

## NOTICE OF 2022 ANNUAL GENERAL MEETING

**Fat Prophets Global Contrarian Fund Limited (FPC)** gives notice that the 2022 Annual General Meeting of members of Fat Prophets Global Contrarian Fund Ltd ACN 615 414 849 will be held at 2.30pm (Sydney time) on 24 November, 2022 at Level 3, 22 Market Street, Sydney NSW 2000.

### Business

#### Financial Statements and Reports

To receive and consider the Financial Report of the Company together with the reports of the Directors and the Auditor for the financial year ended 30 June, 2022.

#### Resolution 1: Adoption of Remuneration Report for the Year Ended 30 June, 2022

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

*That the Remuneration Report for the year ended 30 June, 2022 (as set out in the Directors' Report) be adopted.*

#### Resolution 2: Re-election of Director – Ms Katrina Vanstone

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

*That Ms Katrina Vanstone retires by rotation in accordance with ASX Listing Rule 14.5 and, being eligible for re-election, be re-elected as a Director of the Company.*

#### Resolution 3: Off Market Equal Access Buy-Back

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

*That in accordance with section 257C(1) of the Corporations Act 2001 (Cth) (the Act) and for all other purposes, the Shareholder approve the off market buy-back as set out the terms of the Proposed Buy-back Booklet attached as Annexure 1 to this Notice and that:*

- (i) the buy-back does not materially prejudice the Company's ability to pay its creditors under section 257A of the Act; and*
- (ii) the Company will follow the procedures set out in Division 2 of Part 2J.1 of the Act.*

#### Resolution 4: Amendment to Constitution

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

*That for the purposes of section 136(2) of the Corporations Act and for all other purposes, the Constitution of the Company be amended in the manner set out in the accompanying Explanatory Statement, with effect from the close of the Meeting.*

**CONTINGENT RESOLUTION**

**Resolution 5: Spill resolution**

If required, to consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*Subject to and conditional on at least 25% of the votes cast on Resolution 1, being cast against the adoption of the company's remuneration report for the financial year ended 30 June 2022,*

*a) an extraordinary general meeting of the Company (Spill Meeting) be held within 90 days of this resolution;*

*b) all of the non-executive directors in office when the resolution to approve the directors' report for the financial year ended 30 June 2022 was passed and who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and*

*c) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting are put to the vote at the Spill Meeting.*

**By order of the Board,**



**Brett Crowley**  
**Company Secretary**  
**17 October, 2022**

## Explanatory Statement

This Explanatory Statement has been prepared to assist Shareholders of Fat Prophets Global Contrarian Fund Ltd ACN 615 414 849 (**FPC or the Company**) to understand the business to be put to Shareholders at the Annual General Meeting (**Meeting or AGM**) of the Company to be held at 2.30pm (Sydney time) on 24 November, 2022.

Resolution 1, which relates to approval of the 2022 Remuneration Report, is an advisory resolution, further details of which are included below. Resolutions 2, 3 and 5 are ordinary resolutions. Ordinary resolutions require a simple majority of votes cast by Shareholders present and entitled to vote on the resolution. Resolution 4 is a special resolution which will only be passed if 75% (ie, at least three quarters) of the votes cast by shareholders entitled to vote (either on a show of hands at the meeting or by the inclusion of proxies if on a poll) are in favour of the resolution.

## Financial Statements and Reports

The Annual Report and the associated reports of the Directors and the Auditor for the financial year ended 30 June, 2022 will be presented for consideration.

Shareholders should note that the Financial Statements and Reports will be received in the form presented. It is not the purpose, and there is no requirement either in the Corporations Act 2001 (Cth) (**the Act**) or in the Constitution of the Company for Shareholders to approve the Financial Report, the Directors' Report or the Auditor's Report at the Meeting, or that the Financial Statements and Reports be accepted, rejected or modified in any way.

## Resolution 1: Remuneration Report

A resolution for adoption of the Remuneration Report is required to be considered and voted on in accordance with the Corporations Act. The Remuneration Report details the Company's policy on the remuneration of non-executive directors, executive directors and senior executives and is set out in the 2022 Annual Report.

