



Notice of Annual General Meeting and Explanatory Memorandum

Jumbo Interactive Limited ACN 009 189 128

Date of Meeting: Tuesday 30 October 2012

Time of Meeting: 5:00pm (Brisbane time)

Place of Meeting: Lady Thiess Room, River Level, Customs House, 399 Queen Street, Brisbane, Queensland

Notice of Annual General Meeting

Notice is given that the Annual General Meeting of Shareholders of **Jumbo Interactive Limited** ACN 009 189 128 (**Company**) will be held in the Lady Thiess Room, River Level, Customs House, 399 Queen Street, Brisbane, Queensland, on Tuesday 30 October 2012, commencing at 5:00pm (Brisbane time).

Agenda

Ordinary Business

Financial Reports

To receive and consider the Company's Annual Financial Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Statements of Comprehensive Income, Financial Position, Changes in Equity and Cash Flows, and Notes to the Financial Statements for the Company and its controlled entities for the financial year ended 30 June 2012.

1. Remuneration Report

To consider and, if thought fit, pass the following Advisory Resolution:

"That the Remuneration Report for the year ended 30 June 2012 (as set out in the Directors' Report) be adopted."

Advisory Resolution

The vote on Resolution 1 is advisory only and does not bind the Directors.

Voting Restriction pursuant to Section 250R(4) of the *Corporations Act*

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the KMP details of whose remuneration is included in the Remuneration Report; and/ or
- (b) a Closely Related Party of such a member of the KMP.

However, the above persons may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution (directed proxy); or
- (b) the voter is the Chair and the appointment of the chair as proxy:
 - does not specify the way the proxy is to vote on the resolution; and
 - 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.

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2. Re-election of Mr David Barwick as a Director

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

"That David Barwick, who retires by rotation in accordance with Rule 40.1 of the Constitution and ASX Listing Rule 14.4, and, being eligible, offers himself for re-election, be re-elected as a Director."

3. Conditional Spill Resolution

Subject to and conditional upon at least 25% of the votes on Resolution 1 being cast against Resolution 1, to consider, and if thought fit, pass the following resolution, as an Ordinary Resolution of the Company:

"That:

- (a) *the Company will convene an extraordinary general meeting (the **Spill Meeting**) which must be held within 90 days of the passing of this resolution (**Spill Resolution**) subject to (d) below;*
- (b) *all of the Directors in office at the time of the Spill Meeting who:*
 - (1) *were in office when the Directors' resolution was passed to make the Directors' Report for the financial year ended 30 June 2012 considered at the Company's 2012 annual general meeting; and*
 - (2) *are not a Managing Director of the Company who, in accordance with the Listing Rules, may continue to hold office indefinitely without being re-elected to the office,*

*shall cease to hold office immediately before the end of the Spill Meeting (**Vacating Directors**);*
- (c) *at the Spill Meeting the Company will put resolutions to Shareholders to vote to appoint persons to the offices that will be vacated immediately before the end of the Spill Meeting under (b) above; and*
- (d) *in accordance with section 250W of the Corporations Act, where there are no Vacating Directors, the Company need not hold the Spill Meeting."*

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Voting Restriction pursuant to Section 250V(2) and 250R(4),(5) of the *Corporations Act*

A vote on Resolution 3 must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the KMP details of whose remuneration is included in the Remuneration Report; and/ or
- (b) a Closely Related Party of such a member of the KMP.

However, the above persons 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:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution (directed proxy); or
- (b) the voter is the Chair and the appointment of the chair as proxy:
 - does not specify the way the proxy is to vote on the resolution; and
 - 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.

General Business

To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company.

By Order of the Board



Bill Lyne
Company Secretary
26 September 2012

Explanatory Memorandum

1. Introduction

This Explanatory Memorandum is provided to Shareholders of Jumbo Interactive Limited ACN 009 189 128 (**Company**) to explain the Resolutions to be put to Shareholders at the Annual General Meeting to be held in the Lady Thiess Room, River Level, Customs House, 399 Queen Street, Brisbane, Queensland, on Tuesday 30 October 2012 commencing at 5:00pm (Brisbane time).

The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Memorandum are defined in Section 7.

