

For personal use only



ABN 50 113 883 560

**NOTICE OF ANNUAL GENERAL MEETING**

**TIME:** 10.00am (AEDT)  
**DATE:** 24 November 2011  
**PLACE:** The Function Room  
Giorgio's  
1235 High Street  
Armadale, Victoria, 3143

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.



21 October 2011

Dear Shareholder

AMA Group Limited (the **Company**) has convened the Annual General Meeting (**AGM**) of shareholders to be held on on 24 November 2011 and we invite you to attend. The meeting will be held at The Function Room, Giorgio's, 1235 High Street, Armadale, Victoria, 3143 to commence at 10.00am and will consider:

- The 2011 Annual Report;
- Adoption of the Remuneration Report;
- Re-election of Mr Simon Doyle, who comes up for rotation this AGM;
- Ratification of past issues of shares under Listing Rule 7.4; and
- Selective Buy-Back

Attached to this letter is a Notice of the AGM meeting and an Explanatory Memorandum setting out details on each of the resolutions to be proposed at the meeting.

If you are unable to attend the Meeting, I encourage you to vote using the Proxy Form, which is also enclosed. If you are able to attend, please bring this letter and package with you to facilitate your entitlement to vote. The Board recommends that you vote in favour of all resolutions.

My fellow directors and I look forward to meeting those shareholders who can attend the Annual General Meeting in person.

Thank you for your continued support.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Duncan', is written over a horizontal line. There are some small blue marks above and below the line.

**Duncan Fischer**  
**Chairman**

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## **NOTICE OF ANNUAL GENERAL MEETING**

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Notice is given that the Annual General Meeting of Shareholders of AMA Group Limited will be held at the The Function Room, Giorgio's, 1235 High Street, Armadale, Victoria 3143 at 10.00am (AEDT) on 24 November 2011.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the proxy form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company on 22 November 2011 at 7.00pm (AEDT).

## **AVAILABILITY OF 2011 ANNUAL REPORT**

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Shareholders are reminded that the 2011 Annual Report is only mailed to those shareholders who have elected to receive it in hard copy. The 2011 Annual Report can be viewed on the Company's web site at [www.amagroupltd.com](http://www.amagroupltd.com)

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## **BUSINESS**

### **ADOPTION OF THE ANNUAL FINANCIAL REPORT**

To receive the Annual Financial Report, including Directors' declarations and accompanying reports of the Directors and auditors for the financial year ended 30 June 2011.

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### **RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

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To consider, and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, approval is given to the adoption of the Remuneration Report as contained in the Company's financial report for the year ended 30 June 2011."*

**Voting Exclusion:** Although no voting exclusion for the purposes of the ASX listing rules applies, no Director or Key Management Personnel, as disclosed in the remuneration report, or their closely related parties (such as close family members and any controlled entities) are entitled to vote on this resolution.

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### **RESOLUTION 2 – RE-ELECTION OF DIRECTOR, MR SIMON DOYLE**

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To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for all purposes, Mr. Simon Doyle, a director of the Company retires in accordance with clause 15.3(a) of the Constitution and, being eligible, is re-elected as a Director of the Company."*

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**RESOLUTION 3 – RATIFICATION OF ISSUE OF SHARES TO EMPLOYEES**

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To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purposes of ASX Listing Rule 7.4, the Shareholders grant subsequent approval for the issue of 5,651,986 fully paid ordinary Shares to certain employees of the Company in consideration for the employees entering into long term contracts with the Company and agreeing to significant post employment restraints which are of significant value to the Company.”*

**Voting Exclusion:** The Company will disregard any votes cast on this resolution by any person who participated in the issue of the Shares and any of their associates.

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**RESOLUTION 4 – SELECTIVE BUY-BACK**

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To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

*“That the Company complete the buy-back of 1,000,000 fully paid ordinary shares from Mr Robert Eric Allan as part consideration of the resolution of the litigation announced in September 2009.”*

**Voting Exclusion:** Although there is no voting exclusion for the purposes of the ASX listing rules, section 257D(1) of the Corporations Act prohibits votes being cast in favour of the resolution by Robert Eric Allan and his associates.

