



ABN 39 069 141 546
www.cashconverters.com

**Notice of Annual General Meeting,
Explanatory Statement
and Proxy Form**

**FOR THE
ANNUAL GENERAL MEETING
OF
CASH CONVERTERS INTERNATIONAL LIMITED
TO BE HELD AT
THE PAN PACIFIC HOTEL
207 ADELAIDE TERRACE
PERTH WA 6000
FRIDAY 16 NOVEMBER 2012
COMMENCING AT 10.00AM (WESTERN AUSTRALIAN TIME)**



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Cash Converters International Limited ("Company") will be held at 10.00am (WST) on Friday 16 November 2012 at:

The Pan Pacific Hotel
207 Adelaide Terrace
Perth Western Australia 6000

ORDINARY BUSINESS

Item 1 - Financial report and directors' and auditor's reports

To receive and consider the financial report for the year ended 30 June 2012 and the related directors' report, directors' declaration and auditor's report.

Item 2 – Re-election of Mr John Yeudall

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

"That Mr John Yeudall, who retires and, being eligible, offers himself for re-election, be re-elected as a director."

Item 3 – Adopt Remuneration Report

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

"That the Remuneration Report of the Company for the financial year ended 30 June 2012 be adopted."

Voting exclusion statement

To the extent required by section 250R of the Corporations Act 2001 (Cwlth), a vote must not be cast (in any capacity) on Item 3 by or on behalf of a member of the Company's or the group's key management personnel whose remuneration details are included in the Remuneration Report or a closely related party of such a member. However, a person (the "voter") may cast a vote as a proxy where the vote is not cast on behalf of such a member or a closely related party of such a member and the voter is either:

- (a) appointed as a proxy by writing that specifies how the proxy is to vote on Item 3; or
- (b) the chair of the meeting and the appointment of the chair as proxy does not specify how the proxy is to vote on Item 3 and expressly authorises the chair to exercise the proxy even though Item 3 is connected directly or indirectly with the remuneration of a member of the key management personnel.

SPECIAL BUSINESS

Item 4 – Amendments to the Company's Constitution

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

"That, with effect from the close of the Annual General Meeting and in accordance with section 136 of the Corporations Act, the Company's Constitution be modified by:

- 1) replacing all references to the words "Corporations Law" with the words "Corporations Act";
- 2) replacing all references to the words "SCH Business Rule" with the words "ASX Settlement Operating Rule";
- 3) replacing all references to the words "proper SCH transfer" with the words "Proper Transfer";
- 4) replacing all references to the word "SCH" with the words "ASX Settlement";
- 5) replacing the definition of "ASX" with the definition "**ASX** means ASX Limited ABN 98 008 624 691 and, where the context requires, the securities exchange operated by it." in clause 2.1 of the Constitution;
- 6) inserting the following definitions after the definition of "ASX Listing Rules" in clause 2.1 of the Constitution:
"ASX Settlement" means ASX Settlement Pty Limited ABN 49 008 504 532.
"ASX Settlement Operating Rules" means the settlement operating rules of ASX Settlement and, to the extent they are applicable, the operating rules of each of ASX and ASX Clear Pty Limited ABN 48 001 314 503."
- 7) replacing the words "The London Stock Exchange" with the words "the ASX" in the definition of "Business Days" in clause 2.1 of the Constitution;



