or without amendment, the following resolution as a special resolution:

*“That, subject to the passing of Resolution 4 or ASIC accepting the resignation of PricewaterhouseCoopers as the Company’s auditor, Crowe Horwath Sydney, being qualified to act as auditor of the Company and having consented to act as auditor of the Company, be appointed as the auditor of the Company.”*

## **2. Determination of voting entitlement**

For the purpose of determining a person’s entitlement to vote at the Meeting, a person will be recognised as a shareholder and the holder of Shares if that person is registered as a holder of those Shares at 7:00 p.m. AEDT on 23 November 2015.

## **3. Votes**

Unless a poll is demanded in advance of voting on a resolution, voting on each resolution will initially be by way of a show of hands. On a show of hands, each member present in person or by proxy or, in the case of a body corporate, by a representative, shall have one vote.

On a poll, every member present in person or by attorney or by proxy or, in the case of a body corporate, by a representative, shall have one vote for each share held by him, her or it.

## **4. Proxies**

A Shareholder entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of the Shareholder.

Where the Shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder’s votes each proxy may exercise, each proxy may exercise half of the votes. A proxy need not be a Shareholder.

To be effective, the instrument of appointment of a proxy (and power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority) must be received by the Company at Suite 115, Jones Bay Wharf, 26-32 Pirrama Rd, Pyrmont NSW 2009 or by facsimile on 02 9012 0308 by 2:00 p.m. AEDT on 23 November 2015.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on the Resolutions by marking either “For”, “Against” or “Abstain” on the form of proxy for that item of business.

Subject to the voting restrictions set out in the Voting Exclusion Statements, the Chairperson will vote undirected proxies on, and in favour of all Resolutions.

If the proxy is the Chairman, the Chairman can vote undirected proxies on the Resolution to adopt the Remuneration Report provided that proxy form expressly authorises the Chairman to vote undirected proxies even though the Resolution is connected with the remuneration of the key management personnel.

A form of proxy accompanies this Notice of Meeting.

#### **5. Questions and Comments by Shareholders at the Meeting**

A reasonable opportunity will be given to Shareholders to ask questions and/or make comments on the management of the Company at the Meeting.

A reasonable opportunity will be given for Shareholders to ask questions of the Company's external auditor, PricewaterhouseCoopers. These questions should be relevant to:

- a) the conduct of the audit;
- b) the preparation and contents of the audit report;
- c) the accounting policies adopted by the Company in relation to the preparation of its financial statements;  
and
- d) the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to PricewaterhouseCoopers if the question is relevant to the content of the audit report or the conduct of its audit of the Company's financial report for the year ended 30 June 2015. Relevant written questions for PricewaterhouseCoopers must be received by the Company no later than 2:00 p.m. AEDT on 18 November 2015. A representative of PricewaterhouseCoopers will provide answers to the questions at the Meeting.



Justyn Stedwell

**Company Secretary**

On behalf of the Board of Directors  
Axxis Technology Group Limited

## EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in this Notice.

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

### 1. Resolution 1: Adoption of Remuneration Report

In accordance with Section 300A(1) of the Corporations Act the Remuneration Report is included in the Directors Report for the financial year ended 30 June 2015.

The Remuneration Report sets out details of the remuneration received by the Directors and key Company executives, in addition to describing Board policy in respect of remuneration.

Resolution 1 seeks Shareholder approval of the adoption of the Remuneration Report by the Company.

The outcome of this Resolution is not binding on the Company or the Board. However, sections 250U to 250Y of Corporations Act require a 'two strikes and re-election' process in relation to the shareholder vote on the Remuneration Report and provide that:

- A 'first strike' will occur if this Remuneration Report Resolution receives a 'no' vote of 25% or more. If this occurs, the Company's subsequent remuneration report will contain an explanation of the Board's proposed action in response to the 'no' vote or an explanation of why no action has been taken by the Board.
- A 'second strike' will occur if the Resolution to adopt the Remuneration Report at the 2016 Company Annual General Meeting also receives a 'no' vote of 25% or more. If this occurs, shareholders will vote at that Annual General Meeting to determine whether the Directors will need to stand for re-election at a separate, subsequent meeting (the 'spill resolution'). If the spill resolution passes with 50% or more of eligible votes cast, the spill meeting must take place within 90 days.

