



Notice of Annual General Meeting and explanatory statement

Asset Resolution Limited ACN 159 827 871

Date: 18th November 2020

Time: 11:00am AEDT

Place: virtually at <https://agmlive.link/Asset20>

IMPORTANT INFORMATION REGARDING COVID-19

This Annual General Meeting will be held as a virtual meeting as physical attendance is not being offered in order to comply with Government restrictions on public gatherings and interstate travel, and to ensure the health and safety of staff and shareholders. Details on attending the AGM virtually are included in the Notice of Meeting and on the Company's website www.arlimited.com.au.

This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 8 8423 0170 or Share Registry 1300 554 474.



Letter to Shareholders

Dear Asset Resolution Limited Shareholder,

I am pleased to issue the 2020 Annual Report and Notice of Annual General Meeting (**AGM**) for Asset Resolution Limited (**ARL**).

The Company's AGM is to be held virtually via Link Market Services' platform <https://agmlive.link/Asset20>.

This AGM will be held as a virtual meeting in order to comply with the COVID-19 requirements set out in the Government restrictions on public gatherings. Details on attending the AGM virtually are included in this notice of meeting and are on the Company's website www.arlimited.com.au. Shareholders will not be able to attend the Meeting in person.

The resolutions being put to the Meeting are set out below:

Buy-back

The Notice of Meeting includes one resolution to permit ARL to continue to buy back shares. We only intend to buy back shares if we can do so on terms that boost ARL's long term underlying net asset value per share, while making it easier for those wishing to sell their shares to do so.

The Board is seeking approval for the buy-backs, which will allow the Company to buy back shares (should it elect to do so). Specifically, the resolution to be put to shareholders expressly authorises the buy-back of up to 654,893 ordinary Shares on market, over the 12 months following the 2020 AGM.

Investment Management Agreement

This Notice of Meeting also includes a vote on a proposed "Investment Management Agreement" (**IMA**) with Samuel Terry Asset Management Pty Ltd (**STAM**).

The purpose of the IMA is to appoint STAM to manage the Company's portfolio of investments with a view to further improving its net asset value per share.

Board changes

The Notice of Meeting also includes a vote on the election of a new director, Ms Therese Cochrane. Therese is a very experienced lawyer who has worked at a major international legal firm and global investment banks. She will bring considerable transactional experience to the team.

Graham Holdaway resigned from the board to focus on his significant other business commitments. The Board thanks Graham for his valuable contribution to the Company over the last few years.

Re-Election of Director

The Notice of Meeting also includes a vote on the re-election of a director retiring by rotation, Ms Sarina Roppolo.

Directors' remuneration

At this AGM, the Board is seeking re-approval of the Non-Executive Share Plan, as part of the normal tri-annual approval requirement, and the re-approval that directors' fees be paid in Shares, thereby preserving the Company's cash. The price per Share to be issued to each of the Non-Executive Directors is \$2.84; being the net tangible asset per share shown in the 2020 Annual Report.



Our first virtual annual meeting will be held at 11:00am on Wednesday 18th November 2020. I hope you can join us then.

Yours sincerely,

Giles C Craig

Giles Craig

Chair



Notice of Annual General Meeting

The Annual General Meeting (“AGM”) of Shareholders of Asset Resolution Limited ACN 159 827 871 (ARL) will be held at 11:00am AEDT on Wednesday 18th November 2020 online at <https://agmlive.link/Asset20>. Attached to, and forming part of this Notice of Meeting, is an Explanatory Statement that provides Shareholders with background information and further details in understanding the reasons for, and effect of, the Resolutions (if approved).

If you are unable to attend the AGM, you are requested to complete your Proxy Form. For further information regarding voting and proxies, please refer to page 10 of this Notice of Meeting.

A number of defined terms are used in the Notice of Meeting. These terms are contained in the Explanatory Statement and the Proxy Form.

Business

A. Financial statements and reports

To receive and consider:

- (a) the audited financial statements;
- (b) the directors' report (including Remuneration Report); and
- (c) the auditor's report

of ARL for the year ended 30th June 2020.

These statements and reports are placed before the Shareholders for discussion and Shareholders will be given the opportunity to ask questions and make comments on these statements and reports; no voting is required on this matter.

B. Adoption of Remuneration Report

Resolution 1

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an ordinary Resolution:

“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s Annual Report for the financial year ended 30th June 2020.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company under section 250R(2) of the Corporations Act. If the ‘No’ votes are greater than 25% then there are potentially serious consequences, see Explanatory Memorandum for details.

Voting Prohibition Statement:

In accordance with the *Corporations Act 2001 (Cth)* (**Corporations Act**), a vote on this resolution must not be cast (in any capacity) by, or on behalf of, the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution if the vote is cast as a proxy for a person who is entitled to vote on this Resolution and:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair of the meeting and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

C. Ordinary Resolutions

Resolution 2

Election of Director – Ms Therese Cochrane as a Director

To consider and, if thought fit, to pass the following ordinary Resolution:

“That Ms Therese Cochrane, be elected as a Director of ARL.”

There are no voting exclusions in relation to this Resolution.

Resolution 3

Election of Director– Ms Sarina Roppolo for re-election on rotation

To consider and, if thought fit, to pass the following ordinary Resolution:

“That Ms Sarina Roppolo, a director retiring by rotation, being eligible, is re-elected as a Director of ARL.”

There are no voting exclusions in relation to this Resolution.

Resolution 4

Approve On-Market Buy-Back of Shares

To consider and, if thought fit, to pass the following ordinary Resolution:

“That, for the purposes of section 257C of the Corporations Act 2001 (Cth) and for all other purposes, Shareholders authorise and approve the on-market buy-back of up to 654,893 fully paid ordinary Shares in the Company (representing approximately 20% of the Company’s issued Shares as at 8th October 2020) in the 12 month period following the approval of this Resolution, pursuant to an On-Market Buy-Back conducted in accordance with the requirements of the Listing Rules and the Corporations Act (being over the 10/12 limit (as defined in section 257B(4)) and on the terms as described in the Explanatory Statement to this Notice of Meeting.”

There are no voting exclusions in relation to this Resolution.

Resolution 5

Approval of Investment Management Agreement with Samuel Terry Asset Management Pty Ltd

To consider and, if thought fit, to pass the following ordinary Resolution:

“That approval is given for the Company to enter into and do all things necessary to give effect to a proposed “Investment Management Agreement” between the Company and Samuel Terry Asset Management Pty Ltd.”

Voting Exclusion Statement for Resolution 5

The Company will, disregard any votes cast in favour of this Resolution by or on behalf of:

- the persons excluded from voting, being:
 - Samuel Terry Asset Management Pty Ltd;
 - Therese Cochrane;
 - Frederick Woollard; and
 - Nigel Burgess

or

- an associate of those persons.

However, the Company need not disregard a vote cast in favour of Resolutions 5 if:

- it is cast by a person as proxy for a person who is entitled to vote on the resolution in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote on the resolution in accordance with a direction given to the chair to vote on the resolution as the chair decides.
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - a. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - b. the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

A person appointed as proxy must not vote on Resolution 5 on the basis of that appointment if:

- that person is excluded from voting on Resolution 5; and
- the appointment does not specify how the proxy is to vote on the proposed Resolution;

unless the person appointed is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy.

