

# Skydive the Beach

GROUP LIMITED

Notice of Annual General Meeting  
27<sup>th</sup> November 2015



# Skydive the Beach Group Limited

ACN 167 320 470

## Notice of Annual General Meeting

The 2015 Annual General Meeting of Skydive the Beach Group Limited (the Company) will be held as follows:

**Date:** Friday 27 November 2015

**Time:** 12 Noon (AEDT)

**Venue:** Bird & Bird Offices  
Level 11, 68 Pitt Street  
Sydney NSW 2000

### Explanatory Notes

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All the material in this Notice of Meeting (**NOM**) should be read in conjunction with the Explanatory Notes.

Please read the Explanatory Notes carefully.

If you are in doubt about any part of the business of the meeting, please consult your professional advisers or one of the Company Secretaries, Mr Anthony Ritter on 1300 338 803 or Mr John Diddams on 02 9415 4573.

### Voting Information & Proxy Form

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Please read the Voting Information section carefully to understand your voting eligibility.

A Direct Voting/Proxy Form is included with this NOM.

# ORDINARY BUSINESS

## Financial and Other Reports

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### Item 1

To receive and consider the Financial Report, Directors' Report and Auditor's Report for the Company and its controlled entities for the financial year ended 30 June 2015.

## Re-election of Directors

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

### Item 2 – Resolution 1

That **Dr. Nigel Finch**, who retires in accordance with Clause 11.4(b) of the Constitution, and, being eligible, offers himself for re-election, is re-elected as a Director of the Company.

#### **Board Recommendation**

*The Board, other than Dr. Finch, considers that it is in the best interests of shareholders that Dr. Finch remains on the Board and **recommends that you vote IN FAVOUR** of Dr. Finch's re-election.*

### Item 3 – Resolution 2

That **Mr. John Diddams**, who retires in accordance with Clause 11.5 of the Constitution, and, being eligible, offers himself for re-election, is re-elected as a Director of the Company.

#### **Board Recommendation**

*The Board, other than Mr. Diddams, considers that it is in the best interests of shareholders that Mr. Diddams remains on the Board and **recommends that you vote IN FAVOUR** of Mr. Diddams' re-election.*

### Item 4 – Resolution 3

That **Mr. Anthony Ritter**, who retires in accordance with Clause 11.5 of the Constitution, and, being eligible, offers himself for re-election, is re-elected as a Director of the Company.

#### **Board Recommendation**

*The Board, other than Mr. Ritter, considers that it is in the best interests of shareholders that Mr. Ritter remains on the Board and **recommends that you vote IN FAVOUR** of Mr. Ritter's re-election.*

## Remuneration Report

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

### Item 5 – Resolution 4

That the **Remuneration Report** contained in the Directors' Report for the financial year ended 30 June 2015 be adopted.

**Board Recommendation**

*The Board recommends that you vote **IN FAVOUR** of adopting the Remuneration Report.*

*The Company does not pay any executives or employees excessively and the Board is confident that remuneration levels reflect the market. The Board considers that all remuneration payments made by the Company are reasonable and appropriate having regard to the need to engage and retain capable executives and staff to manage the Company's operations.*

**Non-executive Director Remuneration**

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

**Item 6 – Resolution 5**

That the aggregate amount of fees payable to non-executive directors of the Company be increased from \$500,000 to \$750,000 per annum.

**Board Recommendation**

*The executive directors on the Board, excluding the non-executive directors, Messrs. Beerworth, Diddams and Finch, consider that it is in the best interests of shareholders that aggregate amount of fees payable to the non-executive directors of the Company be increased and **recommends that you vote IN FAVOUR** of this resolution.*

*The Company does not pay any non-executive directors excessively and the Board is confident that remuneration level recommended reflects the market. Each of the non-executive directors have been called upon to perform additional duties over and above the normal duties of a non-executive director, to the benefit of the company. The Board considers that all remuneration payments made by the Company to existing non-executive directors are reasonable and appropriate, and the increase is also reasonable and appropriate having regard to possibly engaging and retaining additional capable non-executive directors to oversee the Company's expanding operations.*

**Further information on each of these resolutions is set out in the following Explanatory Notes.**

## EXPLANATORY NOTES

These Explanatory Notes form part of the NOM and are intended to assist your consideration of the business proposed at the Annual General Meeting (**AGM**).

