

**Clime Capital Limited  
(ACN 106 282 777)**

**Notice of Annual General Meeting**

Notice is given that the Annual General Meeting of Shareholders of Clime Capital Limited (**Clime**) will be held at:

Date: **Thursday 16<sup>th</sup> November 2017**

Time: **10.00 am (AEDT)**

Venue: **Pacific Room, Wesley Conference Centre, 220 Pitt Street, Sydney, NSW 2000**

**Business**

***Financial Statements and Reports***

To receive and consider the Company's annual financial report, including the directors' report and audit report for the year ended 30 June 2017.

**1. Remuneration report**

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

*"That the Company adopt the remuneration report for the year ended 30 June 2017 in accordance with Section 250R(2) of the Corporations Act."*

Notes:

- (a) The vote on this resolution is advisory only and does not bind the Directors or the Company.
- (b) Clime's key management personnel and their closely related parties must not cast a vote on the remuneration report unless they are appointed in writing as a proxy for a member eligible to vote on the resolution and that proxy specifies how to vote on the resolution.
- (c) The Chairman will vote all undirected proxies in favour of this resolution. If you wish to vote "against" or "abstain" you should mark the relevant box in the attached proxy form.

**2. Re-election of Mr. Brett Spork as a Director**

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

*"That Mr Brett Spork, who retires by rotation in accordance with the Company's constitution and, being eligible for re-election, be re-elected as a Director of the Company."*

Without limitation, rule 6.7 of the Company's constitution is relevant to this resolution.

**Clime Capital Limited**

Level 7, 1 Market Street, Sydney NSW 2000 Australia | PO Box Q1286 Queen Victoria Building NSW 1230  
ABN 99 106 282 777 P 02 8917 2100 F 02 8917 2155 W [www.clime.com.au](http://www.clime.com.au)

### 3. Approval of additional placement capacity under Listing Rule 7.1A

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

*“That in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Shares of up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement”.*

The Company will disregard any votes cast on this Resolution by:

- any person who may participate in the 10% Placement Facility; and
- a person who might obtain a benefit if this Resolution is passed, except a benefit solely in the capacity of a holder of Shares, and any Associate of that person (or those persons).

However, the Company will not disregard a vote if:

- it is cast by a person as a proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote (in accordance with the directions on the proxy form) to vote as the proxy decides.

#### **Other business**

To consider any other business that may lawfully be brought forward in accordance with the constitution of the Company or the law.

#### **Other information**

An Explanatory Memorandum accompanies and forms part of this notice of Annual General Meeting.

All Shareholders should read the Explanatory Memorandum carefully and in its entirety. Shareholders who are in doubt regarding any part of the business of the Meeting should consult their financial or legal adviser for assistance

#### **Voting by proxy**

Any Shareholder entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of that Shareholder.

The proxy does not need to be a Shareholder of the Company.

A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes.

Proxies must be:

- (a) lodged at the Company's share registry, Boardroom Pty Limited, or
- (b) faxed to the fax number specified below,

not later than 10.00am (AEDT) on 14th November 2017.

Address (hand deliveries): Boardroom Pty Limited,  
Level 12, Grosvenor Place, 225 George Street, Sydney NSW 2000

Address (postal deliveries): Boardroom Pty Limited, GPO Box 3993, Sydney, NSW 2001

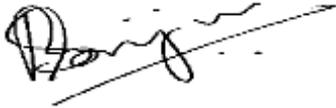
Fax number for lodgement: (02) 9290 9655

The proxy form has been enclosed. Please read all instructions carefully before completing the proxy form.

**Entitlement to vote**

In accordance with Section 1074E(2)(g)(i) of the Corporations Act and Regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the meeting all shares will be taken to be held by the persons who held them as registered Shareholders at 7.00pm (AEDT) on Tuesday 14th November 2017. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

By order of the Board

A handwritten signature in black ink, appearing to be 'Biju Vikraman', written over a horizontal line.

**Biju Vikraman**  
Company Secretary

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**Clime Capital Limited  
(ACN 106 282 777)**

## **Explanatory Memorandum**

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This Explanatory Memorandum sets out further information regarding the proposed resolutions to be considered by Shareholders of Clime Capital Limited (**Clime**) at the 2017 Annual General Meeting to be held commencing at 10.00 am (AEDT) on 16th November 2017 at Pacific Room, Wesley Conference Centre, 220 Pitt Street, Sydney.

The Directors recommend that Shareholders read this Explanatory Memorandum before determining whether or not to support the resolutions.

### **Financial statements and reports**

Under Section 317 of the Corporations Act, Clime is required to lay its annual financial report, directors' report and remuneration report before its Shareholders at its annual general meeting. The annual financial report is submitted for Shareholders' consideration and discussion at the annual general meeting as required. Meeting attendees are invited to direct questions to the Chairman in respect of any aspect of the report they wish to discuss.

