

**Austock Group Limited**  
ABN 90 087 334 370

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Level 12, 15 William Street Melbourne VIC 3000  
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Level 9, 56 Pitt Street Sydney NSW 2000  
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[www.austock.com](http://www.austock.com)

## **NOTICE OF ANNUAL GENERAL MEETING**

**The Annual General Meeting of Austock Group Limited (“Company”) will be held in the offices of the Company at Level 12, 15 William Street, Melbourne VIC 3000 on Tuesday, 25 October 2011 at 9 a.m. (Melbourne time)**

### **ORDINARY BUSINESS**

#### **Item 1: Financial Reports**

To receive and consider the Financial Report of the Company and the Reports of the Directors and Auditor for the financial year ended 30 June 2011.

#### **Item 2: Adoption of Remuneration Report**

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

*“That for the purposes of section 250R(2) of the Corporations Act 2001 (Cth), the Remuneration Report of the Company for the financial year ended 30 June 2011 as disclosed in the Directors’ Report be adopted.”*

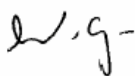
This resolution is advisory only and does not bind the directors or the Company.

#### **Item 3: Election of Director**

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

*“That Mr Andrew John Brown, having been nominated for election as a Director of the Company in accordance with Rule 11.1(k) of the Company’s Constitution and, being eligible and having consented to hold office, be elected as a Director of the Company.”*

By order of the Board.



Amanda Gawne  
Company Secretary

23 September 2011

## VOTING PROHIBITION STATEMENT – REMUNERATION REPORT

In accordance with the Corporations Act 2001 (Cth), the Company will disregard all votes cast on the proposed resolution for the adoption of the remuneration report in Item 2 by or on behalf of:

- a member of the Company's key management personnel, details of whose remuneration are included in the Remuneration Report for the year ended 30 June 2011 ("KMP"); or
- a closely related party of a KMP,

whether the votes are cast as a shareholder, proxy or in any other capacity.

However, the Company will not disregard a vote cast on Item 2 by a KMP, or a closely related party of a KMP, if:

- the vote is cast as a proxy;
- the proxy is appointed by writing that specifies how the proxy is to vote on the resolution proposed in Item 2; and
- the vote is not cast on behalf of a KMP or a closely related party of a KMP.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, whether directly or indirectly. Members of key management personnel include the Company's directors and certain senior executives.

A closely related party of a member of the key management personnel means any of the following:

- a spouse, child or dependant of the member;
- a child or dependant of the member's spouse;
- anyone else who is one of the member's family and may be expected to influence or be influenced by the member in the member's dealings with the Company;
- a company the member controls; or
- a person prescribed by regulations (as at the date of this Notice of Meeting, no additional persons have been prescribed by regulation).

**If you complete a proxy form that authorises the chairman of the meeting to vote on your behalf as proxyholder, and you do not mark any of the boxes so as to give him directions about how your vote should be cast, then your proxy will automatically become a directed proxy in favour of the resolution to adopt the Remuneration Report, and the chairman of the meeting will vote accordingly. If you wish to appoint the chairman of the meeting as your proxyholder but do not want him to cast your votes in favour of the Remuneration Report, you should complete the appropriate box on the proxy form, directing him to vote against or abstain from voting on the resolution.**

The chairman of the meeting intends to vote all undirected proxies in favour of Item 2.

## NOTES

### Explanatory Statement

The attached Explanatory Statement forms part of this Notice.

### Voting Entitlements

In accordance with section 1074E(2)(g) of the Corporations Act and Regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Board of Austock Group Limited has determined that a shareholder's voting entitlement at this meeting will be taken to be the entitlement of the person shown in the register of members as at 7 p.m. on Sunday, 23 October 2011. Transactions registered after that time will be disregarded in determining the shareholders entitled to attend and vote at the meeting.

