

**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 Evans & Partners, Mayfair Building, 171 Collins Street, Melbourne, Victoria on Monday 16<sup>th</sup> October 2017 at 11:00 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 2017. 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 2017 be adopted.”*

The Remuneration Report is set out on page 13 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 A R Burgess**, 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 Burgess has over 35 years’ experience in corporate finance in Melbourne, London and New York. He is Chief Executive Officer of Flagstaff Partners Pty Ltd (since 2010), an independent corporate finance advisory firm. He was formerly Global Co-Head of Mergers and Acquisitions at Deutsche Bank AG, based in London. He is a Governor of The Ian Potter Foundation Limited (since 2013), Chairman of the Foundation for Business and Economics at the University of Melbourne, a Director of the Melbourne Business School Limited and a member of the Board of Management of the Melbourne Theatre Company.

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

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

*“That **Mr A J P Larke**, 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 Larke is a Non-Executive Director of DuluxGroup Ltd and IXOM (a leading Australasian chemicals business). Formerly he held senior corporate strategy roles in Orica Ltd and North Ltd and has been involved in mergers, acquisitions and divestments as well as corporate advisory for over 25 years. He is Chairman of the Company’s Audit and Risk Management Committee.

Directors other than Mr Larke unanimously recommend that shareholders vote in favour of Mr Larke’s re-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 14 October 2014) 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 14<sup>th</sup> October 2017 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 on Resolution 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, except a vote may be cast on Resolution 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 Resolution 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 received at the share registry of the Company, Link Market Services Limited, located at Locked Bag A14, Sydney South, NSW 1235 or received by facsimile to Link Market Services on 61 2 9287 0309 by 11.00 am Saturday 14<sup>th</sup> October 2017.

Dated this 13<sup>th</sup> day of September 2017

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 13<sup>th</sup> September 2017.

### **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 2014. 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](http://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 registration of any transfers of shares resulting from the proportional offer 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.

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.

**LODGE YOUR VOTE**

 **ONLINE**  
www.linkmarketservices.com.au

 **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**  
Link Market Services Limited  
1A Homebush Bay Drive, Rhodes NSW 2138; or  
Level 12, 680 George Street, Sydney NSW 2000

 **ALL ENQUIRIES TO**  
Telephone: +61 1300 554 474

**PROXY FORM**

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

**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 you are appointing as your proxy

**STEP 1**

or 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 act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **11:00am on Monday, 16 October 2017 at The offices of Evans & Partners, Mayfair Building, 171 Collins Street, Melbourne, Victoria (the Meeting)** and at any postponement or adjournment of the Meeting.

**Important for Resolution 2:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 2, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.**

**VOTING DIRECTIONS**

**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**

**Resolutions**

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



\* 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.

**SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED**

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

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).

**STEP 3**



## HOW TO COMPLETE THIS SHAREHOLDER 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 PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

### 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](http://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 **11:00am on Saturday, 14 October 2017**, 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](http://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

\* During business hours (Monday to Friday, 9:00am–5:00pm)

**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.**