

14 November 2014

Dear Shareholder

On behalf of the Board of Peet Limited, I am pleased to invite you to an Extraordinary General Meeting ("EGM"). The EGM will be held on Tuesday, 16 December 2014 commencing at 10.00am (AWST) at the Parmelia Hilton Hotel in Perth, WA.

The two resolutions proposed herein are both related to Peet's recent announcement of placements to fund the acquisition of interests in six residential development projects ("Acquisitions").

The Acquisitions represent the continued progress of Peet's strategy of acquiring high quality projects in capital efficient structures with strong investment partners. Existing and new institutional investors have been supportive subscribing for additional capital in Peet to allow the Acquisitions ("Institutional Placement").

Together with related parties, Mr Tony Lennon, Chairman of Peet, is Peet's largest shareholder and has been since the mid 1980s.

Resolution 1 requests shareholders' approval to issue 6,306,306 fully-paid ordinary shares to an entity associated with Mr Lennon ("Chairman Placement"). If approved, the shares will be issued at \$1.11 per share – the same price as the completed Institutional Placement announced to the market on 7 November 2014.

Mr Lennon's support for Peet has always been highly dedicated and committed, and is clearly demonstrated in his track record of support for Peet's capital raisings and dividend re-investment plan over the years.

However, his position as Chairman of Peet requires that the subscription for 6,306,306 shares be approved by shareholders.

Mr Lennon and Mr Anthony Lennon (Non-executive Director) will abstain from voting on Resolution 1 and do not make a recommendation in respect to it. However, the other Directors of Peet unanimously support the resolution and recommend that you vote in favour of it.

Resolution 2 requests shareholders ratify the allotment and issue of shares under the Institutional Placement announced to the market on 7 November 2014. The Directors of Peet unanimously support this resolution and recommend that you vote in favour of it.

Your vote on the proposed resolutions is important and I urge you to lodge your votes as soon as possible.

All eligible shareholders will have the opportunity to participate in the recently announced Share Purchase Plan, at the same price (\$1.11 per share) as the completed Institutional Placement and the Chairman Placement.

On behalf of the Board



Brendan Gore  
Managing Director & Chief Executive Officer

# PEET

PEET LIMITED

ABN 56 008 665 834

NOTICE OF EXTRAORDINARY GENERAL MEETING

AND

EXPLANATORY MEMORANDUM TO SHAREHOLDERS

A PROXY FORM IS ENCLOSED

Please read the Notice and Explanatory Memorandum carefully.

If you are unable to attend the meeting please complete and return the enclosed proxy form in accordance with the specified instructions.

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# PEET LIMITED

ABN 56 008 665 834

## NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that an Extraordinary General Meeting of Peet Limited ("the Company") will be held at the Parmelia Hilton Hotel, 14 Mill Street, Perth, Western Australia on Tuesday, 16 December 2014 at 10.00 am (AWST).

### Agenda items

#### 1 Resolution 1 – Approval of the issue of shares to Scorpio Nominees Pty Ltd as trustee for Gwenton Trust

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

*"That for the purposes of ASX Listing Rule 10.11 and for all other purposes approval is given to issue 6,306,306 fully paid ordinary shares to Scorpio Nominees Pty Limited as trustee for Gwenton Trust, at a price of \$1.11 per share (the terms and conditions of which are described in the Explanatory Memorandum accompanying this Notice)."*

#### Voting exclusion statement

Pursuant to ASX Listing Rule 14.11.1, the Company will disregard any votes cast on Resolution 1 by:

- Scorpio Nominees Pty Limited as trustee for Gwenton Trust; and
- any associates of Scorpio Nominees Pty Limited as trustee for Gwenton Trust.

However, the Company need not disregard a vote if the vote is cast as a proxy for a person entitled to vote:

- in accordance with the directions on the proxy form; or
- by the Chairman where he has been expressly authorised to vote undirected proxies as he sees fit.

#### 2 Resolution 2 – Ratification of issue of shares

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

*"That for the purposes of ASX Listing Rule 7.4 and for all other purposes the Company ratifies the allotment and issue of 36,036,036 fully paid ordinary shares at \$1.11 each under an unconditional placement to institutional investors (the terms and conditions of which are described in the Explanatory Memorandum accompanying this Notice)."*

#### Voting exclusion statement

Pursuant to ASX Listing Rule 14.11.1, the Company will disregard any votes cast on Resolution 2 by:

- any person who participated in the issue; and
- their associates.

However, the Company need not disregard a vote if the vote is cast as a proxy for a person entitled to vote:

- in accordance with the directions on the proxy form; or
- by the Chairman where he has been expressly authorised to vote undirected proxies as he sees fit.

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## **Explanatory Memorandum**

Shareholders are referred to the Explanatory Memorandum accompanying and forming part of this notice of meeting.