### Proxies

- A member entitled to attend and vote at this meeting is entitled to appoint a proxy (who need not be a member of the Company) to attend and vote in the member's place. A proxy form accompanies this Notice of Meeting for this purpose.
- A proxy form must be signed by a member or his or her attorney and, in the case of a joint holding, by each of the joint holders.
- Members who are entitled to cast two or more votes may appoint not more than two proxies to attend and vote at this meeting. Members wishing to appoint a second proxy should request an additional proxy form from the Company's share registry – Boardroom Pty Limited. Where two proxies are appointed, both forms should be completed with the nominated proportion or number of votes each proxy may exercise. If no such proportion or number is specified, each proxy may exercise half of the votes. Fractions of votes are to be disregarded.
- Where a member appoints 2 proxies, on a show of hands neither proxy may vote if more than one proxy attends and on a poll each proxy may only exercise votes in respect of those shares or voting rights the proxy represents.
- The appointment of one or more duly appointed proxies will not preclude a member from attending this meeting and voting personally. If the member votes on a resolution, the proxy must not vote as the member's proxy on that resolution.
- Any instrument appointing a proxy in which the name of the appointee is not completed is regarded as given in favour of the chairman of the meeting.
- In the case of joint holders of shares, if more than one holder votes at the meeting, only the vote of the first named of the joint holders in the share register of the Company will be counted.
- To be effective, proxy forms (and the power of attorney or other authority (if any) under which it is signed (or an attested copy)) must be received by the Company at its registered office or delivered in person, by mail or by fax to the Company's Share Registry's office (details below). Proxy forms may also be lodged online by visiting [www.boardroomlimited.com.au/vote/austockagm2011](http://www.boardroomlimited.com.au/vote/austockagm2011). Completed proxy forms must be received no later than 48 hours before the appointed time of the meeting.
- The Company's Share Registry details are as follows:

Boardroom Pty Limited  
Level 7, 207 Kent Street, Sydney, NSW 2000  
GPO Box 3993, Sydney, NSW, 2001  
Facsimile: +61 2 9290 9655
- Proxies given by a corporation must be signed either under seal or under the hand of a duly authorised attorney. In addition, should the constitution of a corporation permit the execution of documents without using a common seal, the documents must be signed by two directors or a director and company secretary, or for a proprietary company that has a sole director who is also a company secretary, that director.
- If a body corporate is appointed as proxy, please write the full name of that body corporate (eg, Company X Pty Ltd). Do not use abbreviations. The body corporate will need to ensure that it:

- a) appoints an individual as its corporate representative to exercise its powers at meetings, in accordance with section 250D of the Corporations Act; and
- b) provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the meeting.

If no such evidence is received before the meeting, then the body corporate (through its representative) will not be permitted to act as your proxy.

#### **Body corporate representatives**

- A corporation, by resolution of its directors, may authorise a person to act as its representative to vote at the meeting.
- A representative appointed by a corporation may be entitled to execute the same powers on behalf of the corporation as the corporation could exercise if it were an individual member of Austock.
- To evidence the authorisation, either a certificate of corporate body representative executed by the corporation or under the hand of its attorney or an equivalent document evidencing the appointment will be required.
- The certificate or equivalent document must be produced prior to the meeting.

#### **Undirected proxies**

The chairman of the meeting will vote undirected proxies in favour of the resolution proposed in Item 2 and against the resolution proposed in Item 3 of the Notice of Meeting. The Company recommends that shareholders who submit proxies should consider giving "how to vote" directions to their proxyholder on each resolution.

If you complete a proxy form that authorises the chairman of the meeting to vote on your behalf as proxyholder, and you do not mark any of the boxes so as to give him directions about how your vote should be cast, then your proxy will automatically become a directed proxy in favour of the resolution proposed in Item 2 (adoption of Remuneration Report) and against the resolution proposed in Item 3 (election of director), and the chairman of the meeting will vote accordingly. If you wish to appoint the chairman of the meeting as your proxyholder but you do not want him to cast your votes in favour of the resolution proposed in Item 2 and against the resolution proposed in Item 3, you should complete the appropriate box on the proxy form directing him to vote against the resolution proposed in Item 2 and in favour of the resolution proposed in Item 3 or to abstain from voting on each resolution.

