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ABN 50 113 883 560

**NOTICE OF ANNUAL GENERAL MEETING**

**TIME:** 11.00am (AEDT)  
**DATE:** 27 November 2013  
**PLACE:** Kooyong Lawn Tennis Club  
489 Glenferrie Road  
Kooyong Victoria 3144

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.



24 October 2013

Dear Shareholder

AMA Group Limited (the **Company**) has convened the Annual General Meeting (**AGM**) of Shareholders to be held on 27 November 2013 and we invite you to attend. The meeting will be held at Kooyong Lawn Tennis Club, 489 Glenferrie Road, Kooyong Victoria 3144 to commence at 11:00am and will consider:

- The 2013 Annual Report
- Adoption of the Remuneration Report
- Re-election of Mr Simon Doyle, who comes up for rotation this AGM
- Ratification of past issues of shares under Listing Rule 7.4
- Approval for 10% placement issue
- Approval of Company Option Plans

Attached to this letter is a Notice of the AGM and an Explanatory Memorandum setting out details on each of the resolutions to be proposed at the meeting.

If you are unable to attend the Meeting, I encourage you to vote using the Proxy Form, which is also enclosed. If you are able to attend, please bring this letter and package with you to facilitate your entitlement to vote. The Board recommends that you vote in favour of all resolutions.

My fellow directors and I look forward to meeting those Shareholders who can attend the Annual General Meeting in person.

Thank you for your continued support.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Duncan Fischer', is written over a horizontal line.

**Duncan Fischer**  
Chairman

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## **NOTICE OF ANNUAL GENERAL MEETING**

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Notice is given that the Annual General Meeting of Shareholders of AMA Group Limited will be held at Kooyong Lawn Tennis Club, 489 Glenferrie Road, Kooyong Victoria 3144 at 11.00am (AEDT) on 27 November 2013.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the proxy form are part of this Notice of Meeting.

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 of the Company on 25 November 2013 at 7.00pm (AEDT).

## **AVAILABILITY OF 2013 ANNUAL REPORT**

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Shareholders are reminded that the 2013 Annual Report is only mailed to those Shareholders who have elected to receive it in hard copy. The 2013 Annual Report can be viewed on the Company's web site at [www.amagroupltd.com](http://www.amagroupltd.com)

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## **BUSINESS**

### **ADOPTION OF THE ANNUAL FINANCIAL REPORT**

To receive the Annual Financial Report, including Directors' declarations and accompanying reports of the Directors and auditors for the financial year ended 30 June 2013.

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### **RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

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

*"That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, approval is given to the adoption of the Remuneration Report as contained in the Company's financial report for the year ended 30 June 2013."*

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### **RESOLUTION 2 – RE-ELECTION OF DIRECTOR, MR SIMON DOYLE**

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

*"That, for all purposes, Mr. Simon Doyle, a director of the Company retires in accordance with clause 15.3(a) of the Constitution and, being eligible, is re-elected as a Director of the Company."*

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**RESOLUTIONS 3A, 3B AND 3C – RATIFICATION OF ISSUE OF SHARES TO EMPLOYEES**

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

- 3A      *“That for the purposes of ASX Listing Rule 7.4 and all other purposes, the Shareholders grant subsequent approval for the issue of 798,910 fully paid ordinary Shares to certain employees of the Company on 23 August 2013 by way of a bonus for satisfying contracted key performance indicators.”*
- 3B      *“That for the purposes of ASX Listing Rule 7.4 and all other purposes, the Shareholders grant subsequent approval for the issue of 647,159 fully paid ordinary Shares to certain employees of the Company on 14 May 2013 by way of a bonus for satisfying contracted key performance indicators.”*
- 3C      *“That for the purposes of ASX Listing Rule 7.4, the Shareholders grant subsequent approval for the issue of 2,013,277 fully paid ordinary Shares to certain employees of the Company on 16 October 2013 in consideration for those employees entering into long term contracts with the Company and agreeing to significant post-employment restraints which are of significant value to the Company.”*

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**RESOLUTION 4 – RATIFICATION OF ISSUE OF SHARES – PRIVATE PLACEMENT**

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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 all other purposes, the Shareholders grant subsequent approval for the issue of 38,790,000 fully paid ordinary Shares to sophisticated and/or professional investors on 25 January 2013.”*