D. Special Resolutions

Resolution 6

Approve Share issue to Therese Cochrane under the Non-Executive Share Plan in lieu of director's fees for the period from appointment on 20 April 2020 to 30 November 2020

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

“That, conditional on the approval of Resolution 2, for all purposes, including the requirements of NSX Listing Rules 6.25 and 6.44 (if applicable), approval is given for the Board to allot and issue up to 10,537 Shares to Therese Cochrane (being a Non-Executive Director of the Company) and/or their nominees under the Non-Executive Share Plan on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement for Resolution 6

The Company will, disregard any votes cast in favour of these Resolutions by or on behalf of:

- the persons excluded from voting, being:
 - Ms Therese Cochrane,
- or
- an associate of those persons.

However, the Company need not disregard a vote cast in favour of Resolutions 6 if:

- it is cast by a person as proxy for a person who is entitled to vote on the resolution in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote on the resolution in accordance with a direction given to the chairman to vote on the resolution as the chair decides.
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - a. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - b. the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

A person appointed as proxy must not vote on Resolution 6 on the basis of that appointment if:

- that person is either a member of the Key Management Personnel or a Closely Related Party of such a member; and
- the appointment does not specify how the proxy is to vote on the proposed Resolution;

unless the person appointed is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy even if the proposed Resolution is connected directly or indirectly with the remuneration of the Key Management Personnel of the Company.

Resolution 7

Approve Share issue to Giles Craig under the Non-Executive Share Plan in lieu of director's fees for year ended 30 November 2021

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

“That, for all purposes, including the requirements of NSX Listing Rules 6.25 and 6.44 (if applicable), approval is given for the Board to allot and issue up to 17,606 Shares to Giles Craig (being a Non-Executive Director of the Company) and/or their nominees under the Non-Executive Share Plan on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement for Resolution 7

The Company will, disregard any votes cast in favour of these Resolutions by or on behalf of:

- the persons excluded from voting, being:
 - Mr Giles Craig,
- or
- an associate of those persons.

However, the Company need not disregard a vote cast in favour of Resolutions 7 if:

- it is cast by a person as proxy for a person who is entitled to vote on the resolution in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote on the resolution in accordance with a direction given to the chair to vote on the resolution as the chair decides.
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - a. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - b. the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

A person appointed as proxy must not vote on Resolution 7 on the basis of that appointment if:

- that person is either a member of the Key Management Personnel or a Closely Related Party of such a member; and
- the appointment does not specify how the proxy is to vote on the proposed Resolution;

unless the person appointed is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy even if the proposed Resolution is connected directly or indirectly with the remuneration of the Key Management Personnel of the Company.

Resolution 8

Approve Share issue to Sarina Roppolo under the Non-Executive Share Plan in lieu of director's fees for year ended 30 November 2021

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

“That, conditional on the approval of Resolution 2, and for all purposes, including the requirements of NSX Listing Rules 6.25 and 6.44 (if applicable), approval is given for the Board to allot and issue up to 17,606 Shares to Sarina Roppolo (being a Non-Executive Director of the Company) and/or their nominees under the Non-Executive Share Plan on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement for Resolution 8

The Company will, disregard any votes cast in favour of these Resolutions by or on behalf of:

- the persons excluded from voting, being:
 - Ms Sarina Roppolo,
- or
- an associate of those persons.

However, the Company need not disregard a vote cast in favour of Resolutions 8 if:

- it is cast by a person as proxy for a person who is entitled to vote on the resolution in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote on the resolution in accordance with a direction given to the chair to vote on the resolution as the chair decides.
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - a. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - b. the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

A person appointed as proxy must not vote on Resolution 8 on the basis of that appointment if:

- that person is either a member of the Key Management Personnel or a Closely Related Party of such a member; and
- the appointment does not specify how the proxy is to vote on the proposed Resolution;

unless the person appointed is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy even if the proposed Resolution is connected directly or indirectly with the remuneration of the Key Management Personnel of the Company.

Resolution 9

Approve Share issue to Therese Cochrane under the Non-Executive Share Plan in lieu of director's fees for year ended 30 November 2021

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

“That, for all purposes, including the requirements of NSX Listing Rules 6.25 and 6.44 (if applicable), approval is given for the Board to allot and issue up to 17,606 Shares to Therese Cochrane (being a Non-Executive Director of the Company) and/or their nominees under the Non-Executive Share Plan on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement for Resolution 9

The Company will, disregard any votes cast in favour of these Resolutions by or on behalf of:

- the persons excluded from voting, being:
 - Ms Therese Cochrane,
- or
- an associate of those persons.

However, the Company need not disregard a vote cast in favour of Resolutions 9 if:

- it is cast by a person as proxy for a person who is entitled to vote on the resolution in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote on the resolution in accordance with a direction given to the chair to vote on the resolution as the chair decides.
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - a. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - b. the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

A person appointed as proxy must not vote on Resolution 9 on the basis of that appointment if:

- that person is either a member of the Key Management Personnel or a Closely Related Party of such a member; and
- the appointment does not specify how the proxy is to vote on the proposed Resolution;

unless the person appointed is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy even if the proposed Resolution is connected directly or indirectly with the remuneration of the Key Management Personnel of the Company.

E. Other business

To transact any other business which may legally be brought before the meeting.

By order of the Board

Date	16 th October 2020
Signed	
Name	Victoria Marie Allinson Company Secretary

Voting and proxies

Voting

For the purpose of determining a person's entitlement to vote at the meeting, a person will be recognised as a member and the holder of Shares if that person is registered as a holder of those Shares at 7:00pm (Sydney time) on 16th November 2020.

Due to the COVID-19 pandemic Shareholders are not permitted to attend the AGM in person; refer below for how to attend the AGM virtually.

Shareholders may vote by either:

- i. Using the online platform, or
- ii. Appointing a Proxy

The *Virtual Meeting Online Guide* is available on the Company's website at www.arlimited.com.au.

a. Attending virtually and online voting on the day of the AGM

Shareholders will be able to attend the AGM virtually and vote virtually on the day of the AGM using the online platform. We recommend logging in to the online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions below:

- Enter <https://agmlive.link/Asset20> into a web browser on your computer or online device;
- Securityholders will need their SRN or HIN (printed at the top of the Voting Form); and
- Proxyholders will need their proxy code which Link Market Services will provide via email no later than 48 hours prior to the Meeting.

Online voting will be open between the commencement of the Meeting at 11am (AEDT) on 18th November 2020 and end at the time at which the Chair announces voting closure.

b. Proxies

A Shareholder who is entitled to attend and vote at the meeting may appoint up to two proxies to attend and vote on behalf of that Shareholder. If you require an additional proxy form, please contact Link Market Service on **1300 554 474** or email registrars@linkmarketservices.com.au, or alternatively call Vicky Allinson at 08 8423 0170.

