



7 August 2015

Dear Shareholder

REQUISITIONED GENERAL MEETING ON 11 SEPTEMBER 2015

Why is this meeting being held?

The Directors of ARL have been requisitioned to call an extraordinary general meeting by Hamilton Securities Limited ("HSL"), this meeting will be held on 11 September 2015. The resolutions that have been put forward by HSL relate to removing the current Directors and electing nominees of HSL to be the new board of ARL. HSL provided a Members' Statement setting out its intentions for ARL if the HSL nominees are elected.

We recommend that Shareholders vote **AGAINST** all resolutions set out in the attached Notice of Requisitioned Meeting and Explanatory Memorandum.

The Directors are proud of what we have achieved during our appointment, which is summarised below:

Status	Property	Date Settled/ Due to Settle	Sale Price (\$'m)
SETTLED			
	136 Dry Dock Road, Tweed Heads	Jul-13	3.75
	11 Ridge Street, Nambucca Heads	Dec-13	0.47
	12 Units at 20-22 Mort Street, Port Macquarie	Apr-14	7.26
	Explorers Drive & Jackey Jackey Street, Mission Beach	Nov-13	2.33
	22 View Ave, Surfers Paradise (Outrigger Resort)	Jul-14	9.43
	Kooralbyn Resort	Jun-14	6.93
	507-523 Dalrymple Road, Mt Louisa, Townsville	Mar-15	1.73
Subtotal			30.16
SOLD (SUBJECT TO DUE DILIGENCE)			
	1500 Midland Highway, Creswick (Forest Resort)	Nov-15	Withheld due to confidentiality
Subtotal			Withheld due to confidentiality
PROOF OF DEBT CLAIM			
	Dividends received from the Octaviar Administration Pty Ltd (In Liquidati		7.10
Subtotal			7.10
TOTAL			37.26

This progress has enabled the payment of two capital returns to Shareholders on 11 December 2014 and 13 July 2015, both of which have had the benefit of having a class ruling issued by the ATO.

What are my options as a Shareholder of ARL?

Shareholders are being presented with two paths at the upcoming meeting. These can be summarised as follows:

1. Vote **against** the appointment of the HSL nominee directors and **against** the removal of the current Directors. The result of a successful vote in this manner will see ARL continue to realise its assets and return the proceeds to shareholders.
2. Vote for the appointment of the HSL nominee directors and for the removal of the current Directors. The result of a vote in this manner will see a change in the direction of ARL in the manner set out in the members statement from HSL.

At all times the current Directors have exercised our duties with the interests of all Shareholders in the forefront of our minds. If chosen by Shareholders to continue this role we will continue to act in the best interests of all shareholders.

Yours faithfully

David Beddall
Chairman
On behalf of the Directors

Notice of Requisitioned General Meeting and Explanatory Memorandum

Asset Resolution Limited ACN 159 827 871



Notice is given that the Requisitioned General Meeting of Asset Resolution Limited will be held on:

Date:	11 September 2015
Time:	11:00 am (AEST)
Location:	Brisbane Convention and Exhibition Centre Meeting Room S1, Sky Level Cnr Merivale and Glenelg Streets, South Brisbane

Ordinary Business

Agenda item 1 : Requisition Notice

To consider the Requisition Notice given by Hamilton Securities Limited ACN 138 270 201 to requisition the Company to hold the General Meeting.

Agenda item 2: Resolutions

Resolution 1: Election of Director

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

*"That **Mr Giles Craig** is **appointed** a director of the Company, with immediate effect."*

Resolution 2: Election of Director

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

*"That **Mr John Sergeant** is **appointed** a director of the Company, with immediate effect."*

Resolution 3: Election of Director

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

*"That **Mr Fred Woollard** is **appointed** a director of the Company, with immediate effect."*

Resolution 4: Removal of Director

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

*"That **Mr David Beddall** is **removed** from his office as a director of the Company, with immediate effect"*

Resolution 5: Removal of Director

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

*"That **Mr Lindsay Johnston** is **removed** from his office as a director of the Company, with immediate effect"*

Resolution 6: Removal of Director

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

*"That **Mr Tony Pope** is **removed** from his office as a director of the Company, with immediate effect"*

Other business

To consider and decide on such matters as are brought forward by the Directors relating to the affairs of the Company.