The Company has not received a 'first strike'.

The Remuneration Report is set out in the Company's 2015 Annual Report. The Axxis Technology Group Limited 2015 Annual Report can be viewed online at the Company's website, [www.axxis.com](http://www.axxis.com).

### 2. Resolution 2: Re-election of Peter Kazacos as a Director

In accordance with article 13.2 of the Company's Constitution, Peter Kazacos, a Director of the Company retires by rotation at this Annual General Meeting and offers himself for re-election as a Director.

Details of Peter Kazacos's qualifications, experience and special responsibilities are set out in the Company's 2015 Annual Report.

### 3. Resolution 3 – Election of Chris Calamos as a Director

In accordance with article 13.4 of the Company's Constitution, Chris Calamos, a Director appointed subsequent to the last Annual General Meeting of the Company and retiring at the close of this Annual General Meeting, offers himself for election as a Director.

Details of Chris Calamos' qualifications, experience and special responsibilities are set out in the Company's 2015 Annual Report.

#### **Resolution 4: Removal of Auditor**

On 19 October 2015 a notice of intention to remove the Company's auditor was provided to the Company Secretary pursuant to section 329(1A) of the Corporations Act (the "**Notice of Intention**").

In accordance with the Notice of Intention, approval is sought under section 329 of the Corporations Act to remove PwC as auditor of the Company. Under section 329 of the Corporations Act, an auditor of a company may be removed from office by resolution at a general meeting of which 2 months notice of intention to move the resolution has been given. The Notice of Intention to remove PwC as the Company's auditor is provided to Shareholders with this Notice of General Meeting.

Section 329 of the Corporations Act also states that if a company calls a meeting after the notice of intention has been given, the meeting may pass the resolution even though the meeting is held less than 2 months after the notice.

The Company provides the Notice of Intention to Shareholders and seeks approval to remove the auditor even though the Meeting will be held less than 2 months after the Notice of Intention is given.

In accordance with section 329(2) of the Corporations Act, the Company provided a copy of the Notice of Intention to PwC. PwC did not make any representation pursuant to section 329(3) of the Corporations Act.

The Company advises that on or around 14 October 2015, PwC applied to ASIC for approval to resign as the auditor of the Company. As at the date of preparing this Notice of Meeting a response from ASIC has not been received. In the event that ASIC accept the resignation of PwC as auditor of the Company prior to the Meeting, then Resolution 4 may be withdrawn as an item of business at this Meeting.

#### **Resolution 5: Appointment of Auditor**

For the purposes of section 327 of the Corporations Act, Shareholder approval is sought to appoint Crowe Horwath Sydney as auditor of the Company, subject to the removal of PwC as the Company's auditor (Resolution 4) or ASIC accepting the resignation of PwC as auditor.

Resolution 5 is required to fill the vacancy created by the removal of PwC as the Company's auditor (if resolution 4 is passed) or if the resignation of PwC as the Company's auditor is accepted by ASIC.

Peter Kazacos, being a Director and Shareholder of the Company, has nominated that Crowe Horwath Sydney be appointed as auditor of the Company. A copy of this nomination is attached to this Notice of Meeting.

The Board supports the appointment of Crowe Horwath Sydney as the Company's auditor and recommend that Shareholders vote in favour of Resolutions 4 and 5.

If Resolutions 4 and 5 are passed, or if ASIC accept the resignation of PwC as the Company's auditor and Resolution 5 is passed then the appointment of Crowe Horwath Sydney as the Company's auditor will take effect at the close of this Meeting.

#### **FURTHER INFORMATION**

**Justyn Stedwell**  
**Company Secretary**  
**Mobile: 0424 222 122**  
**Email: [justyn@axxis.com](mailto:justyn@axxis.com)**

**Axxis Technology Group Ltd**  
Suite 115, Jones Bay Wharf, 26-32 Pirrama Rd, Pyrmont NSW 2009  
**[www.axxis.com](http://www.axxis.com)**

## **GLOSSARY**

Words importing the singular include the plural and vice versa.

