

Diversified United Investment Limited ABN 33 006 713 177

The Annual General Meeting of shareholders of Diversified United Investment Limited (“the Company”) will be held at the offices of KPMG, 147 Collins Street, Melbourne, Victoria on Tuesday, 14th October 2014 at 9:00 am.

Business:

Financial Statements and Reports:

1. To receive the Statement and Report of the Directors, the Report of the Auditor and the Financial Statements for the financial year ended 30 June 2014. The auditor will be available at the meeting to receive questions from shareholders about the preparation of the auditor’s report and the conduct of the audit.

Remuneration Report:

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

“That the Remuneration Report that forms part of the Directors’ Report for the Company for the financial year ended 30 June 2014 be adopted.”

The Remuneration Report is set out on page 12 of the Annual Report.

Please note that the vote on this resolution is advisory only and does not bind the directors or the Company.

Directors:

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

*“That **Mr C B Goode**, a Director retiring from office by rotation in accordance with clause 62 of the Constitution, being eligible, is re-elected as a Director of the Company.”*

Mr Goode is the Chairman of the Boards of Australian United Investment Company Limited (since 1990), The Ian Potter Foundation Limited (governor since 1987) and Flagstaff Partners Pty Ltd (since 2010). Formerly Mr Goode was a director of Australia and New Zealand Banking Group Limited (1991 – 2010, Chairman 1996 – 2010), Woodside Petroleum Limited (1988 – 2007, Chairman 1999 – 2007) and Grosvenor Australia Properties Pty Limited (Chairman 2008 - 2012).

Directors other than Mr Goode unanimously recommend that shareholders vote in favour of Mr Goode’s re-election.

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

*“That **Mr P R Prentice**, a Director retiring from office by rotation in accordance with clause 62 of the Constitution, being eligible, is re-elected as a Director of the Company.”*

In 1999 Mr Prentice co-founded JCP Investment Partners (JCP) of which he was a director until 2012. Until 2010, he was JCP’s Head of Research. Prior to joining JCP, he worked in institutional broker research and became Executive Vice President of BT Australia where he was head of industrial research for BT Stockbroking and a member of their Executive Committee. His earlier career was as a Chartered Accountant and he was a partner of KPMG Peat Marwick. He is Chairman of the Company’s Audit Committee.

Directors other than Mr Prentice unanimously recommend that shareholders vote in favour of Mr Prentice’s election.

Renewal of Proportional Takeover provisions in the Constitution:

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

“That the provisions of the Company’s constitution are altered by re-inserting clauses 29.1 to 29.8 inclusive (in the form approved by members on 13 October 2011) for the period of 3 years commencing on the date of this resolution.”

An explanation and reasons for the proposed resolution is set out in the attached Explanatory Statement.

Other Business

To deal with any other business that may be brought forward in accordance with the Constitution and the Corporations Act.

Voting entitlements

The Company has determined, in accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), that the Company’s shares quoted on ASX Limited at 7.00pm Melbourne time on 10th October 2014 are taken, for the purpose of the general meeting to be held by the persons who held them at that time. Accordingly, those persons are entitled to attend and vote (if not excluded) at the meeting.

Voting exclusion statements

A vote must not be cast (in any capacity) on Item 2 by or on behalf of a member of Diversified United Investment Ltd’s Key Management Personnel (“KMP”), details of whose remuneration are included in the Remuneration Report, and their closely related parties, whether as a shareholder or as a proxy. However, a vote may be cast on Item 2 by a KMP, or a closely related party of a KMP, if:

- the vote is cast as a proxy;
- appointed by writing that specifies how the proxy is to vote on Item 2; and
- the vote is not cast on behalf of a KMP or a closely related party of a KMP.

Please note that the Chairman of the meeting intends to vote undirected proxies in favour of all resolutions.

If the Chairman of the meeting is appointed as your proxy you are expressly authorising the Chairman of the meeting to exercise your proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Proxies

A shareholder has the right to appoint a proxy, who need not be a shareholder of the Company. If a shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. The Proxy Form must be deposited at the share registry of the Company, Link Market Services Limited, located at Locked Bag A14, Sydney South, NSW 1235 or by facsimile to Link Market Services on 61 2 9287 0309 by 9.00am Sunday 12th October 2014.

Dated this 12th day of September 2014

By order of the Board

Andrew J Hancock.
Company Secretary

DIVERSIFIED UNITED INVESTMENT LIMITED

ABN 33 006 713 177

Explanatory Statement

This explanatory statement relates to the notice of meeting dated 12 September 2014.

Item 5: Renewal of Proportional Takeover Approval Provisions in Constitution

The Board seeks approval by special resolution of shareholders for the re-insertion of proportional takeover approval provisions in the Company's Constitution. The proportional takeover approval provisions require that a proportional takeover bid in respect of the Company may only proceed after shareholder approval.

