



Financial Solutions Limited

Notice of 2018 Annual General Meeting

ACTIONS TO BE TAKEN BY SHAREHOLDERS

The 2018 Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held

On: **Friday, 30 November 2018**

At: **5.00pm (AEDT)**

At: **Suite 27
477 Warrigal Road
Melbourne VIC 3189**

Your vote is important

The business of the Annual General Meeting affects your shareholding and your vote is important.

Eligibility to attend and vote

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7.00pm (AEDT) on Wednesday, 28 November 2018.

Last date to submit Proxy Form

Your completed Proxy Form must be received by the Company Secretary no later than 5.00pm (AEDT) on **Wednesday, 28 November 2018**. Please complete and sign the enclosed Proxy Form, returning:

By mail PO Box 1592, Booragoon WA 6954

By email eryn@kestelcorp8.com.au

In person 1 Alfred Place, South Melbourne, Victoria

Proxy Forms received after Wednesday, 28 November 2018 will be invalid.

Appointing a proxy

You can appoint a proxy to attend and vote on your behalf as an alternative to attending the meeting in person or casting a direct vote.

To appoint a proxy, please write the name of the appointed proxy in the box on the proxy form. You can direct your proxy how to vote on Items **1 to 8** by marking "For", "Against" or "Abstain".

A proxy does not need to be a shareholder of the Company. A proxy may be an individual or a company. You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Forms and specify the percentage or number of votes each proxy is appointed to exercise. If you do not specify a percentage or number, each proxy may exercise half of the votes. You must return both Proxy Forms together. If you require additional Proxy Forms, please contact the Company Secretary on +61 435 905 770.

If you sign the enclosed Proxy Form, and mark the box against the Chairman, the Chairman will be appointed as your proxy. The Chairman currently intends to vote undirected proxies on, and in favour of, all proposed resolutions.

If you appoint a proxy, you may still attend the meeting. However, your proxy's right to vote and speak will be suspended while you are present.

Attending the meeting in person

Eligible shareholders may attend the meeting and vote in person.

If you intend to attend the meeting in person, you do not need to submit a Proxy Form.

You may still attend the meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will suspend your proxy appointment while you are present at the meeting.

Please bring your Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the Meeting, the Company will need to verify your identity. Please arrive 20 minutes prior to the start of the Annual General Meeting on the date and at the venue set out above.

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.

Impact of your proxy appointment on your voting instructions

If you appoint the Chairman as your proxy and have not directed him how to vote, you are authorising the Chairman to cast your undirected vote on all proposed resolutions in accordance with his intentions set out below.

If you appoint any other member of the Board of directors, a member of senior management who is named in the remuneration report (KMP) or their closely related parties as your proxy, they will not be able to vote your proxy on the Remuneration report unless you have directed them how to vote.

"Closely related party" is defined in the Corporations Act and includes a spouse, dependant and certain other close family members, as well as any companies controlled by a KMP.

If you intend to appoint a KMP or the Chairman as your proxy, you are encouraged to direct them how to vote by marking "For", "Against" or "Abstain" for each of those items of business.

The Chairman's voting intentions

The Chairman intends to vote undirected proxies on, and in favour of, all the proposed resolutions. If there is a change to how the Chairman intends to vote undirected proxies, PLC Financial Solutions Limited will make an announcement to the market.

The Chairman's decision on the validity of a vote cast by a proxy or vote cast in person, is conclusive.

BUSINESS OF THE 2018 ANNUAL GENERAL MEETING

2018 Annual Report

To table and consider the Annual Reports of the Company and its controlled entities for the 12 months ended 30 June 2018 together with the Declarations of the Directors, the Directors' Report, the Remuneration Report and the Audit Reports.

NON-BINDING Resolution

Resolution 1 – 2018 Directors' Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purpose of Section 250R (2) of the Corporations Act and for all other purposes, the Remuneration Report of the Directors for the financial year ended 30 June 2018 as contained in the Company's 2018 Annual Report be adopted."

Voting Exclusion Statement

The Company will disregard any vote cast on Resolution 1 by, or on behalf of a Key Management Personnel whose remuneration details are included in the Remuneration Report, and any Closely Related Party of those Key Management Personnel.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution **or** the proxy is the Chair of the Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
- (b) it is not cast on behalf of a member of Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 1 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 1; or
- (c) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 1. In exceptional circumstances, the Chair of the Meeting may change their voting intention on Resolution 1, in which case an ASX announcement will be made.

Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting. If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

ORDINARY Resolutions

Resolution 2 - Re-Election of Director - Mr Campbell McLeod

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

“That, for the purpose of clause 12.3(b) of the Company’s Constitution and for all other purposes, Mr Campbell McLeod retires by rotation and being eligible, is re-elected as a Director.”

Resolution 3 - Election of Director - Mrs Chun Fong Leung

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

“That, for the purpose of clause 12.8 of the Company’s Constitution and for all other purposes, Mrs Chun Fong Leung, a Non-Executive Director, appointed on 15 June 2018, as an addition to the Board and being eligible for election, offers herself for election as a Director.”

Resolution 4 - Ratification of previous issue of 6,000,000 Shares under ASX Listing Rule 7.1

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve the refreshment of the 15% placement capacity by the previous issue of 6,000,000 Share as described in the Explanatory Memorandum”.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue, or an associate(s) of that person. However, the Company will not disregard a vote if it is cast by (a) a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or (b) 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 5 - Ratification of previous issue of 12,000,000 Shares under ASX Listing Rule 7.1

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve the refreshment of the 15% placement capacity by the past issue previous issue of 12,000,000 Shares as described in the Explanatory Memorandum”.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue, or an associate(s) of that person. However, the Company will not disregard a vote if it is cast by (a) a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or (b) 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 6 – Removal of Auditor

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

“That, in accordance with the Corporations Act, Moore Stephens, the current auditor of the Company, be removed as the auditor of the Company effective from the date of the 2018 Annual General Meeting as described in the Explanatory Memorandum”.

SPECIAL Resolutions

Resolution 7 – 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 6, William Buck of Level 20, 181 William Street, Melbourne being qualified to act as auditor of the Company, and having consented to act, be appointed as the auditor of the Company effective from the date of the 2018 Annual General Meeting and the Directors be authorised to agree the remuneration.”

Resolution 8 – Approval of 10% Placement Capacity

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

“That, approval is provided for the Company to have the additional capacity to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company under ASX Listing Rule 7.1A, for the period specified in Listing Rule 7.1A.1 and in accordance with the formula prescribed in Listing Rule 7.1A.2.”

VOTING EXCLUSION STATEMENT: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a 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.

By Order of the Board



Eryn Kestel
Company Secretary
18 October 2018

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared to provide Shareholders with material information known to the Directors to enable them to decide whether to pass the Resolutions the subject of the business of the Annual General Meeting of the Company, to be convened for Friday, 30 November 2018 commencing at 5,00pm (AEDT).

2018 ANNUAL REPORT

In accordance with the Company's Constitution and Section 317 of the Corporations Act, the 2018 Annual Report is to be tabled at this Annual General Meeting.

There is no statutory requirement for Shareholders to approve the Company's Annual Report; it is placed before Shareholders for discussion.

A representative from the Audit firm, will be available to respond to comments about the conduct of the audit, the preparation and content of the Audit Report.

Shareholders present at the Annual General Meeting will be provided with the opportunity to ask questions of the Directors' present about the management of the Company and the content of the Remuneration Report.

Shareholders who are unable to attend the Annual General Meeting can submit written questions under Section 250PA of the Corporations Act in relation to:

- (a) The preparation and the content of the 2018 Auditor's Report;
- (b) The conduct of the 2018 audit;
- (c) Accounting policies adopted by the Company in relation to the preparation of the 2018 financial statements; and
- (d) The independence of the Auditor in relation to the conduct of the 2018 audit

The questions will need to be submitted no later than five (5) business days before the Annual General Meeting to the Company Secretary.

Annual Report Online

Shareholders who have not elected to receive a hard copy of the Annual Report can access the report on the Company's website at <http://www.plcfinancial.com.au/>

Resolution 1: 2018 Directors' Remuneration Report

In accordance with Section 250R of the Corporations Act, the Board has submitted the 2018 Remuneration Report (included in the 2018 Annual Report) to Shareholders for consideration and adoption.

The Remuneration Report is set out in the Directors' Report in the 2018 Annual Report and in accordance with Section 300A of the Corporations Act sets out the remuneration policy of the Company and reports the current remuneration arrangements for the Directors and senior management of the Company.

The Directors believe that the Company's remuneration policies and structures as outlined in the Remuneration Report are appropriate for the size of the Company, its business and objectives.

A reasonable opportunity will be provided at the Annual General Meeting for discussion of the Remuneration Report.

This Resolution will be decided as if it were an ordinary (majority) resolution but under section 250R (3) of the Corporations Act the vote does not bind the Directors of Eclipse.