2. Consider the Company's annual report

The Company's Annual Financial Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Statements of Comprehensive Income, Financial Position, Changes in Equity and Cash Flows, and Notes to the Financial Statements for the Company and its controlled entities for the financial year ended 30 June 2012 has been despatched to Shareholders who requested a copy and released on the ASX. The Company's Annual Financial Report for the year ended 30 June 2012 is available on the Company's website at www.jumbointeractive.com

The Company's Annual Financial Report is placed before the Shareholders for discussion. No voting is required for this item.

3. Resolution 1 (Remuneration Report) and Resolution 3 (Conditional Spill Resolution)

3.1 Remuneration Report

The Board has submitted its Remuneration Report to Shareholders for consideration and adoption by way of a non-binding Advisory Resolution.

The Remuneration Report is set out in the Directors' Report section of the Annual Report. The Report:

- explains the Board's policy for determining the nature and amount of remuneration of the executive Director and senior executives of the Company;
- explains the relationship between the Board's remuneration policy and the Company's performance;
- sets out remuneration details for each Director and the senior executives of the Company, who are members of the Company's Key Management Personnel; and
- details and explains any performance conditions applicable to the remuneration of the executive Director and senior executives of the Company.

3.2 The "Two Strikes Rule"

The Corporations Act requires that listed companies must put their remuneration report to a non-binding advisory shareholder vote at the AGM (**Remuneration Report Resolution**). Last year, the "Two Strikes Rule" was introduced by the *Corporations Legislation (Improving Accountability on Director and Executive Remuneration) Act 2011* and commenced on 1 July 2011.

Under the "Two Strikes Rule" if the Remuneration Report Resolution receives a "no" vote of 25% or more (a **Strike**) at two consecutive AGMs, a resolution to spill the board in accordance with Part 2G.2, Division 9 of the Corporations Act (**Spill Resolution**) must be put to Shareholders to vote on.

If the Spill Resolution is passed as an ordinary resolution:

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- (a) the Company will convene an extraordinary general meeting (the **Spill Meeting**) which must be held within 90 days of the passing of the Spill Resolution subject to (d) below;
- (b) all of the Directors in office at the time of the Spill Meeting who:
 - (1) were in office when the Directors' resolution was passed to make the Directors' Report for the financial year ended 30 June 2012 (which includes the 2012 Remuneration Report) considered at the Company's 2012 AGM; and
 - (2) are not a Managing Director of the Company who, in accordance with the Listing Rules, may continue to hold office indefinitely without being re-elected to the office;shall cease to hold office immediately before the end of the Spill Meeting (**Vacating Directors**);
- (c) at the Spill Meeting the Company will put resolutions to Shareholders to vote to appoint persons to the offices that will be vacated immediately before the end of the Spill Meeting under paragraph (b) above. The Vacating Directors, if they choose, may stand for re-election at the Spill Meeting;
- (d) in accordance with section 250W of the Corporations Act, where there are no Vacating Directors, the Company need not hold the Spill Meeting; and
- (e) if the Company does not hold the Spill Meeting within 90 days after the Spill Resolution is passed, each person who is a Director of the Company at the end of that 90 day period commits an offence, even if the person was not a Director when the Spill Resolution was passed.

3.3 **First Strike**

At the Company's AGM last year, around 60% of the votes cast in respect of the Remuneration Report Resolution, to adopt the Company's 2011 Remuneration Report, were voted against that resolution. Accordingly, the Company received a "first Strike".

3.4 **Review of remuneration practices**

The Directors have undertaken a comprehensive review of the Company's remuneration strategy and framework for the KMP. Following the 2011 AGM, the Directors wrote to and sought comment from those Shareholders who either abstained from or voted against the 2011 Remuneration Report. The Directors also conducted a comparison of the Company's remuneration structure with that of similar companies in the industry. The Company's new remuneration arrangements take into account this information and are detailed in this year's Remuneration Report.

Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, and make comments on, the Remuneration Report and the Company's remuneration arrangements.

The Board believes that the Company's remuneration arrangements, as set out in the 2012 Remuneration Report, are fair, reasonable and appropriate, support the strategic direction of the Company and align with Shareholders' expectations.

3.5 **Second Strike and Resolution 3**

If the votes cast against this year's Remuneration Report Resolution, to adopt the 2012 Remuneration Report, are again 25% or more of the total votes cast, the Company will receive its "second Strike" and will be required to put the Spill Resolution to Shareholders.

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Accordingly, this Notice of Meeting includes a “conditional” resolution (Resolution 3) which will be put to Shareholders only if 25% or more of the votes cast are against Resolution 1 and the Company therefore receives a second Strike; otherwise Resolution 3 will be withdrawn.