- 8) replacing the definition of "Corporations Law" with the definition *"**Corporations Act**" means the Corporations Act 2001 (Cwlth)."* in clause 2. 1 of the Constitution;
- 9) deleting the definition of "Dividend Access Share" in clause 2.1 of the Constitution;
- 10) deleting the definition of "FDP" in clause 2. 1 of the Constitution;
- 11) inserting the words *"or the ASX (and includes a Proper Transfer)"* after the words *"The London Stock Exchange"* in paragraph (a) of the definition of "Market Transfer" in clause 2.1 of the Constitution;
- 12) inserting the words *"or the ASX"* after the words *"The London Stock Exchange"* in paragraph (b) of the definition of "Market Transfer" in clause 2.1 of the Constitution;
- 13) inserting the definition *"**Proper Transfer**" means a transfer through a "prescribed CS facility", as defined in Section 761A of the Corporations Act."* after the definition of "Preference Share Holders" in clause 2.1 of the Constitution;
- 14) deleting the definition of "SCH Business Rules" in clause 2.1 of the Constitution;
- 15) deleting the definitions of "Unit" and "Unitholder" in clause 2.1 of the Constitution;
- 16) inserting the definition *"**Uncertificated Securities Regulations**" means the Uncertificated Securities Regulations 2001 (UK), as amended from time to time, including any provisions of or under any legislation which alters or replaces such regulations."* in clause 2.1 of the Constitution;
- 17) inserting the words *"and the ASX Listing Rules"* after the words *"defined in the Corporations Law"* in clause 2.2(c) of the Constitution;
- 18) inserting the words *"the ASX Listing Rules, the"* after the words *"the Listing Rules,"* and deleting the word *"to"* in clause 3 of the Constitution;
- 19) replacing the words *"the London Stock Exchange"* with the word *"ASX"* in clause 3(c) of the Constitution;
- 20) inserting the word *"Preference"* before the word *"Share"* in clause 5.9(a) of the Constitution;
- 21) replacing the words *"and the Listing Rules, every Member"* with the words *" , the Listing Rules and the ASX Listing Rules, every Member (except a person to whom the Company is not required by law to issue a certificate)"* in clause 8.2 of the Constitution;
- 22) replacing the words *"Corporations Law and the Listing Rules"* with the words *"Corporations Act, the Listing Rules and the ASX Listing Rules"* in clause 8.4 of the Constitution;
- 23) deleting clause 8.6 of the Constitution;
- 24) replacing the words *"Listing Rules and SCH Business Rules"* with the words *"Listing Rules, ASX Listing Rules and the ASX Settlement Operating Rules"* in the second instance of paragraph (d) in clause 9.2 of the Constitution;
- 25) inserting the words *"and all other matters required to be specified in the notice by the ASX Listing Rules"* after the words *"place for payment"* in clause 11.3 of the Constitution;
- 26) inserting the words *"which is a proper instrument of transfer for the purposes of section 1071B(2) of the Corporations Act,"* after the words *"in any usual or common form"* in clause 19.1(a) of the Constitution;
- 27) inserting the words *"In relation to Shares listed on the Official List of the LSE, a Member may transfer all or any of the Member's uncertificated Shares in accordance with the Uncertificated Securities Regulations."* as a new clause 19.1(c) in the Constitution;
- 28) inserting the words *"(including Proper Transfers)"* after the words *"registrable transfer forms"* in clause 19.5(a) of the Constitution;
- 29) inserting the words *"other than in the case of a Proper Transfer, in which case the provisions of the ASX Settlement Operating Rules apply"* after the words *"Register in respect of the Shares"* in clause 19.5(b) of the Constitution;
- 30) inserting the words *"In the case of a Market Transfer the Company must comply with such obligations as may be imposed on it by the ASX Listing Rules and the ASX Settlement Operating Rules in connection with any transfer of Shares."* as a new clause 19.5(c) of the Constitution;
- 31) deleting clause 20.8 of the Constitution;
- 32) replacing the words *"Corporations Law and the Listing Rules"* with the words *"Corporations Act, the Listing Rules, the ASX Listing Rules and the ASX Settlement Operating Rules"* in clause 22 of the Constitution;
- 33) deleting clause 32.3 of the Constitution;
- 34) replacing the words *"be given and"* with the words *"be given but inclusive of"* in clause 34.1 of the Constitution;
- 35) replacing the words *"elect Directors"* with the words *"fix the Auditor's remuneration"* in clause 38.1 of the Constitution;