Representatives of Clime's auditor, Pitcher Partners, will be present for discussion purposes on matters of relevance to the audit.

### **Resolution 1 - Remuneration report**

Resolution 1 provides Shareholders the opportunity to vote on Clime's remuneration report. The remuneration report is contained in the directors' report. Under Section 250R(2) of the Corporations Act, Clime must put the adoption of its remuneration report to a vote at its Annual General Meeting.

This vote is advisory only and does not bind the Directors or Clime.

The Board will consider the outcome of the vote and comments made by Shareholders on the remuneration report at this meeting when reviewing Clime's remuneration policies. If 25% or more of the votes that are cast are voted against the adoption of the remuneration report at two consecutive annual general meetings Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of Clime's directors other than the managing director must stand for election.

Key management personnel (including Directors) and their closely related parties must not cast a vote on the remuneration report, unless as holders of directed proxies for Shareholders eligible to vote on Resolution 1.

Clime encourages all shareholders to cast their votes on this resolution. The Chairman will vote all undirected proxies in favour of this resolution. If you wish to vote "against" or "abstain" you should mark the relevant box in the attached proxy form.

## Resolution 2 - Re-election of Mr. Brett Spork as a Director

Under rule 6.7 of Clime's constitution, a Director must not hold office after the later of:

- (i) the third Annual General Meeting held after the Director was last appointed or elected; and
- (ii) 3 years after the date on which the Director was last appointed or elected, whichever is the longer.

This is the third Annual General Meeting held since Brett Spork was last elected as a Director of Clime.

Mr. Brett Spork was appointed independent Director of the Company in May 2011. Mr. Spork has extensive experience in the Funds Management, Banking and Financial Services sectors. Mr. Spork's previous roles include CEO of Investorfirst, CEO of E\*Trade Australia and Executive Director with Macquarie Bank.

Special responsibilities: Member of Audit, Remuneration and Nomination Committees.

Resolution 2 provides for the re-election of Mr. Brett Spork as Director of Clime in accordance with rule 6.7 of Clime's constitution. Being eligible, Brett Spork offers himself for re-election.

The Directors (excluding Mr Brett Spork) unanimously recommend that Shareholders vote in favour of Resolution 2.

## Resolution 3 - Approval of additional placement capacity under Listing Rule 7.1A

### 3.1 Background

Listing Rule 7.1A enables eligible entities to issue Share up to 10% of its issued share capital through placements over a 12 month period after the Annual General Meeting (AGM) (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company qualifies as an eligible entity.

The Company is seeking Shareholder approval by way of a special resolution to have the ability to issue Shares under the 10% Placement Facility. The exact number of Shares to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 3.2(c) below).

### 3.2 Description of Listing Rule 7.1A

#### (a) Shareholder approval

The ability to issue Shares under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an AGM, requiring a 75% majority vote to be cast.

#### (b) Shares

Any Shares issued under the 10% Placement Facility must be in the same class as an existing quoted class of Shares of the Company.

The Company, as at the date of the Notice, has on issue one class of equity securities, being quoted Shares.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an AGM may issue or agree to issue, during the 12 month period after the date of the AGM, a number of Shares calculated in accordance with the following formula:

$$(A \times D) - E$$

**A** is the number of Shares on issue 12 months before the date of issue or agreement:

- I. plus the number of fully paid Shares issued in the 12 months under an exception in Listing Rule 7.2;
- II. plus the number of partly paid shares that became fully paid in the 12 months;
- III. plus the number of fully paid Shares issued in the 12 months with shareholder approval under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid Shares under the entity's 15% placement capacity without Shareholder approval;
- IV. less the number of fully paid Shares cancelled in the 12 months.

**D** is 10%;

**E** is the number of Shares issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Shares under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 89,712,339 Shares and therefore, has a capacity to issue:

- I. 13,456,850 Shares under Listing Rule 7.1; and
- II. subject to the Shareholder approval being sought under Resolution 3 being obtained, 8,971,233 Shares under Listing Rule 7.1A.

The actual number of Shares that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Shares in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 3.2(c) above).

(e) Minimum Issue Price

The issue price of Shares issued under Listing Rule 7.1A must be not less than 75% of the Volume Weighted Average Price (VWAP) of Shares over the 15 Trading Days (on which

trades in that class were recorded) immediately before:

- I. the date on which the price at which the Shares are to be issued is agreed; or
- II. if the Shares are not issued within five Trading Days of the date in paragraph (e)(i) above, the date on which the Shares are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the AGM at which the approval is obtained and expires on the earlier to occur of the following:

- I. the date that is 12 months after the date of the AGM at which the approval is obtained; or
- II. the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

### 3.3 Listing Rule 7.1A

The effect of Resolution 3 will be to allow the Directors to issue Shares under Listing Rule 7.1A during the 10% Placement Period in addition to the Company's 15% placement capacity under Listing Rule 7.1.