# EXPLANATORY STATEMENT

## Introduction

The purpose of this Explanatory Statement (which is included in and forms part of this Notice of Annual General Meeting) is to provide shareholders with an explanation of the matters to be considered at the Annual General Meeting on Tuesday, 25 October 2011.

## Item 1: Financial Reports

The Company's 2011 Annual Report, which includes the Financial Report, Directors' Report and Auditor's Report for the financial year ended 30 June 2011, is available on the Company's website at <http://www.austock.com/aboutthegroup/reports.aspx>. A copy has been forwarded to all shareholders who elected to receive it.

The Chairman and Managing Director will address the meeting. Shareholders will be given a reasonable opportunity as a whole to ask questions about or make comments on the management of the Company. The Company's auditor, KPMG will also attend the meeting and will be available to receive questions relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

This item of business does not require shareholders to vote on a resolution or adopt the received reports.

## Item 2: Adoption of Remuneration Report

Shareholders are asked to adopt the Company's Remuneration Report, which is set out on pages 31-35 of the 2011 Annual Report.

Pursuant to section 250R(3) of the Corporations Act, the resolution to adopt the Remuneration Report is advisory only and does not bind the Directors or the Company. However, under recent changes to the Corporations Act which took effect on 1 July 2011, if at least 25% of the votes cast on the resolution are voted against adoption of the Remuneration Report at the annual general meeting, then:

- if comments are made on the report at the annual general meeting, the Company's remuneration report for the financial year ending 30 June 2012 will be required to include an explanation of the Board's proposed action in response or, if no action is proposed, the Board's reasons for this; and
- if, at the Company's 2012 annual general meeting, at least 25% of the votes cast on the resolution for adoption of the remuneration report for the relevant financial year are against its adoption, the Company will be required to put to shareholders at that meeting a resolution proposing that a general meeting ("Spill Meeting") be called to consider the election of directors of the Company ("Spill Resolution"). For any Spill Resolution to be passed, more than 50% of votes cast on the resolution must be in favour of it. If a Spill Resolution is passed, the Spill Meeting must be held within 90 days of the date of the 2012 annual general meeting. All of the Directors (other than the managing director) will cease to hold office immediately before the end of the Spill Meeting unless re-elected at that meeting.

The Remuneration Report forms part of the Directors' Report which has been unanimously adopted by resolution of the Board. The Directors recommend the Remuneration Report to shareholders for adoption.

An opportunity will be provided for discussion of the Remuneration Report at the meeting.

### **Item 3: Election of Director**

#### **Mr Victor Cottren**

Mr Cottren retires by rotation in accordance with Rule 11.1(d) of the Company's Constitution and does not offer himself for re-election.

#### **Mr Andrew Brown**

The Company has received a nomination from Ryan James Whitelegg, RButW Investments Pty Ltd and Peter Geoffrey Hollick, being members holding more than 5% of the votes that may be cast on a resolution for the election of directors, for the election of Andrew John Brown as a director. Rule 11.1(k) of the Company's Constitution provides that a person is eligible for election to the office of a director if not less than 5% of members or 100 members have given the Company a notice signed by the members stating the members' intention to nominate the person for election and a notice signed by the person so nominated stating his or her consent to the nomination. Mr Brown has consented to the nomination and to act as a director in the event that he is elected by shareholders.

A statement from the nominating members is set out on page 7. Under section 249P(6) of the Corporations Act, the Company is required to provide this statement to you.

The Remuneration and Nomination Committee has considered the nomination of Mr Brown. After careful consideration, the Committee has formed the view that, notwithstanding the retirement of Mr Cottren, there are sufficient Directors with the appropriate experience on the Board. This view is confirmed by the Board who recommend that members vote against the election of Mr Brown as a Director of the Company.

Dated: 23 September 2011.

**STATEMENT BY  
RYAN JAMES WHITELEGG, R BUT W INVESTMENTS AND PETER GEOFFREY HOLLICK**

The abovenamed (**Proposers**) are the shareholders who have proposed the nomination of Andrew John Brown (**Nominee**) to the board of Austock Group Limited (**Austock**). The Proposers wish to emphasise that Austock shareholders are able to vote for Mr. Brown's election to the board in addition to any Directors retiring by rotation who are seeking re-election, and that shareholders are not being asked to choose between Andrew Brown and a retiring Director.