If you wish to appoint a second proxy you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes.

To appoint a second proxy, you must follow the instructions on the proxy form.

Where a Shareholder appoints more than one proxy, neither proxy is entitled to vote on a show of hands.

A proxy need not be a Shareholder of ARL.

To be effective, ARL must receive the completed proxy form and, if the form is signed by the Shareholder's attorney, the authority under which the proxy form is signed (or a certified copy of the authority) by no later 48 hours before the time notified for the meeting:

Proxies may be lodged with ARL:

On-line at:

www.linkmarketservices.com.au



by mail, to Asset Resolution Limited, using the enclosed reply envelope to:

C/- Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235 Australia.

by facsimile:

+61 2 9287 0309

By hand (within business hours)

Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138.

Proxies given by corporate Shareholders must be executed in accordance with their constitutions, or signed by a duly authorised officer or attorney.

A proxy may decide whether to vote on any motion, except where the proxy is required by law or the Constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed how to vote on an item of business, the proxy may vote on that item only in accordance with the direction. If a proxy is not directed how to vote on an item of business, the proxy may vote as he or she thinks fit.

If a Shareholder appoints the Chair of the meeting as the Shareholder's proxy and does not specify how the Chair is to vote on an item of business, the Chair will vote, as proxy for that Shareholder, in favour of that item on a poll.

Technical difficulties

Technical difficulties may arise during the course of the AGM. The Chair has discretion as to whether and how the meeting should proceed in the event that technical difficulties arise. In exercising his discretion, the Chair will have regard to the number of members impacted and the extent to which participation in the business of the AGM is affected.

Where the Chair considers it appropriate, the Chair may continue to hold the AGM and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, members are encouraged to lodge a proxy by 11.00am (AEDT) on 16th November 2020 even if they plan to attend online.

Questions from Shareholders

The Chair of the meeting will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company at the meeting.

Mr Grant Layland of Grant Thornton, as the auditor responsible for preparing the auditor's report for the year ended 30th June 2020 (or his representative), will attend the meeting. The Chair of the meeting will allow a reasonable opportunity for the members as a whole to ask the auditor questions at the meeting about:

- the conduct of the audit;
- the preparation and content of the auditor's report;
- the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

To assist the Board and the auditor of the Company in responding to any questions you may have, please submit any questions in writing by fax, email, investor vote or by post to the address below by no later than 5:00pm (AEDT) on 13th November 2020.

By email vicky.allinson@arlimited.com.au

By post Unit 3B, Level 3, 60 Hindmarsh Square, Adelaide SA 5000

Explanatory statement

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the AGM of the Company at 11:00am AEDT on Wednesday 18th November 2020.

A copy of the Notice of Meeting (including Explanatory Memorandum) was lodged with the NSX on 16th October 2020. The NSX does not take any responsibility for the content of the Notice of Meeting (including Explanatory Memorandum).

This Explanatory Memorandum forms part of the Notice of Meeting and must be read together with that Notice. The purpose of this Explanatory Memorandum is to provide Shareholders with an explanation of the business of the Meeting and of the Resolutions to be proposed and considered at the Meeting and to assist Shareholders in determining how they wish to vote on each of the Resolutions.

As far as legally possible, the Board intends to support each of the Resolutions.

Financial statements and reports

The *Corporations Act 2001* (Cth) requires the audited financial report (which includes the financial statements and directors' declaration), the directors' report and auditor's report to be laid before the AGM. There is no requirement in the *Corporations Act 2001* (Cth) or ARL's constitution for Shareholders to approve the financial report, the directors' report or the auditor's report.

The audited financial report, directors' report and auditor's report are incorporated within the Company's Annual Report for the financial year ended 30th June 2020 ("**Annual Report**").

The Company's Annual Report is available from the NSX Company Announcements Website and/or from the Company's website <https://www.arlimited.com.au/financials>.

In accordance with Section 250S of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions or make statements in relation to the management and/or auditors of the Company, the financial report, directors' report and the auditor's report but no formal Resolution to adopt the reports will be put to Shareholders at the AGM (save for Resolution 1 for adoption of the Remuneration Report).

Resolution 1: Adoption of Remuneration Report

The Corporations Act requires that at a listed company's annual general meeting, a Resolution that the Remuneration Report be adopted must be put to the Shareholders.

The Remuneration Report is set out on pages 12 to 16 of the 2020 Annual Report.

The Remuneration Report sets out the Company's:

- (a) remuneration arrangements for the directors and senior management of the Company; and
- (b) the policies behind, and the structure of, the remuneration arrangements of the Company and the link between remuneration of employees and the Company.

The chair of the meeting must allow a reasonable opportunity for its Shareholders to ask questions about or make comments on the Remuneration Report at the AGM.

Voting consequences

Under changes to the Corporations Act which came into effect on 1st July 2011, a company is required to put to its Shareholders a resolution proposing the calling of another meeting of Shareholders to consider the appointment of directors of the company (Spill Resolution) if, at consecutive annual general meetings, at least 25% of the votes cast on a Remuneration Report Resolution are voted against adoption of the Remuneration Report and at the first of those AGMs a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those AGMs.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (Spill Meeting) within 90 days of the second AGM.

All of the Non-Executive Directors of the Company who were in office when the directors' report (as included in the company's Annual Report for the previous financial year) was approved, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the Company.

Previous voting results

At the Company's previous AGM the Remuneration Report Resolution was passed on a poll; the votes cast against the Remuneration Report considered at that AGM were fewer than 25%. Accordingly, the Spill Resolution is not relevant for this AGM.

Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

In accordance with sections 250R(4) and 250R(5) of the Corporations Act, the Chair will not vote any undirected proxies in relation to Resolution 1 unless the Shareholder specifically authorises the Chair to vote in accordance with the Chair's stated voting intentions. Please note that if the Chair of the AGM is your proxy (or becomes your proxy by default), by completing the proxy form you expressly authorise the Chair to exercise your proxy on Resolution 1 even though it is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair. If you appoint the Chair as your proxy you can direct the Chair to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box on the proxy form.

Pursuant to the Corporations Act, if you elect to appoint a member of Key Management Personnel (other than the Chair) or any Closely Related Party as your proxy to vote on this Resolution 1, you must direct the proxy how they are to vote, or they will be prevented by the Corporations Act for exercising your vote and your vote will not be counted in relation to this Resolution.

Alternatively, Shareholders can nominate as their proxy for the purpose of Resolution 1 a proxy who is not a member of the Company's Key Management Personnel or a Closely Related Party. That person would be permitted to vote undirected proxies.

Directors Recommendation

The Chair intends to vote all available proxies in **favour** of this Resolution.

Resolution 2: Election of Director

Therese Cochrane was appointed by the Board as a Non-Executive Director of Asset Resolution Ltd on 20th April 2020. Ms Cochrane's work history and experience is outlined below.

Therese Cochrane BEc, LLB (Hons), LLM

Non-Executive Director

Board member since April 2020.

Ms Cochrane is the General Manager of Samuel Terry Asset Management Pty Ltd, a boutique asset management business.

She started her career as a banking and finance and commercial solicitor in private practice for Baker & McKenzie in Sydney. She also worked as an in-house lawyer for Credit Suisse First Boston, Chase Manhattan and SG Warburg in their derivatives businesses in London.

Ms Cochrane has been a board member of various not-for-profit and charitable organisations, as well as some private companies and companies operating in the hospitality and renewable energy industries.

Recommendation

The Board (other than Ms Cochrane) unanimously recommends that Shareholders vote in **favour** of this Resolution. Each Board member intends to vote in favour of the ordinary Resolution in respect of the Shares held by them.

The Chair intends to vote all available proxies in **favour** of this Resolution.

Resolution 3: Re-election of Director

ARL's current constitution requires that, at each AGM, one-third of the directors must retire from office. The following director, being the director who offers herself for re-election, retires by rotation and is eligible for re-election. Accordingly, she seeks re-appointment as a director.

Sarina Roppolo has indicated that he will retire from office and seek re-election as a Non-Executive Director of the Company at the AGM. Ms Roppolo's work history and experience is outlined below.

Sarina Roppolo LLB

Independent Non-Executive Director

Board member since February 2018.

Ms Roppolo is a dispute resolution and insolvency Partner at Kardos Scanlan Corporate Lawyers. In her practice, Ms Roppolo primarily advises and acts for a variety of public and private companies in a wide range of contentious matters with a specialisation in insolvency.

Ms Roppolo spent a number of years working in house at a major Australian Bank as a senior corporate lawyer, specialising in solutions for the insolvency of that bank's institutional and corporate division's customers.

Ms Roppolo has been noted as a leading lawyer in insolvency in the Legal 500 Asia Pacific for the years 2016, 2017 & 2018 and has been selected by her peers as a Best Lawyer in Australia in Insolvency and Reorganisation Law for the years 2018, 2019, 2020 and 2021.

Ms Roppolo is also a director of the Italian Chamber of Commerce and Industry.

Directors' Recommendation

The Board (other than Ms Roppolo) unanimously recommends that Shareholders vote in **favour** of this Resolution. Each Board member intends to vote in favour of the ordinary Resolution in respect of the Shares held by them.

The Chair intends to vote all available proxies in **favour** of this Resolution.

Resolution 4: Approve On-Market Buy-Back of Shares

Capital Management Programme

The Company's continuing focus is to manage its capital so as to achieve the most efficient capital structure and optimise value for Shareholders.

A number of Shareholders have indicated that they would like a way to sell their Shares without incurring selling costs. ARL believes the buy-back gives these Shareholders an easy and cheap way to sell their shares. If approved, this Resolution, which is proposed pursuant to the requirements of s257C(1) of the Corporations Act, proposes that Shareholders approve the Company's flexibility to buy back on market up to 654,893 Shares on market (representing approximately 20% of Company's Shares on issue as at 8th October 2020 (**Proposed On-Market Buy-Back**)).

If approved, the Proposed On-Market Buy-Back will allow the Company to buy back Shares (should it wish to do so) by expressly authorising the buy-back of up to 654,893 ordinary Shares on market over the 12 months following the 2020 AGM, without the need to convene a further general meeting of Shareholders.

No final decision has been made as to whether or not to commence such a buy-back or, if the Proposed On-Market Buy-Back is commenced, on the actual number of Shares to be bought back. The Board will, in the event it commences the Proposed On-Market Buy-Back, only do so in compliance with all requirements of the Corporations Act and the Listing Rules. There is no certainty that, even if this Resolution is passed, any Shares will be bought back.

This Resolution is being put forward to provide the Board with the flexibility to buy-back up to 654,893 Shares if it decides that doing so is in the best interests of the Company.

The Company therefore believes that such additional flexibility in being able to acquire Shares on-market will support its goals of achieving the most efficient capital structure possible, and to facilitate a more active market in the Company's Shares, enabling those current Shareholders who wish to dispose of their Shares on-market a greater opportunity to do so.

This Resolution should in no way be seen as a recommendation by the directors that shareholders should sell their stock.

Shareholders are reminded that the latest published accounts value assets held by the company at amounts that the company believes are appropriate in all the circumstances and consistent with Accounting Standards. However, assets held at low or nil value may turn out to be worth more than the values shown. Shareholders are reminded, for example, that the Company has an interest in the Octaviar administration that is presently valued at zero.

Reason for Shareholder approval

Section 257C(1) of the Corporations Act requires that the terms of an On-Market Buy-Back agreement in relation to the Proposed On-Market Buy-Back be approved by an ordinary Resolution passed at a general meeting, if the number of votes attaching to voting Shares proposed to be bought back (together with all other voting Shares bought back over the previous 12 months) would exceed 10% of the smallest number of votes attaching to voting shares which were on issue at any time in that previous 12 months (the '10/12 Limit').

If this Resolution is passed, the Company will be able to buy back up to 654,893 Shares, being up to approximately 20% of the Company's issued Shares as at 8th October 2020, within the next 12 months.

If this Resolution is not approved, the Company will continue to have an ability to buy-back Shares (subject to the 10% / 12 month limit) in accordance with the Corporations Act.

Terms of the buy-back

The Proposed On-Market Buy-Back allows the Company to buy back Shares over time, depending on market conditions and prices. Any such on-market buy backs would occur in accordance with the Corporations Act and the Listing Rules. Any purchases would occur on-market in the ordinary course of trading in the Company's Shares, and the Shares bought back would then be cancelled.

At the 8 October 2020, the last traded price for the Company's Shares was \$3.51 on 16 September 2020.

As at 8 October 2020

Capital structure

	Number of Shares
Totals: Shareholders	3,274,464
Totals: Top 10 Shareholders	1,541,259
Totals: Top 10 Shareholders % of Shares on issue	47.26%

Range Total Holders

Range: Number of Shares held	Number of Shareholders
1 – 1,000	2,084
1,001 - 5,000	269
5,001 – 10,000	15
10,001 – 100,000	22
More than 100,000	4
Total	2,394

Total Directors' shareholding

	Number of Shares
Totals: Shares on issue at the date of this Notice	3,274,464
Totals: Directors' shareholding	1,179,520
Totals: Non-director shareholding	2,094,944
Totals: Director Shareholders % of Shares on issue	36.02%
Totals: Non-director Shareholders % of Shares on issue	63.98%

The Directors and their associates do not intend to participate in the Proposed On-Market Buy-Back.

In the event that the Company does buy-back Shares under the Proposed On-Market Buy-Back, the proportionate interest of remaining Shareholders will increase. The table below shows the per cent holding of total Shares on issue that would be held by the current Directors and associates if 654,893 (approximately 20% of the Company's Shares) are bought back.