## **Entitlement to vote**

It has been determined that under regulation 7.11.37 of the *Corporations Regulations 2001 (Cth)*, for the purposes of the Meeting, shares will be taken to be held by the persons who are the registered holders at **7.00pm (Sydney time), Sunday, 14 December 2014**. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

## **Methods of voting**

Ordinary shareholders can vote in the following ways:

- by attending the Meeting and voting in either person or, by attorney or, in the case of corporate shareholders, by corporate representative; or
- by appointing a proxy to vote on their behalf using the Proxy Form enclosed with this Notice (see below).

## **Attending the Meeting**

If you attend the Meeting, please bring along your personalised proxy form with you. The bar code at the top of the form will help you register. If you do not bring your form with you, you will still be able to attend the Meeting but representatives from the Company's share registry, Computershare Investor Services, will need to verify your identity. You will be able to register from 9.00am (AWST) on the day of the Meeting.

## **Bodies Corporate**

A body corporate may appoint an individual as its representative to attend and vote at the Meeting and exercise any other powers the body corporate can exercise at the Meeting. The appointment may be a standing one. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

## **Proxies**

A shareholder entitled to attend and vote has a right to appoint a proxy to attend and vote instead of the shareholder. A proxy need not be a shareholder.

If you intend to appoint the Chairman of the Meeting as your proxy, we note that the Chairman of the meeting intends to vote undirected proxies in favour of all Resolutions. A shareholder that is entitled to cast two (2) or more votes may appoint up to two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the shareholder's votes.

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A Proxy Form (with signing instructions) accompanies this Notice and to be effective must be received at the Company's share registry, Computershare Investor Services,

- in Person: to Level 2, 45 St Georges Terrace, Perth WA
- by Mail: to GPO BOX 242, Melbourne, Vic 3001
- by Facsimile: 1800 783 447 or +61 3 9473 2555 (outside Australia), or
- you may register your voting or proxy instructions electronically at the share registry website: [www.investorvote.com.au](http://www.investorvote.com.au), or
- for Intermediary Online subscribers only (custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions,

by no later than 10.00am (AWST), Sunday, 14 December 2014.

**Results of the Meeting**

Voting results will be announced on the Australian Securities Exchange ("ASX") as soon as practicable after the Meeting and also made available on the Company's website (<http://www.peet.com.au/>).

**By Order of the Board**



Dom Scafetta  
Group Company Secretary  
14 November 2014

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# PEET LIMITED

ABN 56 008 665 834

## EXPLANATORY MEMORANDUM TO SHAREHOLDERS

This Explanatory Memorandum has been prepared to assist shareholders to understand the business to be put to shareholders at the forthcoming Extraordinary General Meeting (“EGM”).

### 1 Resolutions 1 and 2 – Approval of the issue of shares to Scorpio Nominees Pty Ltd as trustee for Gwenton Trust and Ratification of issue of securities

#### Background

The Company is undertaking placements to raise up to \$47 million, to be applied to the acquisition of interests in six residential development projects.

The equity raising consists of two separate placements (“Placements”):

- \$40 million underwritten unconditional placement to existing and new institutional investors (“Institutional Placement”); and
- \$7 million non-underwritten placement to an entity associated with the Company’s Chairman, subject to the approval of the shareholders of the Company (“Chairman Placement”).

The Company will also undertake a non-underwritten share purchase plan for up to approximately \$5 million<sup>1</sup> (“SPP”).

Each of the Placements and the SPP will be undertaken at an issue price of \$1.11 (“Issue Price”). New shares issued under the Placements and the SPP will rank equally with existing shares of the Company.

The Board considers that the Placements and SPP are in the best interests of the Company.

#### Dilution of Chairman’s voting power

As a result of the Institutional Placement, the Chairman’s voting power in the Company will be diluted as set out in the table below (from 21.0% down to 19.4%):

	Shares (million)	%
<b>Before Institutional Placement</b>		
Total number of shares in the Company	438.6	
Chairman’s voting power	92.3	21.0%
<b>Post-Institutional Placement</b>		
Total number of shares in the Company	474.6	
Chairman’s voting power	92.3	19.4%
<b>Post-Chairman Placement</b>		
Total number of shares in the Company	480.9	
Chairman’s voting power	98.6	20.5%

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<sup>1</sup> Subject to change at Peet’s discretion.

