



26th October 2012

The Manager
Company Announcements Office
ASX Limited
Level 6, Exchange Centre
20 Bridge Street
Sydney, NSW 2000

Dear Sir/Madam,

Re: Notice of Annual General Meeting & Proxy Form

Attached is the Notice of Annual General Meeting and Proxy Form together with a covering letter from the Chairman despatched to shareholders today.

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'SR' followed by a flourish.

S.S. Rouvray
Company Secretary
Austbrokers Holdings Limited

For further information, contact Steve Rouvray Tel: (02) 9935 2201
Mobile: 0412 259 158

A message from the Chairman Richard Longes

Dear Shareholder,

Ahead of the Annual General Meeting on November 28, I want to take this opportunity to update you on the significant announcement we made recently on our new Chief Executive.

On October 22 I had the pleasure of announcing the appointment of Mark Searles as our new Chief Executive Officer and Managing Director, effective from 1st January, 2013.

He will succeed Lach McKeough, our current CEO, who is retiring after a wonderful 27-year career with Austbrokers.

Mark Searles is currently General Manager, Broker & Agent at CGU where he is responsible for CGU's intermediary distribution capabilities with greater than \$1.9 billion of gross written premium. Prior to this role he was Chief Commercial Officer & General Manager for Retail. He held senior management roles in the UK at Zurich Financial Services, Lloyds TSB Group and CSL/Goldfish/Goldfish Bank, the UK's leading direct-to-customer financial services group.

The Board is delighted to have appointed an executive of Mark's calibre to lead Austbrokers through its next development phase. Your company has a strong management team and network of independent brokerage businesses, both of which respond well to the challenges of the industry. We are confident Mark will continue to build on what is a very healthy business.

On behalf of the Board I want to recognise and applaud the enormous contribution that Lach McKeough has made to the establishment and growth of both Austbrokers and the brokerage network during his tenure. Under Lach's leadership Austbrokers has grown significantly and our company is widely regarded as being at the forefront of the broker industry.

I know that you will join me in thanking Lach for the tremendous commitment, drive and professionalism he has displayed during his tenure as Chief Executive

I am pleased to advise that after his retirement, Lach has agreed to work with the company in an advisory capacity, focusing specific attention on acquisitions. We are delighted that we will continue to have access to Lach's knowledge and experience during the transition to Mark's leadership.

The Board believes your company will be in safe hands under Mark Searles' leadership. Mark has the broad experience and skills to lead Austbrokers on its next development phase, as well as progressing initiatives already underway, which allow the network to support its client base and interact more efficiently with underwriters.

Please join me in congratulating Mark on his appointment as CEO and Managing Director, and also thanking Lach McKeough for his exceptional contribution to Austbrokers.



Richard Longes
Chairman

Notice of Annual General Meeting

Austbrokers Holdings Limited ABN 60 000 000 715

Notice is hereby given that the Annual General Meeting of shareholders of Austbrokers Holdings Limited will be held at the Intercontinental Hotel, 117 Macquarie Street, Sydney, New South Wales at 10.00am on Wednesday 28 November 2012.

ORDINARY BUSINESS

1. **Annual Report**

To receive and consider the profit and loss statement and balance sheet of the Company and the entities it controlled for the financial year ended 30 June 2012 and the reports of the Directors and auditor thereon.

2. **Re-election of Richard Anthony Longes as a Director**

Mr Longes retires by rotation in accordance with Article 6.3 of the Company's Constitution and, being eligible, offers himself for re-election.

Details of the qualifications and experience of Mr Longes and the recommendation of the Board are set out in section 2 of the attached Explanatory Notes.

3. **Remuneration Report**

To adopt the Remuneration Report for the year ended 30 June 2012.

Note: the vote on this resolution is advisory only and does not bind the directors of the Company.

SPECIAL BUSINESS

4. **Senior Executive Option Plan Offer**

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

"That, for the purposes of Listing Rule 10.14 of the Listing Rules of ASX Limited, sections 200B and section 200E of the Corporations Act 2001 (Cth) and for all other purposes, the Company approves the grant of 233,000 options to Mr Mark Searles under the Austbrokers Senior Executive Option Plan and the allotment to Mr Mark Searles of up to 233,000 fully paid ordinary shares in the Company pursuant to the valid exercise of those options."

5. **Termination benefits**

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

"That approval be given for the purposes of sections 200B and section 200E of the Corporations Act 2001 (Cth), for the giving of benefits to any past, current or future senior manager of the Company in connection with that person ceasing to hold a managerial or executive office in the Company as set out in the Explanatory Notes."

By order of the Board

Stephen Rouvray
Company Secretary

Dated 24 October 2012

Entitlement to Attend and Vote

- (a) Pursuant to Regulation 7.11.37 of the Corporations Regulations 2001, the Directors have determined that for the purpose of the meeting all shares in the Company shall be taken to be held by the persons who were registered as shareholders at 7:00pm on Monday, 26 November 2012.

Proxies

- (b) A member has a right to appoint a person or body corporate as a proxy. A member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of the member's votes each proxy is entitled to exercise, failing which each may exercise half of the votes. Where a member appoints one (1) proxy, that proxy may vote on a show of hands. Where a member appoints more than one (1) proxy, neither proxy is entitled to vote on a show of hands.
- (c) If you appoint a body corporate as your proxy, the body corporate will need to ensure that it:
- appoints an individual as its corporate representative to exercise its powers at meetings, in accordance with section 250D of the Corporations Act 2001 (Cth); and
 - provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the meeting.
- (d) A proxy need not be a member of the Company.
- (e) Details for completion and lodgement of proxies are on the reverse side of the Appointment of Proxy form. A proxy must be received by the Company's share registry, Link Market Services Limited, by 10.00am on Monday, 26 November 2012. A proxy may be mailed to Link Market Services Limited at Locked Bag A14, Sydney South NSW 1235, hand delivered to Link Market Services Limited at Level 12, 680 George Street, Sydney NSW or 1A Homebush Bay Drive, Rhodes NSW 2138 or sent by facsimile to Link Market Services Limited on (02) 9287 0309 or online at www.linkmarketservices.com.au.

Voting exclusion statement

- (f) The Company will disregard any votes cast on Resolution 4 by Mr McKeough or Mr Searles and any director, except one that is ineligible to participate in any employment incentive scheme in relation to the Company and their associates. However, the Company need not disregard a vote 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.
- (g) The Company will disregard any vote cast on Resolution 5 by any person who is or may be a participant under the Senior Executive Option Plan or an associate of such a person. However, the Company need not disregard a vote if it is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the resolution and it is not cast on behalf of any person who is or maybe a participant under the Senior Executive Option Plan or an associate of such person.

Voting Prohibition Statement

- (h) In accordance with the Corporations Act 2001 (Cth), a vote on Resolution 3 must not be cast (in any capacity) by or on behalf of either of the following persons:
- i. a member of the Company's key management personnel, details of whose remuneration are included in the Remuneration Report on pages 47 to 53 of the Annual Report; or
 - ii. a closely related party of such a member.

However, a person (the **voter**) described above may cast a vote on Resolution 3 as a proxy if the vote is not cast on behalf of a person described above and either:

- i. the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
 - ii. the voter is the Chairman of the meeting, the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution and expressly authorises the Chairman to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company (or, if the Company is part of a consolidated entity, for the entity).
- (i) In accordance with the Corporations Act 2001 (Cth), a person appointed as a proxy must not vote, on the basis of the appointment, on Resolutions 4 or 5 if the proxy is either a member of the Company's key management personnel or a closely related party of such a member, and the appointment does not specify the way the proxy is to vote on Resolutions 4 or 5 respectively. However, this prohibition does not apply if the proxy is the Chairman of the meeting and the appointment expressly authorises the Chairman to exercise the proxy even if the Resolutions are connected directly or indirectly with the remuneration of a member of the key management personnel for the Company (or, if the Company is part of a consolidated entity, for the entity).

It is the intention of the Chairman of the Meeting to cast all available proxies in favour of all Resolutions.

EXPLANATORY NOTES

This statement explains the items of business to be considered at the meeting and should be read in conjunction with the notice of meeting.

1. **Annual Report (no vote)**

The Company's Annual Report for the financial year ended 30 June 2012 has been made available to shareholders and is published on the Company's website www.austbrokers.com.au in the investor relations section.

There is no requirement for shareholders to approve this report. During this item of business there will be an opportunity for shareholders to comment on and ask questions about the Company's management, operations, financial position, business strategies and prospects.