- 36) deleting clause 38.3 of the Constitution;
- 37) inserting the words "declaration of a Dividend or the" after the words "Meeting concerning the" and inserting the words "may declare a Dividend or" after the words "exercise of their powers" in clause 41.2(a) of the Constitution;
- 38) replacing the words and figures "Section 1109N of the Corporations Law" with the words and figures "Regulation 7.11.37 of the Corporations Regulations 2001 (Cwlth)" in clause 42.1 of the Constitution;
- 39) inserting the words ", a Director falling within the terms of Section 250V(1)(b) of the Corporations Act" after the words "a Director appointed by virtue of clause 51" in clause 52.5 of the Constitution;
- 40) replacing the words "A Director shall not vote in respect of any" with the words "Subject to clause 69.3 and the Corporations Act, a Director may vote in respect of any contract or arrangement in which they are so interested as aforesaid other than a" in clause 69.2 of the Constitution;
- 41) inserting the words "A Director shall (in accordance with the ASX Listing Rules) promptly advise the ASX of any interest the Director may have in any material contract to which the Company is a party or in which the Company also has an interest." as a new clause 69.9 of the Constitution;
- 42) replacing the words "this clause 77," with the words "clauses 76 and 77" in clause 77.2 of the Constitution;
- 43) replacing the words "determine that a Dividend is payable" with the words "declare a Dividend to be paid" in clause 78.1 of the Constitution;
- 44) replacing clause 78.2 of the Constitution with "The Directors may from time to time, without declaring a Dividend, determine that a Dividend is payable and fix the amount and time for payment of such Dividend.";
- 45) replacing the words "may be paid otherwise than out of profits nor" with the word "shall" in clause 78.3 of the Constitution;
- 46) replacing the words "Dividend becomes payable" with the words "Dividend is declared" in clause 79.1 of the Constitution;
- 47) deleting the words "in relation to partly paid Shares", inserting the words "declared and" after the words "shall be", inserting the words "paid or credited as" after the words "according to the amounts" and replacing the words "All Dividends shall be apportioned" with the words "In relation to partly paid Shares, all Dividends shall be apportioned" in clause 79.2 of the Constitution;
- 48) inserting the words "declaring or" after the words "The Directors, when" in clause 80.2 of the Constitution";
- 49) inserting the words "declaring or" after the words "The Directors when" in clause 81 of the Constitution;
- 50) deleting clause 84 of the Constitution;
- 51) deleting the words "before determining that any Dividend is payable" after the words "The Directors may" and deleting the words "which they may think prudent not to divide" after the words "carry forward any profits" from clause 84 of the Constitution;
- 52) deleting the words "not in South Australia" after the words "against any Member" from clause 88.7 of the Constitution;
- 53) replacing the words and figures "Sections 232(5) or (6)" with the words and figures "Sections 182 or 183" in clause 89.3(a) of the Constitution; and
- 54) replacing the words and figures "16 December 1996 and 24 November 1999 and are" with the words and figures "16 December 1996, 24 November 1999 and 16 November 2012 and is", the words and figures "24 day of November 1999" with the words and figures "16 day of November 2012" and the words "Brian Cumins" with the words "Reginald Webb" after clause 90 of the Constitution."

Other matters

To deal with any other ordinary business which may be brought forward in accordance with the Company's Constitution.

By Order of the Board: 25 September 2012

A handwritten signature in blue ink, appearing to be "D.R. Groom".

D.R. Groom, A.C.M.A., F.C.P.A., F.C.I.S.
Company Secretary

EXPLANATORY STATEMENT

IMPORTANT NOTICE

Please read this document and the Notice of Annual General Meeting carefully, as it contains important information.

GENERAL

The main purpose of this explanatory statement is to provide shareholders with information concerning the business to be considered at the Annual General Meeting, including all of the resolutions proposed and detailed in the Notice of Annual General Meeting.

ITEM 1 - FINANCIAL REPORT AND DIRECTORS' AND AUDITOR'S REPORTS

The Company's financial report, the directors' report, the directors' declaration and the auditor's report for the year ended 30 June 2012 will be placed before the meeting thereby giving shareholders the opportunity to discuss these documents and to ask questions.