Total Directors' shareholding after buy-back

	Number of Shares
Totals: Shares on issue after on-market buy-back	2,619,571
Totals: Directors' shareholding	1,179,520
Totals: Non-director shareholding	1,440,051
Totals: Director's Shareholders % of Shares on issue	45.03%
Totals: Non-director Shareholders % of Shares on issue	54.97%

Directors' and associates' interest in ordinary securities

	Number of Shares held	% of total Shares	Options
Giles and Vicki Craig ATF the Craig Family Superannuation Fund	9,289	0.28%	-
North Shore Custodians ATF The Craig Family Trust	93,424	2.85%	-
Total owned by Giles Craig and associates	102,713	3.13%	-
Abril Holdings Pty Ltd	35,147	1.07%	-
Total owned by Sarina Roppolo and associates	35,147	1.07%	-
Samuel Terry Asset Management Pty Ltd	14,584	0.45%	-
Samuel Terry Asset Management Pty Ltd ATF the Samuel Terry Absolute Return Fund (STAR)	636,935	19.45%	-
JP Morgan Nominees Australia Limited	389,957	11.91%	-
Woollard Super Fund	185	0.006%	-
Total owned by Therese Cochrane and associates	1,041,660	31.82%	-
Total Directors' interests	1,179,520	36.02%	-

Details of substantial holders

The following is a list of substantial holders of the Company and their associates:

Name of substantial holder	Number of Shares held	% of total Shares	Associate of substantial Shareholder
Samuel Terry Asset Management Pty Ltd ATF the Samuel Terry Absolute Return Fund (STAR)	636,935	19.45%	Therese Cochrane Frederick Woollard & Nigel Burgess
JP Morgan Nominees Australia Limited	389,957	11.91%	Therese Cochrane Frederick Woollard & Nigel Burgess
Nigel Burgess and his family trust	70,944	2.17%	Nigel Burgess
Samuel Terry Asset Management Pty Ltd	14,584	0.45%	Therese Cochrane Frederick Woollard & Nigel Burgess
Woollard Super Fund	185	0.006%	Therese Cochrane Frederick Woollard
Total owned by STAR and associates	1,112,605	33.98%	

Notes:

- i. Mr Woollard and Mr Burgess are directors, shareholders and beneficiaries; and Ms Cochrane is an employee, shareholder and beneficiary of Samuel Terry Asset Management Pty Ltd as trustee for the Samuel Terry Absolute Return Fund;
- ii. Mr Woollard and Mr Burgess are directors, shareholders and beneficiaries of J P Morgan Nominees Australia Ltd as custodian for Samuel Terry Absolute Return Fund, Ms Cochrane is an employee, shareholder and beneficiary of Samuel Terry Asset Management Pty Ltd;
- iii. Mr Burgess is a beneficiary of his family trust; and
- iv. Ms Cochrane and Mr Woollard are a beneficiaries of the Woollard Super Fund.

About the Substantial Holders

The substantial holders have confirmed that no inducement has been given by them for Shareholders to accept buy-back.

Effect of On-Market Buy-Back on Substantial Holders

Frederick Woollard and Nigel Burgess have advised the Company that these substantial holders do not intend to participate in the Proposed On-Market Buy-Back.

In the event that the Company does buy-back Shares under the Proposed On-Market Buy-Back, the proportionate interest of remaining Shareholders will increase. The table below shows the per cent holding of total Shares on issue that would be held by the current substantial holders if 654,893 (approximately 20% of the Company's Shares as at 8th October 2020) are bought back and the current substantial holders do not participate in the Proposed On-Market Buy-Back.

Name of substantial holder	Number Shares held	% of Total Pre On-Market Buy-Back Shares	% of Total Post On-Market Buy-Back Shares ⁽¹⁾
Total owned by STAR and associates	1,112,605	33.98%	42.47%

(1) Shares on issue after Proposed On-Market Buy-Back approximately **2,619,571**.

Effect on the Company

Source of funds and Financial Impact

If approved, the Proposed On-Market Buy-Back will involve a reduction in the number of the Company's ordinary Shares on issue and a corresponding reduction in its share capital.

While the Company is seeking approval to buy-back up to 654,893 Shares on-market over the 12 months following the 2020 AGM and in accordance with the Listing Rules, the actual number of Shares to be bought back will be assessed by the Board on an ongoing basis, having regard to, among other things, the Company's net debt, capital surplus and cash flows, as well as broader market conditions and alternative investment opportunities.

The Company will not buy-back Shares if to do so would materially prejudice its ability to pay its creditors, prevent the Company from discharging any indebtedness or from conducting and growing its business. The Board will only buy-back Shares on the basis that the Company will remain well capitalised following the completion of the purchase.

The purchase of any Shares under the Proposed On-Market Buy-Back would be funded from existing cash reserves or via current debt facilities if within the debt capacity of the Company. In determining whether the Company will use one or a range of funding sources, the Company will have regard to a variety of factors including relative interest expenses, potential alternatives for use of cash resources and the availability and cost of debt. If the Board determines to acquire Shares under the Proposed On-Market Buy-Back, the precise impact of the Proposed On-Market Buy-Back will not be known until completed and this will depend on the volume and price paid for the Shares at the relevant time.

Impact on earnings per Share

If the Company acquires Shares under the Proposed On-Market Buy-Back, the Company's issued share capital will reduce. As a result of the reduction in the number of Shares on issue, the Proposed On-Market Buy-Back will be accretive to earnings per Share.

Impact on net tangible assets per Share

Depending on the number of Shares bought back and the price at which they are bought back, the Proposed On-Market Buy-Back will result in a decrease in NTA per Share.

Effect on dividends

Usage of the Company's cash reserves to fund the Proposed On-Market Buy-Back will reduce the ability of the Company to pay dividends to Shareholders. However, the Board considers that the Proposed On-Market Buy-Back provides greater benefits overall to Shareholders.

Advantages and disadvantages of the Proposed On-Market Buy-Back

The advantages of the Proposed On-Market Buy-Back include:

- efficient means of returning capital to Shareholders who wish to sell their shares;
- optimising value for remaining Shareholders where the Shares are trading below their NTA value;
- by reducing the number of securities on issue, the Proposed On-Market Buy-Back will increase NTA per Share and earnings per Share;
- facilitating a more active market in the Company's Shares; and
- the Company has the flexibility to adjust the volume of Shares bought back (subject to a maximum of 654,893 Shares) and can stop buying back shares on-market at any time.

The disadvantages of the Proposed On-Market Buy-Back include:

- the Proposed On-Market Buy-Back will reduce the Company's available cash to acquire new assets or pay dividends to Shareholders;
- the Proposed On-Market Buy-Back will reduce the Company's overall NTA; and
- after the Proposed On-Market Buy-Back is completed, there will be a reduction in the number of Shares on issue which may decrease liquidity of the Company's Shares traded on the NSX.

As required by the Corporations Act, the Company has set out in this Explanatory Statement all information known to the Company that it believes is material to the decision on how to vote on this Resolution in respect of the Proposed On-Market Buy-Back. In addition to this Explanatory Statement, further information regarding the Company can be obtained from its website at www.arlimited.com.au.

Copies of the Company's audited Annual Report for the financial year ended 30 June 2020 can be found on the Company's website at www.arlimited.com.au.