### ORDINARY BUSINESS

#### Item 1 – Financial and Other Reports

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The Corporations Act requires the annual financial report and the reports of the Directors and of the Auditor to be laid before the AGM. The Constitution provides for those reports and the financial statements to be received and considered at the AGM.

Neither the Corporations Act nor the Constitution requires a vote of shareholders at the AGM on the reports or financial statements.

However, you will be given a reasonable opportunity to comment or raise questions on the reports and the financial statements and on the business and management of the Company.

You may also ask questions of the Company's auditors who will attend the AGM.

#### Item 2 - Resolution 1 – Re-election of Dr. Nigel Finch

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Under the Constitution of the Company, a Director appointed under clause 11.4(a) as a Director to fill a casual vacancy or as an addition to the existing Directors, will hold office until the end of the next annual general meeting of the Company, at which the Director may be re-elected in accordance with clause 11.4(b).

Dr. Nigel Finch will retire and, being eligible, seeks re-election as a Director.

Dr. Nigel Finch's qualifications and experience are as follows:

MCOM, LL.M, MBA, PHD, CA, CTA, FCPA, FTIA, FAICD

Dr Nigel Finch is a Chartered Accountant with commercial management experience in private, public and not-for-profit settings. He has held various director and senior management roles focused on strategy execution and managing financial performance in both early-stage and mature stage firms across a range of industry sectors and has significant experience in economic development and institution building throughout Asian markets.

#### **Board Recommendation**

*The Board, other than Dr. Finch, considers that it is in the best interests of shareholders that Dr. Finch remains on the Board and **recommends that you vote IN FAVOUR** of Dr. Finch's re-election.*

### **Item 3 - Resolution 2 – Re-election of Mr. John Diddams**

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Under clause 11.5 of the Constitution of the Company, one third of the Directors must retire at each AGM and no Director can hold office for more than three years or past the third AGM following the Director's appointment, whichever is the longer.

Mr. John Diddams will retire and, being eligible, seeks re-election as a Director.

Mr. Diddams' qualification and experience are as follows:

BCOM, FCPA, FAICD

Mr. Diddams has over 30 years of financial and management experience in various senior management positions in both private and public companies. He is the principal of a CPA firm that provides corporate advisory services to SME and mid-cap companies, including management of the process to raise equity capital, and the IPO due diligence process.

#### **Board Recommendation**

*The Board, other than Mr. Diddams, considers that it is in the best interests of shareholders that Mr. Diddams remains on the Board and **recommends that you vote IN FAVOUR** of Mr. Diddams' re-election.*

### **Item 4 - Resolution 3 – Re-election of Mr. Anthony Ritter**

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Under clause 11.5 of the Constitution of the Company, one third of the Directors must retire at each AGM and no Director can hold office for more than three years or past the third AGM following the Director's appointment, whichever is the longer.

Mr. Anthony Ritter will retire and, being eligible, seeks re-election as a Director.

Mr. Anthony Ritter's qualification and experience are as follows:

BCOM, CA, MAICD

Mr. Ritter has over 20 years of financial, management and corporate governance experience in various senior management roles in both private and not-for-profit entities. He has been involved with the Skydive the Beach business for 4 years and has demonstrated strong strategic planning, analytical, leadership and financial management skills. He has also played an integral part in successfully applying for a variety of government funding which have assisted in the growth and development of the business.