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**RESOLUTIONS 5A AND 5B – APPROVAL OF COMPANY OPTION PLANS**

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

- 5A      *“That the Company approve any securities issued under the Company Employee Share Option Plan as an exception to ASX Listing Rule 7.1”; and*
- 5B      *“That the Company approve any securities issued under the Company Executive Share Option Plan as an exception to ASX Listing Rule 7.1”*

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**RESOLUTION 6 – APPROVAL OF 10% PLACEMENT ISSUE**

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

*“That pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, the Company be permitted to issue up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions described in the Explanatory Memorandum to this Notice of Meeting.”*

## VOTING EXCLUSIONS

In relation to **Resolutions 3A, 3B, 3C and 4** the Company will in accordance with ASX Listing Rule 14.11, disregard any votes cast by a person who participated in the issue and any of their associates.

In relation to **Resolution 5A and 5B**, the Company will, in accordance with ASX Listing Rule 14.11 disregard any votes cast by a director of the entity - in the case of a trust, the responsible entity - (except one who is ineligible to participate in any employee incentive scheme in relation to the entity), and any associates of those persons.

In relation to **Resolution 6**, the Company will, in accordance with ASX Listing Rule 14.11 disregard any votes cast by a person who may participate in the 10% placement issue and a person who might obtain a benefit, (except a benefit solely in the capacity of a holder of ordinary securities, if this resolution is passed), and any associates of those persons.

However, in respect to each of the above resolutions, the Company need not disregard a vote cast on the resolutions if:

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


### Special voting restrictions in relation to Resolution 1.

Special voting restrictions apply in relation to Resolution 1. Shareholders should read the Explanatory Memorandum for details relating to these restrictions.

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**DATED: 24 October 2013**

**By Order of the Board**



**Ms. Terri Bakos  
Company Secretary  
AMA Group Limited**

## Important information for Shareholders

1. The business of the Annual General Meeting affects your shareholding and your vote is important.
2. To vote in person, attend the Annual General Meeting on the date and at the place set out above.
3. To vote by proxy, please complete and sign the proxy form enclosed with this Notice of Meeting as soon as possible and:
  - (a) deliver the proxy form to AMA Group Limited, c/- Suite 1, 1233 High Street, Armadale, Victoria 3143 Australia;
  - (b) send the proxy form to AMA Group Limited, c/- PO Box 8694, Armadale Victoria 3143; or
  - (c) send the proxy form by facsimile to the Company on facsimile number (613) 9822 7735

so that it is received not later than 11.00am (AEDT), 25 November 2013.

**Proxy forms received later than this time will be invalid.**

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at 11.00am (AEDT), 27 November 2013 at:

Kooyong Lawn Tennis Club  
489 Glenferrie Road  
Kooyong Victoria 3144

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

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### 1 RECEIPT OF ANNUAL FINANCIAL REPORT

In accordance with the Company's Constitution, the business of the meeting will include receipt and consideration of the Company's Financial Report and reports of Directors and Auditors for the year ended 30 June 2013.

In accordance with the Corporations Act 2001, Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the Financial Report.

During the discussion of this item, the Company's auditor will be present and will answer qualifying questions.

#### Written questions for the auditor

If you would like to submit a written question to the Company's auditor, please post your question to the Company Secretary or fax it to (613) 9822 7735. Written questions must relate to the content of the auditor's report to be considered at the Annual General Meeting or the conduct of the audit. A list of qualifying questions will be addressed at the Annual General Meeting.

Please note that all questions must be received at least five business days before the Annual General Meeting; that is by no later than 11.00am on 20 November 2013.

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### 2 RESOLUTION 1 –REMUNERATION REPORT

#### **Background**

Pursuant to the Corporations Act 2001 at the Annual General Meeting of a listed company, the Company must propose a resolution that the Remuneration Report be adopted.

The purpose of this resolution is to present to the Shareholders, the Company's Remuneration Report so that Shareholders may ask questions about or make comments on the management of the Company in accordance with the requirements of the Corporations Act 2001 and vote to adopt the Remuneration Report for the year ended 30 June 2013.

This resolution is advisory only and does not bind the Company. However, the Board will consider the outcome of the vote made by Shareholders on the remuneration report at the meeting when reviewing the Company's remuneration policies.

The Remuneration Report is contained within the 2013 Annual Report.

You may access the Annual Report by visiting the Company's website [www.amagroupltd.com](http://www.amagroupltd.com).