The Proposers and Nominee believe that Austock is a unique ASX listed company. Aside from its mix of corporate and securities trading, property funds management and specialist life business, Austock is differentiated by a significant quantum of its shares being held by former employees and Directors (**Alumni Shareholders**). In addition, further significant shareholdings are held by former clients of Austock, who previously dealt with the Alumni Shareholders. In total this is estimated to be the majority of the outstanding capital.

After recent discussions, especially with the Alumni Shareholders but also with senior Austock management, the Proposers and Nominee believe that four key themes emerge:

- Some of the strategies being enacted by the current board are appropriate;
- Alumni shareholders and their clients are not appropriately represented by the current board;
- There is capacity for material improvement in cost control and capital management; and
- Austock shares are fundamentally underpriced.

The Proposers believe that the Austock board would benefit from the election of Andrew Brown. Whilst Mr. Brown is being nominated by certain Alumni Shareholders, he is well aware of fiduciary responsibilities to act in the interests of all Austock shareholders. Andrew Brown is a long standing client of Austock, is known to many of the Alumni Shareholders, but has never been employed by Austock.

Mr. Brown is a highly experienced financial markets practitioner, having spent 31 years as an ASX investor in stockbroking, funds management, corporate investing and as a Director or past Director of 12 ASX listed companies, including chairing seven of these companies at different times. Mr. Brown is an accomplished and previously highly rated analyst of banking, insurance and financial services companies. Between July 2003 and October 2007, Mr. Brown was the Chairman of Snowball Group Limited (**Snowball**), a financial planning and advisory group. During this time Mr. Brown worked closely with management in planning and executing a strategic change and acquisition program. This resulted in an increase in Snowball's equity market capitalisation from \$6.7million to \$113million, introduction of dividend payments and 280% increase in the share price over the period of Mr. Brown's Chairmanship.

In addition, whilst accepting a salary of \$60,000 per annum as non executive Chair, Mr. Brown presided over a significant upgrading of remuneration practices at Snowball, which emphasised performance related remuneration and equity participation, and consequently provided deserved rewards for executive participants. Mr. Brown has emphasised to the Proposers that if elected, he would seek to institute similar disciplines at Austock.

Mr. Brown is currently the Chairman of Adelaide Resources Limited, Merricks Capital Special Opportunity Fund Limited and Cheviot Kirribilly Vineyard Property Group. He is also a non executive Director of Cheviot Bridge Limited and Managing Director of Tidewater Investments Limited. Due to the particular nature and circumstances of some of these companies, Mr. Brown has assured the Proposers that he has more than the requisite time available to be a strong participant on the

Austock board, if elected. Mr. Brown is also a weekly panellist on the Sky Business programme, "The Perrett Report".

Prior to his involvement as a company director, Mr. Brown's early career was as a fund manager and securities analyst in London and New York. After emigrating to Australia in 1987, Mr. Brown worked as a highly rated financial company securities analyst with Baring Securities, County NatWest Securities and ANZ McCaughan before returning to fund management. In 1994 he joined AMP Investments Australia's Separately Managed Portfolio (SMP) team, helping to manage over \$2 billion of Australian equity investments. In September 1997, he joined Rothschild Australia Asset Management Limited as head of equities and was responsible for a \$5 billion domestic portfolio. He helped engineer significant equity process and cultural change, resulting in a major improvement in investment performance.

We commend the election of Andrew Brown to the Austock board. Mr. Brown has all of the relevant experience required to be an active and communicative Director on behalf of all shareholders, and assist in the continuing attempts to rebuild value for Austock shareholders, and see it better reflected in the liquidity and quoted price of Austock shares.

