

INVESTSMART GROUP LIMITED
ACN 111 772 359
NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an Annual General Meeting (**Meeting**) of the Members of InvestSMART Group Limited ACN 111 772 359 (**Company**) will be held on **Tuesday, 29 November 2016** at **10:00am** (Sydney time) at Level 13, 60 Margaret Street, Sydney, NSW, 2000.

ORDINARY BUSINESS

1. Consolidated financial and statutory reports

To receive and consider the consolidated financial report of the Company, and the reports of the Directors and of the external auditor, for the year ended 30 June 2016.

Note: This matter is not voted upon.

2. Adoption of remuneration report

Resolution 1 - as an ordinary resolution:

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

“That the 2016 Remuneration Report, contained in the InvestSMART Group Limited 2016 Annual Report, be adopted.”

Note: The vote on this matter is advisory only and does not bind the Directors or the Company.

The Directors will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the Meeting when reviewing the Company’s remuneration policies.

Voting Exclusion Statement

*The Company will disregard any votes cast on this resolution by Key Management Personnel (**KMP**) during the year ended 30 June 2016 or a Closely Related Party of such KMP. However, the Company will not disregard a vote if it is cast by:*

- *a KMP, as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- *the Chairman of 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.*

3. Re-election of Michael Shepherd AO as a Director

Resolution 2 - as an ordinary resolution:

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

“That Michael Shepherd AO, retiring from the office of Director in accordance with rule 6.4 of the Company’s Constitution and being eligible, is re-elected as a Director of the Company.”

4. Approval of Employee Share Ownership Plan

Resolution 3 - as an ordinary resolution:

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

"That:

- (a) the Directors be authorised to establish the InvestSMART Group Limited Employee Share Ownership Plan (**ESOP**) which is summarised in the Explanatory Statement accompanying this Notice of Meeting and subject to the Listing Rules, to establish, maintain, administer, vary, suspend or terminate the ESOP as the Directors decide from time to time; and
- (b) the ESOP be approved for the purposes of Section 259B and Section 260C of the Corporations Act and Listing Rule 7.2."

Voting Exclusion Statement

The Company will disregard any votes cast on this resolution by or on behalf of any Director of the Company who is eligible to participate in the InvestSMART Group Limited Employee Share Ownership Plan in respect of which approval is sought or any Closely Related Party of such a Director as required by the Listing Rules, and any KMP as at the date of the Meeting or a Closely Related Party of any such KMP, appointed as a proxy. However, the Company will not disregard a vote if it is cast by:

- *a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- *the Chairman of 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.*

5. Approval of Acquisition of Shares in the InvestSMART Group Limited Employee Share Ownership Plan by the Managing Director

Resolution 4 - as an ordinary resolution:

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

"That approval be given in accordance with Listing Rule 10.14 to issue 400,000 shares to the Managing Director under the InvestSMART Group Limited Employee Share Ownership Plan on the terms set out in the Explanatory Statement accompanying this Notice of Meeting."

Voting Exclusion Statement

The Company will disregard any votes cast on this resolution by or on behalf of any Director of the Company who is eligible to participate in the InvestSMART Group Limited Employee Share Ownership Plan any Closely Related Party of any such Director as required by the Listing Rules, and any KMP as at the date of the Meeting or a Closely Related Party of any such KMP, appointed as a proxy. However, the Company will not disregard a vote if it is cast by:

- *a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*

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- *the Chairman of 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.*

EXPLANATORY STATEMENT

Please refer to the Explanatory Statement attached to this Notice of Meeting in relation to the items of business set out in this Notice of Meeting.

ENTITLEMENT TO ATTEND AND VOTE AT THE MEETING

The Company has determined that for the purposes of the Meeting a person registered as a Shareholder at 7pm (Sydney time) on Friday 25 November 2016 will be eligible to attend and to vote at the Meeting. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Dated: 18 October 2016

By order of the Board.



Paul Clitheroe AM
Chairman

INVESTSMART GROUP LIMITED
ACN 111 772 359
ANNUAL GENERAL MEETING
NOTES AND VOTING INSTRUCTIONS

How to Vote

Members entitled to vote at the Meeting may vote:

- by attending the meeting and voting in person; or
- by appointing an attorney to attend the meeting and vote on their behalf or, in the case of corporate members or proxies, a corporate representative to attend the meeting and vote on its behalf; or
- by appointing a proxy to attend and vote on their behalf, using the proxy form accompanying this Notice. A proxy may be an individual or a body corporate.