### **Voting Restrictions**

In accordance with the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment on this resolution if:

- (a) the proxy is either:
  - a director or member of the key management personnel for the Company; or
  - a closely related party of a member of the director or key management personnel for the Company; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- the proxy is the chair of the meeting; and
- the appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with remuneration of a member of the key management personnel of the Company.

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### **3 RESOLUTION 2 - RE-ELECTION OF DIRECTOR, MR SIMON DOYLE**

Clause 15.3(a) of the Constitution states that no director except the Managing Director may hold office for a period in excess of 3 years without offering himself/herself for re-election, and that at every Annual General Meeting, one-third of the previously elected Directors must retire from office and be eligible for re-election.

Mr Doyle will retire at the Annual General Meeting and seeks re-election.

#### **Mr Simon Doyle – Non-executive Director – Appointed 14<sup>th</sup> October 2009 BA, LLB**

Mr. Doyle has over 30 years experience, in Australia and overseas in commercial law, company executive roles and non-executive director roles with an emphasis on strategic direction, governance and compliance.

Previous executive roles include responsibility for legal functions, compliance, corporate affairs, human resources and company secretarial as well as specific leadership roles in mergers, acquisitions, corporate restructures, due diligence and initial public offering.

Previous non-executive roles include board positions in start ups, mature businesses, businesses in transition and Board member and Chairman in the not for profit sector.



**The Directors, other than Mr Doyle who abstains, recommend that Shareholders vote in favour of this resolution.**

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## **4 RESOLUTIONS 3A, 3B AND 3C – RATIFICATION OF ISSUE OF SHARES TO EMPLOYEES**

### **4.1 Background**

In 2013, the Company issued 1,446,060 fully paid ordinary shares to employees to satisfy contracted bonus arrangements upon the achievement of key performance indicators by those employees. 798,901 fully paid ordinary shares were issued on 23 August 2013 (Resolution 3A) and 647,159 ordinary fully paid shares were issued on 14 May 2013 (Resolution 3B).

On 16 October 2013, the Company issued 2,013,277 fully paid ordinary shares (Resolution 3C) to employees in consideration of these employees agreeing to enter into long term contracts with the Company and accepting significant post-employment restraint provisions. Such arrangements represent significant value to the Company as it ensures the long term commitment of the key employees.

These issues were made without the need for Shareholder approval under Listing Rule 7.1

### **4.2 Purpose of resolution and listing rule 7.1**

ASX Listing Rule 7.1 prohibits a listed entity from issuing or agreeing to issue more than 15% of its issued capital in a 12 month period without Shareholder approval (**15% Limit**), unless an exception applies.

Pursuant to ASX Listing Rule 7.4, an issue of securities made without approval is deemed to have been made with Shareholder approval for the purpose of ASX Listing Rule 7.1 provided that:

- (a) the issue did not breach the 15% Limit; and
- (b) the company in general meeting subsequently approves the issue.

Shareholder ratification for the issue of the employee shares is now sought pursuant to ASX Listing Rule 7.4 to reinstate the Company's capacity to issue up to 15% of its issued capital, if required, in the next 12 months without Shareholder approval.

### **4.3 Notice requirements under listing rule 7.5**

It is a requirement of ASX Listing Rule 7.5, that a listed entity seeking subsequent Shareholder approval under listing rule 7.4 provides the following information:

(a) **the total number of shares issued:**

- 798,901 fully paid ordinary Shares (Resolution 3A)
- 647,159 fully paid ordinary Shares (Resolution 3B)
- 2,013,277 fully paid ordinary Shares (Resolution 3C)

(b) **the price at which the securities were issued:**

The Shares were issued for non-cash consideration. Shares were issued as a bonus to employees for satisfying contracted key performance indicators. The Shares were issued at deemed prices of \$0.31 per share (Resolution 3A), \$0.275 & \$0.32 per share (Resolution 3B) and \$0.339 per share (Resolution 3C).

(c) **the terms of the Shares:**

The shares allotted and issued are identical to the Company's existing fully paid ordinary Shares.

(d) **the names of the allottees:**

**Resolution 3A**

<b>Employee</b>	<b>Quantity of Shares</b>
Ray Smith-Roberts	586,062
Adam Middleton	212,848
<b>Total</b>	<b>798,910</b>

**Resolution 3B**

<b>Employee</b>	<b>Quantity of Shares</b>
Natalie Marshall	31,250
Antonio Palermo	62,500
Graham Patterson	127,273
Kevin Sedgeman	62,500
Mark Camilleri	363,636
<b>Total</b>	<b>647,159</b>

**Resolution 3C**

<b>Employee</b>	<b>Quantity of Shares</b>
Keith Bollen	103,245
Robbie McConnell	103,245
Christopher Saddington	103,245
Louie Gomas	103,245
Angelo Diplaris	103,245
Graeme Boocock	103,245
Trevor Long	309,735
Paul Torrisi	309,735
Andrew Sibley	309,735
Mark Hendrickson	309,735
Amy-Jo Laverty	154,867
<b>Total</b>	<b>2,013,277</b>

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(e) The use of funds raised:

As the shares were issued for non-cash consideration, no funds were raised under the placements.

**The Directors unanimously recommend that Shareholders vote in favour of this resolution**

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## 5 RESOLUTION 4 – RATIFICATION OF ISSUE OF SHARES – PRIVATE PLACEMENT

### 5.1 Background

In January 2013, the Company completed a private placement of 43,100,000 Shares to professional and/or sophisticated investors raising \$15,085,000 before costs. Funds raised were used to finance growth initiatives and retire debt.

Of the 43,100,000 Shares issued:

- (a) 38,790,000 were issued without Shareholder approval pursuant to ASX Listing 7.1; and
- (b) 4,310,000 were issued pursuant to ASX Listing Rule 7.1A.

Resolution 4 seeks subsequent shareholder ratification for the issue of 38,790,000 Shares issued pursuant to ASX Listing Rule 7.1. Approval is sought for the purposes of ASX Listing Rule 7.4 and all other purposes.

### 5.2 Purpose of resolution and listing rule 7.1

ASX Listing Rule 7.1 prohibits a listed entity from issuing or agreeing to issue more than 15% of its issued capital in a 12 month period without Shareholder approval (**15% Limit**), unless an exception applies.

Pursuant to ASX Listing Rule 7.4, an issue of securities made without approval is deemed to have been made with Shareholder approval for the purpose of ASX Listing Rule 7.1 provided that:

- (a) the issue did not breach the 15% Limit; and
- (b) the company in a general meeting subsequently approves the issue.

Shareholder ratification for the issue of 38,790,000 shares is now sought pursuant to ASX Listing Rule 7.4 to reinstate the Company's capacity to issue up to 15% of its issued capital, if required, in the next 12 months without Shareholder approval.

### 5.3 Notice requirements under listing rule 7.5

It is a requirement of ASX Listing Rule 7.5, that a listed entity seeking subsequent Shareholder approval under listing rule 7.4 provides the following information:

- (a) **the total number of shares issued:**  
38,790,000 fully paid ordinary Shares.
- (b) **the price at which the securities were issued:**  
The Shares were issued at \$0.35 per Share.
- (c) **the terms of the Shares:**

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The shares allotted and issued are identical to the Company's existing fully paid ordinary Shares.

(d) **the names of the allottees:**

The shares were issued to professional and / or sophisticated investors.

(e) **the use of funds raised**

Funds raised were used to retire debt to the value of approximately \$10.8 million and finance growth initiatives.

**The Directors unanimously recommend that Shareholders vote in favour of this resolution**

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**6 RESOLUTION 5A AND 5B – COMPANY EMPLOYEE SHARE OPTION PLAN AND EXECUTIVE SHARE OPTION PLAN**

**6.1 Background**

ASX Listing Rule 7.1 prohibits a listed company from issuing or agreeing to issue more than 15% of the issued capital in a 12 month period without shareholder approval (**15% Limit**), unless an exception applies

ASX Listing Rule 7.2 exception 9(b) excludes from the 15% Limit, issues made under an employee incentive scheme if, within 3 years before the date of the issue, holders of ordinary securities have approved the issue of the securities under the employee incentive scheme as an exception to ASX Listing Rule 7.1.

The terms of the Company's Employee Share Option Plan and Executive Share Option Plan were originally set out in the Company's initial public offering prospectus dated August 2006. The plans were subsequently re-approved at the 2008 AGM of the Company. Shareholder approval is now being sought in order that further issues made under the ESOP'S can continue to be issued as an exception to ASX Listing Rule 7.1. To the extent options are issued to Directors under either Plan, approval under ASX Listing Rule 10.14 is required.