A failure of Shareholders to pass this Resolution will not require the Directors to alter any of the arrangements in the Remuneration Report. However, the Board will consider the outcomes of the votes when considering the future remuneration arrangements of the Company.

Pursuant to the Corporations Act, if at least 25% of the votes cast on Resolution 1 are voted against the adoption of the Remuneration Report at this 2018 Annual General Meeting and then again at the Company's 2019 Annual General Meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (Spill Resolution).

If more than 50% of the Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (Spill Meeting) within 90 days of the Company's 2019 annual general meeting. All the Directors who were in office when the Company's 2019 Directors Report was approved, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

Proxy Restrictions

Pursuant to the Corporations Act, if a Shareholder elects the Chairman, a Key Management Person or any Closely Related Party as their proxy to vote on Resolution 1, ***the Shareholder must be very clear on how they want the proxy to vote and provide the proxy with those specific instructions/directions*** - if no directions on how to vote on Resolution 1 is provided, the Chairman, a Key Management Person or any Closely Related Party is prevented by the Corporations Act from exercising the undirected vote and the vote will not be counted in relation to Resolution 1.

Recommendation of Board

The Directors abstain, in the interests of corporate governance, from making a recommendation in respect of Resolution 1.

Resolution 2: Re-Election of Director Retiring by rotation

Resolution 2 seeks approval for the re-election of Mr Campbell McLeod as a Non-Executive Director with effect after the Annual General Meeting.

In accordance with ASX Listing Rule 14.4 and clause 12.3(b) of the Company's Constitution, Directors must retire by rotation after the third Annual General Meeting since they were last elected. The Directors to retire at an Annual General Meeting are those that have been longest in office since their last election.

At the 2018 Annual General Meeting, Mr Campbell McLeod is the Non-Executive Director due to retire by rotation pursuant to the Company's Constitution and the ASX Listing Rules and being eligible is seeking re-election as a Non-Executive Director of the Company

PLC Financial Solutions Limited currently has three (3) Non-Executive Directors – Mr Harry Fung, Mr Campbell McLeod and Mrs Chun Fong Leong and accordingly, one (1) must retire by rotation.

Mr Campbell McLeod Non-Executive Director

Qualifications

Diploma of Property Management;
Real Estate Agent – Agents Representative; and
Diploma of Financial Planning

Experience and expertise

Coupling over a decade in property development sector with experience gained in private investment, Mr McLeod is an industry forerunner in complex property transactions. Along with qualifications in project management and finance, Mr. McLeod undertakes several roles in the company encompassing corporate governance and compliance.

Independence

If elected, the Board considers Mr McLeod to be an independent Non-Executive Director.

Recommendation of the Board

The Board (excluding Mr McLeod) recommends the re-election of Mr McLeod as a Non-Executive Director of the Company.

Resolution 3: Election of Director

Resolution 3 seeks approval for the election of Mrs Chun Fong Leong as a Non-Executive Director, with effect at the end of the Annual General Meeting.

Pursuant to ASX Listing Rule 14.4 and clause 12.8 of the Company's Constitution, a person appointed by the Board as a Director of the Company holds office only until the next following general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation.

Mrs Leong was appointed to the Board on 15 June 2018, as an additional Non-Executive Director to the Board. In accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, Mrs Leong seeks election from Shareholders.

The skills and experience of Mrs Leong is set out below.

**Mrs Chun Fong Leong
Non-Executive Director****Experience and expertise**

Mrs Leong, a sophisticated businesswoman with real estate, mining and financial services investments in Hong Kong, People Republic of China (PRC), and Australia is well respected within the international business community and is recognised for her vision for identifying successful investments.

She has a diversified knowledge base and extensive experience in capital raising and merger acquisitions.

Independence

If elected, the Board considers Mrs Leong not to be an independent Non-Executive Director as she is a related party of a substantial shareholder.

Recommendation of the Board

The Board (excluding Mrs Leong) recommends that Shareholders vote in favour of the election of Mrs Leong as a Director of the Company.

Ratification of previous issue of Shares**General**

During the last 12 months, PLC Financial Solutions Limited has issued a total of 18,000,000 Ordinary Shares (**Shares**) the subject of Resolutions 4 and 5 without prior Shareholder approval pursuant to ASX Listing Rule 7.1.

Listing Rule 7.1 and 7.4

Listing Rule 7.1 provides a company with the ability to issue during any 12-month period, that amount of securities that represents up to 15% of the number of fully paid ordinary securities on issue at the

commencement of that 12-month period without Shareholder approval. 18,000,000 Shares, the subject of Resolutions 4 and 5 was issued pursuant to the Company's 15% annual placement capacity under ASX Listing Rule 7.1.