#### **Board Recommendation**

*The Board, other than Mr. Ritter, considers that it is in the best interests of shareholders that Mr. Ritter remains on the Board and **recommends that you vote IN FAVOUR** of Mr. Ritter's re-election.*

### **Item 5 - Resolution 4 – Adoption of Remuneration Report**

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The Corporations Act requires the Directors to prepare the Remuneration Report set out in the Annual Report.

The Act also requires the Directors to put to the AGM a resolution to adopt the Remuneration Report. It provides that the vote on the resolution is advisory only and does not bind the Directors or the Company.

Shareholders will be given a reasonable opportunity to comment or raise questions on the Remuneration Report at the AGM.

**Board Recommendation**

*The Board **recommends that you vote IN FAVOUR of adopting the Remuneration Report.***

*The Company does not pay any executives or employees excessively and the Board is confident that remuneration levels reflect the market. The Board considers that all remuneration payments made by the Company are reasonable and appropriate having regard to the need to engage and retain capable executives and staff to manage the Company's operations.*

**Item 6 – Resolution 5 – Increase in aggregate amount of fees payable to non-executive directors**

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That the aggregate amount of fees payable to non-executive directors of the Company be increased to \$750,000 per annum.

In accordance with ASX Listing Rule 10.17, the following information is provided:

- The amount of the increase is \$250,000 pa,
- The maximum aggregate amount of directors fees that may be paid to all of the entity's non-executive directors is \$750,000, and
- The total number of securities, being share options, issued to non-executive directors under rule 10.11 or 10.14 with the approval of the holders of the entity's ordinary shares within the preceding 3 years is 2,300,000.

**Board Recommendation**

*The executive directors on the Board, excluding the non-executive directors, Messrs. Beerworth, Diddams and Finch, consider that it is in the best interests of shareholders that aggregate amount of fees payable to the non-executive directors of the Company be increased and **recommends that you vote IN FAVOUR** of this resolution.*

*The Company does not pay any non-executive directors excessively and the Board is confident that remuneration level recommended reflects the market. Each of the non-executive directors have been called upon to perform additional duties over and above the normal duties of a non-executive director, to the benefit of the company. The Board considers that all remuneration payments made by the Company to existing non-executive directors are reasonable and appropriate, and the increase is also reasonable and appropriate having regard to possibly engaging and retaining additional capable non-executive directors to oversee the Company's expanding operations.*

## **VOTING INFORMATION**

### **General**

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The required quorum for the meeting is at least three members present in person or by proxy.

Voting will be decided on a show of hands unless a poll is demanded by the chair or a member or members entitled to do so before the vote is taken or before or immediately after the declaration of the result on a show of hands.

On a show of hands, every member will have one vote.

On a poll, each member will have one vote for each share held by that member and in respect of which that member is entitled to vote.

If shares are jointly held and more than one of the joint holders vote, only the vote of the holder whose name appears first in the register of members will be counted.

### **Majority Required**

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All of the resolutions are ordinary resolutions.

Each resolution will be passed if more than 50% of votes cast by shareholders entitled to vote on the resolution are cast in favour of the resolution.

### **Entitlement to Vote**

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The Company has determined, in accordance with regulation 7.11.37 of the Corporations Regulations that, for the purpose of entitlement to vote at the Annual General Meeting, shares will be taken to be held by those who hold them at 7.00pm on 25 November 2015.

### **Voting Options**

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#### **A. In Person**

Shareholders may vote by attending the AGM and casting their votes in person.

#### **B. Proxy or Attorney**

If you are entitled to vote at the meeting, you may appoint one or two proxies.

If you appoint two proxies:

- you may appoint each proxy to represent a specified proportion of your voting rights; or
- if you do not specify the proportion or number of your votes that each proxy may exercise, each proxy may exercise half of your votes.

A proxy need not be a shareholder of the Company.

A Proxy Form accompanies this Notice of Meeting: please follow the instructions on the form.

The Proxy Form must be signed by you or by your attorney.

Proxies given by corporations must be signed under seal or under the hand of a duly authorised officer or attorney.