ITEM 2 – RE-ELECTION OF MR JOHN YEUDALL

Clause 52.1 of the Company's Constitution requires that at every Annual General Meeting of the Company, one-third (or the number nearest to but not exceeding one third) of the directors (except the managing director) shall retire from office. Clause 52.2 states that in every year the director (or directors) to retire is the one third (or other nearest whole number) who have been longest in office since their last election (and, as between two or more who have been in office an equal length of time, the director determined by lot).

Mr John Yeudall, who is required to retire in accordance with clauses 52.1 and 52.2, has been a non-executive director of the Company since December 2002 and is the Chairman of the Audit, Remuneration and Nomination Committees.

Mr Yeudall is aged 68. He was born in the UK and qualified there as a Chartered Engineer. He has been an Australian Citizen for many years, making Perth his home since 1982. He has a successful history in both the public and private sectors having spent ten years with the Australian Trade Commission responsible for facilitating Australian trade with the Middle East. Part of that role was a three year term as Consul General in Dubai.

This followed a successful career in private business in Saudi Arabia. Mr Yeudall has been a director of a number of public companies in the last 10 years and was the founder of the IKEA franchise in WA, holding the position of Managing Director.

Being eligible, Mr Yeudall offers himself for re-election as a director. The Board (other than Mr Yeudall, who abstained) unanimously recommends that shareholders vote in favour of this resolution.

ITEM 3 – ADOPT REMUNERATION REPORT

The Corporations Act requires listed companies to put a Remuneration Report relating to director and executive remuneration for each financial year to a resolution of members at their annual general meeting. The Remuneration Report is included in the directors' report of the Company's annual financial report, which accompanies this Notice of Annual General Meeting.

Under section 250R (3) of the Corporations Act, the vote is advisory only and does not bind the directors or the Company. However, if at least 25% of the votes cast on the resolution are voted against adoption of the Remuneration Report at the meeting and then again at the 2013 Annual General Meeting, the Company will be required to put to shareholders a resolution at the 2013 Annual General Meeting proposing the calling of a further general meeting to consider the election of directors of the Company (**spill resolution**).

If more than 50% of shareholders vote in favour of a spill resolution, the Company would be required to convene a further general meeting (**spill meeting**) within 90 days of the 2013 Annual General Meeting. All of the directors who were in office when the 2013 directors' report was approved by the directors, other than the Managing Director, would cease to hold office immediately before the end of the spill meeting but may stand for re-election at the spill meeting. Following the spill meeting those persons whose election or re-election as directors is approved would be the directors of the Company.

Noting that each director has a personal interest in their own remuneration from the Company as set out in the Remuneration Report, the Board unanimously recommends that shareholders vote in favour of adopting the Remuneration Report.

Key management personnel details of whose remuneration are included in the Remuneration Report and their closely related parties are prohibited from voting on Item 3, except in the circumstances described in the voting exclusion statement set out in the Notice of Annual General Meeting. See also the note in relation to Item 3 under the "Proxies" section below.

ITEM 4 – AMENDMENTS TO THE COMPANY’S CONSTITUTION

The Company has undertaken a review of its Constitution and is proposing amendments to correct certain superseded references and to reflect changes to the Corporations Act. The proposed changes are summarised below:

- (a) References to superseded definitions such as “Corporations Law”, “proper SCH transfer”, “SCH” and “SCH Business Rules” are being updated or replaced as appropriate;
- (b) References to certain ASX entities and operating rules are being updated in line with changes to ASX’s group structure and operating rule titles;
- (c) References to superseded regulatory bodies, provisions of the Corporations Law and other Acts are being updated to reflect current regulatory bodies and law;
- (d) References to the ASX Listing Rules have been made in sections of the constitution where previously only the London Stock Exchange Listing Rules were referenced;
- (e) Clause 52.5 of the Constitution is being amended to make clear that any directors who, under the Corporations Act, cease to hold office at the end of a “spill meeting” (as described in the Explanatory Statement under Item 1 above) are automatically eligible for re-election as directors at that spill meeting;
- (f) References to the Foreign Dividend Plan and associated provisions have been removed following the unwinding of the Dividend Access Scheme in 2011;
- (g) Certain clauses which no longer apply to the Company since it migrated its London Stock Exchange listing from “premium” to “standard” have been deleted, and additional provisions which do apply have been included;
- (h) The dividend provisions of the Constitution have been amended to increase consistency with the Corporations Act.