ASX Listing Rule 7.4 enables the Company to ratify an issue of securities made without prior Shareholder approval under Listing Rule 7.1 if:

- (a) the issue of Shares did not breach Listing Rule 7.1; and
- (b) Shareholders subsequently approve the issue of those securities by the Company.

By ratifying the issues, the subject of Resolutions 4 and 5, the base figure which the Company's 15% and 10% annual placement capacities are calculated will be increased by 18,000,000 Shares which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

If the issues, the subject of Resolutions 4 and 5 are not ratified, the issues remain valid, but the Company will be restricted in the number of securities that can be issued.

Resolution 4 – Ratification of previous issue of 6,000,000 Shares under ASX Listing Rule 7.1

On 8 June 2018, the Company announced it had issued 6,000,000 Shares at a deemed issue price of \$0.02 per Shares to consultants in lieu of outstanding fees totalling \$120,000 (Consultant Shares).

The Company issued the 6,000,000 Consultant Shares utilising the Company's 15% annual placement capacity under Listing Rule 7.1 in payment of fees for professional consulting services.

Resolution 4 seeks Shareholder approval pursuant to ASX Listing Rule 7.4 for the issue of these Shares.

Information required by ASX Listing Rule 7.4

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following with respect to Resolution 4.

No. of Securities Issued:

6,000,000 Shares

Issue Price:

Deemed issue price of \$0.02, which was the issue price used in a previous placement to professional and sophisticated investors in April 2018.

Issue Date:

07 June 2018

Reason for Issue:

The payment for professional consulting services.

Use of Funds:

No funds were raised from the issue as the Shares were issued in lieu of fees for services rendered.

Terms of Securities:

All Shares were issued as fully paid ordinary shares ranking equally with existing Shares. Quotation on the ASX was sought and obtained.

Subscriber:

The Shares were issued to unrelated consultants to the Company – Inhouse Create Pty Ltd and Mabe Nominees Pty Ltd.

Recommendation of Board

The Board believes that the ratification of these issues is beneficial for the Company.

The Board unanimously recommends Shareholders vote in favour of Resolution 4, as it allows the Company to ratify the above issues of Shares and retain the flexibility to issue the maximum number of equity securities permitted under Listing Rule 7.1 without shareholder approval.

Furthermore, the Company was able to preserve cash reserves being able to offer Shares in payment of consulting fees.

Resolution 5 – Ratification of previous issue of 12,000,000 Shares under ASX Listing Rule 7.1

On 7 September 2018, the Company advised it had settled a total of \$120,000 of capital raising and marketing fees by way of issuing 12,000,000 Shares at a conversion price of \$0.01 per Share (Promotional Shares). The issue of the Promotional Shares was for marketing services provided by a contractor to promote the Company as a viable lender of funds to small to medium sized enterprises for equipment finance and property development.

The Company issued the 12,000,000 Shares for capital raising and marketing services, utilising the Company's 15% annual placement capacity under Listing Rule 7.1 in payment of professional promotional services.

Resolution 5 seeks Shareholder approval pursuant to ASX Listing Rule 7.4 for the issue of these Shares.

Information required by ASX Listing Rule 7.4

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following with respect to Resolution 4.

No. of Securities Issued:

12,000,000 Shares

Issue Price:

Deemed issue price of \$0.01, which was the issue price used in a previous placement to professional and sophisticated investors in August 2018.

Issue Date:

07 September 2018

Reason for Issue:

The payment for capital raising and marketing services.

Use of Funds:

No funds were raised from the issue as the Shares were issued in lieu of fees for promotional/marketing services rendered.

Terms of Securities:

All Shares were issued as fully paid ordinary shares ranking equally with existing Shares. Quotation on the ASX was sought and obtained.

Subscriber:

The Shares were issued to an unrelated contractor to the Company – 10SixCo Pty Ltd.

Recommendation of Board

The Board believes that the ratification of these issues is beneficial for the Company.

The Board unanimously recommends Shareholders vote in favour of Resolution 5, as it allows the Company to ratify the above issues of Shares and retain the flexibility to issue the maximum number of equity securities permitted under Listing Rule 7.1 without shareholder approval.

Furthermore, the Company was able to preserve cash reserves being able to offer Shares in payment of consulting fees.