The Company has in the past adopted and from time to time renewed proportional takeover provisions in its Constitution. These were last renewed in October 2011. Under the Corporations Act these provisions have effect for a maximum of three years and any renewal is to be made by alteration of the Constitution approved by shareholders. The Company now wishes to re-insert the provisions previously included in clauses 29.1 to 29.8 inclusive of the Constitution in the same form as they were previously approved. A copy of the Company's constitution including the wording of clauses 29.1 to 29.8 inclusive is available at the Company's website www.dui.com.au.

1. Effect of proposed proportional takeover provisions

The effect of the proposed provisions is that:

- (a) if a proportional takeover offer is received, the Directors are required to convene a general meeting of shareholders to vote on a resolution to approve the offer or conduct a postal ballot to approve the offer. That meeting must be held at least 15 days before the offer closes;
- (b) a majority of shares voting in favour at the meeting, excluding the shares of the offeror and its associates, is required for the resolution to be passed;
- (c) if no resolution is voted on at least 15 days before the close of the offer, such a resolution is deemed to have been approved;
- (d) if the resolution is rejected, the registration of any transfer of shares resulting from the proportional offer will be prohibited and, under the Corporations Act, the offer will be ineffective; and
- (e) if the resolution is approved, the relevant transfers of shares will be registered provided they comply with the other provisions of the Constitution.

The provisions will not apply to full takeover offers. If the provisions are adopted, they will expire in accordance with the Corporations Act in three (3) years time unless renewed by further special resolution.

2. Reasons for proposing the resolution

The Board considers that shareholders should have the opportunity to decide whether a proposed proportional takeover offer should proceed by voting upon it. If it does proceed, individual shareholders can make a separate decision as to whether they wish to accept the offer.

A proportional takeover bid for the Company may enable control of the Company to be acquired by a party holding less than a majority position and without shareholders having the opportunity to dispose of all of their shares, so that shareholders could be at risk of being left as part of a minority interest in the Company. If the Constitution includes these proportional takeover provisions, it will minimise the risk to shareholders.

3. Present acquisition proposals

As at the date of this Notice, no Director is aware of any proposal by a person to acquire, or increase the extent of, a substantial interest in the Company.

4. Review of the previous proportional takeover provisions

There has not been any proportional takeover bid during the period that the provisions were in effect previously.

The potential advantages and disadvantages of the proportional takeover provisions for the Directors and shareholders are set out below.

5. Potential advantages of the proportional takeover approval provisions for the Directors and shareholders

- (a) Enables the Board to formally ascertain the views of shareholders in respect of a proportional takeover offer.
- (b) Ensures that shareholders will have an opportunity to study a proportional takeover offer and vote on whether the offer should be permitted to proceed.
- (c) Enables shareholders to prevent a proportional takeover bid from proceeding if they believe that control of the Company should not be permitted to pass under the bid.
- (d) May encourage a proportional bid to be structured so as to be attractive to a majority of independent shareholders.

6. Potential disadvantages of the proportional takeover provisions for the Directors and shareholders

- (a) May discourage proportional takeover bids for the Company.
- (b) May as a result reduce any 'takeover speculation' element in the Company's share price or deny shareholders the opportunity of selling some of their shares at a premium.
- (c) May restrict the ability of individual shareholders to deal freely with their shares in some circumstances.

7. Recommendation

The Board considers that it is in the interest of shareholders to have a continuing right to decide if any proportional takeover should proceed and recommends you vote in favour of the renewal of the proportional takeover provisions in the Constitution at the Annual General Meeting.



By mail:
Diversified United Investment Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



By fax: +61 2 9287 0309



All enquiries to: Telephone: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Diversified United Investment Limited and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

**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 shareholder) you are appointing as your proxy.

Failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to vote on my/our behalf (including in accordance with the directions set out below or, if no directions have been given, to vote as the proxy sees fit, to the extent permitted by the law) at the Annual General Meeting of the Company to be held at **9:00am on Tuesday, 14 October 2014 at the offices of KPMG, 147 Collins Street, Melbourne, Victoria** (the Meeting) and at any postponement or adjournment of the Meeting.

I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an

STEP 2

VOTING DIRECTIONS

	For	Against	Abstain*
Item 2 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3 Re-election of Mr C B Goode as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4 Re-election of Mr P R Prentice as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5 Renewal of Proportional Takeover provisions in the Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

i * 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 votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



HOW TO COMPLETE THIS PROXY FORM

Your Name and Address

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you appoint someone other than the Chairman of the Meeting as your proxy, you will also be appointing the Chairman of the Meeting as your alternate proxy to act as your proxy in the event the named proxy does not attend the Meeting.

Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. 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.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as 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 telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares 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; and
- (b) return both forms together.

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, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney 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: 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.

Corporate Representatives

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **9:00am on Sunday, 12 October 2014**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



by mail:

Diversified United Investment Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



by fax:

+61 2 9287 0309



by hand:

delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 or Level 12, 680 George Street, Sydney NSW 2000.

**If you would like to attend and vote at the Annual General Meeting, please bring this form with you.
This will assist in registering your attendance.**