2. **Re-election of Director (ordinary resolution)**

Mr Richard Anthony Longes - Non-Executive Director - Aged 67.

Richard Longes was a lawyer and partner at Freehill Hollingdale & Page from 1974 to 1988. In 1988 he was a founding partner of corporate advisory firm Wentworth Associates and is now a non-executive director of Investec Bank Australia Limited. Presently he is the Chairman of the Company, and a member of the Audit and Risk Management Committee and chair of the Nomination and Remuneration and Succession Planning Committees of the Austbrokers Group. Mr Longes also currently serves as a director of Boral Limited, the Pain Management Research Institute and the National Centre of Indigenous Excellence and was previously a director of Metcash Limited.

Board Recommendation:

Each Director, other than Mr Longes, recommends that shareholders vote 'for' the resolution to re-elect Mr Longes as a Director.

3. **Remuneration Report (ordinary resolution)**

The Corporations Act 2001 (Cth) requires a resolution to be put to the shareholders for the adoption of the Remuneration Report and to give a reasonable opportunity to shareholders to comment on and ask questions about the Remuneration Report.

The Remuneration Report is set out in pages 47 to 53 of the Annual Report and includes:

- (a) a discussion of Board policy for determining the nature and amount (or value, as appropriate) of remuneration of Directors and senior managers of the Company;
- (b) an explanation of the relationship between the remuneration of Directors and senior management and the Company's performance; and
- (c) details of the performance conditions connected with the remuneration of each Director and senior manager.

The vote on this resolution is advisory only and does not bind the directors of the Company. However, as required by the Corporations Act 2001 (Cth), if the Company receives a "no" vote of 25% or more in relation to the Remuneration Report at two successive annual general meetings, a spill resolution will be put to the members at the second annual general meeting. If the spill resolution is passed with 50% or more of the votes cast, the Company will, within 90 days, hold a spill meeting to vote on whether to keep the existing directors (the managing director will not be subject to the spill vote).

At the 2011 Annual General Meeting of the Company, the Remuneration Report was approved.

Board Recommendation:

The Board recommends that shareholders vote 'for' the resolution to approve the Remuneration Report.

4. **Senior Executive Option Plan Offer (ordinary resolution)**

The Company has announced that it has entered into an agreement with Mr Mark Searles to appoint Mr Searles as Managing Director and Chief Executive Officer of the Company on the retirement of Mr Lachlan McKeough from 1 January 2013. Mr Searles is currently a senior executive and Head of Broker Business at CGU, Australia's leading intermediated insurer. Mr Searles formerly held positions in the UK in general management and marketing in the insurance industry and financial services, and also has a background in software support and development.

The Board is delighted that it has been able to attract a person of Mr Searles' seniority and experience to take over from Mr McKeough. Mr Searles has entered into a 3 year service agreement.

This resolution is being put to shareholders to obtain approval for the grant to Mr Searles, as part of Mr Searles' remuneration, of options to subscribe for:

- (a) up to 200,000 fully paid ordinary shares in the Company under the Austbrokers Senior Executive Option Plan and the allotment to Mr Searles of ordinary shares in the Company pursuant to the exercise of those options (**Performance Options**); and
- (b) 33,000 fully paid ordinary shares in the Company under the Austbrokers Senior Executive Option Plan and the allotment to Mr Searles of ordinary shares in the Company pursuant to the exercise of those options, such options to vest on 1 January 2016 (**Additional Options**). These Additional Options were granted to compensate Mr Searles for accumulated benefits which he is foregoing by leaving his current employment.

Shareholder approval for the grant of the Performance Options and the Additional Options (**Options**) to Mr Searles and the allotment to Mr Searles of ordinary shares in the Company is required under Listing Rule 10.14 of the Listing Rules of ASX Limited because Mr Searles will be a director of the Company at the time of the grant of the Options.

The Board believes that the grant of long-term incentives under the Senior Executive Option Plan aligns the incentives with shareholders' interests.

The Performance Options will only vest to the extent that the performance hurdles are satisfied. Details of the hurdles are set out below.

For the reasons set out above, the Additional Options are not subject to performance hurdles and will vest on 1 January 2016 provided that Mr Searles is an employee of a Group Company (being the Company, any of its subsidiaries and any other company which is a member or associate member of the Austbrokers network of insurance and financial services businesses or the trustee company of such a business) (**Group Company**) on that date.