Voting in person (or by attorney or by corporate representative)

Members or their proxies, attorneys or representatives (including representatives of corporate proxies) wishing to vote in person should attend the Meeting and bring a form of personal identification (such as their driver's licence).

To vote by attorney at the Meeting, the original or a certified copy of the power of attorney or other authority (if any) under which the instrument is signed must be received by the Company's Share Registry before 10.00am (Sydney time) on Sunday 27 November 2016 in any of the following ways:

By post to the Share Registry, Boardroom Pty Limited:
GPO Box 3993, Sydney NSW 2001

By hand delivery to Boardroom Pty Limited at:
Level 12, 225 George Street, Sydney, NSW, 2000

By facsimile to Boardroom Pty Limited on:
+61 2 9290 9655

To vote in person, you or your proxy, attorney, representative or corporate proxy representative must attend the Meeting.

A vote cast in accordance with the appointment of a proxy or power of attorney is valid even if before the vote was cast the appointor:

- died;
- became mentally incapacitated;
- revoked the proxy or power; or
- transferred the Shares in respect of which the vote was cast,

unless the Company receives written notification of the death, mental incapacity, revocation or transfer before the Meeting.

To vote by corporate representative at the Meeting, a corporate Member or proxy should obtain an Appointment of Corporate Representative Form from the Share Registry and complete and sign the form in accordance with the instructions on it. The appointment should be lodged at the registration desk on the day of the Meeting. The appointment of a corporate representative may set out restrictions on the representative's powers.

The original form of appointment of a corporate representative, a certified copy of the appointment, or a certificate of the body corporate evidencing the appointment of a representative is prima facie evidence of a corporate representative having been appointed. The Chairman of the Meeting may permit a person claiming to be a corporate representative to exercise the body's powers even if he or she has not produced a certificate or other satisfactory evidence of his or her appointment.

Voting by Proxy

Any Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of that Member. The proxy does not need to be a Member. A Member that 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 Member's votes. A proxy may be an individual or a body corporate. A proxy that is a body corporate may appoint a representative to exercise the powers that the body corporate may exercise as the Member's proxy.

A proxy may vote or abstain as he or she chooses except where the appointment of the proxy directs the way the proxy is to vote on a the motion. If an appointment directs the way the proxy is to vote on the motion:

- if the proxy is the Chairman of the Meeting - the proxy must vote on a poll and must vote in the way directed;
- if the proxy is not the Chairman of the Meeting - the proxy need not vote on a poll, but if the proxy does so, the proxy must vote in the way directed; and
- if the proxy does not attend the Meeting, or does not vote on a poll, the Chairman of the Meeting is taken, before voting on the motion closes, to have been appointed as the proxy for the purposes of voting on the motion at the Meeting.

If a proxy appointment is signed or validly authenticated by the Member but does not name the proxy or proxies in whose favour it is given, the Chairman of the Meeting may either act as proxy or complete the proxy appointment by inserting the name or names of one or more Directors or the Company Secretary.

If:

- a Member nominates the Chairman of the Meeting as the Member's proxy; or
- the Chairman of the Meeting is to act as proxy if a proxy appointment is signed by a Member but does not name the proxies in whose favour it is given or otherwise under a default appointment according to the terms of the proxy form,

then the person acting as Chairman in respect of an item of business at the Meeting must act as proxy under the appointment in respect of that item of business.

Proxies must be lodged not later than 48 hours before the Meeting i.e. 10.00am (Sydney time) on Sunday 27 November 2016 in any of the following ways:

By post to the Share Registry, Boardroom Pty Limited:
GPO Box 3993, Sydney NSW 2001

By hand delivery to Boardroom Pty Limited at:
Level 12, 225 George Street, Sydney, NSW, 2000

By facsimile to Boardroom Pty Limited on:
+61 2 9290 9655

By electronic lodgement:

www.votingonline.com.au/invagm2016

in accordance with instructions provided on the enclosed proxy form. You will need your postcode or country of residence to lodge your proxy vote online.

A form of proxy is provided with this notice.

Further Information

If you have any queries in relation to the Meeting, please contact the Company Secretary, Peter Friend, on 1300 800 160 or by email at: p.friend@investsmart.com.au.

EXPLANATORY STATEMENT

Explanatory Statement for the 2016 Annual General Meeting of InvestSMART Group Limited ACN 111 772 359

(This Explanatory Statement forms part of the Notice of Meeting dated 18 October 2016)

This Explanatory Statement provides information for Shareholders in respect of the resolutions to be considered at the Annual General Meeting of InvestSMART Group Limited (**Company**) to be held on **Tuesday, 29 November 2016** at **10:00am** (Sydney time) at Level 13, 60 Margaret Street, Sydney, NSW, 2000 (**Meeting**).