**6.2 Notice requirements for ASX Listing Rule 7.2 exception 9**

It is a requirement of ASX Listing Rule 7.2 exception 9 that the notice of meeting proposing to seek shareholder approval under this Listing Rule contain the following information:

In respect of the Company's **Employee Share Option Plan:**

(a) summary of the terms of the **Employee Share Option Plan:**

(i) *Eligibility*

- The Board may issue options under the plan to any employee of the company and its subsidiaries, including directors.

(ii) *General terms of the Options*

- Options will be issued free of charge, unless the Board determines otherwise;
- Each option is to subscribe for one share ranking equally with other shares;
- The options are not transferrable;

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- The Company will apply to the ASX for official quotation of Shares issued on the exercise of options;
  - Options may be granted subject to conditions specified by the board which must be satisfied before the option can be exercised.
- (iii) *Exercise of Options*
- Options are exercisable during the exercise period as determined by the Board at the time of issue;
  - Options lapse upon termination of the employee's employment by the Company, other than vested options (being options in respect of which the Exercise Conditions have been met) which shall lapse within 3 months of the employee ceasing employment.
- (iv) *Exercise Price*
- The exercise price per share for an option will be the amount determined by the Board at the time of the grant of the option.
- (v) *New Issues of Securities*
- The Option holder will not be entitled to participate in any new issue of securities in the Company unless they exercise their options prior to the record date for the determination of entitlements to the new issue.
- (vi) *Bonus issues*
- If the Company makes a bonus issue of securities to ordinary shareholders, each unexercised option will, on exercise, entitle its holder to receive the bonus securities as if the option has been exercised before the record date for the bonus issue.
- (vii) *Rights Issues*
- If the Company makes a pro-rata rights issue of shares for cash to its ordinary shareholders, the exercise price of unexercised options is adjusted to reflect the diluting effect of the issue in accordance with ASX Listing Rule 6.22.2
- (viii) *Capital Re-organisation*
- If there is any reorganization of the capital of the Company, the number of options and their exercise price will be adjusted in accordance with the Listing Rules.
- (ix) *Limit on Number of Options*
- The maximum number of options (if fully exercised) on issue under any current ESOP must not (when aggregated with any options issued under any other current ESOP) at any time exceed 5% of the total number of shares on issue at that time.
- (b) There are currently no options on issue under this plan.

In respect of the Company's **Executive Share Option Plan**:

(a) summary of the terms of the **Executive Share Option Plan**:

(i) *Eligibility*

- The Board may issue options under the plan to any employee of the company and its subsidiaries, including directors.

(ii) *General Terms of the Options*

- Options will be issued free of charge, unless the Board determines otherwise;
- Each option is to subscribe for one share will rank equally with other shares;
- The options are not transferrable;
- The Company will apply to the ASX for official quotation of Shares issued on the exercise of options;
- Options may be granted subject to conditions specified by the board which must be satisfied before the option can be exercised.

(iii) *Exercise of Options*

- Options are exercisable during the exercise period as determined by the Board at the time of issue ;
- Options lapse upon termination of the employee's employment by the Company, other than vested options (being options in respect of which the Exercise Conditions have been met) which shall lapse within 6 months of the employee ceasing employment.

(iv) *Exercise Price*

- The exercise price per share for an option will be the amount determined by the Board at the time of the grant of the option.

(v) *New Issues of Securities*

- The Option holder will not be entitled to participate in any new issue of securities in the Company unless they exercise their options prior to the record date for the determination of entitlements to the new issue.

(vi) *Bonus issues*

- If the Company makes a bonus issue of securities to ordinary shareholders, each unexercised option will, on exercise, entitle its holder to receive the bonus securities as if the option has been exercised before the record date for the bonus issue.

(vii) *Rights Issues*

- If the Company makes a pro-rata rights issue of shares for cash to its ordinary shareholders, the exercise price of unexercised options is adjusted to reflect the diluting effect of the issue in accordance with ASX Listing Rule 6.22.2

(viii) *Capital Re-organisations*

- If there is any reorganization of the capital of the Company, the number of options and their exercise price will be adjusted in accordance with the Listing Rules.