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**DATED: 21October 2011**

**By Order of the Board**



**Ms. Terri Bakos  
Company Secretary**

**AMA Group Limited**

## Important information for shareholders

1. The business of the Annual General Meeting affects your shareholding and your vote is important.
2. To vote in person, attend the Annual General Meeting on the date and at the place set out above.
3. To vote by proxy, please complete and sign the proxy form enclosed with this Notice of Meeting as soon as possible and:
  - (a) deliver the proxy form to AMA Group Limited, c/- Suite 1, 1233 High Street, Armadale Victoria 3143 Australia;
  - (b) send the proxy form to AMA Group Limited, c/- PO Box 8694, Armadale Victoria 3143; or
  - (c) send the proxy form by facsimile to the Company on facsimile number (613) 9822 7735

so that it is received not later than 10.00am (AEDT), 24 November 2011.

**Proxy forms received later than this time will be invalid.**

### 4. Undirected Proxies Resolution 1 (Remuneration Report)

If you appoint the Chairman, any other Director or member of the Key Management Team (disclosed in the Annual Report) as your proxy and you **do not give a direction how to vote**, your vote will **not be counted** for the purpose of Resolution 1.

### 5. Voting Exclusion Note

Where a voting exclusion applies, the Company need 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 proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at 10.00am (AEDT), 24 November 2011 at:

The Function Room  
Giorgio's  
1235 High Street  
Armadale, Victoria, 3143

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

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### 1 ADOPTION OF THE ANNUAL FINANCIAL REPORT

In accordance with the Company's Constitution, the business of the meeting will include receipt and consideration of the Company's Financial Report and reports of Directors and Auditors for the year ended 30 June 2011.

In accordance with the Corporations Act 2001, Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the Financial Report.

During the discussion of this item, the Company's auditor will be present and will answer qualifying questions.

#### Written questions for the auditor

If you would like to submit a written question to the Company's auditor, please post your question to the Company Secretary or fax it to (613) 9822 7735. Written questions must relate to the content of the auditor's report to be considered at the Annual General Meeting or the conduct of the audit. A list of qualifying questions will be addressed at the Annual General Meeting.

Please note that all questions must be received at least five business days before the Annual General Meeting; that is by no later than 10.00am on 17 November 2011.

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### 2 RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### **Background**

Pursuant to the Corporations Act 2001 at the Annual General Meeting of a listed company, the Company must propose a resolution that the Remuneration Report be adopted. The resolution is advisory only, and does not bind the Company.

The purpose of this resolution is to lay before the Shareholders, the Company's Remuneration Report so that Shareholders may ask questions about or make comments on the management of the Company in accordance with the requirements of the Corporations Act 2001 and vote to adopt the Remuneration Report for the year ended 30 June 2011.

The Board will consider the outcome of the vote made by shareholders on the remuneration report at the meeting when reviewing the Company's remuneration policies.

The Remuneration Report is contained within the 2011 Annual Report.

You may access the Annual Report by visiting the Company's website [www.amagroupltd.com](http://www.amagroupltd.com).

### **Voting Restrictions**

In accordance with Section 250R(4) of the Corporations Act (which came into effect on 1 July 2011), the Company will disregard any votes cast on this resolution by:

- a) a member of the Key Management Personnel (**KMP Member**) as disclosed in the Remuneration Report; and
- b) a closely related party (such as close family members and any controlled entities) of those persons;

However, KMP Members may cast a vote on the resolution if the KMP member does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution and the vote is not cast on behalf of a KMP member whose remuneration details are included in the remuneration report.

Section 250BD of the Corporations Act prevents KMP Members and their closely related parties, including the Chair of the meeting, from voting undirected proxies on this resolution.

Accordingly, if you appoint the Chairman, any other Director or other KMP Members (or their closely related parties) **as proxy and you have not directed the proxy how to vote, your vote will not count for this resolution.** The Board encourages you to direct your proxy how to vote on this resolution.

### **Spill Resolution**

Effective 1 July 2011, should 25% or more of votes that are cast vote against the adoption of the remuneration report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a further resolution (a "**Spill Resolution**"), requiring another meeting to be held within 90 days of the Spill Resolution. At that further meeting, all of the Company's Directors (other than the Managing Director and CEO) must stand for re-election.