Ordinary Business

1. Consolidated Financial Statements and Statutory Reports

As required by section 317 of the Corporations Act, the Financial Report, Directors' Report and Auditor's Report of the Company is contained within the 2016 Annual Report and will be laid before the Meeting.

Shareholders will be provided with the opportunity to ask questions about the reports or about the Company generally. There is no requirement for a Shareholder resolution on this item. Therefore, no resolution will be put to the Meeting.

2. 2016 Remuneration Report – Resolution 1

As required by the Corporations Act, a resolution that the Company's 2016 Remuneration Report be adopted must be put to a vote at the Meeting. The 2016 Remuneration Report is contained within the Directors' Report at pages 16 to 19 of the 2016 Annual Report.

The vote on this matter is advisory only and does not bind the Directors or the Company. Shareholders will be provided with an opportunity to ask questions or make comments on the 2016 Remuneration Report. The Directors will consider the outcome of the vote and comments made by Shareholders at the Meeting on the 2016 Remuneration Report when reviewing the Company's remuneration policies.

The Directors recommend that Shareholders vote in favour of Resolution 1.

The Chairman of the Meeting intends to vote available proxies in favour of Resolution 1.

3. Re-election of Director – Michael Shepherd AO – Resolution 2

The Listing Rules and the Constitution require each Director to be re-elected every three years and also that an election of Directors be held each year. Mr Shepherd was elected to the Board at the 2014 Annual General Meeting and Mr Clitheroe was re-elected to the Board at the 2015 Annual General Meeting. As the longer serving non-executive director, Mr Shepherd will be considered for re-election at the Meeting.

Mr Michael Shepherd, aged 66, has had a successful career in financial services over more than 40 years. He was a director of ASX Limited and group between 1988 and 2007, including a term as Vice-Chairman between 1993 and 2007. Mr Shepherd was also Chairman of the ASX Derivatives Board and Chairman of the ASX Market Rules Committee.

Mr Shepherd is currently Chairman of HFA Holdings Limited (a listed investment management company) and a member of the Member Responsible Entity Compliance Committee of UBS Global Asset Management (Australia) Limited. He is also a Senior Fellow and Life Member, Financial Services Institute of Australasia, after being a director of that body between 2001 and 2009, including 2 years as National President.

The Directors (with Mr Shepherd abstaining) recommend that Shareholders vote in favour of Resolution 2.

The Chairman of the Meeting intends to vote available proxies in favour of Resolution 2.

4. *Approval of Employee Share Ownership Plan – Resolution 3*

This Resolution seeks Shareholder approval for the purposes of the Corporations Act, the Listing Rules and for all other purposes of the InvestSMART Group Limited Employee Share Ownership Plan (**ESOP**) and to issue shares under the ESOP.

The Directors (with the Managing Director abstaining) recommend that Shareholders vote in favour of Resolution 3.

The Chairman of the Meeting intends to vote available proxies in favour of Resolution 3.

Background

The Company currently has a Long Term Incentive Plan in place. The Long Term Incentive Plan was originally approved by shareholders on 28 November 2013 and was amended with the approval of Shareholders on 26 November 2014 and 17 June 2015. There are 4 participants in that Long Term Incentive Plan being the Chairman, the Managing Director, the Chief Finance Officer and the Chief Technology Officer. The number of Shares issued under the Long Term Incentive Plan is 16,499,998 shares. The entitlements of the 4 participants in the Long Term Incentive Plan are set out in the 2016 Remuneration Report.

The Board considers it is appropriate at the current stage of the development of the Company to introduce employee incentive arrangements which provide meaningful incentive to employees to maximise Shareholder value.

Listing Rule 7.1 provides that a company must not without shareholder approval issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. Under Listing Rule 7.2, Listing Rule 7.1 does not apply to issues of securities under the ESOP, if within 3 years of the date on which the securities are issued, shareholders approve the issue of securities under the ESOP as an exception to Listing Rule 7.1.

The ESOP involves the Company providing non-recourse loans to eligible participants for the sole purpose of acquiring Shares. The Corporations Act restricts a company from financially assisting a person to acquire shares in the company without shareholder approval. Accordingly, as part of Resolution 3 the Company is seeking Shareholder approval for the purposes of Section 260C of the Corporations Act to provide loans to eligible participants in connection with the issue of Shares under the ESOP.