(x) *Limit on Number of Options*

- The maximum number of options (if fully exercised) on issue under any current ESOP must not (when aggregated with any options issued under any other current ESOP) at any time exceed 5% of the total number of shares on issue at that time.

(b) There are currently no options on issue under this plan.

The Directors unanimously recommend Shareholders vote in favour of Special Resolution 6.

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## 7 RESOLUTION 6 – APPROVAL OF 10% PLACEMENT ISSUE

### 7.1 GENERAL

ASX Listing Rule 7.1A enables 'eligible entities' to issue up to 10% of their issued share capital through placements over a 12 month period after the Annual General Meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1 (discussed at paragraph 4.2 above).

The Company is an eligible entity for the purposes of ASX Listing Rule 7.1A as it is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company's current market capitalisation is approximately \$115 million.

This resolution must take the form of a **special resolution** which requires at least 75% of the votes that may be cast by members who are entitled to vote, to be cast in favour of the resolution. This includes voting via proxies.

The Company is now seeking Shareholder approval to have the ability to issue Shares under the 10% Placement Facility. If passed, this resolution would effectively allow the Company to issue up to 25% of its issued capital in the next 12 months without seeking any additional Shareholder approvals. The Shares issued under the 10% Placement Facility must be an existing class of security currently quoted on the ASX, that is fully paid ordinary Shares.

### 7.2 Formula for calculating 10% Placement Facility

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, the number of 'Equity Securities' (as that term is defined in the Listing Rules) is calculated in accordance with the following formula:

#### **(A x D) – E**

- A** is the number of shares on issue 12 months before the date of the issue or agreement:
- (a) plus the number of fully paid shares issued in the 12 months under an exception in ASX Listing Rule 7.2;
  - (b) plus the number of partly paid shares that became fully paid in the 12 months;
  - (c) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under ASX Listing Rules 7.1 and 7.4;
  - (d) less the number of fully paid shares cancelled in the 12 months.

*Note that A is has the same meaning in ASX 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 ASX 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 ASX Listing Rules 7.1 or 7.4.

### **7.3 Issue price restrictions**

Shareholders are advised that it is a condition of approval under ASX Listing Rule 7.1A that the issue price for any securities issue under the 10% Placement Facility must not be less than 75% of the VWAP calculated over the 15 trading days immediately before:

- (i) the date on which the price at which the 10% Placement Facility is agreed or issued; or
- (ii) if the securities are not issued within 5 trading days of the date referred to in paragraph (i) the date on which the securities are issued.

#### **(Maximum Discount)**

### **7.4 Specific Information required by ASX Listing Rule 7.3A**

Pursuant to and in accordance with ASX Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

#### **(a) The minimum price at which the Equity Securities will be issued:**

The Company has not determined the price at which securities issued under the 10% Placement Facility will be issued but in any event, the issue price cannot be less than the Maximum Discount referred to above.

#### **(b) The risk of economic and voting dilution of existing Shareholders that may arise from an issue:**

If Resolution 6 is approved by the Shareholders and the Company issues securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of unlisted options, only if the unlisted options are exercised).

There is a risk that:

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

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

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A(2) as at the date of this Notice of Meeting.

The table also shows:

- (i) two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary shares the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a



pro-rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- (ii) two examples of where the price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Variable "A" in ASX Listing Rule 7.1A.2		Dilution		
		\$0.17 50% decrease in Deemed Price	\$0.34.5 Deemed Price	\$0.51 50% Increase in Deemed Price
Current Variable A  334,250,963 Shares	10% Voting Dilution	33,425,096 Shares	33,425,096 Shares	33,425,096 Shares
	Funds raised	\$5,682,266	\$11,364,532	\$17,046,798
50% increase in current Variable A  501,376,444 Shares	10% Voting Dilution	50,137,644 Shares	50,137,644 Shares	50,137,644 Shares
	Funds raised	\$8,523,399	\$17,297,487	\$25,570,198
100% increase in current Variable A  668,501,926 Shares	10% Voting Dilution	66,850,192 Shares	66,850,192 Shares	66,850,192 Shares
	Funds raised	\$11,364,532	\$23,063,316	\$34,093,597