Resolution 1 provides Shareholders with the opportunity to vote on the Company's Remuneration Report. Under Section 250R(2) of the Act, the Company is required to put the adoption of its Remuneration Report to the vote at the Annual General Meeting and, under section 250SA of the Act, the Chairman must allow the Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report. If 25% of the votes are cast against two consecutive annual resolutions for the purposes of section 250R(2), the Act requires a shareholder vote on whether to convene a special meeting at which all directors (other than the managing director) who were in office when the second section 250R(2) resolution was voted on, must stand for re-election.

The Remuneration Report:

- (a) explains the Board's policies in respect of the nature and level of remuneration paid to directors and senior management of the Company;
- (b) discusses the link between the Board's policies and the Company's performance;
- (c) explains why the performance conditions were chosen and how performance is measured against them;

- (d) sets out the remuneration details for each director and each member of the Company's senior management team; and
- (e) makes clear that the basis for remunerating non-executive directors is distinct from the basis for remunerating executives and executive directors.

The vote on the adoption of the Remuneration Report resolution is advisory only and does not bind the Directors or the Company.

### **Directors' Recommendation**

*As a matter of best practice corporate governance, the Directors abstain from making a recommendation in relation to Resolution 1.*

### **Voting Exclusion**

In accordance with section 250R(4) of the Corporations Act, the Company will disregard any votes cast in respect of Resolution 1 by:

- A member of Key Management Personnel ("KMP"), details of whose remuneration are included in the Remuneration Report; and
- A Closely Related Party of such a member.

However, the Company will not disregard a vote cast in respect of Resolution 1 if it is cast by a person as proxy appointed in writing that directs the proxy how to vote on Resolution 1, and the vote is not cast on behalf of a member of KMP, details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member.

If you are a member of the KMP or a Closely Related Party of a member of the KMP (or are acting on behalf of any such person) and purport to cast a vote on Resolution 1 that vote will be disregarded by the Company (as indicated above). Please read the information in the Proxy Form which deals with the Chairman's voting of proxies on Resolution 1 to adopt the Remuneration Report.

### **Resolution 2: Re-election of Director – Ms Katrina Vanstone**

In accordance with ASX Listing Rule 14.5, Ms Katrina Vanstone retires by rotation and, being eligible, offers herself for re-election.

Katrina has been a Non-Executive Director of the Company since inception.

Katrina has worked in financial markets for 30 years, both in Australia and offshore, including such leading organisations as National Australia Bank, HSBC and Deutsche Bank. Katrina has extensive experience in foreign exchange, interest rates and credit markets across asset and liability portfolios. She has held roles in trading, sales and syndication. She has extensive experience in the wholesale debt and derivative markets with strong product knowledge across capital structures and debt raisings, risk management and hedging, and cash and currency management.

Katrina holds Bachelor of Economics and a Diploma of Financial Planning, is an ASIC Authorised Representative and a Graduate of the Australian Institute of Company Directors.

Katrina is a Director on the Board of the of the Eastern Suburbs District Rugby Union Football Club.

## Directors' Recommendation

*The Directors, with Ms Vanstone abstaining, recommend that Shareholders vote in favour of Resolution 2.*

### **Resolution 3: Off Market Equal Access Buy-Back**

The Company proposes to offer a buy-back of its shares on an ongoing basis so as to provide Shareholders with the option of switching from the Company to the Fat Prophets High Conviction Hedge Fund (FATP), an exchange traded managed investment scheme managed by Fat Prophets with substantially the same investment strategy with market liquidity on the ASX AQUA.

Under section 257A of the Corporations Act, the Company may buy back its own shares if the buyback does not materially prejudice the Company's ability to pay its creditors and the Company follows the procedures laid down in Division 2, Part 2J.1 of the Corporations Act.

The Company must follow certain rules for share buy-backs, as set-out in Division 2. The rules are designed to protect the interests of shareholders and creditors by addressing the risk of share buybacks leading to insolvency, seeking to ensure fairness between the Company's shareholders, and requiring the Company to disclose all material information. The necessary provisions in Division 2 have been extracted in this Notice.

As an equal access buy-back, all ordinary shareholders are offered a reasonable opportunity to consider the offer - which is to buy back the same percentage of their ordinary shares. Per section 257B of the Corporations Act, a proposed share buy-back that has exceeded the 10/12 limit, can only take place following passage of an ordinary resolution (i.e. a majority vote of shareholders). Exceeding the 10/12 limit means the Company buys back more than 10% of the total shares purchased in a 12-month period.