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## **3 RESOLUTION 2 - RE-ELECTION OF DIRECTOR, MR SIMON DOYLE**

Clause 15.3(a) of the Constitution states that no director except the Managing Director may hold office for a period in excess of 3 years without offering himself/herself for re-election, and that at every Annual General Meeting, one-third of the previously elected Directors must retire from office and be eligible for re-election.

Mr Doyle will retire at the Annual General Meeting and seeks re-election.

**Mr Simon Doyle** – Non-executive Director – Appointed 14<sup>th</sup> October 2009  
BA, LLB

Mr. Doyle has nearly 30 years experience, in Australia and overseas in commercial law, company executive roles and non-executive director roles with an emphasis on strategic direction, governance and compliance.

Previous executive roles include responsibility for legal functions, compliance, corporate affairs, human resources and company secretarial as well as specific leadership roles in mergers, acquisitions, corporate restructures, due diligence and initial public offering.

Previous non-executive roles include board positions in start ups, mature businesses, businesses in transition and Board member and Chairman in the not for profit sector.

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## **4 RESOLUTION 3 – RATIFICATION OF ISSUE OF SHARES TO EMPLOYEES**

### **4.1 Background**

On 21<sup>st</sup> July 2011, the Company issued 2,950,000 fully paid ordinary shares to employees in consideration of these employees agreeing to entering into long term contracts with the Company and agreeing to significant post employment restraint provisions. Such arrangements represent significant value to the Company as it ensures the long term commitment of the key employees.

On 28<sup>th</sup> September 2011, the Company issued 2,701,986 fully paid ordinary shares to employees to satisfy bonus arrangements upon the achievement of key performance indicators by employees.

These issues were made without the need for shareholder approval under Listing Rule 7.1

### **4.2 Purpose of resolution and listing rule 7.1**

ASX Listing Rule 7.1 prohibits a listed entity from issuing or agreeing to issue more than 15% of its issued capital in a 12 month period without shareholder approval (**15% Limit**), unless an exception applies.

Pursuant to ASX Listing Rule 7.4, an issue of securities made without approval is deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1 provided that:

- (a) the issue did not breach the 15% Limit; and
- (b) the company in general meeting subsequently approves the issue.

Shareholder ratification for the issue of the employee shares is now sought pursuant to ASX Listing Rule 7.4 to reinstate the Company's capacity to issue up to 15% of its issued capital, if required, in the next 12 months without shareholder approval.

### **4.3 Notice requirements under listing rule 7.5**

It is a requirement of ASX Listing Rule 7.5, that a listed entity seeking subsequent shareholder approval under listing rule 7.4 provides the following information:

- (a) the total number of shares issued: 5,651,986 fully paid ordinary shares;
- (b) the price at which the securities were issued: the shares were issued for non-cash consideration. The consideration for the issues was the entry into long term contracts by the key employees, their agreement to accept significant post



employment restraints and achieving key performance indicators. The shares were issued based at a deemed price of \$0.10 & \$0.11 per share.

- (c) the terms of the Shares: the shares allotted and issued are identical to the Company's existing fully paid ordinary Shares;
- (d) the names of the allottees were:

| <b>Employee</b>   | <b>Quantity of Shares</b> |
|---|---------------------------|
| Keith Bollen  | 1,000,000                 |
| Robbie McConnell  | 275,000                   |
| Tim Davis   | 225,000                   |
| Lee Maddocks  | 225,000                   |
| Eric Cheung   | 225,000                   |
| Trevor Long   | 275,000                   |
| Paul Torrisi  | 275,000                   |
| Andy Sibley   | 225,000                   |
| Jo Laverty  | 225,000                   |
| SRFE Pty Ltd (nominee of Ray Smith –Roberts)                | 1,996,205                 |
| Adam Middleton Investment Trust (nominee of Adam Middleton) | 705,781                   |

## 5 RESOLUTION 4 –SELECTIVE BUY-BACK

### 5.1 Background

Shareholders may recall that the Company announced in September 2009, that it had commenced legal proceedings against its former CEO, Robert Allan, relating to Mr Allan's breach of director's duties. The Company subsequently resolved its disputes with Mr Allan in December 2010, as set out in the announcement issued on 30 December 2010.