### 3.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Shares will be issued at an issue price of not less than 75% of the VWAP for the Company's Shares over the 15 Trading Days (on which trades in that class were recorded) immediately before:
  - I. the date on which the price at which the Shares are to be issued is agreed; or
  - II. if the Shares are not issued within five Trading Days of the date in paragraph (i) above, the date on which the Shares are issued.
- (b) If Resolution 3 is approved by Shareholders and the Company issues Shares under the 10% Placement Facility, the existing Shareholders face the risk of economic and voting dilution as a result of the issue of Shares which are the subject of this Resolution, to the extent that such Shares are issued, including the risk that:
  - I. the market price for the Company's Shares may be significantly lower on the date of the issue of the Shares than on the date of the this meeting; and
  - II. the Shares may be issued at a price that is at a discount to the market price for the Company's Shares on the issue date or the Shares are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Shares.

The table below shows the dilution of existing Shareholders on the basis of the current market price of the Shares and the current number of Shares for variable “A” calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table shows:

- I. two examples where variable “A” has increased by 50% and 100%. Variable “A” is based on the number of Shares the Company has on issue. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer), or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders’ meeting; and
- II. two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Variable “A” in Listing Rule 7.1A.2		Dilution		
		\$0.435 50% decrease in Issue Price	\$0.87 Issue Price	\$1.74 100% increase in Issue Price
<b>Current Variable A</b> 89,712,339 Shares	<b>10% voting dilution</b>	8,971,233 Shares		
	<b>Funds raised</b>	\$3,902,486	\$7,804,973	\$15,609,945
<b>50% increase in current Variable A</b> 134,568,508 Shares	<b>10% voting dilution</b>	13,456,850 Shares		
	<b>Funds raised</b>	\$5,853,730	\$11,707,460	\$23,414,919
<b>100% increase in current Variable A</b> 179,424,678 Shares	<b>10% voting dilution</b>	17,942,467 Shares		
	<b>Funds raised</b>	\$7,804,973	\$15,609,946	\$31,219,893

The table has been prepared on the following assumptions:

- I. The Company issues the maximum number of Shares available under the 10% Placement Facility
- II. No convertible securities are converted into Shares before the date of the issue of the Shares. Please note that the Company currently has no convertible securities on issue.
- III. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- IV. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder’s holding at the date of this Meeting.

- V. The table shows only the effect of issues of Shares under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- VI. The issue price is \$0.87 being the closing price of Shares on the ASX on 3 October 2017.
- (c) The Company will only issue and allot the Shares during the 10% Placement Period. The approval under Resolution 3 for the issue of the Shares will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Shares for the following purposes:
- I. for cash consideration, in which case the Company may use the funds raised towards making (or to securing the right to make) one or more acquisitions and/or to further its existing projects; and/or general working capital; so that the Company has the necessary working capital and flexibility to consider, and if thought fit, to put in a stronger position to make (or to secure the right to make) one or more acquisitions and/or to further its existing projects; or
  - II. non-cash consideration for the acquisition of (or securing the right to make acquisitions of) companies, businesses, new projects and investments or to further its existing projects. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.
- (e) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Shares.
- (f) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Shares will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- I. the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing Shareholders can participate;
  - II. the effect of the issue of Shares on the control of the Company;
  - III. the financial situation and solvency of the Company; and
  - IV. advice from corporate, financial and broking advisers (if applicable).
- (g) The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an Associate of a related party of the Company.
- Further, if the Company is successful in acquiring new assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments.
- (h) The Company has not previously sought or obtained Shareholder approval under ASX Listing Rule 7.1A.

### 3.5 Directors' Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 3.

**Glossary**

In this Explanatory Memorandum, and the Notice of Meeting:

**Board** means the board of directors of the Company.

**Company** means Clime Capital Limited (ACN 106 282 777)

**Director** means a director of the Company.

**Explanatory Memorandum** means this explanatory memorandum which forms part of the Notice of Meeting.

**Listing Rules** means the listing rules of the ASX Limited.

**Meeting** means the Annual General Meeting of the Company the subject of this Notice of Meeting scheduled to occur on Thursday **16th November 2017**.

**Shareholder** means a holder of a Share.

**Share** means an ordinary share in the capital of the Company



#### 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 10:00am (AEDT) on Tuesday 14 November 2017.**

### 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 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. 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 **10:00am (AEDT) on Tuesday 14 November 2017.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged in the following method:

-  **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.

**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 **Clime Capital Limited** 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 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 Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at the **Pacific Room, Wesley Conference Centre, 220 Pitt Street, Sydney NSW 2000 on Thursday 16 November 2017 at 10:00am (AEDT)** 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	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	To re-elect Mr Brett Spork as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Special	Approval of additional placement capacity under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**STEP 3 SIGNATURE OF SECURITYHOLDERS**  
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 / / 2017