Terms of the Options Granted

Date of grant: Subject to receipt of shareholder approval, the Options will be granted on or after 1 January 2013.

Consideration for grant: The Options will be granted for nil consideration.

Exercise price: The exercise price of the Options is nil.

Exercise period: Subject to satisfaction of the performance hurdles referred to below, the Performance Options will vest on 1 January 2016 and 1 January 2018 and any Performance Option not exercised within 7 years after the date of the grant will automatically lapse.

The Additional Options will vest on 1 January 2016 and any Additional Option not exercised within 7 years after the date of the grant will automatically lapse.

Vesting hurdles: Mr Searles must be an employee of a Group Company on the relevant vesting date.

The proportion of Performance Options which will vest will be determined by the average annual growth rate (**AAGR**) of earnings per share (**EPS**) over the relevant period as follows:

AAGR of EPS	Percentage of Performance Options which vest
8.5% or less	20%
Greater than 8.5% to less than 10%	Straight line vesting between 20-50%
10%	50%
Greater than 10% to less than 15%	Straight line vesting between 50-100%
15% or more	100%

The AAGR of EPS will be tested at the end of the financial year ending 30 June 2015 (**3 year AAGR**) and at the end of the financial year ending 30 June 2017 (**5 year AAGR**) .

The 3 year AAGR will be applied to determine the number of Performance Options that will vest on 1 January 2016.

Should any Performance Options not vest on 1 January 2016, if the 5 year AAGR is higher than the 3 year AAGR, then an additional number of Performance Options will vest on 1 January 2018 such additional number being the difference between the number of Performance Options which vested on 1 January 2016 and the number of Performance Options which would vest on 1 January 2018. If the 5 year AAGR is equal to or lower than the 3 year AAGR, then no additional Performance Options will vest.

As noted above, the Additional Options are not subject to performance hurdles.

Any Options which have not vested by 1 January 2018 lapse.

Lapse: The circumstances when the Performance Options will lapse are set out in the Senior Executive Option Plan Rules (specifically rules 8.4, 8.6 and 8.7). However, if Mr Searles ceases to be employed as a result of the Company giving Mr Searles 6 months' written notice of termination at any time prior to 1 January 2016 because, by reason of Mr Searles' illness, injury or incapacity, Mr Searles is unable to perform his duties for a total of 13 weeks in any 52 consecutive weeks or Mr Searles becomes permanently incapable of performing his duties, the Board intends to exercise its discretion under rule 8.7 of the Senior Executive Option Plan Rules to allow a pro rata number of Performance Options to vest, ie proportional to Mr Searles' length of service with the Company measured against the initial 3 year term.

The circumstances when the Additional Options will lapse are set out in the Senior Executive Option Plan Rules (specifically rules 8.4, 8.6 and 8.7). However, if Mr Searles ceases to be employed as a result of the Company giving notice at any time prior to 1 January 2016 in the circumstances referred to immediately above, the Board intends to exercise its discretion under rule 8.7 of the Senior Executive Option Plan Rules to allow 100% of these Additional Options to vest.

Participation in new issues: Subject to the Listing Rules (where relevant), Mr Searles may only participate in respect of an Option in a new issue of fully paid ordinary shares in the Company or other securities to holders of fully paid ordinary shares in the Company if the Option has been exercised in accordance with its terms and fully paid ordinary shares in the Company are allotted and registered in respect of the Option on or before the record date for determining entitlements to the issue.

Capital event adjustments: If the Company makes a bonus issue of securities to the holders of ordinary shares, the holder of the Options will be entitled, upon later exercise, to receive additional ordinary shares as if the Options had been exercised prior to the record date for the bonus issue. In the event of any reconstruction of the issued ordinary capital of the Company the number of ordinary shares attaching to each Option will be reconstructed in the manner as specified in the Listing Rules.

Ranking of shares issued: The ordinary shares in the Company issued upon exercise of the Options will rank equally with the existing ordinary shares in the Company on issue, except for entitlements which had a record date before the date of issue of those shares.

