



The Environmental Group Limited

Notice is given that the Annual General Meeting (AGM) of shareholders of The Environmental Group Limited ABN 89 000 013 427 (the *Company*) will be held at the Novotel Melbourne Glen Waverley, 285 Springvale Road, Glen Waverley, VIC, 3150 Australia on Thursday, 24 November 2016 commencing at 2:00pm (Victorian time).

A. CONSIDERATION OF REPORTS

To receive and consider the Financial Report, the Directors' Report and the Independent Audit Report of the Company for the financial year ended 30 June 2016.

Unless the Company's Share Registry has been notified otherwise, shareholders will not be sent a hard copy of the Annual Report. All shareholders can view the Annual Report, which contains the Financial Report for the year ended 30 June 2016 on the website of the Company (<http://www.environmental.com.au>), under Shareholder Information / Annual Report.

B. QUESTIONS AND COMMENTS

Following the consideration of reports, the Chairman will give shareholders a reasonable opportunity to ask questions about or comment on the management of the Company.

The Chairman will also give shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the Independent Audit Report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit.

The Chairman will also give the Auditor a reasonable opportunity to answer written questions submitted by shareholders that are relevant to the content of the Independent Audit Report or the conduct of the audit. A list of written questions, if any, submitted by shareholders will be made available at the start of the AGM and any written answer tabled by the Auditor at the AGM will be made available as soon as practicable after the AGM.

C. ITEMS FOR APPROVAL

1. Remuneration Report

To consider and, if thought fit, to pass the following resolution as an advisory resolution of the Company:

"That, the Company's Remuneration Report for the financial year ended 30 June 2016 (set out in the Directors' Report) be adopted."

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 1:

- a) by or on behalf of a member of the 'key management personnel'¹ (KMP) whose remuneration is included in the Remuneration Report;
- b) by or on behalf of a closely related party² (such as close family members and any controlled companies) of a member of KMP whose remuneration is included in the Remuneration Report; or
- c) as a proxy of any of the above.

¹ 'key management personnel' has the meaning as defined in Section 9 of the *Corporations Act* 2001.

² closely related party has the meaning as defined in Section 9 of the *Corporations Act* 2001.

However, the Company need not disregard a vote cast on Resolution 1 if it is cast as a proxy for a person who is entitled to vote;

- in accordance with the directions (For, Against or Abstain) on the proxy appointment; or
- it is cast by the person chairing the meeting, and;
 - the proxy appointment does not specify how the proxy is to vote; and,
 - the appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

2. Re-election of Mr David Cartney

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

"That David Cartney, who was appointed as a Director of the Company in accordance with clause 19.3(f) of the Company's Constitution, retires in accordance with clause 19.3(a) of the Company's Constitution, and having offered himself for re-election and being eligible, is hereby re-elected as a Director of the Company."

By order of the Board

Allan Fink
Company Secretary
21 October 2016

ENTITLEMENT TO ATTEND AND VOTE

In accordance with Reg 7.11.37 of the Corporations Regulations 2001, the Board has determined that persons who are registered holders of shares of the Company as at 7:00pm (Victorian time) on 22 November 2016 will be entitled to attend and vote at the AGM as a shareholder.

If more than one joint holder of shares is present at the AGM (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

Voting By Proxy

If you are a shareholder entitled to attend and vote at the AGM, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act 2001 to exercise its powers as proxy at the AGM.

A proxy need not be a shareholder of the Company. A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

To be effective, the proxy must be received at the share registry of the Company no later than 2.00pm (Victorian time) on 22 November 2016. Proxies must be received before that time by one of the following methods:

ONLINE	www.votingonline.com.au/eglagm2016
BY MAIL	Share Registry – Boardroom Pty Limited GPO Box 3993 Sydney NSW 2001 Australia
BY FAX	+ 61 2 9290 9655
IN PERSON	Share Registry – Boardroom Pty Limited Level 12, 225 George Street Sydney NSW 2000

To be valid, a proxy must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

Voting by Attorney

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 2.00pm (Victorian time) on 22 November 2016 being 48 hours before the AGM.

Corporate Representatives

A body corporate which is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the AGM. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act 2001. The representative should bring to the AGM a properly executed letter or other document confirming its authority to act as the company's representative.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of shareholders of the Company (**Shareholders**) in relation to the business to be conducted at the Company's 2016 Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the resolutions. The Directors recommend that Shareholders read this Explanatory Statement before determining whether or not to support the resolutions.

All resolutions are ordinary resolutions. An ordinary resolution requires a simple majority of votes cast by shareholders entitled to vote on the resolution. Resolution 1 is an advisory resolution and requires a simple majority of votes cast by shareholders entitled to vote on the resolution. Subject to the Corporations Act 2001, Resolution 1 is advisory only and does not bind the Directors or the Company.

RESOLUTION 1: Remuneration Report

Section 250R(2) of the Corporations Act 2001 requires the shareholders to vote on an advisory resolution that the Remuneration Report (the Report) be adopted.

The Report details the remuneration policy for the Company and reports the remuneration arrangements for Key Management Personnel (identified for the purposes of the Accounting Standards) and other EGL employees. The Report is available from page 9 in the Company's Annual Report which can be viewed on the Company website (<http://www.environmental.com.au>), under Shareholder Information / Annual Report.

The Chairman will give shareholders a reasonable opportunity to ask questions about or make comments on the Report.

The Directors unanimously recommend Shareholders vote in favour of this advisory resolution.

RESOLUTION 2: Re-election of Mr David Cartney

Appointed to the Board initially as a Non-executive Director on 22 September 2014 and re-elected by the Company on 25 November 2014. Mr Cartney was appointed as Non - executive Chairman on 1 December 2014.

David has more than 15 years' experience as an independent and non-executive board director and chairman, David will provide strong commercial acumen and corporate governance as well as adding value as an independent director strengthening EGL's leadership and risk management.

David is a Chartered Accountant and holds a number of other qualifications including a Doctor of Philosophy (Ph.D.), Finance from Ashley University as well as an MA (Hons.) from the University of St Andrews.

The Directors, with Mr Cartney abstaining, unanimously recommend that Shareholders vote in favour of this Resolution.

All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 2:00pm (Victorian time) on Tuesday 22 November 2016.**

🖨 TO VOTE ONLINE

- STEP 1: VISIT** www.votingonline.com.au/eglagm2016
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

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

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark 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 securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **2:00pm (Victorian time) on Tuesday 22 November 2016.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 💻 **Online** www.votingonline.com.au/eglagm2016
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

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

The Environmental Group Limited

ABN 89 000 013 427

☐

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **The Environmental Group Limited** (Company) and entitled to attend and vote hereby appoint:

☐

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

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at the **Novotel Melbourne Glen Waverley, 285 Springvale Road, Glen Waverley, VIC, 3150 Australia on Thursday, 24 November 2016 at 2:00pm (Victorian time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though Resolution 1 is connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 1). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* 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 vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	To Adopt the Remuneration Report	☐	☐	☐
Resolution 2	To re-elect Mr David Cartney as a Director	☐	☐	☐

STEP 3 SIGNATURE OF SHAREHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2016