If Resolution 3 is passed then it will be necessary for the Board to convene the further Spill Meeting within 90 days of the AGM in order for Shareholders to consider the composition of the Board. At the Spill Meeting, the following Directors will be the Vacating Directors who will cease to hold office immediately before the conclusion of the Spill Meeting unless they stand for re-election and are re-elected at the Spill Meeting:

- Mr David Barwick; and
- Mr William Lyne.

It is noted that even if Mr Barwick is re-elected at this year's AGM under Resolution 2, he must still be a Vacating Director at the Spill Meeting.

It is also noted that holding a Spill Meeting may cause some disruption to the running of the Company as a result of management distraction, the time involved in organising such a meeting and the diversion of resources. In addition, there will be a cost to the Company of holding a Spill Meeting which is expected to be approximately \$15,000.

3.6 ***Directors' Recommendations***

The voting exclusion statement for Resolution 1 is set out on page 1 of the Notice of Meeting. The Board unanimously recommends that Shareholders vote **in favour of Resolution 1**. A vote on this Resolution is advisory only and does not bind the Directors of the Company.

The voting exclusion statement for Resolution 3 is set out on page 3 of the Notice of Meeting. Mike Veverka as Managing Director is the sole disinterested Director in this resolution and recommends that Shareholders vote **against Resolution 3**.

4. **Resolution 2 - Re-election of Mr David Barwick as a Director**

David Barwick retires by rotation in accordance with Rule 40.1 of the Constitution and ASX Listing Rule 14.4 and, being eligible, offers himself for re-election as a Director.

Mr Barwick was appointed as a Board member on 30 August 2006 and became Chairman on 7 November 2007. He is chair of the Company's Nomination & Remuneration Committee and a member of the Audit Committee.

David Barwick is an accountant by profession with over 40 years experience in the management and administration of publicly listed companies both in Australia and North America. During this period he has held the position of Chairman, Managing Director or President of over 30 public companies covering a broad range of activities. He is currently chairman of two other ASX-listed companies.

The Directors (with Mr Barwick abstaining) recommend that you vote in favour of this Ordinary Resolution.

5. **Voting Entitlement**

For the purposes of determining voting entitlements at the Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 5:00pm (Brisbane time) on 28 October 2012. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

6. **Proxy Instructions**

6.1 Proxies and representatives

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Shareholders are entitled to appoint a proxy to attend and vote on their behalf. Where a Shareholder is entitled to cast two or more votes at the meeting, they may appoint two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specific proportion or number of votes the Shareholder may exercise. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes. The proxy may, but need not, be a Shareholder of the Company.

Shareholders who are a body corporate are able to appoint representatives to attend and vote at the meeting under Section 250D of the Corporations Act. If a representative of a corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

A proxy form is attached to this Notice. The proxy form must be signed by the Shareholder or his/her attorney duly authorised in writing or, if the Shareholder is a corporation, in a manner permitted by the Corporations Act.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be delivered to the Share Registry, Computershare Investor Services Pty Limited, 117 Victoria Street, West End, Queensland or posted or sent by facsimile transmission to the Share Registry or cast online as detailed below so that it arrives not less than 48 hours before the time for holding the meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne Victoria 3001

By Fax:

1800 783 447 (or +61 3 9473 2555 from outside Australia)

Online:

www.investorvote.com.au

6.2 Signing instructions

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

- | | |
|--------------------|---|
| Individual: | Where the holding is in one name, the holder must sign. |
| Joint Holding: | Where the holding is in more than one name, all of the security holders should sign. |
| Power of Attorney: | To sign under Power of Attorney, you must have already lodged this document 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: | <p>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 <i>Corporations Act</i>) does not have a Company Secretary, a Sole Director can also sign alone.</p> <p>Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary.</p> <p>Please indicate the office held by signing in the appropriate place.</p> |

Explanatory Memorandum

7. Interpretation

AGM means annual general meeting.

ASX means ASX Limited ACN 008 624 691.

Board means board of Directors.

Closely Related Party has the meaning given in Section 9 of the Corporations Act.

Company means Jumbo Corporation Limited ACN 009 189 128.

Constitution means the constitution of the Company in effect at the relevant time as amended or repealed and replaced from time to time.

Corporations Act means *Corporations Act 2001* (Cth) (as amended from time to time).

Director means a director of the Company from time to time.