Signed by  
**Ryan James Whitelegg**  
by

sign here ►



print name Ryan James Whitelegg

Signed by  
**RButW Investments Pty Ltd**  
by

sign here ►

Director



print name Ryan James Whitelegg

Signed by  
**Peter Geoffrey Hollick**  
by

sign here ►



print name Peter Geoffrey Hollick



**FOR ALL ENQUIRIES CALL:**  
(within Australia) 1300 737 760 (outside Australia)  
+61 2 9290 9600**FACSIMILE**  
+61 2 9290 9655**ALL CORRESPONDENCE TO:**  
Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001  
Australia

## Name and Address

**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 on the form. Securityholders sponsored by a broker should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

## YOUR VOTE IS IMPORTANT

FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 9.00 am  
(Melbourne Time) SUNDAY 23 OCTOBER 2011

## TO VOTE ONLINE

**Reference Number:**

Please note it is important you keep this confidential

**STEP 1 : VISIT** [www.boardroomlimited.com.au/vote/austockagm2011](http://www.boardroomlimited.com.au/vote/austockagm2011)**STEP 2: Enter your holding/Investment type****STEP 3: Enter your Reference Number and VAC: <VAC NUMBER>**

## TO VOTE BY COMPLETING THE PROXY FORM

### STEP 1 Appointment of Proxy

Indicate here who you want to appoint as your Proxy  
If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chairman 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 Chairman 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.

**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.

**Appointment of a Second Proxy**

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) 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.
- (b) return both forms together in the same envelope.

### STEP 2 Voting Directions to your Proxy

You can tell your Proxy how to vote

To direct your proxy how to vote, place a mark in 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 voting rights are to be voted on any item by inserting the percentage or number of securities 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 your vote on that item will be invalid.

### 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 must 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 must be signed by that person. **Please indicate the office held by signing in the appropriate place.**

### STEP 4 Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the meeting at **9.00 am (Melbourne Time) on Tuesday, 25 October 2011**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

**Proxies may be lodged using the reply paid envelope or:**

**BY MAIL -** Share Registry – Boardroom Pty Limited, GPO Box 3993,  
Sydney NSW 2001 Australia

**BY FAX -** + 61 2 9290 9655

**IN PERSON -** Share Registry – Boardroom Pty Limited,  
Level 7, 207 Kent Street, Sydney NSW 2000 Australia

### Vote online at:

**[www.boardroomlimited.com.au/vote/austockagm2011](http://www.boardroomlimited.com.au/vote/austockagm2011)**  
or turnover to complete the Form ➔

### Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

# AUSTOCK GROUP LIMITED

<Address 1>  
<Address 2>  
<Address 3>  
<Address 4>  
<Address 5>  
<Address 6>

<BARCODE>

## STEP 1 - Appointment of Proxy

I/We being a member/s of **Austock Group Limited** and entitled to attend and vote hereby appoint

<input type="checkbox"/>	the Chairman of the Meeting (mark with an 'X')	OR	<input type="text"/>
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If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy at the **Annual General Meeting of Austock Group Limited to be held at Level 12, 15 William Street, Melbourne VIC 3000 on Tuesday the 25 October 2011 at 9.00 am (Melbourne Time)** and at any adjournment of that meeting, to act generally 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.

### Important for Item 2

If you appoint the Chairman of the Meeting as your proxy or he is appointed as your proxy by default, by not marking any of the below "For", "Against" or "Abstain" boxes you will have directed the Chairman of the Meeting to vote in favour of the resolution to adopt the Remuneration Report even though this item is connected directly or indirectly with the remuneration of a member of the key management personnel.

**Note:** If you do not wish to give the Chairman of the Meeting such a directed proxy, you should ensure that a box other than the "For" box is clearly marked for Item 2 in Step 2 below.

The Chairman of the Meeting will vote all undirected proxies in favour of Item 2 and against Item 3.

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

Ordinary Business		For	Against	Abstain*
Item 2	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	Election of Director – Andrew Brown	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\*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 votes will not be counted in computing the required majority on a poll.

## STEP 3 - PLEASE SIGN HERE This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary

Director

Director/Company Secretary

Contact Name .....

Contact Daytime Telephone ..... Date / / 2011