	Shares (million)	%
<b>Post-SPP (assuming Chairman Placement is approved and SPP fully subscribed)</b>		
Total number of shares in the Company	485.4	
Chairman's voting power (post-SPP and post-Chairman Placement)	98.6	20.3%
<b>Post-SPP (assuming Chairman Placement is approved and SPP fully subscribed)</b>		
Total number of shares in the Company	479.1	
Chairman's voting power (post-SPP)	92.3	19.3%

The Chairman's support for Peet is clearly demonstrated in his track record of support for Peet's capital raisings and dividend re-investment plan over the years. As a continuing show of support, the Company and Scorpio Nominees Pty Limited as trustee ("Trustee") for Gwenton Trust ("Trust") (the "Subscriber") (a company and trust associated with the Chairman – see below) entered into a subscription agreement dated 7 November 2014 ("Subscription Agreement"), further details of which are set out below. If the Chairman Placement is approved by shareholders, the Chairman's voting power will increase from 19.4% to 20.5%.

If the SPP takes place, is fully subscribed and assuming the Chairman does not participate in the SPP and:

- the Chairman Placement has occurred, the Chairman's voting power will be diluted from 20.5% to 20.3%; or
- the Chairman Placement does not go ahead, the Chairman's voting power will be diluted from 19.4% to 19.3%.

#### **Relationship between Chairman and the Subscriber**

Under the Subscription Agreement, the Subscriber will be subscribing for newly issued ordinary shares in the Company. The Subscriber is the trustee of the Chairman's family trust and is the Company's single largest shareholder. The Chairman of the Company, Mr Anthony Wayne Lennon ("**Chairman**"), is a shareholder and director of the Trustee and a beneficiary of the Trust. Due to these relationships, the Subscriber is a related party of the Company and so the Chairman Placement requires shareholder approval under ASX Listing Rule 10.11.

#### **Terms of the Subscription Agreement**

Under the Subscription Agreement, the Company has agreed (subject to shareholder approval) to issue 6,306,306 ordinary shares to the Subscriber at the Issue Price of \$1.11 (being a total of approximately \$7 million).

The Subscription Agreement was executed subject to the following conditions ("Conditions Precedent"):

- Chairman Placement being approved by an ordinary resolution of the shareholders of the Company (other than the Subscriber and its associates, including the Chairman) as required under the ASX Listing Rules by no later than 5.00pm on Tuesday, 16 December 2014 (unless otherwise agreed between the Company and the Subscriber); and



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- (b) completion of the Institutional Placement by no later than Thursday, 13 November 2014 (or another time as agreed in writing between the parties).

If the Conditions Precedent are met, then completion under the Subscription Agreement will occur five (5) business days after satisfaction of the Conditions Precedent.

#### **Other information**

Except as provided for in this Notice, there is no other information known to the Company that is material to the decision as to how to vote on the proposed resolutions.

#### **Further information regarding Resolutions 1 and 2**

##### **Resolution 1 - Approval of the issue of shares to the Trustee of the Trust**

###### ASX Listing Rule 10.11 approval

Broadly, ASX Listing Rule 10.11 provides that unless one of the exceptions in ASX Listing Rule 10.12 applies, an entity must not issue or agree to issue equity securities to a related party without shareholder approval.

The Subscriber is the Trustee of the Chairman's family trust and for the purposes of ASX Listing Rule 10.11, is considered a related party of the Company.

Exception 14 in ASX Listing Rule 7.2 provides that, if approval is given under ASX Listing Rule 10.11 for such an issue, approval is not required under ASX Listing Rule 7.1.

For the purposes of ASX Listing Rule 10.13, the following information is provided:

- (i) *Recipient of shares under the Chairman Placement*

Scorpio Nominees Pty Limited as trustee for Gwenton Trust. The Chairman of the Company is a shareholder and director of the Trustee and is a beneficiary of the Trust. The Chairman controls the Subscriber and so the Subscriber is a related party of the Company.
- (ii) *Number of shares to be issued under the Chairman Placement*

6,306,306 fully paid ordinary shares.
- (iii) *Issue date*

No later than 15 January 2015 (being 1 month after the date of the EGM).
- (iv) *Relationship that requires the approval to be obtained*

Mr Anthony Wayne Lennon, being the Non-executive Chairman of the Company, is a beneficiary of the Trust and a shareholder and director of the Trustee.
- (v) *Issue price and terms of issue*

Shares will be issued at the Issue Price, being \$1.11 per ordinary share. The other terms and conditions of the Chairman Placement are set out above. Having regard to the Issue Price being the same as that set under the Institutional Placement and for the SPP, the Board considers the Chairman Placement to be on arm's length terms.

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These shares will, upon payment by the Subscriber of the Issue Price, be issued as fully paid ordinary shares of the Company which rank equally from the date of issue with existing ordinary shares of the Company.

(vi) *Voting exclusion statement*

Refer to the “voting exclusion statement” in the Notice to which this Explanatory Memorandum is attached.

(vii) *The intended use of the funds raised*

The funds raised will be applied towards the acquisition of interests in six residential development projects.