Resolution 6 – Removal of Auditor

Under Section 329 of the Corporations Act, a company auditor may be removed from office by resolution at a shareholder meeting of which two (2) months notice of intention to move the resolution has been provided.

On 9 October 2018, a notice of request to convene a meeting to consider a resolution to remove the Company's auditor, Moore Stephens, was served on the Company pursuant to s.329(1A) of the Corporations Act (Notice of Intention).

It should be noted that under this section, 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 of intention is given.

The notice of intention is **attached** to this Notice of Annual General Meeting and the Company seeks approval to remove Moore Stephens even though the Annual General Meeting will be held less than 2 months after the notice of intention has been received by the Company.

Moore Stephens have provided audit services to the Company since 2010 and there has not been any disagreement with Moore Stephens at either the Board or management level of the Company in relation to the conduct of the audit.

The Company has relocated its principal place of business to Melbourne and it is more appropriate to appoint a Melbourne based audit firm rather than a Perth based audit firm.

The Company does not believe that the audit quality will be diminished as a result of changing auditors.

The notice of intention has been forwarded to Moore Stephens and a copy has been lodged with the Australian Securities and Investment Commission (ASIC).

Resolution 7 – Appointment of Auditor

Section 327D of the Corporations Act provides that when an auditor is removed from the company, the company may appoint a new auditor at a general meeting by special resolution. Resolution 2 provides for the auditor vacancy to be filled if Resolution 1 is passed.

The Directors propose that William Buck Audit (Vic) Pty Ltd be appointed as the Company's auditor effective from the date of this meeting. William Buck Audit (Vic) Pty Ltd has given written consent to act as the Company's auditor in accordance with s.328A(1) of the Corporations Act.

If this Special Resolution is not passed, the Company will hold an adjourned meeting no less than 20 days and no greater than 30 days following this Annual General Meeting. At this meeting, William Buck Audit (Vic) Pty Ltd can be appointed by an **ordinary resolution** provided that the Company receives a notice of nomination of William Buck Audit (Vic) Pty Ltd from a member of the Company at least 14 days before the date of the adjourned meeting.

Interdependence

Resolutions 6 and 7 are interdependent, with the result that if only one Resolution is passed by Shareholders, the other does not become effective.

Recommendation of Board

The Board recommend that Shareholders vote in favour of Resolutions 6 and 7.

Resolution 8- Approval of 10% Placement Capacity

General

Pursuant to Listing Rule 7.1A, an Eligible Entity can seek the approval of Shareholders by special resolution passed at an Annual General Meeting to have an additional capacity (10% Placement Capacity) to issue Equity Securities under Listing Rule 7.1A. The ability to issued securities under Listing 7.1A is in addition and separate to each listed entity's ability to issue securities under the 15% Placement Capacity of Listing Rule 7.1

An Eligible Entity for the purposes of Listing Rule 7.1A is eligible as at the date of the relevant special resolution passed has a market capitalisation of \$300 million or less and it is not included in the S&P/ASX300 Index.

On 15 October 2018, the Company's market capitalisation was approximately \$2.0891.93 million based on the last trading price on that date, being \$0.013 and is currently not included in the S&P/ASX300 Index, therefore, the Company is an Eligible Entity and able to seek the 10% Placement Capacity under Listing Rule 7.1A.

If the Company for any reason ceases to be an Eligible Entity after the Company has already obtained Shareholder approval pursuant to this Resolution, the approval obtained will not lapse and the Company will still be entitled to issue the Equity Securities during the 12-month period following this Annual General Meeting.

Equity Securities issued under the 10% Placement Capacity must be in the same class an existing class of Equity Securities of the Company that are quoted on the ASX.

At the date of this Notice of Meeting, the Company has on issue 160,710,436 Shares. Assuming the Company's Shares on issues do not change, the Company will have the capacity to issue over the course of the next 12 months:

- 24,106,565 Equity Securities under its 15% Placement Capacity (Listing Rule 7.1); and
- 16,071,044 Equity Securities under its 10% Placement Capacity (Listing Rule 7.1A).

The actual number of Equity Securities that the Company will have the capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (as described following).

Formula for calculating the 10% Placement Capacity under Listing Rule 7.1A.2

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an AGM may issue or agree to issue, during the 10% Placement Period, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

A is the number of fully paid shares on issue 12 months before the date of issue or agreement:

- plus, the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- plus, the number of partly paid shares that became fully paid in the 12 months;
- plus, the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4 (which does not include the 10% Placement Capacity);
- less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% Placement Capacity.