KMP or **Key Management Personnel** has the definition given in the Accounting Standard AASB 124 *Related Party Disclosures* as 'those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of that entity'.

Listing Rules means the official listing rules of the ASX as amended from time to time.

Meeting means the 2012 annual general meeting of the Company convened under this notice and explanatory statement.

Remuneration Report means the remuneration report of the Company.

Resolution means a resolution of the Meeting.

Share means a fully paid ordinary share in the Company.

Shareholder or **Member** means a person who holds Shares.

Spill Meeting has the meaning given to that term in Section 3 of this Explanatory Memorandum.

Spill Resolution has the meaning given to that term in Section 3 of this Explanatory Memorandum.

Vacating Directors has the meaning given to that term in Section 3 of this Explanatory Memorandum.

Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Mr Bill Lyne (Company Secretary):

Level 1 601 Coronation Drive, Toowong QLD 4066

(07) 3378 7673 or 0418 874 175



Jumbo Interactive Limited
ABN 66 009 189 128

000001 000 JIN
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Lodge your vote:



Online:
www.investorvote.com.au



By Mail:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
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(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 552 270
(outside Australia) +61 3 9415 4000

Proxy Form



Vote online or view the annual report 24 hours a day, 7 days a week:

www.investorvote.com.au



Cast your proxy vote



Access the annual report



Review and update your securityholding

Your secure access information is:

Control Number: 999999

SRN/HIN: 1999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

For your vote to be effective it must be received by 5:00 pm (Brisbane time) Sunday 28 October 2012

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain 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 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.

Exercise of undirected proxies by Key Management Personnel: If a member of the Company's key management personnel (other than the Chairman) or their closely related parties is your proxy, that person will not vote your shares on Item 1 or Item 3 (which are connected directly or indirectly with the remuneration of a member of key management personnel) if you have not directed them how to vote on those items.

If the Chairman of the Meeting is appointed your proxy (or becomes your proxy by default), you authorise the Chairman to exercise your proxy on Item 1 and Item 3 even though Item 1 and Item 3 are connected directly or indirectly with the remuneration of a member of key management personnel (and the chairman is a member of key management personnel).

The Chairman of the Meeting intends to vote undirected proxies in favour of Item 1 and Item 2 of business, and against Item 3 of business.

If the Chairman of the Meeting is appointed your proxy (or becomes your proxy by default), you authorise the Chairman to exercise your proxy even if he has an interest in the outcome of the resolutions and that votes cast by the Chairman of the Meeting for those resolutions other than as proxy holder will be disregarded because of that interest. If you do not wish to authorise the Chairman to vote your proxy in this way, you should direct your proxy in accordance with the instructions in this proxy form.

Key management personnel of the company are the Directors and those persons having authority and responsibility for planning, directing and controlling the activities of the company directly or indirectly. The Remuneration Report identifies the company's Key Management Personnel for the financial year to 30 June 2012. Their closely related parties are defined in the Corporations Act 2001 (Cth), and include certain of their family members, dependants and companies they control.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form →**

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Jumbo Interactive Limited hereby appoint

☐ the Chairman of the Meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

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 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) at the Annual General Meeting of Jumbo Interactive Limited to be held in the Lady Thiess Room, River Level, Customs House, 399 Queen Street, Brisbane, Queensland at 5:00 pm (Brisbane time) Tuesday 30 October 2012 and at any adjournment or postponement of that Meeting.

Chairman's interest: If the Chairman of the Meeting is appointed your proxy (or becomes your proxy by default), you authorise the Chairman to exercise your proxy even if he has an interest in the outcome of the resolutions and that votes cast by the Chairman of the Meeting for those resolutions other than as proxy holder will be disregarded because of that interest.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Item 1 and Item 3 (except where I/we have indicated a different voting intention below) even though Item 1 and Item 3 are connected directly or indirectly with the remuneration of a member of key management personnel, and the chairman is a member of key management personnel.

The Chairman of the Meeting intends to vote undirected proxies in favour of Item 1 and Item 2 of business, and against Item 3 of business.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Item 1 and Item 3 by marking the appropriate box in step 2 below.

STEP 2

Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Remuneration Report	☐	☐	☐
2 Re-election of Mr David Barwick as a Director	☐	☐	☐
3 Conditional resolution to hold Director elections at a special meeting	☐	☐	☐

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business with the exception of Item 3 where the Chairman of the Meeting will be voting against.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /