

NOTICE OF ANNUAL
GENERAL MEETING
2016



AUTOMOTIVE HOLDINGS GROUP

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AUTOMOTIVE HOLDINGS GROUP LIMITED ABN 35 111 470 038

Notice is given that the 2016 Annual General Meeting (**Annual General Meeting** or **Meeting**) of shareholders of Automotive Holdings Group Limited (**AHG** or **Company**), (**Shareholders**) will be held at:

Venue: **Botanical 3, Lower Level, Crown Convention Centre
Great Eastern Highway, Burswood, Western Australia**

Date: **Friday, 18 November 2016**

Time: **10.00 am (Perth time)**

This notice of meeting (**Notice**) should be read in conjunction with the Explanatory Notes accompanying this Notice.

Terms and abbreviations used in this Notice, Schedules and Explanatory Notes are defined in the Glossary.

ORDINARY BUSINESS OF THE MEETING

Annual report

To receive and consider the financial report of the Company, the Directors' report (including the remuneration report) and the auditor's report for the financial year ended 30 June 2016.

Resolution 1.1 – Re-election of Mr David Griffiths

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

“That Mr David Griffiths, who retires as a Director of the Company in accordance with the Company's constitution, be re-elected as a Director of the Company.”

Resolution 1.2 – Election of Ms Jane McKellar

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

“That Ms Jane McKellar be elected as a Director of the Company in accordance with the Company's constitution.”

Resolution 2 – Approval of the amended AHG Performance Rights Plan

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

“That any securities issued under the amended AHG Performance Rights Plan be issued as an exception to ASX Listing Rule 7.2, Exception 9, and for all other purposes, on the terms which are described in the Explanatory Notes that accompany this Notice, during the three years following the date of this Meeting”.

Please note that voting exclusions apply to this Resolution. Details of the voting exclusions applicable to this Resolution are set out in the “Voting Exclusions” section on pages 5 to 8 below.

Resolution 3 – Grant of performance rights to Mr Bronte Howson – FY2016 STIs

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

"That, for the purpose of ASX Listing Rule 10.14, sections 200B and 200E of the Corporations Act 2001 (Cth) and for all other purposes, approval is given for the grant of up to 65,878 performance rights by the Company to Mr Bronte Howson, and either the issue or transfer of ordinary shares in the Company to Mr Howson upon the vesting and exercise of those performance rights, under and in accordance with the AHG Performance Rights Plan, as amended, and on the terms and conditions set out in the Explanatory Notes that accompany this Notice."

Please note that voting exclusions apply to this Resolution. Details of the voting exclusions applicable to this Resolution are set out in the "Voting Exclusions" section on pages 5 to 8 below.

Resolution 4 – Approval of Mr Bronte Howson's termination package – early testing of FY2015 and FY2016 LTIs

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

"That for the purposes of sections 200B and 200E of the Corporations Act 2001 (Cth) and for all other purposes, approval is given for the Company to give benefits to Mr Bronte Howson in connection with Mr Howson's cessation of employment with the Company, as described in the Explanatory Notes that accompany this Notice."

Please note that voting exclusions apply to this Resolution. Details of the voting exclusions applicable to this Resolution are set out in the "Voting Exclusions" section on pages 5 to 8 below.

Resolution 5 – Grant of performance rights to the new Chief Executive Officer – FY2017 LTIs

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

"That, for the purpose of ASX Listing Rule 10.14 and for all other purposes, approval be given for the grant of up to 207,684 performance rights to the new Chief Executive Officer, Mr John McConnell, in relation to the FY2017 grant under the AHG Performance Rights Plan, as amended, and either the issue or transfer of ordinary shares in the Company to Mr McConnell upon vesting and exercise of those performance rights, on the terms and conditions set out in the Explanatory Notes that accompany this Notice."

Please note that voting exclusions apply to this Resolution. Details of the voting exclusions applicable to this Resolution are set out in the "Voting Exclusions" section on pages 5 to 8 below.

Resolution 6 – Approval for increase to non-executive Directors' remuneration cap

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

"That, for the purposes of rules 38.2 and 42.1 of the Company's constitution, ASX Listing Rule 10.17 and for all other purposes, the maximum annual aggregate amount of remuneration that non-executive Directors of the Company are entitled to be paid for their services as Directors out of the funds of the Company, in respect of each financial year of the Company commencing on or after 1 July 2016, be increased by \$200,000 from \$900,000 to \$1,100,000."

Please note that voting exclusions apply to this Resolution. Details of the voting exclusions applicable to this Resolution are set out in the "Voting Exclusions" section on pages 5 to 8 below.

Resolution 7 – Approval of prior issue of Placement Shares

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, approval of the issue by the Company of 19,911,505 fully paid ordinary shares in the Company to institutional, sophisticated and professional investors, as detailed in the Explanatory Notes that accompany this Notice."

Please note that voting exclusions apply to this Resolution. Details of the voting exclusions applicable to this Resolution are set out in the "Voting Exclusions" section on pages 5 to 8 below.

Resolution 8 – Adoption of remuneration report

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

“That the remuneration report, which forms part of the Directors’ report for the financial year ended 30 June 2016, be adopted.”

A vote on this Resolution is advisory only and does not bind the Directors or the Company.

Please note that voting exclusions apply to this Resolution. Details of the voting exclusions applicable to this Resolution are set out in the “Voting Exclusions” section on pages 5 to 8 below.

NOTES

These Notes form part of the Notice.

ENTITLEMENT TO ATTEND AND VOTE

The Company has determined that persons who are registered holders of fully paid ordinary shares of the Company (**Shares**) at 4.00pm (Perth time) on Wednesday, 16 November 2016 will be entitled to attend and vote at the Annual General Meeting.

HOW TO VOTE

Voting in person

Shareholders who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding details may be checked against the Company’s share register and attendance recorded. Please bring your personalised Proxy Form with you to assist with registration.

Corporate representatives

A body corporate which is a Shareholder, or which has been appointed as a proxy, may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of the Company’s members. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution. The representative will need to bring to the Meeting the appropriate appointment document, including any authority under which the appointment is signed, which will need to be produced prior to admission to the Meeting. A form of appointment may be obtained by telephoning the Company’s share registry (1300 554 474 (within Australia) or +61 1300 554 474 (outside Australia)) or at <https://www.linkmarketservices.com.au/corporate/InvestorServices/Forms.html> by downloading the form "Appointment of Corporate Representative".

Voting by proxy

Each Shareholder entitled to attend and vote at the Meeting may appoint a proxy to attend and vote at the Annual General Meeting. A proxy need not be a Shareholder of the Company and may be an individual or a body corporate.

A Shareholder entitled to cast two or more votes may appoint up to two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the appointment does not specify this proportion, each proxy may exercise half the votes. If you wish to appoint a second proxy, an additional proxy form may be obtained by telephoning the Company’s share registry (1300 554 474 (within Australia) or +61 1300 554 474 (outside Australia)).

Sections 250BB and 250BC of the *Corporations Act 2001* (Cth) (**Corporations Act**) apply to voting by proxy. Generally, these sections mean that if proxy holders vote, they must cast all directed proxies as directed, and any directed proxies that are not voted will automatically default to the Chairman of the Meeting, who must vote the proxies as directed. If the proxy has two or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands.

To be effective, a proxy appointment (and any power of attorney under which it is signed, or a

certified copy of that authority) must be received by one of the methods below no 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.

In person	Link Market Services Limited 1A Homebush Bay Drive Rhodes NSW 2138
By mail	Link Market Services Limited Locked Bag A14 Sydney South NSW 1235
By fax	(02) 9287 0309 (within Australia) +61 2 9287 0309 (outside Australia)
Online	Shareholders may submit their proxy instructions electronically online to the Company's share registry by visiting www.linkmarketservices.com.au . Select 'Investor Login'. Refer to "Single Holding" and enter Automotive Holdings Group Limited or the ASX code (AHG) in the Issuer name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your proxy form), postcode and security code which is shown on the screen and click 'Login'. Select 'Vote' under the 'Action' header and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website.

Voting by attorney

A Shareholder may appoint an attorney to attend and vote on its behalf. For an appointment to be effective for the Meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the Company at its registered office or one of the addresses listed above for the receipt of proxy appointments at least 48 hours prior to the commencement of the Meeting.

Chairman as proxy and intentions of Chairman

The Chairman of the Meeting (where appropriately authorised) intends to vote all available undirected proxies **in favour of** Resolutions 1.1, 1.2, 2, 3, 4, 5, 6, 7 and 8.