D is 10%;

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

Placement Period

Listing Rule 7.1A.1 provides that an approval under Listing Rule 7.1A must be for a period commencing on the date of the Annual General Meeting at which the approval is obtained and expires on the date that is twelve (12) months after the date of that Annual General Meeting.

Assuming Resolution 8 is approved by Shareholders, the 10% Placement Period will commence on 30 November 2018 and expire on 30 November 2019.

Special Resolution

Resolution 8 will only be effective if it is passed as a Special Resolution, which requires (amongst other matters) that it must be passed by at least 75% of votes cast by Shareholders entitled to vote on the Resolution.

Pursuant to Listing Rule 7.1A, no Equity Securities will be issued until and unless this Special Resolution is passed at the 2018 Annual General Meeting.

Specific information required by Listing Rule 7.3A.

Pursuant to and in accordance with Listing Rule 7.3A, the following information is provided in relation to the approval of the 10% Placement Capacity:

Listing Rule 7.3A.1 -

Minimum price of securities issued

The pricing formula for Equity Securities issued under Listing Rule 7.1A is not less than 75% of the volume weighted average price for the Company's Equity Securities calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (1) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (2) if the Equity Securities are not issued within five (5) trading days of the date in paragraph (1) above, the date on which the Equity Securities are issued.

The Company will disclose to the ASX the issue price on the date of issue of the Equity Securities

Listing Rule 7.3A.2 -

Risk of economic and voting dilution

If Resolution 8 is approved by Shareholders and the Company issues the Equity Securities under the 10% Placement Capacity, the existing Shareholders' voting power and economic interests in the Company could potentially be diluted. The Company currently has on issue 160,710,436 Shares and could issue an additional 16,071,044 Shares immediately following the AGM (however, it is important to note that the exact number of Equity Securities which may be issued will be calculated in accordance with the formula contained in Listing Rule 7.1A.2, details of which are set out above).

Shareholders should note that there is a risk that:

- the market price for the Company's Equity Securities may be significantly lower on the issue date than it is on the date of the Annual General Meeting; and
- the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the date of issue

which may have an effect on the amount of funds raised by the issue of Equity Securities.

The table below shows the potential dilution for existing Shareholders assuming

- an issue at the current Share market price and the current number of ordinary securities upon the issue of the maximum number of Equity Securities under the 10% Placement Capacity

and then using different variables such as:

- an increase in the issued share capital by 50% and 100%; and
- the current market price of the Shares halved and then doubled.

Shares on Issue	Dilution Table			
<i>Variable A in Listing Rule 7.1A.2</i>		\$0.0065 50% decrease in Issue Price	\$0.013 Current Share Price	\$0.026 100% increase in Issue Price
Current Issued Shares 160,710,436	10% Voting Dilution	16,071,044 Shares		
	Funds raised	\$104,462	\$208,924	\$417,847
50% increase in Issued Shares 241,065,654 Shares*	10% Voting Dilution	24,106,565 Shares		
	Funds raised	\$156,693	\$313,385	\$626,771
100% increase in Issued Shares 321,420,872 Shares*	10% Voting Dilution	32,142,087 Shares		
	Funds raised	\$208,924	\$417,847	\$835,694

*The number of Shares on issue could increase because of the issue of Shares that do not require Shareholder approval (such as under a pro rata rights issue or shares issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The following assumptions were made when preparing the dilution table:

1. There are currently **160,710,436** Shares on issue as at the date of this Notice of Meeting;
2. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares;
3. The Company issues the maximum number of Equity Securities available under the 10% Placement Capacity;
4. No Options are exercised into Shares before the date of the issue of the Equity Securities;
5. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. Therefore, the voting dilution is shown in each example as 10%;
6. The table does not show the dilution affect that may be caused to a Shareholder;
7. The table only shows the effect of issues of Equity Securities under Listing Rule 7.1A not under the 15% Placement Capacity under Listing Rule 7.1; and
8. The issue price of \$0.013 is the closing price of the Shares on the ASX as at 15 October 2018

Listing Rule 7.3A.3 – Final Date for Issue

If approved, the Company will only issue the Equity Securities under the 10% Placement Capacity during the Placement Period, as described above. The approval under Resolution 8 to issue Equity Securities will cease to be valid in the event Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities of the Company) or Listing Rule 11.2 (the disposal of the main undertaking of the Company).