Maximum extent of increase in voting power

If the Institutional Placement is completed, then the voting power of the Chairman will decrease from 21.0% to 19.4%. If the Chairman Placement goes ahead, the voting power of the Chairman will increase to 20.5%. This voting power in the Company is still 0.5% less than what was held prior to the announcement of the Institutional Placement and may be further diluted down to 19.3% if \$5 million of shares in the Company are then issued under the SPP (and the Chairman does not participate in the SPP).

Ability to increase voting power under Chairman Placement

Section 606 of the Corporations Act provides that the Chairman and his associates must not increase their voting power in the Company from a starting point that is above 20% to a greater percentage amount unless an exception applies. The Chairman will fall within the exception set out in item 9 of section 611 of the Corporations Act, being a “3% creep in 6 months”. This applies as the Chairman will continue to have voting power in the Company of at least 19% at all times in the 6 months prior to the Chairman Placement and his maximum voting power will not be more than 3% higher than what he had 6 months before the issue under the Chairman Placement – it will actually be 0.5% less (a decrease from 21.0% to 20.5% prior to the SPP completing).

Director’s recommendation in respect of Resolution 1

The Directors of the Company (other than the Chairman and his son, Director Mr Anthony James Lennon) unanimously recommend that shareholders vote in favour of Resolution 1.

A Director of the Company other than Mr Anthony Wayne Lennon and Mr Anthony James Lennon will act as Chairman of the meeting during consideration of Resolution 1. That Director intends to vote all available proxies in favour of Resolution 1.

**Resolution 2 - Ratification of issue of shares**

Broadly, ASX Listing Rule 7.1 prohibits an entity issuing or agreeing to issue equity securities that, in any rolling 12-month period, amount to more than 15% of its ordinary securities (calculated in accordance with a prescribed formula) unless it obtains shareholder approval or an exception applies.

Pursuant to ASX Listing Rule 7.4, where a company in general meeting ratifies a previous issue of securities which was made without approval under ASX Listing Rule 7.1 and the previous issue did not breach ASX Listing Rule 7.1, those securities shall be deemed to have been made with shareholder approval for the purposes of ASX Listing Rule 7.1.

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The ratification resolution does not affect the Institutional Placement, which has been conducted in accordance with the capacity of the Company to issue shares under ASX Listing Rule 7.1. The purpose of the resolution is to refresh the Company's placement capacity under Listing Rule 7.1 as referred to above.

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.4:

(i) *The number of shares issued under the Institutional Placement*

36,036,036 is the maximum total of ordinary shares in the Company that will be issued under the Institutional Placement.

(ii) *The price at which the shares are issued*

The Issue Price of the shares under the Institutional Placement is \$1.11 per ordinary share.

(iii) *The terms of the shares*

The shares under the Institutional Placement will be issued as fully paid ordinary shares of the Company which rank equally from the date of issue with existing ordinary shares of the Company.

(iv) *The names of the allottees or the basis on which the allottees were determined*

The shares under the Institutional Placement will be issued to:

- if in Australia, sophisticated investors or professional investors for the purposes of sections 708(8) or 708(11) of the Corporations Act respectively who are also "wholesale clients" as defined in section 761G of the Corporations Act; or
- if outside Australia, to persons whom an invitation or offer to acquire shares and any sale of those shares is permitted by the laws of the jurisdiction in which they are situated without the need for any lodgment, registration, formality or filing,

and in each case, where those investors participated in, and were allocated shares under, the bookbuild of the Institutional Placement conducted on 7 November 2014.

(v) *The intended use of the funds raised*

The funds raised will be applied towards the acquisition of interests in six residential development projects.

(vi) *Voting exclusion statement*

Refer to the "voting exclusion statement" in the Notice to which this Explanatory Memorandum is attached.

Directors' recommendation in respect of Resolution 2

The Directors of the Company unanimously recommend that shareholders vote in favour of Resolution 2.


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

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# PEET

Peet Limited | ABN 56 008 665 834

## Lodge your vote:

 **Online:**  
[www.investorvote.com.au](http://www.investorvote.com.au)

 **By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**  
(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

## Proxy Form



### Vote online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to vote:

Control Number: 137597

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



 **For your vote to be effective it must be received by 10.00am (AWST) Sunday, 14 December 2014**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form →**

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Peet Limited hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of Peet Limited to be held at the Parmelia Hilton Hotel, 14 Mill Street, Perth, Western Australia on Tuesday, 16 December 2014 at 10.00am (AWST) and at any adjournment or postponement of that meeting.

## STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Approval of the issue of shares to Scorpio Nominees Pty Ltd as trustee for Gwenton Trust	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name \_\_\_\_\_

Contact Daytime Telephone \_\_\_\_\_

Date / /