Whilst the settlement terms are subject to confidentiality provisions, the settlement arrangements included the surrender by Mr Allan of some shares he held in the Company without any payment being made by the Company to Mr Allan (**Share Surrender**).

In order to give effect to the Share Surrender, the Company is required to complete a selective buy-back of Mr Allan's shares. The buy-back is a formality which will, upon completion, enable the Company to cancel all of Mr Allan's shares.

In completing the Share Surrender, the Board is satisfied that the buy-back does not materially prejudice the Company's ability to pay its creditors, **as no money is being paid to Mr Allan**.

A selective buy-back must be approved either by:

- (a) A special resolution passed at a general meeting of the Company, with no votes being cast in favour of the resolution by any person whose shares are proposed to be bought back or by their associates; or

(b) a resolution agreed to, at a general meeting, by all ordinary shareholders, or the agreement must be conditional on such an approval.

## 5.2 Information to be given to Shareholders

Pursuant to Regulatory Guide 110 issued by the Australian Securities & Investment Commission, the following information is provided to Shareholders:

|  |   |
|--|---|
| <b>Number of shares on issue</b>   | 283,181,291 fully paid ordinary shares  |
| <b>Number and percentage of shares to be bought back</b>   | 1,000,000 fully paid ordinary shares, representing 0.357%   |
| <b>Particulars of the terms of the buy-back</b>  | The buy-back is required to complete all the matters the subject of the settlement arrangements with Mr Allan. Although those arrangements are subject to confidentiality provisions, the buy-back does not require the Company to pay any moneys to Mr Allan.  |
| <b>Share buy-back price</b>  | No payment is required to be made by the Company. The consideration for the buy-back is part of a suite of compromises and releases agreed to by the parties and a confidential settlement with Mr Allan. Accordingly, a valuation of the non-cash consideration is not appropriate. However, at the time of the settlement, the Company sought legal advice on the merits and the appropriateness of the settlement having regard to all the surrounding factors. The Company relied on this advice to enter into the settlement arrangements. |
| <b>Reason for the buy-back</b>   | To finalise all matters relating to the settlement arrangements with Mr Allan.  |
| <b>Interests of any director who may participate in a share buy-back agreement</b>   | Not applicable  |
| <b>Financial effect of the buy-back scheme on the Company</b>  | As no monies are being paid for the shares to be bought back, there is no financial effect of the buy-back on the Company.  |
| <b>Source of the funds for the buy-back scheme</b>   | Not applicable, as no monies are to be paid for the shares.   |
| <b>The effect of the buy-back on the control of the Company</b>  | There will be no affect on the control of the Company.  |
| <b>If the Company is listed, information about the current share price and any additional information that ASX Listing Rules require to be disclosed</b> | As at the date of this memorandum, the share price was \$0.105 per share.   |
| <b>Advantages and disadvantages of</b>   | <b>Advantages:</b> the buy-back does not require the  |

|                     |   |
|---------------------|---|
| <b>the buy-back</b> | payment of any funds. The buy-back is a formal requirement that will allow the Company to cancel Mr Allan's shares.<br><br><b>Disadvantages:</b> as the buy-back is required to complete all matters under the settlement arrangements and will allow the Company to cancel all of Mr Allan's shares, the Board is of the view that there are no disadvantages. |
|---------------------|---|

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All audited accounts have been lodged with ASIC. The Company lodged a copy of its preliminary final report for year ending 30 June 2011 with ASX on 29 August 2011.