Section 259B(1) of the Corporations Act prohibits a company taking security over its own shares, except as permitted by section 259B(2), which authorises a company to take security over shares in itself under and employee share scheme which has been approved by shareholders. When a loan is made to an eligible employee under the ESOP, until that loan is repaid, the Company will have a lien over the Shares to which the loan relates. As part of Resolution 3 the Company is seeking Shareholder approval for the purposes of Section 259B of the Corporations Act to take security over its own shares as part of the structure of loans provided to eligible participants in connection with the issue of Shares under the ESOP.

Summary of ESOP Rules

Operation of the Plan

The Plan must be operated in accordance with the ESOP Rules. The Board may make regulations and policies for the operation of the Plan provided they are consistent with the ESOP Rules.

Shareholders are able to obtain a copy of the ESOP Rules from the Company Secretary, Peter Friend, on 1300 800 160 or by email at: p.friend@investsmart.com.au.

Eligibility

Shares may be offered to any full-time or part-time employee the Board determines is to receive an invitation to participate in the ESOP.

Participation

Eligible employees are invited to apply to participate in the ESOP by completing and returning an application form to the Company and become participants in the ESOP when the Company accepts their application.

Shares

Subject to the maximum issue restriction, the number of ESOP Shares will be decided by the Directors from time to time.

Issue Price

ESOP Shares will be offered at the market value, being the volume weighted average of the prices at which shares are traded during the one-month period prior to the invitation.

Maximum Issue

The number of ESOP Shares together with the number of Shares issued by the Company during the preceding 3 years pursuant to employee incentive schemes covered by ASIC Class Orders or like instruments made by ASIC must not exceed 5% of the issued Shares in the Company. Shares issued without the need to issue a disclosure document in accordance with Section 708 of the Corporations Act will be excluded from this calculation.

Restrictions

Employees who hold ESOP Shares will be restricted from transferring or dealing with those ESOP Shares issued for periods ranging from 1 year to 3 years after the ESOP Shares are issued.

Sales of ESOP Shares will be governed by the Company's Securities Trading and Prevention of Insider Trading Policy in operation at the time.

Listing

ESOP Shares will be listed on the ASX.

Rights Attaching to Shares

ESOP Shares will rank equally with all other issued shares in all respects including with respect to voting rights and rights to participate in dividends, rights issues and bonus issues.

Financial Assistance

The Board may offer an employee eligible to participate in the ESOP assistance to finance the acquisition of ESOP Shares on terms determined by the Board from time to time. Where such an offer is made, the Board will provide a loan agreement to the employee together with the Invitation to apply for the ESOP Shares. No interest will be payable on the financial assistance.

Repayment of Financial Assistance

Financial assistance is repayable by the employee at the end of the term of the loan agreement as determined by the Board, unless it is required to be repaid at an earlier date. Financial assistance will become immediately due and payable on total and permanent disability of the employee, upon the death of the employee or if the employee is dismissed or resigns from employment or is subject to other events set out in the ESOP Rules.

The Company shall accept in full and complete satisfaction of an employee's indebtedness in relation to the financial assistance:

- the total amount of all moneys owing by the employee to the Company under the loan agreement; or
- the transfer of the ESOP Shares held by the employee to the Company.

If the value of the ESOP Shares transferred is less than the total amount of financial assistance owing then no further amount of moneys is repayable by the employee to the Company and no further amount in relation to the financial assistance is at any time recoverable by the Company from the employee.

Employee Share Buy Back

In certain circumstances, the Company is entitled to buy-back ESOP Shares in accordance with the procedures set out in the Corporations Act. The Company will have the right to buy-back ESOP Shares where an Employee is dismissed from employment or attempts to transfer or otherwise deal with ESOP Shares other than in accordance with the ESOP Rules.

Amendment, Termination or Suspension of the Plan

The Board may amend, terminate or suspend the ESOP.

5. *Approval of Acquisition of Shares in the InvestSMART Group Limited Employee Share Ownership Plan by the Managing Director – Resolution 4*

The Directors (with the Managing Director abstaining) recommend that Shareholders vote in favour of Resolution 4.

The Chairman of the Meeting intends to vote available proxies in favour of Resolution 4.

Listing Rule 10.14 requires Shareholders to approve the acquisition of ESOP Shares by a Director or an associate of a Director under the ESOP.