If you appoint the Chairman as your proxy and you do not provide a direction you will be taken to have directed the Chairman to cast your votes in accordance with his expressed intention described above, even if the Resolution is connected directly or indirectly with the remuneration of a member of KMP.

If you appoint the Chairman as your proxy and wish to direct him how to vote, you can do so by marking the boxes for the relevant Resolution (ie by directing him to vote "for", "against" or "abstain") in step 2 on the Proxy Form or online.

Other member of KMP as proxy

For the purposes of the Notice, these voting exclusions and the Explanatory Notes:

- The Key Management Personnel or KMP are those persons having authority and responsibility for planning, directing or controlling the activities of the Company's consolidated group, either directly or indirectly including any Director (executive and non-executive) of the Company.
- The term "closely related party" is defined in the Corporations Act and includes, for a member of the KMP:
 - a spouse or child of the member;
 - a child of the member's spouse;
 - a dependant of the member or of the member's spouse;
 - 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; or
 - a company the member controls.

If you appoint:

- a member of KMP or one of their closely related parties (such as a close family member or a controlled company) as your proxy and do not direct that person how to vote on Resolution 2 (approval of amended AHG Performance Rights Plan), Resolution 3 (grant of performance rights to Mr Bronte Howson – FY2016 STIs), Resolution 4 (approval of termination package of Mr Bronte Howson – early testing of FY2015 and FY2016 LTIs), Resolution 5 (grant of performance rights to the new Chief Executive Officer – FY2017 LTIs), Resolution 6 (approval for increase to non-executive Directors' remuneration cap) or Resolution 8 (adoption of remuneration report);
- Mr Bronte Howson or one of his closely related parties (such as a close family member and a controlled company) as your proxy and do not direct that person how to vote on Resolution 2 (approval of amended AHG Performance Rights Plan), Resolution 3 (grant of performance rights to Mr Bronte Howson – FY2016 STIs) or Resolution 4 (termination package of Mr Bronte Howson – early testing of FY2015 and FY2016 LTIs); or
- Mr John McConnell or one of his closely related parties (such as a close family member and a controlled company) as your proxy and do not direct that person how to vote on Resolution 2 (approval of amended AHG Performance Rights Plan), Resolution 3 (grant of performance rights to Mr Bronte Howson – FY2016 STIs) or Resolution 5 (grant of performance rights to the new Chief Executive Officer – FY2017 LTIs),

then that person will not vote your proxy on that Resolution.

The remuneration report, which is set out on pages 48 to 64 of the Company's 2016 Annual Report, identifies the KMP for the financial year to 30 June 2016.

Prohibition on KMP voting

KMP and their closely related parties are prohibited under the Corporations Act from voting in a manner contrary to the Voting Exclusions for Resolutions 2, 3, 4, 5, 6 and 8.

VOTING EXCLUSIONS

The Corporations Act and the ASX Listing Rules require that certain persons must not vote, and the Company must disregard any votes cast by or on behalf of certain persons, on six of the eight resolutions to be considered at the Annual General Meeting. These voting exclusions are described below.

Resolution 2 – Approval of amended AHG Performance Rights Plan

The following persons may not vote, and the Company will disregard any votes cast on Resolution 2 by, or on behalf of:

- (a) Mr Bronte Howson or any of his associates;
- (b) Mr John McConnell or any of his associates; or
- (c) any Director of the Company who is eligible to participate in the amended AHG Performance Rights Plan and their associates.

However, the Company need not disregard a vote if:

- (d) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (e) it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

In addition, the Company will disregard votes cast by a member of KMP (and their closely related parties) acting as a proxy where the proxy appointment does not specify the way the proxy is to vote on the resolution, unless:

- (f) the proxy is the Chairman of the Meeting; and
- (g) the proxy appointment expressly authorises the Chairman to exercise the proxy even if that resolution is connected directly or indirectly with the remuneration of a KMP.

Resolution 3 – Grant of performance rights to Mr Bronte Howson – FY2016 STIs

The following persons may not vote and the Company will disregard any votes cast on Resolution 3 by, or on behalf of:

- (a) Mr Bronte Howson or any of his associates;
- (b) Mr John McConnell or any of his associates; or
- (c) any Director of the Company who is eligible to participate in the amended AHG Performance Rights Plan and their associates.

However, the Company need not disregard a vote if:

- (d) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (e) it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

In addition, the Company will disregard votes cast by a member of KMP (and any closely related party of such a KMP) that is appointed as a proxy where the proxy appointment does not specify the way the proxy is to vote on the Resolution, unless:

- (f) the proxy is the Chairman of the Meeting; and
- (g) the proxy appointment expressly authorises the Chairman to exercise the proxy even if that resolution is connected directly or indirectly with the remuneration of a KMP.

Resolution 4 – Approval of Mr Bronte Howson's termination package – early testing of FY2015 and FY2016 LTIs

The following persons may not vote and the Company will disregard any votes cast on Resolution 4 by, or on behalf of:

- (a) Mr Bronte Howson or any of his associates.

However the Company need not disregard a vote if:

- (b) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (c) it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

In addition, the Company will disregard votes cast by a member of KMP (and any closely related party of such a KMP) that is appointed as a proxy where the proxy appointment does not specify the way the proxy is to vote on the Resolution, unless:

- (d) the proxy is the Chairman of the Meeting; and
- (e) the proxy appointment expressly authorises the Chairman to exercise the proxy even if that resolution is connected directly or indirectly with the remuneration of a KMP.

Resolution 5 – Grant of performance rights to the new Chief Executive Officer – FY2017 LTIs

The following persons may not vote and the Company will disregard any votes cast on Resolution 5 by, or on behalf of:

- (a) Mr John McConnell or any of his associates;
- (b) Mr Bronte Howson or any of his associates; or

- (c) any Director of the Company who is eligible to participate in the amended AHG Performance Rights Plan and their associates.

However the Company need not disregard a vote if:

- (d) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (e) it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

In addition, the Company will disregard votes cast by a member of KMP (and their closely related parties) acting as a proxy where the proxy appointment does not specify the way the proxy is to vote on the resolution, unless:

- (f) the proxy is the Chairman of the Meeting; and
- (g) the proxy appointment expressly authorises the Chairman to exercise the proxy even if that resolution is connected directly or indirectly with the remuneration of a KMP.

Resolution 6 – Approval for increase to non-executive Directors' remuneration cap

The following persons may not vote, and the Company will disregard any votes cast by the following persons, on Resolution 6:

- (a) the Directors of the Company and their associates.

However the Company need not disregard a vote if:

- (b) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (c) it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

In addition, the Company will disregard votes cast by a member of KMP (and their closely related parties) acting as a proxy where the proxy appointment does not specify the way the proxy is to vote on the resolution, unless:

- (d) the proxy is the Chairman of the Meeting; and
- (e) the proxy appointment expressly authorises the Chairman to exercise the proxy even if that resolution is connected directly or indirectly with the remuneration of a KMP.

Resolution 7 – Approval of prior issue of Placement Shares

The following persons may not vote, and the Company will disregard any votes cast by or on behalf of the following persons, on Resolution 7:

- (a) any person who participated in the issue of the ordinary shares the subject of Resolution 7 and any of their associates.

However the Company need not disregard a vote if:

- (b) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (c) it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 8 – Adoption of remuneration report

In accordance with the Corporations Act, the following persons may not vote, and the Company will disregard any votes cast on Resolution 8:

(a) (in any capacity) by or on behalf of any KMP of the Company's consolidated group whose remuneration details are included in the remuneration report (and any closely related party of such a KMP); and

(b) as a proxy, by any KMP of the Company's consolidated group or their closely related parties,

unless the vote is cast as a proxy on behalf of a person entitled to vote on this Resolution in accordance with their directions on the proxy form; or where there is no specified voting direction, by the Chairman of the Meeting as proxy and who has been expressly authorised to vote on this resolution, even though the resolution is connected directly or indirectly with the remuneration of a KMP.

QUESTIONS FROM SHAREHOLDERS

The Chairman will allow a reasonable opportunity for Shareholders to ask questions and make comments about the management of the Company and the remuneration report at the Meeting.

Mr Glyn O'Brien of BDO Audit (WA) Pty Ltd (or his representative) will attend the Meeting as the auditor responsible for preparing the auditor's report for the year ended 30 June 2016. The Chairman will allow a reasonable opportunity for Shareholders 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 of Directors of the Company (**Board**) and the auditor of the Company in responding to any questions you may have, please submit questions in the manner described below by no later than 5.00pm (Perth time) on Friday, 11 November 2016.

By mail Link Market Services Limited
 Locked Bag A14
 Sydney South NSW 1235

By fax (02) 9287 0309 (within Australia) +61 2 9287 0309 (outside Australia)

Online Shareholders may submit their questions electronically online to the Company's share registry by visiting www.linkmarketservices.com.au. Select 'Investor & Employee Login'. Refer to 'Single Holding' and enter Automotive Holdings Group Limited or the ASX code (AHG) in the Issuer name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your proxy form), postcode and security code which is shown on the screen and click 'Login'. Select 'Ask Question' under the 'Action' header and then follow the prompts to submit your question online.

The Company and the auditor will attempt to respond to as many of the more frequently asked questions as possible. Due to the large number of questions that may be received, the Company and the auditor will not reply on an individual basis.

By order of the Board

David Rowland

Company Secretary

Automotive Holdings Group Limited

17 October 2016

EXPLANATORY NOTES

These Explanatory Notes provide Shareholders with an explanation of, and information about, the proposed Resolutions set out in the Notice to assist Shareholders to decide how they wish to vote on those proposed Resolutions. These Explanatory Notes form part of, and should be read together with, the Notice. Capitalised terms in the Explanatory Notes are defined in the Glossary.

ORDINARY BUSINESS

Annual report

The Corporations Act requires the Directors of the Company to lay before the Annual General Meeting the financial report, the Directors' report (including the remuneration report) and the auditor's report for the last financial year that ended before the Annual General Meeting.

A copy of the Company's 2016 Annual Report, including the financial report, the Directors' report (including the remuneration report) and the auditor's report for the year ended 30 June 2016 is available on the "Reports" page of the Company's investor relations website at www.ahgir.com.au and on ASX's website www.asx.com.au.

There is no requirement for Shareholders to approve these reports. Shareholders will be given a reasonable opportunity to ask questions or make comments about these reports and the management of the Company. Shareholders will also be given a reasonable opportunity to ask the Company's auditor questions about the conduct of the audit and the presentation and content of the auditor's report.

Resolutions 1.1 and 1.2 – Election and re-election of Directors

In accordance with ASX Listing Rule 14.4 and rule 5.1 of the Company's constitution (**Constitution**) a Director must retire from office at the third annual general meeting after the Director was elected or last re-elected. Rule 5.4 of the Constitution provides that a retiring Director is eligible for re-election without the necessity of giving any previous notice of his or her intention to submit him or herself for re-election. In accordance with rule 5.1 of the Constitution, Mr David Griffiths (who was last re-elected at the Company's 2013 annual general meeting), will retire by rotation. Mr David Griffiths will offer himself for re-election at the Annual General Meeting.

As announced to the ASX on 23 September 2016, Mr Peter Stancliffe will retire by rotation effective as of the close of the Meeting, and has decided not to offer himself for re-election.

In accordance with ASX Listing Rule 14.4 and rule 8.2 of the Constitution, any Director (other than the Managing Director) appointed by the Board pursuant to rule 8.1 of the Constitution holds office only until the termination of the next annual general meeting, and is eligible for election at that annual general meeting. Ms Jane McKellar was appointed to the Board on 10 December 2015 and, in accordance with rule 8.2 of the Constitution, Ms Jane McKellar will retire at the Annual General Meeting and offer herself for election at the Meeting.

Resolutions 1.1 and 1.2 are separate Resolutions. More information about the Directors is set out below.

Resolution 1.1 – Re-election of Mr David Griffiths

Mr Griffiths was appointed to the Board on 27 February 2007, Deputy Chairman on 3 April 2008 and Chairman on 19 November 2010.

Mr Griffiths has held a range of senior financial executive positions and has extensive experience in equity capital markets, mergers and acquisitions, and the corporate advisory sector. He is a former Divisional Director of Macquarie Bank Limited and former Executive Chairman of Porter Western Limited. Mr Griffiths is Chairman of ASX-listed Wellard Limited and the Independent Non-Executive

Deputy Chairman of the contemporary dance company Co3. Mr Griffiths was formerly the Deputy Chairman of ThinkSmart Limited.

Mr Griffiths is also a member of the Audit and Risk Management Committee and Remuneration and Nomination Committee. Further information about Mr Griffiths is set out in the Company's 2016 Annual Report.

Directors' recommendation: The Board, other than Mr Griffiths whose re-election is the subject of the Resolution, is of the view that it has benefited and will continue to benefit from the skills, knowledge and experience that Mr Griffiths brings to the Company and recommends that Shareholders vote **in favour** of Resolution 1.1.

Resolution 1.2 – Election of Ms Jane McKellar

Ms Jane McKellar was appointed as a non-executive Director on 10 December 2015.

Ms McKellar is an experienced Non-Executive Director in both public and private companies in Australia and the USA, with key contributions in customer-focused business transformation, harnessing digital, technology, brand and marketing strategies to enhance business performance.

Her executive experience includes senior roles with Unilever, NineMSN, Microsoft, Elizabeth Arden and Stila Corp.

She has extensive global experience, particularly in Asia, Europe and North America.

Ms McKellar also consults at Board and C-suite levels on growth strategies and performance improvement.

She is presently an Independent Non-Executive Director at ASX listed McPhersons Limited and will be an Independent Non-Executive Director at ASX-listed GWA Group Limited from November 2016. She is also on the Board of Terry White Group. Ms McKellar was previously on the Board of Helloworld Ltd.

Ms McKellar is a member of the Remuneration and Nomination Committee.

Further information about Ms Jane McKellar is set out in the Company's 2016 Annual Report.

Directors' recommendation: The Board, other than Ms Jane McKellar whose election is the subject of the Resolution, is of the view that it has benefited and will continue to benefit from the skills, knowledge and experience that Ms Jane McKellar brings to the Company and recommends that Shareholders vote **in favour** of Resolution 1.2.

Resolution 2 – Approval of amended AHG Performance Rights Plan

During the financial year ended 30 June 2016 the Remuneration and Nomination Committee undertook a review of the Company's remuneration framework for KMP and agreed to implement changes to the design and operation of the Company's Performance Rights Plan.

Shareholders last approved the Plan on 29 November 2007 and the changes that have been recommended by the Remuneration and Nomination Committee are to bring the Plan into line with current market practice, tax and regulatory changes since November 2007 and the current objectives of the Company's remuneration framework.

The Plan operates to allow the Board to grant performance rights (**Performance Rights**) to eligible participants. A Performance Right is a right to acquire an ordinary fully paid Share in the Company at nil cost (i.e. nil exercise price), subject to meeting the applicable performance conditions.

The key changes include:

- **Incorporating the ability to settle Performance Rights in cash:** The Board only intends to exercise its discretion to settle Performance Rights in cash in limited circumstances.
- **Providing greater clarity of the treatment of Performance Rights on cessation of**

employment and change of control of the Company: This change has been made to provide greater clarity for participants and better align with prevailing market practice and regulatory changes.

- **Introducing a clawback clause to ensure consistency across Plan participants:** This provision is to ensure there is no unfair benefit obtained by a participant and in line with good governance practices.
- **Enabling the provision of dividend equivalent payments on vested Performance Rights:** Shares (or cash equivalent) to the value of dividends foregone during the period between vesting and exercise are provided at the time of exercise on vested Performance Rights. No dividend equivalents are provided on Performance Rights (or portion thereof) which are unvested or do not vest following the end of the performance period.

ASX Listing Rule 7.1 and 7.2, Exception 9

Shareholder approval is being sought to approve the grant of Performance Rights under the Plan so that the Company will satisfy ASX Listing Rule 7.2, Exception 9 (as an exception to ASX Listing Rule 7.1).

ASX Listing Rule 7.1 provides that without the approval of Shareholders, an entity must not issue or agree to issue equity securities which amount to more than 15% of its issued share capital in any rolling 12 month period. However, ASX Listing Rule 7.2 sets out a number of exceptions to Listing Rule 7.1. These exceptions include ASX Listing Rule 7.2, Exception 9, which relates to an issue under an employee incentive scheme if, within three years before the date of issue, Shareholders have approved the issue of securities under the scheme.

Resolution 2 seeks Shareholder approval, for the purposes of ASX Listing Rule 7.2, Exception 9(b), and for all other purposes, of the Company's Plan, the grant of Performance Rights under that Plan and the issue of Shares on vesting of such Performance Rights.

If Resolution 2 is approved, all Performance Rights granted by the Company under the Plan (including the Shares issued on vesting of such Performance Rights) will be excluded from the 15% limit imposed by ASX Listing Rule 7.1 for a period of three years from the date of the approval. In the absence of such approval, the grant of Performance Rights (and the issue Shares upon vesting of such Performance Rights) can still occur for the purposes of Chapter 7 of the ASX Listing Rules, but those Performance Rights and Shares will be counted as part of the 15% limit which would otherwise apply during the relevant 12 month period.

In the Board's opinion, approval of Resolution 2 will assist the Company in managing its capital requirements efficiently by ensuring that the 15% limit is not diminished by issues under the Plan, leaving that capacity available for capital management initiatives and acquisitions, if appropriate.

ASX Listing Rule Requirements

Pursuant to ASX Listing Rule 7.2, Exception 9, the Company must provide the following information with respect to the Plan:

- a summary of the terms of the Plan;
- the number of securities issued under the Plan since the date of its last approval; and
- a voting exclusion statement.

A summary of the Plan is set out in Schedule 1 to the Notice.

A copy of the full Plan Rules will be available for inspection at the Company's registered office during normal business hours.

No Performance Rights have been granted under the Plan since it has been amended, as referred to above. An aggregate of 2,108,290 Performance Rights have been granted under the Plan since it was last approved by Shareholders in 2007. Of that aggregate number, 1,174,439 Performance Rights required Shareholder approval (which was obtained at the relevant AGMs) and the balance of

933,851 did not require Shareholder approval. The total number of Performance Rights currently on issue but not yet vested is 1,560,548 (as per the relevant ASX disclosure).

A voting exclusion statement for Resolution 2 is included in the Notice.

It should be noted that, notwithstanding an approval by Shareholders of Resolution 2, any future grant of Performance Rights to a Director will remain subject to Shareholder approval under ASX Listing Rule 10.14.

Directors' recommendation: The Directors who are not entitled to participate in the Plan, unanimously recommend that Shareholders vote **in favour** of Resolution 2.

Resolution 3 – Grant of performance rights to Mr Bronte Howson – FY2016 STIs

For the purposes of ASX Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, Resolution 3 seeks Shareholder approval for the grant of the Performance Rights to, and the acquisition (whether by issue or transfer) of Shares on vesting and exercise of those Performance Rights by, Mr Bronte Howson, the Company's Managing Director, under and in accordance with the Plan and on the terms and conditions described below. A summary of the terms and conditions of the Plan is contained in Schedule 1 to this Notice.

Upon exercise, each Performance Right entitles Mr Howson to one Share which will rank equally with Shares in the same class. Mr Howson is not required to pay any amount on grant of the Performance Rights, nor on their vesting and exercise.

If Shareholders approve Resolution 3, it is proposed that 65,878 FY2016 STI Performance Rights (**FY2016 STI Performance Rights**) be granted to Mr Howson shortly after the Meeting, as a result of the Company exceeding applicable financial and non-financial short term incentive (**STI**) targets for FY2016. The FY2016 STI Performance Rights form part of the STI component of Mr Howson's remuneration package for the financial year ended 30 June 2016 (**FY2016**).

Further details in relation to the FY2016 STI Performance Rights are outlined below.

FY2016 STI Performance Rights

Details of the Company's STI program and the FY2016 STI outcome for Mr Howson are disclosed in the Company's 2016 remuneration report (refer to pages 50 to 59 of the Company's 2016 Annual Report).

For FY2016 Mr Howson is entitled to a total STI of \$1,347,700 reflecting the level of achievement of financial STI targets (\$1,024,700) and non-financial STI targets (\$323,000). AHG Group's operating profit for FY2016 achieved the STI financial performance target set by the Board (refer to pages 54 - 56 of the Company's 2016 Annual Report).

Under Mr Howson's service contract, any part of his financial STI entitlement that exceeds \$800,000 is to be paid in the form of Performance Rights. For FY2016 that excess is \$224,700. In addition any part of his non-financial STI entitlement that exceeds \$300,000 is to be paid in the form of Performance Rights. For FY2016 that excess is \$23,000. In aggregate, the excess amount that is to be paid in the form of Performance Rights is \$247,700.

The issue value of FY2016 STI Performance Rights is based on the Company's share price at 30 June 2016 (based on 30 day VWAP at that date). That VWAP is \$3.76, as determined independently by PwC. Accordingly, 65,878 FY2016 STI Performance Rights are to be issued to Mr Howson, subject to shareholder approval.

STI Performance Rights issued are generally subject to a 12 month retention condition. In the present case, however, given that Mr Howson's employment with AHG will terminate on 30 September 2017, it has been agreed that Mr Howson's FY2016 STI Performance Rights will vest on 30 September 2017. No performance conditions apply to the exercise of STI Performance Rights, other than Mr Howson remaining employed by AHG or its subsidiaries until 30 September 2017.

ASX Listing Rule 10.14

ASX Listing Rule 10.14 requires a listed company to obtain shareholder approval prior to the issue of securities under an employee incentive scheme to a Director of a company or his or her associates. As Mr Howson is the Managing Director of the Company, approval is being sought for the purposes of ASX Listing Rule 10.14, and for all other purposes, to grant to Mr Howson the FY2016 STI Performance Rights (and the issue or transfer of any Shares on vesting and exercise of these Performance Rights) detailed in this Notice in accordance with the terms and conditions of the Plan.

Once approval is received pursuant to ASX Listing Rule 10.14 then approval is not required:

- to issue equity securities to Mr Howson (a related party) pursuant to ASX Listing Rule 10.11; and
- under Listing Rule 7.1 (in accordance with Listing Rule 7.2, Exception 14) so the issue will not impact upon the Company's ability to issue equity securities under the 15% placement capacity.

Sections 200B and 200E of the Corporations Act.

The Corporations Act provides that the Company may only give a person a benefit in connection with their ceasing to hold a "managerial or executive office" in the Company or its related bodies corporate if such benefit is approved by Shareholders or an exemption applies (for example, where the benefit together with other benefits does not exceed the payment limits set out in the Corporations Act, including where the aggregate benefits do not exceed one year's average base salary).

The term "benefit" is open to a wide interpretation and may include the early vesting or retention of Performance Rights under the Plan. As outlined in the summary of the Plan in Schedule 1 to this Notice, the Board has the discretion under the Plan to permit early vesting of Performance Rights in limited circumstances (including death or permanent disability, resignation, retirement or redundancy). The Board has determined that Mr Howson's FY2016 STI Performance will vest on 30 September 2017, rather than 12 months after their grant.

Early vesting of Mr Howson's Performance Rights may amount to the giving of a termination benefit requiring shareholder approval in accordance with the Corporations Act. Accordingly, Shareholder approval is also sought for any such benefit which Mr Howson may receive as a result of the early vesting.

If Shareholders approve Resolution 3, the number of FY2016 STI Performance Rights that will vest and be exercised upon cessation of Mr Howson's employment will be 65,878. The FY2016 STI Performance Rights are to be awarded in respect of FY2016 performance and no further criteria need to be satisfied by Mr Howson for them to vest, other than his remaining in employment with the Company until 30 September 2017. As these rights will vest on 30 September 2017, they will be exercised and be issued as Shares shortly after the date on which Mr Howson ceases to be an employee.

Chapter 2E of the Corporations Act

- Chapter 2E of the Corporations Act also regulates the provision of "financial benefits" to "related parties" by a public company. For the purposes of Chapter 2E, Mr Howson, being the Managing Director, is a "related party" of the Company and the grant of Performance Rights pursuant to the Plan will constitute the giving of "financial benefits".
- The Board (other than Mr Howson, because of his interest in this Resolution 3) considers that the grant of Performance Rights to Mr Howson is an appropriate and reasonable component of his remuneration, and that the financial benefit represented by the grant of the Performance Rights falls within the "reasonable remuneration" exception in section 211 of the Corporations Act. For this reason, it is unnecessary to seek specific member approval of Resolution 3 for the purposes of Chapter 2E of the Corporations Act.