To be valid, the form appointing the proxy and the power of attorney or other attorney (if any) under which it is signed (or an attested copy) must be either lodged at the Registered Office of the Company or received at the facsimile number appearing on the Proxy Form by 12:00pm (AEDT) on 25 November 2015.

Unless you specifically direct a proxy how to vote, the proxy may vote as the proxy thinks fit, or abstain from voting.

#### C. Direct

A direct vote allows shareholders to vote on Resolutions considered at the AGM by lodging their votes with the company prior to the AGM, without the need for the shareholders to attend the meeting or appoint a proxy.

You must mark either “For”, “Against” or “Abstain” for each item of business on the voting form for a valid direct vote to be recorded on that item.

Please note that a shareholder who has cast a direct vote may attend the AGM; however, their attendance and registration cancels the direct vote unless the shareholder instructs the Company or the share registry otherwise.

To be valid, the voting form must be either lodged at the Registered Office of the Company or received at the facsimile number appearing on the Proxy Form by 12:00pm (AEDT) on 25 November 2015.

#### **Voting by Corporations**

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In order to vote at the meeting (other than by proxy – see above for instructions), a corporation that is a shareholder must appoint a person to act as its representative.

The appointment must comply with the Corporations Act. A letter of representation must be either lodged with the registrar prior to the commencement of the meeting, or the representative must bring to the meeting evidence of his or her appointment including any authority under which it is signed.

#### **Proxy Voting by Chair**

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The Chair of the meeting will vote undirected proxies **IN FAVOUR** of all the Resolutions.

## Voting Exclusions

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### Resolution 4 - Adoption of Remuneration Report

The Company will disregard any votes cast on Resolutions 4 by or on behalf of any of the Company's key management personnel (**KMP**) details of whose remuneration are included in the Remuneration Report, or an associate of those persons. However, the entity need not disregard a vote if:

- a) 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
- b) 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.

### Resolution 5 - Increase in aggregate amount of fees payable to non-executive directors

The Company will disregard any votes cast on Resolutions 5 by or on behalf of any of the Company's directors or an associate of those persons. However, the entity need not disregard a vote if:

- c) 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
- d) 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.

## Further Information

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Shareholders should direct their queries to the Company Secretary of the Company on 1300 338 803 or by email at [companysecretary@skydive.com.au](mailto:companysecretary@skydive.com.au)

By order of the Board



**Anthony Ritter**  
**Company Secretary**  
23 October 2015

**Skydive the Beach Group Limited**  
**ACN: 167 320 470**

**Corporate Directory**

<b>Directors:</b>	William (Bill) Beerworth, Non-executive Chairman Anthony Boucaut, Executive Director and CEO Timothy Radford, Executive Director and COO Anthony Ritter, Executive Director and CFO John Diddams, Non-executive Director Dr. Nigel Finch, Non-executive Director
<b>Company Secretaries:</b>	Anthony Ritter and John Diddams
<b>Registered Office:</b>	Level 1, 51 Montague Street North Wollongong NSW 2500
<b>Principal Place of Business:</b>	Level 1, 51 Montague Street North Wollongong NSW 2500
<b>Lawyers:</b>	Bird & Bird Level 11, 68 Pitt Street Sydney NSW 2000
<b>Auditors:</b>	RSM Bird Cameron Partners Level 12, 60 Castlereagh Street Sydney NSW 2000
<b>Share Registry:</b>	Boardroom Pty Ltd Level 12, 225 George Street Sydney NSW 2000
<b>Bankers:</b>	Westpac Banking Corporation Level 1, 25 Atchison St, Wollongong NSW 2500  National Australia Bank Limited 118-126 Princes Highway Fairy Meadow NSW 2519
<b>Stock Exchange Listing Code:</b>	SKB
<b>Website:</b>	<a href="http://www.skydive.com.au">www.skydive.com.au</a>

**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 12:00 pm (AEDT) on Wednesday 25 November 2015.**

### 🖥 TO VOTE ONLINE

- STEP 1: VISIT** [www.votingonline.com.au/skydivethebeachgm2015](http://www.votingonline.com.au/skydivethebeachgm2015)
- STEP 2: Enter your Postcode (if within Australia) OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

**PLEASE NOTE:** For security reasons it is important you keep the above information confidential.

### 📱 BY SMARTPHONE



Scan QR Code using smartphone  
QR Reader App

### TO VOTE BY COMPLETING THE VOTING FORM

The voting form can be used to either vote directly (Section 1) OR appoint a proxy to vote on your behalf (Section 2).

#### SECTION 1: DIRECT VOTING

If you wish to vote directly, you should clearly mark the box in Section 1 and the boxes in Section 3 to indicate your voting instruction for each resolution. Please only mark either "for" or "against" for each resolution. Do not mark the "abstain" box if you are voting directly. If no direction is given on a resolution, or if you complete both the boxes in Section 1 and 2, your vote may be passed to the Chairman of the Meeting as your proxy. Securityholders, custodians and nominees may identify on the Voting Form the total number of votes in each of the categories "for" and "against" and their votes will be valid. The Chairman's decision as to whether a direct vote is valid is final and conclusive.

#### SECTION 2: APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Section 2. If you wish to appoint someone other than the Chairman of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting or does not vote on a poll in accordance with your instructions, the Chairman of the Meeting will be your proxy by default. A proxy need not be a Securityholder 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 on a poll. 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 forms. On each 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.

#### SECTION 3: VOTING DIRECTIONS

To cast your direct vote or to direct your proxy how to vote, place a mark in one of the boxes opposite each resolution. 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 resolution by inserting the percentage or number that you wish to vote in the appropriate box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%. If you do not mark any of the boxes on a given resolution, your proxy may vote as he or she chooses (subject to any voting restriction that apply to your proxy). If you mark more than one box on a resolution for all your securities your vote on that resolution 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.

#### SECTION 4: 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.**

#### LODGEMENT

Voting 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 **12:00 pm (AEDT) on Wednesday, 25 November 2015.** Any Voting Form received after that time will not be valid for the scheduled Meeting.

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

- 🖥 **Online** [www.votingonline.com.au/skydivethebeachgm2015](http://www.votingonline.com.au/skydivethebeachgm2015)
- 📱 **By Smartphone** Scan the QR Code
- 📠 **By Fax** +61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia
- 👤 **In Person** 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.

**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.**

**VOTING FORM**

**SECTION 1: DIRECT VOTING**

I/We being a Securityholder/s of **Skydive the Beach Group Limited** (Company) and entitled to attend and vote hereby elect to vote directly at the Annual General Meeting of the Company to be held at the **Bird & Bird Offices, Level 11, 68 Pitt Street, SYDNEY NSW 2000 on Friday, 27 November 2015 at 12.00 pm (AEDT)** and at any adjournment of that Meeting.

**SECTION 2: APPOINTMENT OF PROXY**

I/We being a Securityholder/s of **Skydive the Beach Group Limited** (Company) and entitled to attend and vote hereby appoint:

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 below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **Bird & Bird Offices, Level 11, 68 Pitt Street, SYDNEY NSW 2000 on Friday, 27 November 2015 at 12.00 pm (AEDT)** and at any adjournment or postponement of that Meeting, to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions or if no directions have been given and to the extent permitted by law, 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 Resolutions 4 & 5, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 4 & 5 are connected with the remuneration of a member of the key management personnel, and/or a director of the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 4 & 5). 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.

**SECTION 3: VOTING DIRECTIONS**

		For	Against	Abstain*
Resolution 1	To re-elect Mr Nigel Finch as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	To re-elect Mr John Diddams as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	To re-elect Mr Anthony Ritter as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	To Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Non-executive Director Remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\* If you mark the Abstain box for a particular resolution, 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.

**SECTION 4: SIGN THE FORM**  
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 / / 2015