The Board proposes to offer the Managing Director, Mr Ron Hodge, an invitation to acquire 400,000 ESOP Shares. The price of those ESOP Shares will be the market value, being the volume weighted average of the prices at which Shares are traded during the one-month period prior to the invitation being made to the Managing Director. If approved, ESOP Shares will be issued to the Managing Director within 42 days of the Meeting and in any event, no later than 12 months after the Meeting.

The Managing Director currently receives annual remuneration of \$463,029, comprised of base remuneration of \$264,449, superannuation expense of \$25,122, accrued annual leave of \$15,463 and Long Term Incentive Plan expense of \$157,995.

In September 2015 the Managing Director was provided with a non-recourse loan under the Long Term Incentive Plan to fund the purchase of 4,166,666 shares under that Plan. The Managing Director's participation in the Long Term Incentive Plan was part of the consideration provided by the Company to the Managing Director and other parties for the termination of a management contract entered into in September 2013.

Financial assistance will be provided to the Managing Director by the Company to assist the acquisition of the ESOP Shares. The terms of that financial assistance are described in the summary of the ESOP Rules contained in section 4 of this Explanatory Statement.

The ESOP Shares acquired by the Managing Director will be subject to the following restrictions:

- 133,333 ESOP Shares may not be transferred or otherwise dealt with until 12 months after the date of issue of the ESOP Shares;
- 133,333 ESOP Shares may not be transferred or otherwise dealt with until 24 months after the date of issue of the ESOP Shares; and
- 133,334 ESOP Shares may not be transferred or otherwise dealt with until 36 months after the date of issue of the ESOP Shares.

As the ESOP is being approved by Shareholders for the first time, no other Directors or associates of Directors have received ESOP Shares. Details of all ESOP Shares will be published in each annual report of the Company relating to a period in which the ESOP Shares are issued and that approval was obtained under Listing Rule 10.14. With the exception of the Managing Director, no other Directors or associates of Directors are eligible to participate in the ESOP. Should any other Directors or associates of Directors become entitled to participate in the ESOP in the future, they will not participate in it until approval is obtained under Listing Rule 10.14.

Further Information

If you have any queries in relation to the Meeting, please contact the Company Secretary, Peter Friend on 1300 800 160 or p.friend@investsmart.com.au.

Glossary

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited or the financial market known as the Australian Securities Exchange that is operated by ASX Limited, as the context requires.

Board means the Board of Directors of the Company.

Closely Related Party of a party means:

- a spouse or child of the party;
- a child of the party's spouse;
- a dependent of the party or of the party's spouse;
- anyone who is one of the party's family and may be expected to influence the party, or be influenced by the party, in the party's dealings with the Company;
- a company the party controls.

Company means InvestSMART Group Limited (ACN 111 752 359).

Corporations Act means Corporations Act (2001) *Cth*.

Constitution means the Constitution of the Company.

Director means a Director of the Company.

ESOP means the InvestSMART Group Limited Employee Share Ownership Plan.

ESOP Rules mean the rules of the InvestSMART Group Limited Employee Share Ownership Plan.

ESOP Shares mean Shares issued to an eligible employee under the ESOP.

Key Management Personnel (or **KMP**) means those persons having the authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly, including all Directors. The

KMP's during the year ended 30 June 2016 are listed in the 2016 Remuneration Report contained within the Directors' Report in the 2016 Annual Report of the Company.

Listing Rule means a Listing Rule of the ASX.

Meeting means the Annual General Meeting of the Company to be held on Tuesday, 29 November 2016 commencing at 10:00am (Sydney time).

Member means a Shareholder.

Share means a fully-paid ordinary share in the Company.

Shareholder means the holder of Shares.

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 10:00 am (Sydney time) on Sunday 27 November 2016.**

📠 TO VOTE ONLINE

- STEP 1: VISIT** www.votingonline.com.au/invagm2016
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

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 security holder 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, therefore by **10:00 am (Sydney time) on Sunday 27 November 2016**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 💻 **Online** www.votingonline.com.au/invagm2016
- 📠 **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.

InvestSMART Group Limited

ACN 111 772 359

☐

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 **InvestSMART Group Limited** (Company) 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 shareholder) 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 **Level 13, 60 Margaret Street, Sydney, NSW, 2000 on Tuesday, 29 November 2016 at 10:00am (Sydney time)** 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 Resolutions 1, 3 and 4, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1, 3 and 4 are 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 Resolutions 1, 3 and 4). 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	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Michael Shepherd AO as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of Employee Share Ownership Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of Acquisition of Shares in the InvestSMART Group Limited Employee Share Ownership Plan by the Managing Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SHAREHOLDERS

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 / / 2016