As at the date of this Explanatory Statement, and so far as is known by the Board of the Company, there are no material changes to the financial position of the Company since the date of that full year report and financial statements.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of this Resolution. Each Board member intends to vote in favour of the ordinary Resolution in respect of the Shares held by them.

The Chair intends to vote all available proxies in favour of this Resolution.

Resolution 5: Approval of Investment Management Agreement with Samuel Terry Asset Management Pty Ltd

The Board has recently concluded negotiations with Samuel Terry Asset Management Pty Ltd (**STAM**) with respect to an “Investment Management Agreement” pursuant to which STAM will manage the Company’s portfolio of investments (**IMA**). STAM is a Substantial Holder in the Company with voting power (as defined in the Corporations Act) of 33.53%.

STAM is associated with Therese Cochrane, Frederick Woollard & Nigel Burgess.

All negotiations between the Board and STAM were conducted on an arm’s length basis and Ms Cochrane was excluded from all discussions regarding the IMA. The Board has formed the view that the terms of the IMA are reasonable in the circumstances of a genuine arm’s length negotiation.

Each of STAM, Therese Cochrane, Frederick Woollard & Nigel Burgess and their associates are excluded from voting on Resolution 5.

The key terms of the IMA are set out below.

Item	Summary
Services	<p>STAM will be engaged exclusively under the IMA to manage the Company’s investment portfolio of investments (Portfolio) in accordance with an agreed “Investment Strategy”.</p> <p>The “Investment Strategy” of the Company is set out in section 3.3 of the Company’s Information Memorandum dated 14 September 2016, a summary of that “Investment Strategy is set out below:</p> <ul style="list-style-type: none"> (a) find new distressed debt, distressed property securities and distressed corporate assets (b) acquire distressed assets by way of takeover, and other means, to exercise control wherever, and to the greatest extent possible; (c) offer acquisition consideration comprised of cash and/or Company Shares; and (d) manage the investment portfolio to increase the Company’s Net Asset Value per Share. <p>Under the IMA the Company and STAM can agree changes to this “Investment Strategy”. Company approval is required if a proposed investment is not in accordance with the approved “Investment Strategy”.</p> <p>STAM may, with the prior consent of the Company, engage external advisors and/or delegate or sub-contract to any person for STAM to perform any or all of the duties and obligations under the IMA.</p> <p>Neither party may assign its rights under the agreement without the consent of the other party.</p>
Term and termination	<p>The IMA is for an initial period of 10 years with an automatic renewal of 5 years unless notice has been given of non-renewal.</p> <p>STAM may terminate the IMA at any time by at least 6 months’ written notice.</p> <p>The Company may only terminate where it suffers an insolvency event, a key personnel change occurs without the prior consent of the Company or STAM is otherwise in default and fails to remedy that default.</p>
Powers and discretions	<p>Subject to the obligation to liquidate the Portfolio to meet the Company’s operating costs, dividend payments, capital returns, buybacks or other distributions, STAM has absolute and</p>

Item	Summary
	<p>unfettered discretion to manage the Portfolio and do all things considered necessary or desirable in relation to the Portfolio.</p> <p>Excluded from the Portfolio is a concept of “Non-Portfolio Cash” which “means cash held by the Company from time to time and excluded from the Portfolio for the purpose of paying Company Costs, dividend distributions and any other purpose determined by the Company” (Non-Portfolio Cash). The Company retains control of its Non-Portfolio Cash.</p>
Remuneration	<p>STAM is not entitled to a “management fee” in respect of the Portfolio but may be entitled to management and performance fees under the relevant fund documents to the extent the portfolio is invested in the Samuel Terry Absolute Return Fund, the Samuel Terry Absolute Return Active Fund and any other fund managed by STAM or a Related Entity of STAM.</p> <p>In respect of investments outside of the Samuel Terry Absolute Return Fund, the Samuel Terry Absolute Return Active Fund and any other fund managed by STAM or a Related Entity of STAM, STAM will be entitled to a “performance fee” calculated and payable as:</p> <p>0.2 x (RV-OC)</p> <p>(Performance Fee)</p> <p>Where:</p> <p>“OC” is the original cost of acquiring the relevant investment, being the purchase price plus any other costs directly incurred in relation to it including legal expenses, brokerage, other professional advisory costs and stamp duty.</p> <p>“RV” is the net realised value from the ownership and disposal or sale of the relevant investment, being the sale proceeds plus any dividends (grossed up for franking credits) or other distributions and capital returns received in respect of the relevant investment less all costs involved in holding to disposal the relevant investment, including but not limited to legal expenses, brokerage, other professional advisory costs stamp duty and borrowing costs.</p> <p>If RV is less than OC no Performance Fee is payable. The difference between RV and OC (being a negative number) multiplied by 0.2 is carried forward (Negative Amount) to be deducted against future Performance Fees.</p> <p>If the Performance Fee calculated is less than the aggregate value of any Negative Amounts then in existence, no performance fee is payable however the aggregate value of the Negative Amounts will be reduced by that Performance Fee.</p> <p>STAM will continue to be entitled to Performance Fees after termination of the IMA with respect to investments that remain unrealised at the time of termination.</p>
Liability and Indemnity	<p>In the absence of gross negligence, other default, fraud or dishonesty STAM will not be in any way responsible for any loss, costs, damages or inconvenience that may result from the exercise or failure to exercise its powers, authorities and discretions under the IMA.</p> <p>The Company must indemnify STAM against any losses or liabilities reasonably incurred by STAM arising out of, or in connection with, and any costs, charges and expenses incurred in connection with STAM or any of its officers, employees or agents acting under the IMA or on account of any bona fide investment decision made by STAM or its officers or agents except insofar as any loss, liability, costs, charge or expense is caused by the negligence, default, fraud,</p>

Item	Summary
	<p>dishonesty of STAM or its officers or employees. This obligation continues after the termination of the IMA.</p> <p>STAM must indemnify the Company against any losses or liabilities reasonably incurred by the Company arising out of, or in connection with, and any costs, charges and expenses incurred in connection with, any negligence, default, fraud or dishonesty of STAM or its officers or supervised agents except insofar as any loss, liability, costs, charge or expense is caused by the negligence, default, fraud or dishonesty of the Company or its officers or employees. This obligation continues after the termination of the IMA.</p>
Expenses	<p>The Company is liable for, and if required by STAM, must pay out of the Portfolio (or if paid by STAM reimburse STAM out of the Portfolio) costs incurred by STAM in connection with managing the Portfolio.</p> <p>STAM must bear the cost of its internal labour costs and legal costs in connection with the performance of its obligations under the IMA.</p>

Directors' Recommendation

The Board (other than Ms Cochrane) unanimously recommends that Shareholders vote in favour of this Resolution. Each Board member (other than Ms Cochrane) intends to vote in favour of the ordinary Resolution in respect of the Shares held by them.

The Chair intends to vote all available proxies in favour of this Resolution.