Specific information required by the ASX Listing Rules

The following information is provided in relation to Resolution 3 in accordance with ASX Listing Rule

10.15:

- Mr Howson is the Managing Director of the Company, and will continue to act as the Managing Director until 31 December 2016.
- The number of securities to be issued by the Company to Mr Howson is 65,878 FY2016 STI Performance Rights (which upon vesting and exercise will result in the issue or transfer to Mr Howson of up to the same number of Shares in AHG).
- The number of FY2016 STI Performance Rights to be granted was determined based on Mr Howson's financial STI above \$800,000 and non-financial STI above \$300,000. For FY2016 that aggregate excess is \$247,700. The issue value of FY2016 STI Performance Rights is based on the Company's share price at 30 June 2016 (based on 30 day VWAP at that date). That VWAP is \$3.76, as determined independently by PwC.
- Each Performance Right will be granted to Mr Howson for nil cash consideration and Mr Howson will not be required to pay any amount on the grant of the Performance Right or on its vesting or exercise.
- Since the last approval given by Shareholders at the 2015 Annual General Meeting:
 - no Performance Rights or other securities have been granted to Mr Bronte Howson and no Shares have been issued or transferred to him other than the 238,355 shares granted to Mr Howson on vesting of existing Performance Rights (refer to FY2016 remuneration report for details); and
 - no other person referred to in ASX Listing Rule 10.14 has been issued any Performance Rights or securities under the Plan.
- Mr Bronte Howson and Mr John McConnell are the only people of the kind referred to in ASX Listing Rule 10.14 who are entitled to participate in the Plan.
- No loan has been or will be given to Mr Howson relating to the grant of Performance Rights under the Plan. Because the Performance Rights will be granted to Mr Howson for nil cash consideration and Mr Howson will not be required to pay any amount on the grant of the Performance Rights or on their vesting or exercise, no funds will be raised by the issue of the Performance Rights and no loan exists in relation to the acquisition.
- Should Resolution 3 be passed, the FY2016 STI Performance Rights will be granted to Mr Howson as soon as possible after the date of the Meeting, but in any event no later than 12 months after the date of the Meeting. The FY2016 STI Performance Rights will be granted in one instalment.

Directors' recommendation: The Directors (other than Mr Howson because of his interest in the outcome of the Resolution), recommend that Shareholders vote **in favour** of Resolution 3.

Resolution 4 – Approval of Mr Bronte Howson's termination package – early testing of FY2015 and FY2016 LTIs

As announced by the Company on 11 August 2016, the Company and Mr Howson have agreed variations to Mr Howson's service agreement to reflect the proposed transitional arrangements regarding management of the Company.

For the purposes sections 200B and 200E of the Corporations Act and for all other purposes, Resolution 4 seeks Shareholder approval for the provision of certain benefits to Mr Bronte Howson in connection with the cessation of his employment with the Company. Mr Howson ceased to be Chief Executive Officer on 28 August 2016 and will cease to be Managing Director on 31 December 2016. On 10 August 2016, Mr Howson and the Company entered into an agreement in the form of a Deed of Variation for the termination of Mr Howson's employment on 30 September 2017 (**Termination Date**). Mr Howson's termination benefits are largely in accordance with his written employment agreement for his role as Managing Director and Chief Executive Offer dated 21 September 2012. As announced on 11 August 2016, however, some of Mr Howson's remuneration arrangements under his employment agreement have been amended, namely, the testing of his long term incentive (**LTI**) performance entitlements have been brought forward.

Sections 200B and 200E of the Corporations Act.

The Corporations Act restricts the benefits that can be given without prior shareholder approval to certain individuals on cessation of their holding of a managerial office with the Company and its related bodies corporate. The Corporations Act provides that the Company may only give a person a benefit in connection with their ceasing to hold a "managerial or executive office" in the Company or its related bodies corporate if such benefit is approved by Shareholders or an exemption applies (for example, where the benefit together with other benefits does not exceed the payment limits set out in the Corporations Act, including where the aggregate benefits do not exceed one year's average base salary, averaged over the last three years in the case of Mr Howson).

The term "benefit" is open to a wide interpretation and may include the early vesting or retention of Performance Rights granted under the Plan. As outlined in the summary of the Plan in Schedule 1 to this Notice, the Board has the discretion under the Plan to permit early vesting of Performance Rights in limited circumstances (including death or permanent disability, or resignation, retirement or redundancy). Early vesting of Mr Howson's Performance Rights may amount to the giving of a termination benefit requiring shareholder approval in accordance with the Corporations Act. Accordingly, shareholder approval is also sought for any such benefit which Mr Howson may receive under the Plan on cessation of his employment with the Company.

The termination benefits for the avoidance of doubt, are in addition to the statutory and contractual entitlements that may be provided to Mr Howson without the need for Shareholder approval.

Early testing of Performance Rights

Mr Howson has been granted Performance Rights as part of the long term incentive component of his remuneration package. Shareholders have previously approved, at annual general meetings, the grant to Mr Howson of:

- 219,298 LTI Performance Rights granted in FY2015 (and to be performance tested over three years ending 30 June 2017); and
- 183,655 LTI Performance Rights in FY2016 (and to be performance tested over three years ending 30 June 2018).

However, it is now proposed that the testing date for these Performance Rights be brought forward, so that:

- 100% of the 219,298 Performance Rights that were previously granted to Mr Howson for FY2015 (approved by Shareholders at the Company's 2014 annual general meeting); and
- two thirds of the 183,655 (that is 122,437) Performance Rights that were previously granted to Mr Howson for FY2016 (approved by Shareholders at the Company's 2015 annual general meeting),

will be early tested as at 31 December 2016 based on AHG's earnings per share and total shareholder return performance up to that early test date.

The remaining 61,218 Performance Rights in Mr Howson's FY2016 LTI entitlement will not be capable of vesting and are deemed to have lapsed.

If Resolution 4 is not approved by Shareholders:

- 100% the 219,298 FY2015 LTI Performance Rights will be retained by Mr Howson in accordance with the contracted terms of issues, but subject to performance testing over 36 months as at 30 June 2017; and
- two thirds of the 183,655 FY2016 LTI Performance Rights (that is 122,437) will be forfeited by Mr Howson.

Other statutory and contractual entitlements

Following cessation of his employment, Mr Howson will be subject to restrictions on the business activities he may undertake during an agreed restraint period being a maximum period of 6 months in which he cannot compete with the Company and a maximum period of 12 months in which he cannot solicit clients, prospective clients and suppliers of the Company.

In further consideration of Mr Howson's agreement to the applicable post-employment restraints, Mr Howson will be paid a one off amount of \$600,000 at the Termination Date.

Mr Howson will receive a fixed remuneration salary until the Termination Date and, during FY2017, will also be eligible to receive STIs for providing services pursuant to his employment agreement, as varied on 11 August 2016, up to a maximum amount of \$1,200,000, which will be settled in cash. For the first three months of FY2018 until the Termination Date (30 September 2017), Mr Howson will receive a fixed salary of \$25,000 per month (inclusive of superannuation).

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act also regulates the provision of "financial benefits" to "related parties" by a public company. For the purposes of Chapter 2E, Mr Howson, being the Managing Director, is a "related party" of the Company and the grant of the termination benefits outlined above may constitute the giving of "financial benefits".

The Board (other than Mr Howson, because of his interest in this Resolution 4) considers that the termination benefits being given to Mr Howson are an appropriate and reasonable component of his remuneration, and that the financial benefit represented by the termination package falls within the "reasonable remuneration" exception in section 211 of the Corporations Act. For this reason, it is unnecessary to seek specific member approval of Resolution 4 for the purposes of Chapter 2E of the Corporations Act.

Directors' recommendation: The Directors (other than Mr Howson because of his interest in the outcome of the Resolution), recommend that Shareholders vote **in favour** of Resolution 4.

Resolution 5 – Grant of performance rights to the new Chief Executive Officer – FY2017 LTIs

Resolution 5 seeks Shareholder approval for the purposes of ASX Listing Rule 10.14 and for all other purposes, for the grant of the Performance Rights described below, and the acquisition (whether by issue or transfer) of Shares on vesting and exercise of those Performance Rights, to Mr John McConnell, the Company's Chief Executive Officer. The grant of Performance Rights are to be made under and in accordance with the Plan and on the terms and conditions described below. A summary of the key terms and conditions of the Chief Executive Officer's grant under the Plan is contained in Schedule 2 to this Notice.

If Shareholders approve Resolution 5, it is proposed that 207,684 LTI Performance Rights (the **FY2017 LTI Performance Rights**) be granted to Mr McConnell as soon as possible after the date of the Meeting, but in any event no later than 12 months after the Meeting. The FY2017 LTI Performance Rights form part of the LTI component of Mr McConnell's remuneration package for FY2017.

Upon vesting and exercise of the FY2017 LTI Performance Rights, Shares allocated will rank equally with Shares in the same class. Mr McConnell is not required to pay any amount on grant of the Performance Rights, nor on their vesting and exercise.

Further details in relation to the FY2017 LTI Performance Rights are outlined below.

FY2017 LTI Performance Rights

The FY2017 LTI Performance Rights are proposed to be granted as the LTI component of Mr

McConnell's remuneration package for FY2017 under his executive services contract. Mr McConnell's remuneration under this contract comprises the following elements:

- fixed annual remuneration (being base salary);
- STI (being performance based financial and non-financial STI, some of which may be issued in Performance Rights); and
- LTI (being Performance Rights).

Performance criteria applicable to the FY2017 LTI Performance Rights

The FY2017 LTI Performance Rights proposed to be granted to Mr McConnell will be subject to two performance criteria, which are independent and will be assessed separately over a three year performance period:

- **Relative Total Shareholder Return (TSR) performance:** 50% of the FY2017 LTI Performance Rights will be subject to TSR performance (broadly speaking, TSR measures the growth in the Company's share price plus the value of dividends and distributions), measured against a comparator peer group of companies recommended by PwC over the performance period. The comparator group for the purpose of the FY2017 LTI Performance Rights is comprised of 21 companies (disclosed in Schedule 2 of this Notice).
- **Earnings per Share (EPS) performance:** 50% of the FY2017 LTI Performance Rights will be subject to the Company achieving its specific EPS performance target over the performance period.

The TSR portion of Mr McConnell's FY2017 LTI Performance Rights will vest and be capable of being exercised if the Company's relative TSR performance is equal to or greater than the median TSR performance of a comparator peer group of companies (subject to changes as may be approved by the Board after consultation with PwC given changes to the peer group companies) at the end of the three year performance period. Vesting will occur on the following basis:

AHG's TSR ranking to the comparator group	Vesting outcome of TSR portion of the FY2017 LTI Performance Rights
Below 50 th percentile	Nil
At 50 th percentile	50% vesting
Greater than 50 th percentile up to 75 th percentile	Progressive/pro-rata vesting between 50% to 100%
At or above 75 th percentile	100% vesting

The Board retains discretion to adjust the relative TSR performance criteria and the companies in the relative TSR comparator group in exceptional circumstances to ensure there is no material advantage or disadvantage due to matters outside management's control that materially affect TSR performance.

The EPS portion of Mr McConnell's FY2017 LTI Performance Rights will vest and be capable of being exercised if the Company achieves its target operating EPS compound annual growth rate for the performance period. Vesting will occur on the following basis:

Compound Annual EPS growth performance¹	Vesting outcome of the EPS portion of the FY2017 LTI Performance Rights
Below 7% per annum	Nil
At 7% per annum	50% vesting
Greater than 7% up to 10% per annum	Progressive/pro-rata vesting between 50% to 100%
At or above 10% per annum	100% vesting

The Board retains discretion to adjust the EPS performance criteria as required in exceptional circumstances to ensure there is no material advantage nor disadvantage due to matters that materially affect EPS outside management's control (for example, by excluding one-off non-recurrent items or the impact of significant acquisitions or disposals).

ASX Listing Rule 10.14

ASX Listing Rule 10.14 requires a listed company to obtain shareholder approval prior to the issue of securities under an employee incentive scheme to a director of a company or his or her associates. Mr McConnell commenced as the Chief Executive Officer on 29 August 2016 and will move to the role of Managing Director and Chief Executive Officer from 1 January 2017. As a matter of good corporate governance, approval is being sought for the purposes of ASX Listing Rule 10.14, and for all other purposes, to grant to Mr McConnell the FY2017 LTI Performance Rights (and the issue or transfer of Shares on vesting and exercise of these Performance Rights) detailed in this Notice in accordance with the terms and conditions of the Plan.

Once approval is received pursuant to ASX Listing Rule 10.14 then approval is not required:

- to issue equity securities to Mr McConnell (a related party) pursuant to ASX Listing Rule 10.11; and
- under ASX Listing Rule 7.1 (in accordance with ASX Listing Rule 7.2, Exception 14) so the issue will not impact upon the Company's ability to issue equity securities under its 15% placement capacity.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act also regulates the provision of "financial benefits" to "related parties" by a public company. For the purposes of Chapter 2E, Mr McConnell, being the Chief Executive Officer and incoming Managing Director, is a "related party" of the Company and the grant of Performance Rights pursuant to the Plan will constitute the giving of "financial benefits".

The Board (other than Mr McConnell, because of his interest in this Resolution 5) considers that the grant of Performance Rights to Mr McConnell is an appropriate and reasonable component of his remuneration, and that the financial benefit represented by the grant of the Performance Rights falls within the "reasonable remuneration" exception in section 211 of the Corporations Act. For this reason, it is unnecessary to seek specific member approval of Resolution 5 for the purposes of Chapter 2E of the Corporations Act.

Specific information required by the ASX Listing Rules

The following information is provided in relation to Resolution 5 in accordance with ASX Listing Rule 10.15A:

¹ The baseline operating EPS for the performance period is set at the reporting operating EPS for FY2016 (being 31.7 cents).

- Mr McConnell is the Chief Executive Officer of the Company, and will be Managing Director of the Company as of 1 January 2017.
- The maximum number of securities to be issued by the Company to Mr McConnell is 207,684 FY2017 LTI Performance Rights (which, upon vesting and exercise, will result in the issue or transfer to Mr McConnell of up to 207,684 Shares).
- The number of FY2017 LTI Performance Rights to be granted was determined based on Mr McConnell's maximum LTI opportunity for FY2017 (being \$666,667 divided by the face value discounted for dividends of the LTI Performance Right as at 1 July 2016). The face value discounted for dividends of a FY2017 Performance Right at that date, as determined independently by PwC using Black-Scholes methodology, is \$3.21.
- Each Performance Right will be granted to Mr McConnell for nil cash consideration and Mr McConnell will not be required to pay any amount on the grant of the Performance Rights or on vesting and exercise and allocation of Shares.
- Since the last approval given by Shareholders under ASX Listing Rule 10.14 at the 2015 annual general meeting:
 - no Performance Rights or other securities have been granted to Mr John McConnell and no Shares have been issued or transferred to him; and
 - no other person referred to in ASX Listing Rule 10.14 has been issued any Performance Rights or securities under the Plan.
- Mr Bronte Howson and Mr John McConnell are the only people of the kind referred to in ASX Listing Rule 10.14 who are entitled to participate in the amended Plan.
- No loan has been or will be given to Mr McConnell relating to the grant of Performance Rights under the Plan. Because the Performance Rights will be granted to Mr McConnell for nil cash consideration and Mr McConnell will not be required to pay any amount on the grant of the Performance Right or on its vesting or exercise, no funds will be raised by the issue of the Performance Rights and no loan exists in relation to the acquisition.
- Should Resolution 5 be passed, the FY2017 LTI Performance Rights will be granted to Mr McConnell as soon as possible following the Meeting, and in any event no later than 12 months after the date of the Meeting. The FY2017 LTI Performance Rights will be granted in one instalment.

Directors' recommendation: The Directors unanimously recommend that Shareholders vote **in favour** of Resolution 5.

Resolution 6 – Approval for increase to non-executive Directors' remuneration cap

In accordance with ASX Listing Rule 10.17 and rule 38.2 of the Constitution, the maximum annual aggregate amount of remuneration that may be provided to all non-executive Directors for their services as Directors is the amount determined by Shareholders.

ASX Listing Rule 10.17 provides that an entity must not increase the total amount of directors' fees payable by it or any of its controlled entities without the approval of holders of its ordinary securities. The rule does not apply to the salary of an executive director (including the Managing Director). A similar requirement is contained in rule 42.1 of the Constitution.

Resolution 6 seeks Shareholder approval for the purposes of ASX Listing Rule 10.17, rules 38.2 and 42.1 of the Constitution, and for all other purposes, to authorise the Company to increase the maximum annual aggregate amount of remuneration that non-executive Directors are entitled to be paid by the Company for their services as Directors.

Currently, the maximum annual aggregate amount that non-executive Directors are entitled to be paid out of the funds of the Company is \$900,000, which was approved by Shareholders at the Company's annual general meeting held on 15 November 2013. Shareholder approval is being sought to increase the maximum annual aggregate remuneration of non-executive Directors by \$200,000, from \$900,000 to \$1,100,000 per annum.

The total remuneration (including superannuation) provided to each non-executive Director for the financial year ended 30 June 2016 is detailed in the remuneration report. The remuneration report is set out on pages 48 to 64 of the Company's 2016 Annual Report, which may be accessed by visiting the "Reports" section of the Company's investor relations website or from ASX's website at www.asx.com.au.

As at the date of this Notice, there are seven non-executive Directors. However, during the relevant financial year Ms Tracey Horton and Mr Michael Smith were Directors of AHG until retiring by rotation at the 2015 AGM held on 20 November 2015. The total amount of Directors' fees and superannuation paid to the seven non-executive Directors (and Ms Tracey Horton and Mr Michael Smith) during the financial year ended 30 June 2016 was \$890,769 (inclusive of superannuation and all benefits). The allocation between the non-executive Directors is outlined in the tables on page 61 of the Company's 2016 Annual Report.

An external remuneration consultant was engaged to benchmark the Company's current Board and committee fees, and the non-executive Director fee pool, against comparable companies and provide recommendations on these matters.

The Board believes that reviewing and, where appropriate, making smaller incremental increases to the maximum aggregate amount of non-executive Director remuneration is a prudent approach to maintaining flexibility and was supported by the recommendations provided by the external remuneration consultant. The Board is seeking Shareholder approval to increase the fee cap for the following reasons:

- to facilitate and maintain any future appointments to its membership and to Board committees (noting that under ASX Listing Rule 10.17, membership of the Company's non-executive Directors on Board committees must now be included in the aggregate fee pool cap);
- to retain and attract high calibre non-executive Directors, by allowing for future adjustments to the annual fees payable to non-executive Directors, within the approved maximum aggregate amount, so that the fees are competitive with those paid by comparable companies; and
- to provide the Company with the flexibility to ensure that a high calibre board of appropriate size, expertise and experience is maintained to serve the Company and its Shareholders effectively.

The level of fees paid to individual non-executive Directors is reviewed periodically with the assistance of an external remuneration consultant for alignment with comparable companies and market practice.

During the last three years, no securities have been issued to any non-executive Directors under ASX Listing Rule 10.11 or 10.14 with the approval of Shareholders.

Directors' recommendation: All non-executive Directors have an interest in the outcome of the Resolution, and so the Board does not make a recommendation about how Shareholders should vote on this Resolution 6.

Resolution 7 – Approval of prior issue of Placement Shares

Background

On 25 August 2016, the Company issued 19,911,505 Shares in the Company under a placement (**Placement Shares**) to institutional, sophisticated and professional investors at an issue price of A\$4.52 per share to raise a total of approximately A\$90 million. Further, as also announced to ASX on 19 August 2016, the Company invited eligible shareholders to invest up to a maximum of A\$15,000 per Shareholder under a share purchase plan which closed on Friday, 9 September 2016 (**SPP**).

ASX Listing Rule requirements

ASX Listing Rule 7.1 imposes a limit on the number of equity securities (including ordinary shares) that a company can issue or agree to issue without shareholder approval. Generally, a company can issue up to 15% of its issued equity securities in a 12 month period (subject to certain exceptions) without shareholder approval. The issue of the Placement Shares was within this 15% limit.

ASX Listing Rule 7.4 provides that an issue by a company of equity securities made without shareholder approval under ASX Listing Rule 7.1 is treated as having been made with approval if the issue did not breach ASX Listing Rule 7.1 when made and shareholders subsequently approve it.

Resolution 7 seeks Shareholder approval under ASX Listing Rule 7.4 to approve the prior issue of the Placement Shares made without approval under ASX Listing Rule 7.1. Resolution 7 has been proposed to provide the Company with the maximum flexibility to issue further securities (if necessary) under ASX Listing Rule 7.1 without needing to seek further approval from Shareholders. The requirement to obtain Shareholder approval for a future issue, at the time of issue, could limit the Company's ability to take advantage of opportunities that may arise.

The effect of approval of Resolution 7 will be that the issue of the Placement Shares will not be counted towards reducing the number of securities which the Company can issue in the future without Shareholder approval under the 15% limit imposed by ASX Listing Rule 7.1. The result is that the 15% limit under ASX Listing Rule 7.1 will be "refreshed", to the extent of the approval so that the Company has a renewed ability to issue securities up to the 15% limit.

For completeness, the Shares issued under the SPP fell within an exception to ASX Listing Rule 7.1 (being ASX Listing Rule 7.2, Exception 15), and so do not reduce the 15% limit contemplated by ASX Listing Rule 7.1.

If Resolution 7 is not approved by Shareholders, it may limit the ability of the Company to issue securities without Shareholder approval until the Company's 15% limit is replenished, in accordance with ASX Listing Rule 7.1.

Information required by ASX Listing Rule 7.5

In accordance with ASX Listing Rule 7.5, the Company provides the following information:

- **Number of securities issued:** A total of 19,911,505 Placement Shares were issued by the Company on 25 August 2016.
- **Issue price:** The Placement Shares were issued for an issue price of A\$4.52 per Placement Share.
- **Terms of securities:** The Placement Shares issued are fully paid ordinary Shares in the Company and rank equally with all other fully paid ordinary Shares on issue.
- **Persons to whom securities issued:** The Placement Shares were issued to eligible institutional, sophisticated or professional investors. None of the allottees of the Placement Shares were Directors, associates of Directors or related parties of the Company.
- **Use of funds raised:** The funds raised from the issue of the Placement Shares were, or will ultimately be, used to (among other things):
 - (i) to reduce debt taken on for a number of acquisitions completed since 30 June 2016;
 - (ii) to fund the acquisition of Audi Centre Newcastle;
 - (iii) to strengthen the Company's balance sheet to position it for further growth opportunities in the automotive sector; and
 - (iv) for general corporate purposes.
- **Voting exclusion statement:** A voting exclusion statement is included in this Notice.

Directors' Recommendation: For the reasons noted above, the Directors unanimously recommend that Shareholders vote **in favour** of Resolution 7.

Resolution 8 – Adoption of remuneration report

The Corporations Act requires that a resolution that the remuneration report be adopted must be put to a vote at the Company's annual general meeting.

AHG's 2016 remuneration report is set out on pages 48 to 64 of the Company's 2016 Annual Report, which may be accessed by visiting the "Reports" section of the Company's investor relations website at www.ahgir.com.au, or from ASX's website at www.asx.com.au. The remuneration report contains:

- details of the voting on the Company's remuneration report at the last annual general meeting;
- a summary of the independent review of the Company's remuneration policies and PwC recommendations from that review;
- details of the Company's executive remuneration structure for FY2016;
- details of the renegotiated executive service contract for the Managing Director;
- information about the Board's policy for determining the nature and amount of remuneration of Directors and senior executives of the Company;
- details of the remuneration of, and performance rights held by, Directors and senior executives of the Company; and
- a summary of the terms of any contract under which any Director or senior executive is engaged, including the period of notice required to terminate the contract and any termination payments provided for under the contract.

Further details about the Company's remuneration structure are described in the Company's Remuneration Report (see specifically pages 48 to 64 of the 2016 Annual Report).

Shareholders will be provided with a reasonable opportunity to ask questions about, or make comments on, the remuneration report.

Section 250R(3) of the Corporations Act notes that the vote on the adoption of the remuneration report is advisory only and does not bind the Directors or the Company. Of itself, a failure of Shareholders to pass Resolution 8 will not require the Directors to alter any of the arrangements in the 2016 remuneration report.

Consequence of voting against Resolution 8

If at least 25% of the votes cast on Resolution 8 are against the adoption of the 2016 remuneration report, and at least 25% of the votes cast at the next annual general meeting of the Company (**2017 AGM**) on a resolution that the 2017 remuneration report be adopted is against the adoption of the report, then the Company will be required under section 250V of the Corporations Act to put to the vote at the 2017 AGM a spill resolution (**Spill Resolution**) to decide whether or not to convene another general meeting within 90 days of the 2017 AGM (the **Spill Meeting**) where:

- (a) all the Directors of the Company who were Directors at the time of the 2017 AGM (other than the Managing Director) will cease to hold office immediately before the end of the Spill Meeting; and
- (b) a resolution to fill the position of each of the Directors referred to in (a) by re-election or otherwise will be put to the vote at the Spill Meeting.

The Chairman will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the 2017 remuneration report.

As the votes cast against the remuneration report at the Company's 2015 Annual General Meeting were less than 25%, a Spill Resolution is not relevant for this Meeting.

Directors' Recommendation: Since Resolution 8 deals with remuneration of KMP, and in light of the provisions in the Corporations Act relating to voting by KMP and their closely related parties on such remuneration related resolutions, the Board does not make a recommendation about how Shareholders should vote on this Resolution 8.