**The table has been prepared on the following assumptions:**

- (i) The Company issues the maximum securities available under the ASX Listing Rule 7.1A being 10% of the Company's shares on issue at the date of the Meeting;
- (ii) The table does not demonstrate an example of dilution that may be caused to a particular Shareholder by reason of placements under ASX Listing Rule 7.1A, based on that Shareholder's holding at the date of the Meeting;
- (iii) The table only demonstrates the effect of issues of securities under ASX Listing Rule 7.1A. It does not consider placements made under ASX Listing Rule 7.1, the "15% rule";
- (iv) The price of ordinary securities is deemed for the purposes of the table above to be \$0.34.5, being the closing price of the Company's listed securities on ASX on 18 October 2013 (**Deemed Price**). The Deemed Price is indicative only;
- (v) The table does not demonstrate the effect of listed or unlisted options being issued under ASX Listing Rule 7.1A, it only considers the issue of the fully paid ordinary securities.

- (c) **The date by which securities under this listing rule will be issued.**

The Company has not made a determination as to when any shares under the 10% Placement Facility will be issued. In any event, the final date of issuing shares under the 10% Placement Facility is 12 months from the date of this resolution or earlier if

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Shareholders approve a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities or ASX Listing Rule 11.2 (disposal of main undertaking)).

(d) **The purpose for which the securities may be issued including for non-cash consideration:**

The Company intends to make the 10% Placement Facility available for earnings accretive acquisition opportunities.

In particular, the shares may be made available to vendors or joint venture partners in lieu of cash payments, thereby, limiting strain on the Company's cash flow. If the Company makes an issue for non-cash consideration, it will release to the market, a valuation of the non-cash consideration that demonstrates that the issue price complies with ASX Listing Rule 7.1A.

Any issue of shares under the 10% Placement Facility would be subject to the Board being satisfied that the issue is in the best interests of the Company. As at the date of this Explanatory Memorandum, the Company has not formed any intention in respect of any particular acquisitions or collaborations.

(e) **The 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 Facility. No allottees have been determined as at the date of this Explanatory Memorandum. Should the Company determine to issue securities under the 10% Placement Facility, the allottees will be determined on a case-by-case basis and may be a mix of existing and new Shareholders, having regard to the needs and requirements of the Company at the relevant time.

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company has previously obtained shareholder approval under Listing Rule 7.1A at the 2012 Annual General Meeting. Accordingly, Shareholders are provided with the following

Details of share issues in the 12 month preceding the date of this Notice of Meeting.

In the 12 months preceding the date of the Meeting the Company issued a total of 46,546,069 equity securities, which represents 16.29% of equity securities on issue 12 months prior to the date of the Meeting.

The equity securities issued in the preceding 12 months are set out in the following table:

Date	Ordinary Shares	Issue Price	Closing Price on date of issue	% Discount / Premium of Issue Price to Closing Price on date of issue	Issued to or basis of issue	Amount Raised / Use of funds or non-cash Consideration
16/10/13	2,013,277	\$0.339*	\$0.34	0.29% discount	Employees	Non-cash employee issue
23/08/13	798,910	\$0.31*	\$0.335	7.46% discount	Employees	Non-cash employee issue
14/05/13	490,909	\$0.275*	\$0.31	11.92% discount	Employees	Non-cash employee issue
14/05/13	156,250	\$0.32*	\$0.31	3.23% premium	Employees	Non-cash employee issue
25/01/13	43,100,000	\$0.35	\$0.385	9.09% discount	Professional / sophisticated investors (of which 4,310,000 were issued under Listing Rule 7.1A)	Cash (\$15,085,000 raised)
18/12/12	2,000,000	\$0.29#	\$0.385	24.68% discount	Raymond Malone (Director)	Non-cash Director issue

\* Issue price was based on 10-day volume weighted average price calculation prior to agreement to issue.

# Issued price was based on a 30-day volume weighted average price calculation prior date of approval at 2012 Annual General Meeting.

Shares issued for non-cash consideration in the preceding 12 months have a current market value of \$1,883,474 based on the current market share price of \$0.345 at the time of preparing this Notice of Meeting.

Funds totaling \$15,085,000 before costs were raised from share issues in the preceding 12 months, of which approximately \$11,300,000 (as at the time of preparing this Notice of Meeting) has been spent by the Company to retire debt and pay costs associated with the capital raising. Remaining funds raised from issues in the preceding 12 months (including under ASX rule 7.1A) of approximately \$3,785,000 will be used to fund acquisition opportunities.