Voting entitlements

Pursuant to clause 16.1 of the Company's Constitution, the Board has determined that Shareholders recorded on the register of members as at 11.00am on 9 September 2015 are entitled to attend and vote at the Meeting. Transfers registered after this time will be disregarded in determining entitlements to vote at the Meeting.

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Jointly held interests

If an interest in the Company is held jointly, and more than one Shareholder votes in respect of that interest, only the vote of the Shareholder whose name appears first in the register of members will be counted.

Important Notice

RESOLUTIONS 1 TO 6 HAVE BEEN PROPOSED BY HAMILTON SECURITIES LIMITED AS A REQUISITIONING SHAREHOLDER UNDER 249D OF THE CORPORATIONS ACT PURSUANT TO WHICH THIS MEETING HAS BEEN CONVENED. THE CURRENT DIRECTORS HAVE SET OUT THEIR RECOMMENDATIONS IN RELATION TO RESOLUTIONS 1 TO 6 IN THE EXPLANATORY MEMORANDUM.

BY ORDER OF THE BOARD

Definitions

A number of terms are used throughout this Notice of Requisitioned General Meeting and Explanatory Memorandum. Except to the extent the context otherwise requires:

Board	means the board of Directors of the Company.
Company or ARL	means Asset Resolution Limited ACN 159 827 871.
Constitution	means the constitution of the Company, which is available free of charge to Shareholders on request.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Current Directors	means the directors of the Company, namely Mr David Peter Beddall, Mr Lindsay Johnston and Mr Tony Pope.
Explanatory Memorandum	means the information attached to the Notice, which provides information to Shareholders about the Resolutions contained in the Notice.
HSL	means Hamilton Securities Limited ACN 138 270 201.
HSL nominee directors	means each of Mr Giles Craig, Mr John Sergeant and Mr Fred Woollard.
Notice	means the notice of the Requisitioned General Meeting which accompanies the Explanatory Memorandum.
Ordinary Resolution	has the meaning given to that term in the Corporations Act.
Proxy Form	means the proxy form accompanying this Notice.
Resolution	means the resolution proposed pursuant to this Notice.
Requisition Notice	means the notice to requisition the Directors to hold the Requisitioned General Meeting to consider the Resolutions dated 13 July 2015.
Requisitioned General Meeting	means the Requisitioned General Meeting of the Shareholders to be held on 11 September 2015 by the Notice and any adjournment of that meeting.
Shares	means full paid ordinary shares issued in the capital of the Company.
Shareholders	means those persons entered on the register of members of the Company.

This Explanatory Memorandum is to be read with the Notice of Requisitioned General Meeting issued by the Company. It deals with the following Resolution which will be put forward for the consideration of Shareholders at the Requisitioned General Meeting which will be held on 11 September 2015 at 11.00am (AEST).

This Explanatory Memorandum should be read in its entirety. If Shareholders are in any doubt as to how they should vote on the Resolution, they should seek advice from their professional advisers.

Ordinary Business

This Explanatory Memorandum has been prepared to assist Shareholders with their consideration of the Resolution to be put to the Requisitioned General Meeting.

There are two items on the agenda:

Agenda Item 1 – Requisition Notice:

This Explanatory Memorandum details the nature of the Requisition Notice including:

- the background to the Requisition Notice; and
- a review of HSL's reasons for issuing the Requisition Notice.

Agenda Item 2 – Proposed Resolutions:

This Explanatory Memorandum provides the Current Directors' response in relation to each resolution.

IMPORTANT NOTE:

HSL's reasons for requisitioning the Requisitioned General Meeting are set out in the Member's Statement attached to this Notice of Meeting at Schedule 1.

The Company encourages Shareholders to review the material contained in this document, including the Member's Statement, and form their own view regarding how to vote at the Requisitioned General Meeting. If Shareholders have any doubt as to how to vote, the Company recommends that Shareholders obtain independent advice from their advisers before voting.

1. Agenda item 1 : Requisition Notice

1.1 Overview

Shareholders of the Company with at least 5% of the votes that may be cast at a general meeting, have the right under the Corporations Act to request the Current Directors of the Company to call and arrange to hold a general meeting. Eligible shareholders may requisition the Company in such a manner on more than one occasion.

HSL is a Shareholder of the Company with at least 5% of the votes that may be cast at a general meeting and may requisition the Current Directors to call a general meeting.