Listing Rule 7.3A.4 – Purpose

The Company may seek to issue Equity Securities under the 10% Placement Capacity for the following purposes:

Cash consideration which is deployed towards advancing the Company's lending business, acquisitions of new assets or investments as well as general working capital; or

Non-cash consideration which is deployed towards potential acquisition of new assets and investment opportunities, in lieu of payment of services and payment of consulting fees. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon the issue of any Equity Securities under the 10% Placement Facility.

Listing Rule 7.3A.5 -**Company's Allocation Policy**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the potential investors of Equity Securities will be determined on a case-by-case basis having regard to several factors including but not limited to the following:

- (1) the methods of raising funds that are available to the Company including, but not limited to, rights issue or other issue in which existing shareholders can participate;
- (2) the effect of the issue of the Equity Securities on the control of the Company;
- (3) the financial situation and solvency of the Company; and
- (4) advice from corporate, financial and broking advisers (if applicable).

The potential investors under the 10% Placement Capacity have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Furthermore, if the Company is successful in acquiring new assets or investments for which Equity Securities are issued as consideration, it is likely that the potential investors of some of the Equity Securities will be the vendors of the new assets or investments.

Listing Rule 7.3A.6A –**Equity Issues over Last 12 Months**

The cash and non-cash issues made by the Company since the date of the 2017 Annual General Meeting are detailed in Annexure A.

For the purposes of Listing Rule 7.3A.6(a), 100,500,000 Equity Securities were issued in the 12-month period preceding the 2018 Meeting representing 166.91% of the Equity Securities on issue at the start of the 12 Month Period.

Equity Securities on issue at commencement of 12-month period	60,210,436
Equity Securities issued in last 12-month period under Listing Rule 7.1 and 7.1A comprised as follows: 100,500,000 Shares	100,500,000
Percentage Equity Securities issued represents of total number of Equity Securities on issue at commencement of 12-month period	166.91%

The Company previously obtained Shareholder approval under Listing Rule 7.1A at the 2017 Annual General Meeting and in accordance with Listing Rule 7.3A.6, the Company confirms that 6,000,000 Equity Securities were issued under the 10% Placement Capacity on 28 March 2018 and this issue was subsequently approved by Shareholders on 7 May 2018 General Meeting.

Voting Exclusion Statement

A voting exclusion statement is included for this Resolution in the Notice of Meeting accompanying the Explanatory Memorandum. As at the date of this Notice, the Company has not approached any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A therefore, no existing Shareholders will be excluded from voting on Resolution 8.

Recommendation of the Board

The Directors of the Company believe that Resolution 8 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

The ability of the Company to issue Shares under the 10% Placement Capacity will enable the Company to issue Shares at a discount to the then market price in circumstances where it might otherwise be subjected to the cost, delay and uncertainty of having to go back to Shareholders for

approval. The additional flexibility and speed to conduct capital raising will better position the Company to pursue its interests in the prevailing difficult market conditions.

ANNEXURE A – Details of Equity Securities issued in the 12 months prior to the date of the 2018 Annual General Meeting

Issue Date	Number	Type	Consideration	The persons to whom the Equity Securities were issued or the basis on which those persons were determined	Issue Price	Discount to market price (MP) at issue date	Cash received / Funds Raised	Use of Funds	Funds Spent
15 December 2017	5,000,000	Shares	Non-Cash \$100,000	Penski Pty Ltd; Bubbly Water Pty Ltd; and Mr Giuseppe Cossari	\$0.02 Deemed	No	Nil	In payment of consulting services provided	Nil Current value is \$65,000 ¹
28 March 2018	4,000,000	Shares	Non-Cash \$80,000	Penski Pty Ltd; North East Development Group Pty Ltd; and NJ Capital Pty Ltd	\$0.02 Deemed	No		In payment of consulting services provided	Nil Current value is \$52,000 ¹
28 March 2018	6,000,000	Shares	Cash	NJ Capital Pty Ltd	\$0.02 Deemed	No	\$120,000	Office refurbishment; Advance money lending development activities through marketing and promotion; and General working capital	Fully utilised
07 June 2018	6,000,000	Shares	Non-Cash \$120,000	Inhouse Create Pty Ltd; and Mabe Nominees Pty Ltd	\$0.02 Deemed	No		In payment of consulting services provided	Nil Current value is \$78,000 ¹
15 June 2018	50,000,000	Shares	Cash	North East Development Group Pty Ltd; Pickle Pants Pty Ltd; and ZJ & C Investments Pty Ltd	\$0.015	No	\$750,000	Office refurbishment; Advance money lending development activities through marketing and promotion; and General working capital	\$420,000²
07 August 2018	17,500,000	Shares	Cash	Independently Women Pty Ltd; Coburg South Developments Pty Ltd; and ZJ & C Investments Pty Ltd	\$0.01	No	\$175,000	Money lending business	Available to spend²
07 September 2018	12,000,000	Shares	Non-Cash \$120,000	10SixCo Pty Ltd	\$0.01 Deemed	No		In payment of capital raising and marketing services	Nil Current value is \$156,000 ¹