Disposal restriction: If the Performance Options are exercised within 2 years of the date that the Options vest, the shares acquired on exercise may not be disposed of by Mr Searles for a period of 2 years from the date that the Options vested, except if Mr Searles' employment is terminated in which case there will be no disposal restrictions.

There are no disposal restrictions on the Additional Options.

Disclosure

The following information sets out the disclosure required for the purposes of ASX Listing Rule 10.15:

- (a) the maximum number of Options which can be awarded to Mr Searles under this approval is 233,000;
- (b) the consideration for the grant of the Options is nil and the price payable on the exercise of each Option is nil;
- (c) no securities have been received by a person referred to in Listing Rule 10.14 under the Senior Executive Option Plan since the last approval;
- (d) the persons referred to in Listing Rule 10.14 entitled to participate in the Senior Executive Option Plan are Lachlan McKeough and Mark Searles;
- (e) there is no loan in relation to the proposed award of the Options to Mr Searles; and
- (f) the Options are intended to be granted to Mr Searles on or around 1 January 2013 and in any event will be granted no later than 12 months after the date of the Annual General Meeting.

The following information sets out the disclosure required for the purposes of section 200E of the Corporations Act:

- (a) the nature of the termination benefit is a pro rata number of unvested Performance Options to vest, (ie proportional to Mr Searles' length of service with the Company measured against the initial 3 year term) where Mr Searles ceases to be employed as a result of the Company giving Mr Searles 6 months' written notice of termination at any time prior to 1 January 2016 because, by reason of Mr Searles' illness, injury or incapacity, Mr Searles is unable to perform his duties for a total of 13 weeks in any 52 consecutive weeks or Mr Searles becomes permanently incapable of performing his duties;
- (b) The amount of the termination benefit cannot be ascertained as at the date of this notice of meeting. The matters, events or circumstances that will, or is likely to, affect the calculation of that amount are the number of Performance Options held by Mark Searles, the length of employment service of Mark Searles with the Austbrokers Group at the time of termination and the market value of the shares of the Company at the time of termination.

None of the Directors has any interest in the outcome of resolution 4 except to provide an appropriate incentive to Mr Searles to maximise shareholder wealth. The proposal to offer options to Mr Searles has been recommended by the Remuneration and Succession Planning Committee.

Board recommendation:

All of the Directors, other than Mr McKeough who will abstain from voting on the resolution, recommend that you vote in favour of the resolution.

Pursuant to ASX Listing Rule 10.15.5, the Company will disregard any votes cast on Resolution 4 by Mr McKeough or Mr Searles and any associate of Mr McKeough or Mr Searles. However, the Company need not disregard a vote 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 if it is cast by a 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.

5. Termination benefits (ordinary resolution)

Why shareholder approval is being sought: The law restricts the benefits which can be given to individuals who hold a managerial or executive office, as defined in the Corporations Act 2001 (Cth) (**Corporations Act**), on cessation of their employment with the Company. Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with their ceasing to hold a managerial or executive office in the Company if it is approved by shareholders or an exemption applies.

The termination benefit: Under the terms of the Senior Executive Option Plan, the Company may at the time of offer of options under the Senior Executive Option Plan, specify a period of time, not to exceed 2 years, during which the shares acquired on exercise of those options, may not be disposed of by the Senior Executive Option Plan participant (**Disposal Restriction**). Shareholder approval is being sought for the purposes of sections 200B and 200E of the Corporations Act for any 'termination benefits' that may be provided to a senior manager of the Company by way of removing the Disposal Restriction upon cessation of that senior manager's employment with the Company.

Reason for the benefit: Approval is being sought in respect of any past, current or future participant in the Senior Executive Option Plan receiving the termination benefit explained below, at the time of their termination.

Any participant in the Senior Executive Option Plan who exercises their vested options and receives shares, will be liable to pay tax in relation to those shares on cessation of their employment with the Company. Without the removal of the Disposal Restriction on cessation of their employment, the participant will be liable for the tax but will not be able to realise the value of the shares to apply towards payment of such tax. Therefore, the Company proposes that the participants be permitted to dispose of such shares on cessation of their employment.

Value: The value of the termination benefit is the amount of the sale proceeds of the shares which the Senior Executive Option Plan participant sells. This amount cannot be ascertained at the date of this notice of meeting and can only be ascertained upon the sale of the shares by the senior manager upon cessation of their employment.