On 16 July 2015, HSL provided the Company with the Requisition Notice. Consequently, this Requisitioned General Meeting must be called by the Current Directors of the Company in addition to the annual general meeting which is scheduled to be held soon after the Requisitioned General Meeting.

The Requisition Notice follows the closing of the offer made by HSL by way of takeover to acquire Shares in the Company. As a result of that offer, HSL now owns 26.2% of the Shares in the Company.

The Company has been negotiating with HSL in relation to representation on the Board, however has been unable to reach agreement with the HSL nominee directors. As a result, the Requisition Notice has been served on the Company.

1.2 Developments since close of HSL offer and Requisition Notice.

Forest Resort Hotel: ARL have executed a contract for the sale of Forest Resort Hotel, Creswick, Victoria. This contract is due to go unconditional once one administrative issue has been resolved. Settlement is due to occur in late 2015. The purchaser is the Royal Automobile Club of Victoria Limited (RACV). Due to confidentiality terms in the contract, ARL is unable to disclose the price paid by RACV to ARL at this time.

1.3 Member's Statement

In addition to the Requisition Notice, HSL has requested the Company give to all of its Shareholders a statement (Member's Statement) about the proposed resolutions set out in the Requisition Notice.

HSL can make this request as it holds more than 5% of the votes that may be cast at a general meeting of the Company. The Company is required by the Corporations Act to distribute the Member's Statement.

The Member's Statement is attached to this Notice of Requisitioned General Meeting at Schedule 1.

1.4 HSL's Motivations and Reasons

The reasons given by HSL in its Member's Statement for the proposed resolutions may be summarised as follows:

- Reason 1:** HSL wants the Company to use the cash received from the Forest Resort sale to make further investments rather than return the capital to Shareholders.
- Reason 2:** HSL wants the Company to emerge as a successful investment company in the medium to long term and list on the ASX or NSX.
- Reason 3:** HSL wants to change the Constitution of the Company.

The Current Directors' responses to HSL's Member's Statement follow.

In summary, if the HSL nominee directors are appointed, it is HSL's intention to list the Company on the ASX or NSX as an investment company. If the HSL nominee directors are not appointed and the Current Directors remain, the Current Directors intend to use the proceeds received from the Forest Resort sale as a return of capital to Shareholders.

The Company and the Current Directors are of the belief that they have actively managed the assets of the Company since inception, and intend to continue to manage the remaining assets so as to best preserve and realise their value.

The Current Directors are of the view that it is in the best interests of Shareholders to return capital to them as soon as possible rather than reinvest into new unspecified investments as indicated by the HSL nominee directors and HSL.

Reason 1: HSL wants the Company to use the cash received from the Forest Resort sale to make further investments rather than return the capital to Shareholders.

The Company was incorporated on 8 August 2012 as a special purpose vehicle for the realisation of assets acquired from the Premium Income Fund. The business of the Company is, and continues to be, the orderly realisation of its assets and the return of money to its Shareholders

The Current Directors have significant experience and connections to facilitate the realisation of mortgage loans and leisure assets.

The Current Directors believe that Shareholders are entitled to all assets of the Company being returned to Shareholders. **If Shareholders vote in favour of the appointment of the HSL nominee directors and in favour of the removal of the Current Directors of the Company, this will see a change in the direction of ARL in the manner set out in the Members Statement from HSL.**

Forest Resort Hotel

The contract for the sale of Forest Resort is due to go unconditional once one administrative issue has been resolved. Settlement is due to occur in late 2015. The purchaser is the Royal Automobile Club of Victoria Limited (RACV). Due to confidentiality terms in the contract, ARL is unable to disclose the price paid by RACV to ARL at this time. The Current Directors intend to use the proceeds received from the Forest Resort sale as a return of capital to Shareholders.

Proof of Debt - Octaviar Administration Pty Ltd and associated entities (OA)

The admitted proof of debt of ARL in the amount of approximately \$137 million makes up approximately 8.5% of the approximate admitted creditor pool of OA of \$1,614 million. Accordingly, ARL will be entitled to receive approximately 8.5% of any distribution to creditors which is made by the Liquidators.

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A representative of ARL is appointed to the Committee of Inspection (COI) of OA. Through that appointment, ARL's interest in seeing dividends paid by OA as soon as practicable is being actively managed and has resulted in four dividends being paid to ARL and distributed to Shareholders.

OA still holds a significant amount of cash.