Notes:

- In respect of quoted Equity Securities, the value is based on the closing price of the Shares (ASX code: PLC) (\$0.013) as the context requires on the ASX on 12 October 2018.
- Funds available to utilise totals \$505,000 and will be applied as follows:
 - Expansion of new office set up;
 - Development of information technology platform;
 - Further marketing and promotion;
 - License renewal; and
 - Feasibility study

GLOSSARY

\$ means Australian dollars

10% Placement Capacity has the meaning set out on page 13 of the Explanatory Explanation

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

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited or the Australian Securities Exchange, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

AEDT means Australian Eastern Daylight Time as observed in Melbourne, Victoria.

Board means the current board of directors of the Company.

Business Days means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chairman of the Meeting

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

Company means PLC Financial Solutions Limited (ACN 123 879 416).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Director means Non-Executive Directors

Eligible Entity has the meaning set out on page 13 of the Explanatory Memorandum

Equity Securities has the same meaning as in the ASX Listing Rules but includes:

- (a) a share;
- (b) a unit;
- (c) a right to a share or unit or option;
- (d) an option over an issued or unissued security;

- (e) a convertible security;
- (f) any security that ASX decides to classify as an equity security
- (g) BUT not a debt security

Explanatory Memorandum means the Explanatory Memorandum accompanying the Notice of Meeting.

Key Management Person is defined by AASB 124 Related Party disclosures as all directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Memorandum.

Proxy Form means the proxy form accompanying the Notice of Meeting

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2018.

Resolutions means the resolutions set out in the Notice of Meeting or any one of them, as the context requires.

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

Shareholder means a holder of a Share.

VWAP means the volume weighted average price.

**APPOINTMENT OF PROXY
PLC FINANCIAL SOLUTIONS LIMITED
ACN 123 879 416**

ANNUAL GENERAL MEETING PROXY FORM

Member Details

Name:
Address:
Contact Telephone No:

Appointment of Proxy

I/We being a Member/s of the Company and entitled to attend and vote hereby appoint

☐

Chairman of the Meeting

OR

Insert Name of Appointed Proxy Below

Or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to attend and act generally at the Annual General Meeting 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) at the Annual General Meeting of PLC Financial Solutions Limited to be held at

Location	Suite 27, 477 Warrigal Road, Moorabbin VIC 3189
Date	Friday, 30 November 2018
Time	5.00pm (AEDT)

and at any adjournment of that meeting.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTION

Where the Chair has been appointed as proxy, the Chair is expressly authorised to exercise the proxy on Resolution 1 (except where indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances, the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

	For	Against	Abstain
Non-Binding Resolution			
Resolution 1. 2018 Directors' Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ordinary Resolutions			
Resolution 2 Re-Election of Director – Mr Campbell McLeod	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3. Election of Director – Mrs Chun Fong Leong	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Ratification of previous issue of 6,000,000 Shares under ASX Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Ratification of previous issue of 12,000,000 Shares under ASX Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Removal of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special Resolutions			
Resolution 7 Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please Note: By marking the Abstain box for any of the Resolutions you are directing the proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____%

Please return completed proxy forms by email to: ervyn@kestelcorp8.com.au or by post to: PO Box 1592, BOORAGOON WA 6952.

PLEASE SIGN HERE

Individual or Member 1

Sole Director and
Sole Company Secretary

Member 2

Director

Member 3

Director/Company Secretary

Proxy forms must be returned by Wednesday, 28 November 2018.

8 October 2018

Ms Eryn Kestel
Company Secretary
PLC Financial Solutions Limited
1 Alfred Place
South Melbourne VIC 3205

Dear Eryn,

NOTICE OF INTENTION TO REMOVE AUDITOR | MOORE STEPHENS

We, 10SixCo Pty Ltd, request the company to convene a general meeting of the company no later than *8 December 2018, being 2 months from date of letter* to consider, and if thought fit, pass the resolution that Moore Stephens (*as per the most recent auditor's report in the financial statements*) be removed as auditor of the company.

Yours faithfully,



10SixCo Pty Ltd
ABN 29 622 243 958