The manner in which the value would be calculated would be to multiply the number of shares sold by the Senior Executive Option Plan participant by the sale price(s) of those shares.

The matters, events or circumstances that will, or is likely to, affect the calculation of that amount are the number of shares held by the Senior Executive Option Plan participant, the market value of the shares of the Company at the time of sale and the exercise price (if any) of the options.

This is not a new benefit: Shareholders are not being asked to approve any increase in the remuneration or benefits for senior managers or any variations to the existing discretions of the Board. The Senior Executive Option Plan Rules provide that the Board may exercise its discretion and provide that a restriction on disposal of shares will not apply on cessation of employment.

Board recommendation:

All of the Directors, other than Mr McKeough who will abstain from voting on the resolution, recommend that you vote in favour of the resolution.

The Company will disregard any vote cast on Resolution 5 by any shareholder who is or may be a participant under the Senior Executive Option Plan or an associate of such a person. However, the Company need not disregard a vote if it is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the resolution and it is not cast on behalf of any person who is or maybe a participant under the Senior Executive Option Plan or an associate of such person.



By mail:
Austbrokers Holdings Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



By fax: +61 2 9287 0309



All enquiries to: Telephone: 1800 194 270 Overseas: +61 2 8280 7209



X99999999999

SECURITYHOLDER VOTING FORM

I/We being a member(s) of Austbrokers Holdings Limited and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

☐

**the Chairman
of the Meeting
(mark box)**

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy. I/we appoint the Chairman of the Meeting as an alternate proxy to the person named.

If no person/body corporate is named, the Chairman of the Meeting, is appointed as my/our proxy and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at **10:00am on Wednesday, 28 November 2012, at the Intercontinental Hotel, 117 Macquarie Street, Sydney NSW** and at any adjournment or postponement of the meeting. I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting. Please read the voting instructions overleaf before marking any boxes with an ☒.

STEP 2

VOTING DIRECTIONS

Resolution 2

Re-election of Richard Anthony Longes as a Director

☐ For

☐ Against

☐ Abstain*

Resolution 4

Senior Executive Option Plan Offer

☐ For

☐ Against

☐ Abstain*

Resolution 3

Remuneration Report

☐ For

☐ Against

☐ Abstain*

Resolution 5

Termination benefits

☐ For

☐ Against

☐ Abstain*

i * 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

IMPORTANT - VOTING EXCLUSIONS

☐

If the Chairman of the Meeting is appointed as your proxy, or may be appointed by default and you do **not** wish to direct your proxy how to vote as your proxy in respect of Items 4 and 5 above, please place a mark in this box. The Chairman of the meeting intends to vote undirected proxies in favour of items 4 and 5 even though the items are directly connected with the remuneration of Key Management Personnel (KMP). By marking this box, you acknowledge that the Chairman of the Meeting may exercise your proxy even though he/she has an interest in the outcome of Items 4 and 5 and that votes cast by him/her for these items, other than as proxyholder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Items 4 and 5 and your votes will not be counted in calculating the required majority if a poll is called on these Items.

STEP 4

SIGNATURE OF SECURITYHOLDERS - THIS MUST BE COMPLETED

Securityholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Securityholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Securityholder 3 (Individual)

Director

This form should be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

AUB PRX202R



HOW TO COMPLETE THIS PROXY FORM

Your Name and Address

This is your name and address as it appears on the company's security register. If this information is incorrect, please make the correction on the form. Securityholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your securities using this form.**

Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you appoint someone other than the Chairman of the Meeting as your proxy, you will also be appointing the Chairman of the Meeting as your alternate proxy to act as your proxy in the event the named proxy does not attend the meeting.

Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing 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 the items of business, 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.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as 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 security registry or you may copy this form and return them both together. The appointment of the Chairman of the Meeting as your alternate proxy also applies to the appointment of the second proxy.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or 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.

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, either securityholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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.

Corporate Representatives

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the company's security registry.

Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am on Monday, 26 November 2012**, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE > www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the proxy form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the proxy form).



by mail:

Austbrokers Holdings Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



by fax:

+61 2 9287 0309



by hand:

delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 or Level 12, 680 George Street, Sydney NSW 2000.

**If you would like to attend and vote at the Annual General Meeting, please bring this form with you.
This will assist in registering your attendance.**