Changes to the dividend payment provisions of the Corporations Act which took effect on 28 June 2010 removed the requirement for dividends to be payable only out of profits of the Company. Instead, section 254T of the Corporations Act now provides that a company must not pay a dividend unless:

- (i) the company’s assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- (ii) the payment of the dividend is fair and reasonable to the company’s shareholders as a whole; and
- (iii) the payment of the dividend does not materially prejudice the company’s ability to pay its creditors;

The Company’s Constitution currently reflects the former profits test rather than the new test in section 254T, meaning that in order to pay a dividend the Company would need to comply with both tests. The Board considers it appropriate to remove the additional restriction in the Company’s Constitution to allow more flexibility in the payment of dividends.

The dividend provisions of the Constitution have been updated to allow both the declaration of dividends, and the ability to determine that a dividend is payable without declaring a dividend. This allows the Company additional flexibility to determine when it incurs a debt in relation to a dividend. Under section 254V of the Corporations Act, if a dividend is declared, the company incurs a debt at the time of declaration of the dividend. However, a company does not incur a debt merely by fixing the amount and time for payment of a dividend (without declaring a dividend). In such cases the debt arises only when the time fixed for payment arrives and the decision to pay the dividend may be revoked at any time before then. While the Company is not likely to change the way it declares or pays dividends in practice, the Board considers it appropriate to have the flexibility to choose when it incurs a debt in relation to a dividend, as envisaged by the Corporations Act.

- (i) Clause 88.7 of the Constitution is being amended to remove a distinction between the way that the Company may serve legal documents in South Australia compared with other jurisdictions; and
- (j) other tidy-up amendments.

A copy of the Company’s current Constitution is available from the Company upon request.

In order for the above changes to the Company’s Constitution to become effective, Item 4 will need to be passed by a special resolution (that is, the resolution must be passed by at least 75% of the votes cast by members entitled to vote on the resolution). The Board unanimously recommends that shareholders vote in favour of this resolution.

NOTES

PROXIES

A member entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies. Where more than one proxy is appointed each proxy may be appointed to represent a specified proportion of the member's voting rights. If the appointment does not specify the proportion of the member's voting rights each proxy may exercise half of the member's voting rights. A proxy need not be a member of the Company. Should you wish to direct your proxy how to vote, please indicate your direction in Step 2 on the proxy form, otherwise your proxy will have discretion to vote as they see fit. In the case of joint holders each holder should sign the proxy form. Forms to appoint proxies and the Power of Attorney (if any) under which they are signed must be lodged at the registered office of the Company not less than 48 hours before the time of the meeting.

A form of proxy is enclosed with this notice. An additional form will be supplied by the Company on request.

For Item 3, if the chairman is your proxy or is appointed as your proxy by default, you may direct the chairman how to vote by ticking the relevant boxes in Step 2 of the proxy form. If you do direct the chairman how to vote in Step 2 of the proxy form, the chairman will vote on Item 3 in accordance with those directions. If you do not direct the chairman how to vote on Item 3, you will be directing the chairman to vote in accordance with the chairman's voting intentions in respect of Item 3 (that is, in favour of Item 3) and expressly authorising the chairman to exercise your proxy in respect of Item 3, even though Item 3 is connected directly or indirectly with the remuneration of a member of key management personnel.

Please note: The Chairman of the meeting intends to vote all proxies in favour of each item of business.

RIGHT TO VOTE

In accordance with the Corporations Regulations 2001 (Cwlth), the Board has determined that the members entitled to attend and vote at the meeting shall be those persons who are recorded in the register of members at **4.00 pm (WST) on Wednesday, 14 November 2012.**