In addition, the Liquidators are progressing legal proceedings for claims against various parties. The Liquidators are subject to various duties in pursuing those claims, and managing the available cash reserves, including a duty to act generally in the interests of creditors. The Directors believe that any payment made by the Liquidators should be in the hands of Shareholders, not reinvested into new investments. The Current Directors are aware that many Shareholders have monitored their interest in the OA Proof of Debt since the appointment of the Liquidators to OA.

Reason 2: HSL wants the Company to emerge as a successful investment company in the medium to long term which is listed on the ASX or NSX.

HSL's stated intention is to turn the Company into a successful investment company which is listed on the ASX or the NSX.

HSL has not provided any detail as to the type of investment which the Company intends to make or the quantum or frequency of return, if any, which will be paid to Shareholders.

The Current Directors are of the view that if Shareholders wished to invest in a listed investment company managed by the HSL nominee directors, it is open to them to directly invest in HSL itself, given it is already listed on the NSX.

Reason 3: HSL intends to change the Constitution of the Company to allow Shareholders to vote on the election of directors.

ARL Shareholders should be aware that if the HSL nominee directors are appointed and follow through with their intention to create an investment company which is capable of being listed on the ASX or NSX, the Company will be compelled to change the Company Constitution to comply with the listing rules and business rules of the exchange on which it lists.

2. Agenda item 2: Resolutions

2.1 *Statement of the Chairman regarding Resolutions 1 to 3 that Mr Craig, Mr Sergeant and Mr Woollard be appointed directors of the Company*

The Directors do not support the appointment of Mr Craig, Mr Sergeant or Mr Woollard as new directors.

The Directors unanimously recommend that Shareholders vote AGAINST Resolutions 1, 2 and 3 for the reasons set out in this Explanatory Memorandum.

Charles Hodges, as named proxyholder at the meeting, intends to vote undirected proxies AGAINST Resolutions 1, 2 and 3.

2.2 *Statement of the Chairman regarding Resolutions 4 to 6 that Mr Beddall, Mr Johnston and Mr Pope be removed as directors*

The Directors do not support the removal of Mr Beddall, Mr Johnston and Mr Pope.

The Directors unanimously recommend that Shareholders vote AGAINST Resolutions 4, 5 and 6 for the reasons set out in this Explanatory Memorandum.

Charles Hodges, as named proxyholder at the meeting, intends to vote undirected proxies AGAINST Resolutions 4, 5 and 6.

Each Current Director plays an important role within the Company. They each have significant experience and connections in the optimal realisation of mortgage loans and leisure assets and have a record of achieving solid outcomes for the ARL Shareholders.

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Brief resumes

Short resumes of each Current Director the subject of Resolutions 4 to 6 are provided below and the Board invites Shareholders to consider the substantial and exceptional experience that these Directors bring to the Company.

Mr David Beddall

Mr Beddall brings to the ARL board a breadth of experience including being a Federal member in the Australian Parliament from 1983 to 1998, federal minister from 1990 to 1996 and president of the Australian Franchisees Association Incorporated, Members of the Australian Competition & Consumer Franchising Consultative Committee.

Mr Beddall has also been Councillor of the Australian Industry Group and Councillor - Queensland executive members (Branch Secretary & Treasurer) of the Australian Industry Group (Qld). Mr Beddall was most recently Chairman of Industrea Limited, an ASX 200 listed Company which was sold in November 2012 to the General Electric Company.

Mr Lindsay Johnston

Mr Johnston has had over 15 years banking and accounting experience as a National and General Manager/Executive.

Mr Johnston's specialties include: portfolio finance and management; portfolio sales; credit risk; market risk; asset management; risk assessment; and mergers and acquisitions.

Mr Tony Pope

Mr Pope has in excess of 40 years' experience in banking and funds management. Mr Pope has been involved in the senior management of finance and investment banking companies with experience in lending, treasury, equipment leasing and structured finance. Mr Pope has extensive expertise in the property and finance sectors particularly relating to their compliance with Australian Financial Services Licences.

Mr Pope was involved in the turnaround of Estate Mortgage Trusts and their restructure into the successful listed property trust, Meridian Investment Trust. Acting as the Fund Manager for a number of years, Mr Pope negotiated the takeover of two other listed trusts, one of which was a retail trust with 10 shopping centres in New South Wales and Queensland.