Per section 257C of the Corporations Act, an ordinary resolution must be passed at a general meeting of the Company and must be accompanied by an explanatory statement setting out all information known to the company that is material to the decision how to vote on the resolution.

The Buy-Back Booklet:

- (a) explains the Company's motivation to issue a buy-back of its Shares;
- (b) explains the calculation of the buy-back price;
- (c) sets out the Company's obligations to disclose material information under the Act;
- (d) sets out the procedure for submitting an Application Form for Shareholders to participate in the Company's buy-back of ordinary shares; and
- (e) makes clear that the buy-back is voluntary, and non-participation does not prejudice existing Shareholders.



#### **Resolution 4: Amendment to Constitution**

Under Section 136(2) of the Corporations Act, a company can modify its constitution by special resolution. Accordingly, the Company seeks shareholder approval to amend its Constitution to permit it to conduct virtual meetings of shareholders.

The COVID-19 pandemic and the associated social distancing measures and restrictions on large gatherings have significantly impacted the Company's ability to hold traditional meetings of shareholders. The proposed amendment is to add clause 27.5 to the Constitution as follows:

"A general meeting may be held using virtual technology only, provided the technology gives Members as a whole a reasonable opportunity to participate, and is permitted by law."

This amendment will clarify that a general meeting may be held by the Company in one of three ways:

1. At a physical venue;
2. At one or more physical venues using technology; or
3. Using virtual meeting technology only, where all members participate via online facilities.

This amendment will ensure that the Company has the flexibility to conduct virtual meetings if needed. This resolution is a special resolution and requires support from 75% of the votes cast.

If this resolution is passed, clause 27 of the Constitution will provide as follows:

#### **27 Calling of Meetings**

27.1 A Director may call a meeting of Members.

27.2 The Directors must call annual general meetings in accordance with the Corporations Act, to be held by the Company at times to be determined by the Board.

27.3 Members may also request or call and arrange to hold general meetings in accordance with the procedures and requirements set out in the Corporations Act.

27.4 A general meeting may be held at two or more venues simultaneously using any technology that gives Members as a whole a reasonable opportunity to participate.

27.5 A general meeting may be held using virtual technology only, provided the technology gives Members as a whole a reasonable opportunity to participate, and is permitted by law.

### **CONTINGENT RESOLUTION**

#### **Resolution 5: Spill resolution**

This item will only be put forward at the AGM if at least 25% of the votes validly cast on Resolution 1 to adopt the remuneration report are cast against its adoption. If fewer than 25% of the votes are against its adoption, then there will be no 'second strike' and this item will not be put to the AGM. If the item is put to the AGM, the spill resolution will be considered as an ordinary resolution.

If the spill resolution is put to the AGM and passed, a special meeting of shareholders, known as a 'Spill Meeting' must be held within 90 days. All directors (excluding the managing director) will cease to hold office at the end of the Spill Meeting unless they are re-elected at the Spill Meeting. Even if Katrina Vanstone is re-elected at the AGM, she will again need to be re-elected at the Spill Meeting to remain in office.

The Board consider the following factors to be relevant to a shareholder's decision on how to vote on this item:

- the steps taken by the board to address concerns expressed by shareholders in relation to remuneration concerns, details of which are set out in the remuneration report;
- each of the relevant non-executive directors has previously been elected as a director and received strong support from shareholders; and
- the disruption and significant cost involved in convening a Spill Meeting.

If you do not want a Spill Meeting to take place, you should vote against Resolution 5.

The Directors recommend that Shareholders vote against Resolution 5.

### **Proxies**

For an appointment of a proxy to be effective, proxy forms must be lodged at the Company's Share Registry, Computershare Investor Services Pty Limited at:

Postal address:                      Computershare Investor Services Pty Limited  
   GPO Box 242 Melbourne Vic 3001  
Fax number:                         1800 783 447

No later than 2.30am (Sydney time) on 22 November 2022. A proxy form is provided with this Notice.

The Board has determined the date and time when a person must be on the Company register of members to attend and vote at the meeting to be 7.00pm (Sydney time) on 22 November, 2022.