Special Resolution 6: Approval of Issue of Shares to new Director under the Non-Executive Share Scheme

Subject to Shareholders approving Resolution 2; under NSX Listing Rules the Company must seek Shareholder approval to grant securities to a new director under a Non-Executive Director Share Scheme. The Company seeks to issue ordinary Shares in the Company to the new non-executive director, Therese Cochrane in lieu of her annual non-executive directors fees for the period from 20th April 2020 to 30th November 2020 (as set out in the table below), in accordance with the Board's determination that 100% of the Non-Executive Directors' annual directors' fees be paid under the "ARL Non-Executive Director Share Scheme" (the "NED SP").

The proposed issues are in accordance with the NED SP which was approved by Shareholders at the 2019 AGM. Resolution 6 is subject to Shareholders approving Resolution 2 at this meeting, held on 18th November 2020. An overview of the NED SP is set out below:

Overview of the NED SP

The objective of the NED SP is to create an initiative for creating a stronger link between Non-Executive Director performance and reward and increasing Shareholder value through the provision of the plan, called the "ARL Non-Executive Director Share Scheme".

Eligible participants in the NED SP are those Non-Executive Directors who are invited by the Company to participate in the plan.

Subject to the NED SP, each Non-Executive Director shall participate in the plan.

Terms of offer under the NED SP are subject to the plan rules and the terms of the specific offer from time to time.

Shares issued under the NED SP will rank equally with all other existing Shares in all respects including voting rights and entitlement to participate in dividends and in future rights and bonus issues.

A Non-Executive Director must not dispose of any Shares acquired under the NED SP before the end of the restriction period which are subject to the plan rules and the terms of the specific offer from time to time.

On cessation of being an eligible participant:

- (a) there are restriction conditions in relation to plan Shares or the eligible participant ceases to be an eligible Non-Executive Director then the Non-Executive Director forfeits its right, entitlement and interest in, and to, the plan Shares, and the Company must either buy back and cancel or sell the plan Shares in accordance with the plan rules; or
- (b) in the case of the death of the Non-Executive Director or as a result of a bona fide retirement (subject to conditions under the plan rules), bona fide redundancy or a total and permanent disability and there are unfulfilled restriction conditions, the Board may elect to waive any of the restriction conditions and in its absolute discretion extend a loan in accordance with the plan rules.

Subject to the NSX Listing Rules, the rules of the NED SP may be amended by resolution of the Board.

The NED SP shall be administered by the Board who has the power to:

- (a) determine appropriate procedures for administration of the plan consistent with its terms;
- (b) resolve conclusively all questions of fact or interpretation in connection with the plan;
- (c) delegate the exercise of any of its powers or discretions arising under the plan to any one or more persons for such period and on such conditions as the Board may determine; and
- (d) suspend or terminate the plan by giving written advice to eligible Non-Executive Directors.

For the period covered by this Resolution (being the 12 months from the date of the Resolution being approved by members) the number of Shares issued in relation to any period would be calculated by dividing the value of remuneration foregone by the nominal issue price of the Shares. Shares issued under the NED SP would be subject to a restriction that they may not be disposed of before the earlier of:

- the 12 month anniversary of the date of their acquisition; and
- the date that the Non-Executive Director ceases to be a director of the Company; and
- if a person's voting power (as defined in the Corporations Act) in the Company increases from less than 50% to more than 50% because of a takeover bid, the time when the person's voting power so increases.

Resolution 6 seeks approval of Shareholders to permit the Company to issue up to 10,537 Shares in aggregate to the new Non-Executive Director, for the period from 20th April 2020 to 30th November 2020, to be calculated in accordance with the formula set out in clause 2 below.

At the date of the Notice, the total annual director's fees payable to the new Non-Executive Director and /or their nominees for the period ended 30th November 2020, which will be paid by way of the issue of Shares in the Company under the NED SP as set out in the table below:

Director	2020 Director's fees to be paid in Shares	Shares
Therese Cochrane	\$30,556	10,537
Total	\$30,556	10,537

The following information must be provided to Shareholders in respect of Special Resolution 6:

1. The maximum number of Shares to be issued to each Non-Executive Director under the NED SP is 10,537 in the case of Therese Cochrane or her respective nominees.
2. The price per Share to be issued to each of the Non-Executive Directors is \$2.90 per Share based on the Share Price used to issue Shares to other Directors under the NED SP for their 2020 Directors fees and recent Share sales price.

3. No Shares have been issued to Therese Cochrane under the NED SP for the year ending 30th November 2020 in lieu of annual directors' fees.
4. All Non-Executive Directors are entitled to participate in the NED SP. Therese Cochrane is a person entitled to participate in the NED SP.
5. A voting exclusion statement is included in the Notice of Meeting.
6. No loan for an acquisition of Shares will be granted under the NED SP.
7. The Company may issue Shares under the NED SP no later than 12 months after the upcoming meeting to be held on 18th November 2020.
8. If the Resolution is not approved by Shareholders, the Non-Executive Director's fees will be paid in cash-based annual fees set out in the table above.

Recommendation

The Directors being interested parties, make no recommendations in respect of Special Resolution 6.

The Chair intends to vote all available proxies in **favour** of Resolution 6.

Special Resolutions 7 to 9: Approval of Issue of Shares to Directors under the Non-Executive Share Scheme

Under NSX Listing Rules the Company must seek Shareholder approval to grant securities to directors under a Non-Executive Director Share Scheme (the "NED SP"). The Company seeks to issue ordinary Shares in the Company to the non-executive directors, Giles Craig, Sarina Roppolo and Therese Cochrane in lieu of their annual non-executive directors' fees for the year ended 30th November 2021 (as set out in the table below), in accordance with the Board's determination that 100% of the Non-Executive Directors' annual directors' fees be paid under the NED SP.

The proposed issues are in accordance with the NED SP which was approved by Shareholders at the 2019 AGM.

Resolution 8 is subject to Shareholders approving Resolution 3 (re-election of Non-Executive Director, Sarina Roppolo) at this meeting, held on 18th November 2020.

For the period covered by this Resolution (being the 12 months from the date of the Resolution being approved by members) the number of Shares issued in relation to any period would be calculated by dividing the value of remuneration foregone by the nominal issue price of the Shares. Shares issued under the NED SP would be subject to a restriction that they may not be disposed of before the earlier of:

- the 12 month anniversary of the date of their acquisition; and
- the date that the Non-Executive Director ceases to be a director of the Company; and
- if a person's voting power (as defined in the Corporations Act) in the Company increases from less than 50% to more than 50% because of a takeover bid, the time when the person's voting power so increases.

Resolutions 7 to 9 seek approval of Shareholders to permit the Company to issue up to 52,818 Shares in aggregate to the Non-Executive Directors, to replace each of the Non-Executive Directors' annual director's fees for the financial year from 1st December 2020 to 30th November 2021, to be calculated in accordance with the formula set out in clause 2 below.