Mr Pope has extensive experience in the financing and workout of property assets and has particular experience in the development and management of 15 shopping centres, ranging from neighbourhood centres to sub regional centres. In recent years he has completed the construction and sale of two multi-unit residential developments on behalf of lending institutions, as well as the disposal of more specialised assets such as retirement villages and hotels.

Appointment of proxy

If you are entitled to vote at the Meeting, you have the right to appoint a proxy. A Proxy Form is enclosed with this Notice of Requisitioned General Meeting and Explanatory Memorandum. The proxy does not need to be Shareholder of the Company.

Further details regarding proxy voting are set out in the Proxy Form accompanying this Notice of Requisitioned General Meeting.

Instructions regarding completion of the Proxy Form are set out on the form.

Corporate representative

If a representative of a corporate Shareholder or proxy is to attend the meeting you will need to provide the appropriate 'Certificate of Appointment of Corporate Representative' prior to admission to the meeting.

A form of the certificate may be obtained from the Company or its registry services provider, Link Market Services Limited on request.

Restrictions on voting

No restrictions on voting apply to the items of business in this Notice of Requisitioned General Meeting.

Issued by authority of the Board:

A handwritten signature in black ink, appearing to read 'David Beddall', is written over a light blue horizontal line.

David Beddall
Chairman
Asset Resolution Limited
Dated: 07 August 2015



10 Murray Street
Hamilton NSW 2303
info@hamsec.com.au

Support the replacement of the ARL board and the continuation of the Company.

Dear Fellow ARL Shareholder,

Hamilton Securities Ltd has asked Asset Resolution Ltd (ARL) to call a meeting of shareholders to replace the ARL board. Hamilton and its Associates own 26.2% of ARL.

As the largest shareholders of ARL, we have a totally different vision for ARL's future than the current board.

Hamilton believes that a superior outcome will be available to shareholders if the company is not liquidated in the near future. Once the Forest Resort asset has been sold, ARL can emerge as an investment company with cash that can be invested to benefit shareholders over the medium to long term. We ask for your support to build ARL into a successful business.

Who are we?

Hamilton is a listed investment company, which owns 6.3% of ARL. It is closely associated with Samuel Terry Asset Management, which manages the Samuel Terry Absolute Return Fund (STAR Fund), ARL's largest shareholder.

The three new directors nominated by Hamilton for the ARL board are:

- Giles Craig, a private investor and director of Hamilton with extensive experience in capital markets and investment;
- John Sergeant, a successful businessperson and a lecturer in the Business School at Sydney University; and
- Fred Woollard, a director of Hamilton and director and founder of Samuel Terry.

More information about Hamilton and Samuel Terry is available on their web sites:

www.hamsec.com.au

www.samuelterry.com.au

Why should you support these changes?

The Hamilton nominees are experienced investors, have interests aligned with ARL's shareholders and are committed to reducing costs and pursuing the strategy which is best for ARL shareholders.

All three of the new candidates are (directly and indirectly) shareholders in ARL. We believe that it is good for directors to have their own money at stake in the business they run.

We intend to change ARL's Constitution to give shareholders an annual vote on who should run their company.

We intend to list ARL's shares on the Australian Stock Exchange or, if that is not possible, on the National Stock Exchange. A listing will provide liquidity to ARL shareholders, who had no say in the formation of ARL and are unable to easily sell their shares. As a listed company, ARL would provide a high level and frequency of disclosure to its shareholders and the market.

We have great admiration for the unpaid and tireless efforts which the leaders of the PIF Action Group have performed on behalf of PIF unitholders and ARL shareholders. If elected, the replacement board intends to work constructively with the PIF Action Group to ensure the best outcome for shareholders, and we are determined to halt the erosion of value which ARL shareholders have suffered for too long.

We have considerable respect for the legal and corporate advisory professionals to whom the ARL board has outsourced the realisation of its assets, and hope to retain their services, subject to a review of performance and costs.

Most ARL shareholders have suffered substantial losses with Premium Income Fund and it is understandable that you might be suspicious of yet another group of people in suits asking for your trust and offering hope of improved results. We ask you to look at how Hamilton and Samuel Terry have treated their investors, and how they communicate with them. We think you will like what you see.

We strongly encourage you to vote for a new ARL board and look forward to creating a new ARL.



Fred Woollard

Director
Hamilton Securities Ltd