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

**The Directors unanimously recommend Shareholders vote in favour of Special Resolution 6.**

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# AMA Group Limited

ABN 50 113 883 560

All correspondence to: AMA Group Limited  
PO Box 8694  
Armadale VIC 3143  
Enquiries: 61 3 9824 5254  
Facsimile: 61 3 9822 7735

## PROXY FORM

Annual General Meeting 27 November 2013

### Appointment of Proxy

If appointing a proxy to attend the Annual General Meeting on your behalf, please complete the form and submit it in accordance with the directions on the reverse of the page. I/We being a shareholder/shareholders of the Company pursuant to my/our right to appoint not more than two proxies, appoint

The Chairman of the Meeting  
(mark with an "X")

OR

Write here the name of the person you are appointing if this person is someone other than the Chairman of the Meeting.

or failing him/her, (or if no proxy is specified above), the Chairman of the meeting, as my/our proxy to act generally at the meeting and to vote for me/us and on my/our behalf at the Annual General Meeting in accordance with the following directions or if no directions have been given, as the proxy see fit, to be held at **Kooyong Lawn Tennis Club, 489 Glenferrie Road, Kooyong VIC 3144** on **27 November 2013, at 11:00 am** and at any adjournment of that meeting.

**THE CHAIR INTENDS TO VOTE 100% OF UNDIRECTED PROXIES IN FAVOUR OF RESOLUTIONS 1 TO 6 BELOW. IF YOU DO NOT WISH THE CHAIRMAN TO VOTE IN THIS MANNER, PLEASE INDICATE YOUR PREFERENCE BY MARKING THE AGAINST OR ABSTAIN BOXES BELOW.**

This proxy is to be used in respect of \_\_\_\_\_ % of the ordinary shares I/we hold.

#### Voting directions to your proxy – please mark to indicate your directions

RESOLUTION	For	Against	Abstain*
1. Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Director, Mr. Duncan Fischer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3a. Ratification of Issue of Shares to employees - 3a	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3b. Ratification of Issue of Shares to employees - 3b	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3c. Ratification of Issue of Shares to employees – 3c	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Ratification of Issue of Shares – Private Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5a. Approval of Company Option Plans – 5a	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5b. Approval of Company Option Plans – 5b	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Approval for 10% placement issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\*If you mark 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.

#### PLEASE SIGN HERE

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.  
*Executed in accordance with section 127 of the Corporations Act:*

Individual or Shareholder 1

Sole Director & Sole Company Secretary

Joint Shareholder 2

Director

Joint Shareholder 3

Director / Company Secretary

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2012

Contact Name

Contact Business Telephone / Mobile

## INSTRUCTIONS FOR COMPLETING PROXY FORM

1. Your pre-printed name and address is as it appears on the share register of the Company. If you are Issuer Sponsored and this information is incorrect, make the correction on the form, sign it and return it to us. Securityholders sponsored by a broker on the CHESS subregister should advise their broker of any changes. Please note, you cannot change ownership of your securities using this form.
2. Completion of a proxy form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Meeting.
3. A shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment do not specify this proportion, each proxy may exercise half of the votes.
4. A proxy need not be a shareholder of the Company.
5. If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.
6. If a representative of a company shareholder is to attend the Meeting, a properly executed original (or certified copy) of the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company prior to the meeting or produced for admission to the meeting on the day of the meeting.
7. If a representative as Power of Attorney of a shareholder is to attend the meeting, a properly executed original (or originally certified copy) of an appropriate Power of Attorney should be produced for admission to the Meeting. Previously lodged Powers of Attorney will be disregarded by the Company.

### 8. Signing Instructions

You must sign this form as follows in the spaces provided:

- Individual:** Where the holding is in one name, the holder must sign.
- Joint Holding:** Where the holding is in more than one name, all of the shareholders should sign.
- Power of Attorney:** If you are signing under a Power of Attorney, you must lodge an original or certified photocopy of the appropriate Power of Attorney with your completed Proxy Form.
- Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person.
- If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone.
- Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### 9. Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address below not later than 11.00 am on 25 November 2013 (48 hours before the commencement of the meeting). Any Proxy Form received after that time will not be valid for the scheduled meeting.

#### Hand deliveries

**AMA Group Ltd  
Suite 1  
1233 High Street  
Armadale VIC 3143**

#### Postal address:

**AMA Group Ltd  
PO Box 8694  
Armadale VIC 3143**

#### Fax number:

**(03) 9822 7735**

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