At the date of the Notice, the total annual directors' fees payable to each Non-Executive Director and /or their nominees for the year ended 30th November 2021, which will be paid by way of the issue of Shares in the Company under the NED SP as set out in the table below:

Director	2021 Directors' fees to be paid in Shares	Shares
Giles Craig	\$50,000 pa	17,606
Sarina Roppolo	\$50,000 pa	17,606
Therese Cochrane	\$50,000 pa	17,606
Total	\$150,000 pa	52,818

The following information must be provided to Shareholders in respect of Special Resolutions 7 to 9:

1. The maximum number of Shares to be issued to each Non-Executive Director under the NED SP is 17,606 Shares in the case of each of Giles Craig, Sarina Roppolo and Therese Cochrane or their respective nominees; totalling 52,818 Shares.
2. The price per Share to be issued to each of the Non-Executive Directors is \$2.84 per Share based on recent audited net tangible asset value per share.
3. There were 41,187 Shares issued to Giles Craig, Sarina Roppolo, and Graham Holdaway, under the NED SP for the year ending 30th November 2020 in lieu of annual directors' fees:

Director	2020 Directors' fees paid in Shares	Shares
Giles Craig	\$50,000	17,241
Sarina Roppolo	\$50,000	17,241
Graham Holdaway (resigned 20 April 2020)	\$19,444	6,705
Total	\$119,944	41,187

No other Shares have been issued to Giles Craig, Sarina Roppolo, Therese Cochrane or Graham Holdaway in the prior twelve months to the date of this report, being 8th October 2020.

4. All Non-Executive Directors are entitled to participate in the NED SP. Giles Craig, Sarina Roppolo and Therese Cochrane are the persons entitled to participate in the NED SP.
5. A voting exclusion statement is included in the Notice of Meeting.
6. No loan for an acquisition of Shares will be granted under the NED SP.
7. The Company may issue Shares under the NED SP no later than 12 months after the upcoming meeting to be held on 18th November 2020.
8. If the Resolutions are not approved by Shareholders the Non-Executive Directors' 2021 directors' fees will be paid in cash-based annual fees set out in the above table above.

Recommendation

The Directors being interested parties, make no recommendations in respect of special Resolutions 7 to 9.

The Chair intends to vote all available proxies in favour of Resolutions 7 to 9.

Glossary

In this Explanatory Memorandum, the following terms have the following meaning unless the context otherwise requires:

"**Annual Report**" means the 2020 annual report of the Company, a copy of which was lodged with NSX and ASIC. The Annual Report includes the audited financial statements, directors' report and auditor's report.

"**ASIC**" means the Australian Securities and Investments Commission.

"**Board**" means the Board of Directors from time to time.

"**Closely Related Party**" of a member of the Key Management Personnel (as defined by Corporation Act) means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member or be influenced by the member, in the member's dealings with the Company;
- (e) a company that the member controls.

"**Company**" means Asset Resolution Limited ACN 159 827 871.

"**Constitution**" means the constitution of the Company from time to time.

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

"**Directors**" means the Directors of the Company from time to time and "**Director**" means any one of them.

"**Equity Securities**" has the meaning given to that term in the Listing Rules.

"**Explanatory Statement**" means this explanatory statement.

"**Key Management Personnel**" means those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any Director (whether executive or otherwise).

"**Link Market Services**" means the Company's share registry company.

"**Listing Rules**" means the listing rules of NSX or an alternative exchange and any other rules of NSX which are applicable while the Company is admitted to the official list of NSX, each as amended or replaced from time to time, except to the extent of any express written waiver by NSX.

"**Meeting**" has the meaning given in the introductory paragraph of the Notice.

"**NED SP**" means Asset Resolution Ltd's Non-Executive Director Share Scheme.

"**Net Asset Value**" means the value of the Company's assets less the value of the Company's liabilities.

"**Net Tangible Asset Value**" and "**NTA**" means the value of the Company's tangible assets less the value of the Company's liabilities.

"**NSX**" means National Stock Exchange of Australia Limited ACN 330 894 691.

"**Notice**" means this notice of Meeting.

"**Proxy Form**" means the Proxy Form attached to the Notice.

"**Related party**" has the meaning given to that term in Section 228 of the Corporations Act.

"**Resolution**" means a resolution contained in this Notice.

"**Share**" means a fully paid ordinary share in the capital of the Company.

"**Shareholder**" means a holder of Shares in the Company.

"**Trading Day**" means a day determined by ASX or an alternative exchange to be a trading day in accordance with the Listing Rules.



Questions from Shareholders

For meeting of the Company to be held on Wednesday 18th November 2020 at 11:00am AEDT.

Name of Shareholder: _____

Questions

Please mark the box next to the question if it is directed to the auditor.

1. _____

2. _____

3. _____

As required by section 250PA of the Corporations Act, the Company will pass to the auditors any questions directed to the auditor, received in writing at least 5 business days prior to the meeting, that the auditor considers relevant to the content of the auditor's report or the conduct of the audit of the annual financial report for the year ended 30th June 2020. The Chair of the meeting will allow a reasonable opportunity for the auditor to respond to the questions set out on this list.

Lodging this Form

Please submit this form to the Company no later than 10:00am (AEDT) on 13th November 2020 to either:

- By fax** +61 8 8223 1685
- By email** vicky.allinson@arlimited.com.au
- By post** Unit 3B, Level 3, 60 Hindmarsh Square,
Adelaide SA 5000



ACN 159 827 871

LODGE YOUR VOTE

	ONLINE www.linkmarketservices.com.au
	BY MAIL Asset Resolution 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: 1300 554 474 Overseas: +61 1300 554 474

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 above by **11:00am (AEDT) on Monday, 16 November 2020**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

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

	ONLINE www.linkmarketservices.com.au Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the reverse of this Proxy Form).
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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 and email address 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 Resolutions are 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:

- 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
- 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 Virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at registrars@linkmarketservices.com.au prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

NAME SURNAME
ADDRESS LINE 1
ADDRESS LINE 2
ADDRESS LINE 3
ADDRESS LINE 4
ADDRESS LINE 5
ADDRESS LINE 6



X99999999999

PROXY FORM

I/We being a member(s) of Asset Resolution 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 and email of the person or body corporate you are appointing as your proxy

Name

Email

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 (AEDT) on Wednesday, 18 November 2020** (the **Meeting**) and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting and you can participate by logging in online at <https://agmlive.link/asset20> (refer to details in the Virtual Meeting Online Guide).

Important for Resolutions 1, 6, 7, 8 & 9: 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 Resolutions 1, 6, 7, 8 & 9 even though the Resolutions are 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

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approve Share issue to Therese Cochrane under the Non-Executive Share Plan in lieu of director's fees for the period from appointment on 20 April 2020 to 30 November 2020	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Director – Ms Therese Cochrane as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Approve Share issue to Giles Craig under the Non-Executive Share Plan in lieu of director's fees for year ended 30 November 2021	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Director – Ms Sarina Roppolo for re-election on rotation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Approve Share issue to Sarina Roppolo under the Non-Executive Share Plan in lieu of director's fees for year ended 30 November 2021	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approve On-Market Buy-Back of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Approve Share issue to Therese Cochrane under the Non-Executive Share Plan in lieu of director's fees for year ended 30 November 2021	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of Investment Management Agreement with Samuel Terry Asset Management Pty Ltd	<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 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)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

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

ASS PRX2001N