## PROXY FORM

### Annual General Meeting 24 November 2011

SAMPLE FORM  
 SAMPLE FORM  
 SAMPLE FORM  
 SAMPLE FORM

### Appointment of Proxy

If appointing a proxy to attend the General Meeting on your behalf, please complete the form and submit it in accordance with the directions on the reverse of the page. I/We being a shareholder/shareholders of the Company pursuant to my/our right to appoint not more than two proxies, appoint

The Chairman of the Meeting  
 (mark with an "X")

OR

Write here the name of the person you are appointing if this person is **someone other than** the Chairman of the Meeting.

or failing him/her, (or if no proxy is specified above), the Chairman of the meeting, as my/our proxy to act generally at the meeting and to vote for me/us and on my/our behalf at the Annual General Meeting in accordance with the following directions or if no directions have been given, as the proxy see fit, to be held at **The Function Room, Giorgio's, 1235 High Street, Armadale VIC 3143** on **22 November 2011**, at **10:00 am** and at any adjournment of that meeting.

**IMPORTANT INSTRUCTIONS FOR RESOLUTION 1: IF THE CHAIRMAN OF THE MEETING IS YOUR PROXY AND YOU HAVE NOT DIRECTED HIM/HER HOW TO VOTE ON RESOLUTION 1, THE CHAIRMAN WILL BE PREVENTED FROM CASTING YOUR VOTES ON RESOLUTION 1. IF THE CHAIRMAN IS YOUR PROXY, IN ORDER FOR YOUR VOTES TO BE COUNTED ON RESOLUTION 1, YOU MUST DIRECT YOUR PROXY HOW TO VOTE ON RESOLUTION 1.**

**THE CHAIR INTENDS TO VOTE 100% OF UNDIRECTED PROXIES IN FAVOUR OF RESOLUTIONS 2 TO 4 BELOW.**

This proxy is to be used in respect of \_\_\_\_\_ % of the ordinary shares I/we hold.

#### Voting directions to your proxy – please mark to indicate your directions

| RESOLUTION                                      | For                      | Against                  | Abstain*                 |
|---|--------------------------|--------------------------|--------------------------|
| 1. Adoption of the Remuneration Report          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Re-election of Director, Mr. Simon Doyle     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Ratification of Issue of Shares to employees | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Selective Buy-Back                           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

\*If you mark 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 votes will not be counted in computing the required majority on a poll.

#### PLEASE SIGN HERE

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.  
 Executed in accordance with section 127 of the Corporations Act:

Individual or Shareholder 1

Sole Director & Sole Company Secretary

Joint Shareholder 2

Director

Joint Shareholder 3

Director / Company Secretary

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2011

Contact Name

Contact Business Telephone / Mobile

## INSTRUCTIONS FOR COMPLETING PROXY FORM

1. Your pre-printed name and address is as it appears on the share register of the Company. If you are Issuer Sponsored and this information is incorrect, make the correction on the form, sign it and return it to us. Securityholders sponsored by a broker on the CHES subregister should advise their broker of any changes. Please note, you cannot change ownership of your securities using this form.
2. Completion of a proxy form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Meeting.
3. A shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment do not specify this proportion, each proxy may exercise half of the votes.
4. A proxy need not be a shareholder of the Company.
5. If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.
6. If a representative of a company shareholder is to attend the Meeting, a properly executed original (or certified copy) of the appropriate "Certificate of Appointment of Corporate Representative" should be produced for admission to the Meeting. Previously lodged "Certificates of Appointment of Corporate Representative" will be disregarded by the Company.
7. If a representative as Power of Attorney of a shareholder is to attend the meeting, a properly executed original (or originally certified copy) of an appropriate Power of Attorney should be produced for admission to the Meeting. Previously lodged Powers of Attorney will be disregarded by the Company.

### 8. Signing Instructions

You must sign this 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 shareholders should sign.
- Power of Attorney:** If you are signing under a Power of Attorney, you must lodge an original or certified photocopy of the appropriate Power of Attorney with your completed Proxy Form.
- 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 indicate the office held by signing in the appropriate place.

### 9. Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address below not later than 10:00 am on 22 November 2011 (48 hours before the commencement of the meeting). Any Proxy Form received after that time will not be valid for the scheduled meeting.

#### Hand deliveries

**AMA Group Ltd  
Suite 1  
1233 High Street  
Armadale VIC 3143**

#### Postal address:

**AMA Group Ltd  
PO Box 8694  
Armadale VIC 3143**

#### Fax number:

**(03) 9822 7735**

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