In the Notice of Meeting and Explanatory Statement the following terms have the following meanings:

**\$** means Australian Dollars.

**AEDT** means Australian Eastern Daylight Savings Time.

**AYG or Company** means Axxis Technology Group Limited (ACN 009 805 298).

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

**ASX** means ASX Limited.

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

**Board** means the board of directors of the Company.

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

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

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

**Explanatory Statement** means the explanatory statement to this Notice of Meeting.

**Meeting** means the 2015 Annual General Meeting of the Shareholders of the Company to be held on 25 November 2015, to which the Notice of Meeting and Explanatory Statement relate.

**Notice of Meeting** means this notice of meeting of the Company dated 21 October 2015.

**Resolution** means a resolution referred to in the Notice.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of Shares.

19 October 2015

Axxis Technology Group Limited  
Suite 115, Jones Bay Wharf  
26-32 Pirrama Rd  
Pyrmont NSW 2009

To The Company Secretary

**NOTICE OF INTENTION & NOMINATION OF CROWE HORWATH SYDNEY AS  
AUDITOR**

I, Peter Kazacos, being a director and shareholder of Axxis Technology Group Limited (Company), hereby request that the Company convene a general meeting of shareholders at the first available time, in any event no later than 2 months from the date of this notice, to consider and, if thought fit, pass resolutions that:

1. PwC be removed as auditor of the Company; and
2. Crowe Horwath Sydney be appointed as the new auditor of the Company.

Furthermore, for the purposes of section 328(1) of the Corporations Act 2001, I hereby give you notice of the nomination of Crowe Horwath Sydney of Level 15, 1 O'Connell Street Sydney NSW 2000 Australia to act as auditor of the Company.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Peter Kazacos', with a long horizontal flourish extending to the right.

Peter Kazacos

# AXXIS TECHNOLOGY GROUP LIMITED - PROXY FORM FOR 2015 ANNUAL GENERAL MEETING

## STEP 1 – Appointment of Proxy

I/We \_\_\_\_\_

of \_\_\_\_\_

am/are a member of Axxis Technology Group Limited (ACN 009 805 298) and I/we appoint as my/our proxy:

\_\_\_\_\_  
Or failing him or her, the Chairman of the Annual General Meeting of the Company, to be held at the registered office of Axxis Technology Group Limited, Suite 115, Jones Bay Wharf, 26-32 Pirrama Rd, Pyrmont NSW 2009, on Wednesday, 25 November 2015 at 2:00 p.m. AEDT to vote for me/us at the meeting and at any adjournment of it. If 2 proxies are being appointed the proportion of voting rights this proxy is authorised to exercise is .....%. (The Company will supply an additional form on request).

## STEP 2 - Voting directions to your Proxy – please mark ☒ to indicate your directions

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Peter Kazacos as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Chris Calamos as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Remove PwC as the Company's auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Appoint Crowe Horwath Sydney as the Company's auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman intends to vote all undirected proxies in favour of all Resolutions. If you do not wish to direct your proxy on how to vote, please tick this box: ☐

By ticking this box, I/we expressly authorize the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on Resolution 1 (except where I/we have indicated a different voting intention above) and acknowledge that the Chairman of the Meeting may exercise my proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel and/or even if the Chairman of the Meeting has an interest in the outcome of these items and that votes cast by the Chairman, other than as proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on the Resolutions and your votes will not be counted in calculating the required majority if a poll is called on the resolution.

## STEP 3 - PLEASE SIGN HERE

This section *must* be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company  
Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name .....Contact Daytime Telephone ..... Date / / 2015

**PROXY INSTRUCTIONS:** A member entitled to attend and vote at a meeting is entitled to appoint not more than 2 proxies. Where more than 1 proxy is appointed, each proxy may be appointed to represent a specific portion of the member's voting rights. A proxy need not be a member of the Company. A proxy form must be signed by the member or his or her attorney. Proxies given by corporations must either be signed under seal or under the hand of a duly authorised officer of attorney. To be valid, the form appointing the proxy and the Power of Attorney or other authority (if any) under which it is signed (or a certified copy) must be lodged in person or by mail to **Axxis Technology Group Limited, Suite 115, Jones Bay Wharf, 26-32 Pirrama Rd, Pyrmont NSW 2009, or by Fax: 02 9012 0308. By Not later than 2:00 p.m. on 23 November 2015.**