GLOSSARY

A\$ or \$	Australian dollars.
ASX	ASX Limited (ABN 98 008 624 691) or the financial market conducted by it (the Australian Securities Exchange), as the context requires.
Board	the board of Directors of the Company.
Company or AHG	Automotive Holdings Group Limited ABN 35 111 470 038.
Constitution	the constitution of the Company, as amended from time to time.
Corporations Act	Corporations Act 2001 (Cth).
Director	director of the Company.
Explanatory Notes	the explanatory notes that accompanies the Notice.
FY2015	the financial year ended 30 June 2015.
FY2016	the financial year ended 30 June 2016.
FY2017	the financial year ending 30 June 2017.
Key Management Personnel or KMP	those persons having authority and responsibility for planning, directing or controlling the activities of the Company's consolidated group, either directly or indirectly including any Director (executive and non-executive) of the Company.
LTI	long term incentive.
Meeting or General Meeting or Annual General Meeting or AGM	the meeting convened by the Notice of Meeting.
Notice or Notice of Meeting	this Notice of Annual General Meeting.
Performance Right	an entitlement granted to a participant on the terms set out in the Plan to receive one Share subject to the satisfaction of applicable vesting conditions and/or performance hurdles.
Perth time	Australian Western Standard Time.
Placement Shares	Shares in the Company issued to institutional, sophisticated and professional investors on 25 August 2016 at an issue price of A\$4.52, under a placement announced to ASX on 19 August 2016, to raise a total of approximately A\$90 million.
Plan	the amended AHG Performance Rights Plan, approval of which is sought under Resolution 2, and a summary of which is set out in Schedule 1 to this Notice.
Proxy Form	the proxy form enclosed with and forming part of this Notice.
Resolutions	the resolutions set out in this Notice.
Schedule	a schedule to this Notice and Explanatory Notes.
Share	a fully paid ordinary share in the capital of the Company.
Shareholder	a holder of a Share in the Company.
STI	short term incentive.
Termination Date	the date on which Mr Bronte Howson's employment with the Company terminates, being 30 September 2017.

**SCHEDULE 1: SUMMARY OF THE TERMS AND CONDITIONS OF THE AMENDED AHG
PERFORMANCE RIGHTS PLAN**

	Term	Detail
1.	Purpose of the Plan	<p>The purpose of the Plan is to:</p> <ul style="list-style-type: none"> • align participants interests with shareholders; • reward sustained long-term performance; and • assist in the retention of key talent.
2.	Plan vehicle	<p>The Plan Rules enable the grant of Performance Rights.</p> <p>Each Performance Right is a right to receive one share in the Company (or a cash equivalent value in respect of the Performance Rights that vest), subject to the applicable vesting conditions being satisfied.</p> <p>The Board may determine the terms of the Performance Rights, including the vesting conditions.</p>
3.	Eligible participants	<p>The Board may grant Performance Rights to the executive leadership group and other selected employees of the Company or any Group Entity.</p> <p>In general, the Board and/or the CEO will invite those executives and employees who are key to the long-term success of the Company.</p>
6.	Vesting conditions and performance period	<p>The Board determines the vesting conditions, which may include performance and/or service conditions that must be satisfied before the Performance Rights vest.</p> <p>The vesting conditions will be measured and tested over a period determined by the Board, which is generally a minimum of three years.</p>
7.	Price payable	<p>The Board may determine whether any price is payable for the grant of Performance Rights or upon exercise of Performance Rights into Shares.</p>
8.	Entitlements	<p>Performance Rights do not carry a right to vote or a right to dividends. Performance Rights are non-transferrable, except in limited circumstances or within the consent of the Board.</p> <p>Upon vesting of Performance Rights, the Company may provide participants with an entitlement to receive a cash payment or shares equivalent to the dividends payable during the period between the vesting date and exercise date in respect of the number of Performance Rights that vest. No dividend equivalents are provided on Performance Rights (or portion thereof) which are unvested or which do not vest.</p>
9.	Allocation of shares upon vesting	<p>The Company may issue new shares or procure the acquisition of shares on-market to satisfy vested Performance Rights that have been exercised.</p> <p>The Company may also operate an employee share trust to acquire, hold or provide shares for the purposes of the Plan.</p> <p>Unless the Board determines otherwise, a Participant may be restricted from disposing of any shares that they acquire under the Plan for a period of up to three years subject to the Company's share trading policy.</p>

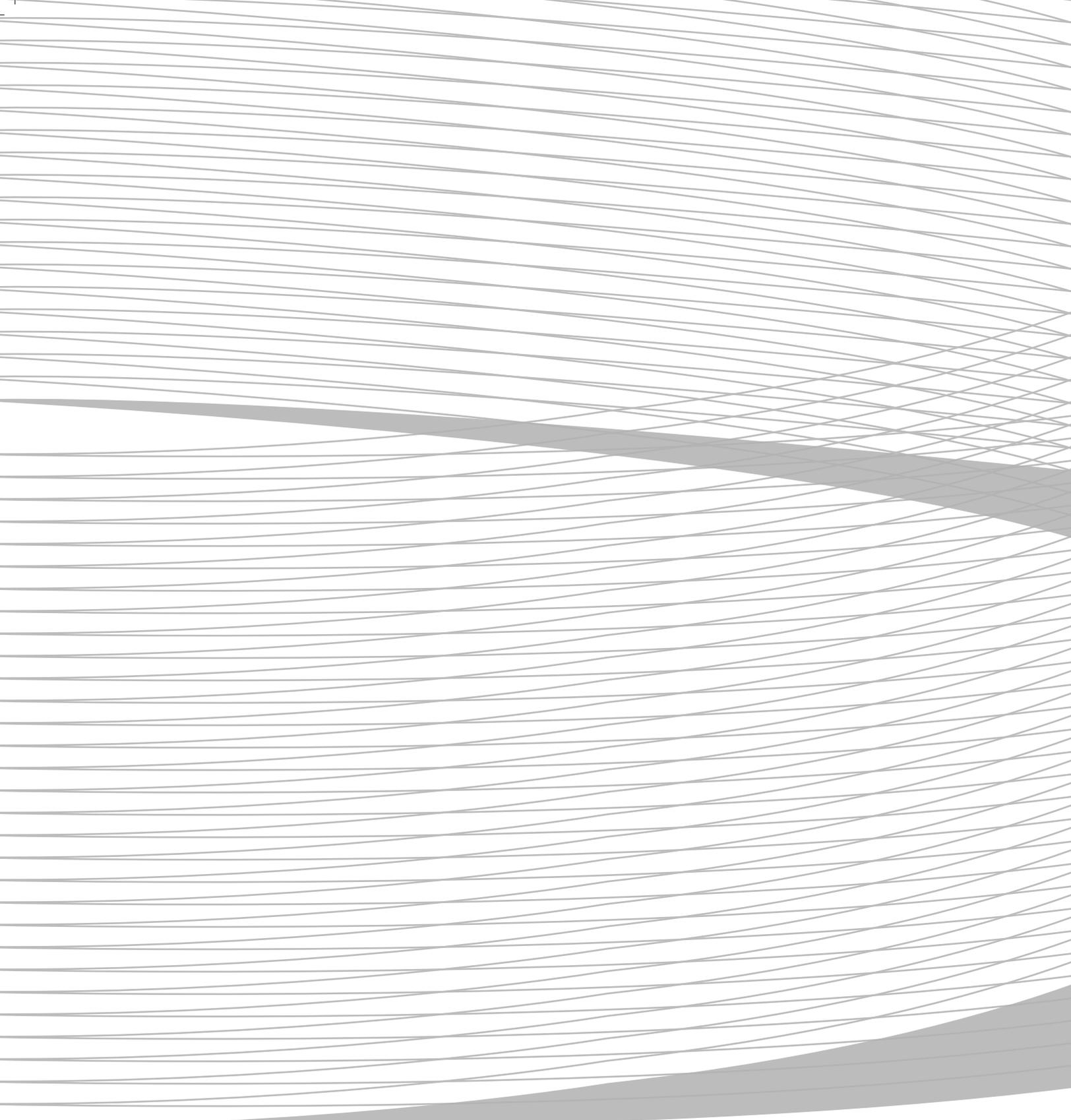
10.	Cessation of employment	<p>Where a participant ceases employment with the Company prior to the end of the vesting period, the treatment will depend on the circumstances of cessation as follows:</p> <ul style="list-style-type: none"> • Where the participant ceases employment due to resignation or termination for cause, all unvested Performance Rights will lapse at cessation. • Where a participant ceases employment for any other reason prior to Performance Rights vesting, a pro-rata portion of unvested Performance Rights (based on the period of time employed during the vesting period) will generally continue on-foot and be tested at the original vesting date against the relevant vesting conditions. <p>The Board also has the discretion to apply any another treatment that it deems appropriate in the circumstances (including that another number of Performance Rights may vest either at cessation or at the end of the original vesting date, or that some or all of the Performance Rights lapse).</p>
11.	Change of control	<p>Where an event occurs which is likely to result in a change of control of the Company, the Board has discretion to determine whether any unvested Performance Rights should ultimately vest, lapse, become subject to different vesting conditions, or be settled in shares, cash or securities other than shares.</p> <p>In making such a determination, the Board may have regard to any factors that the Board considers relevant, including the performance period elapsed at the time of the event, the extent to which the vesting conditions have been satisfied at the time of event and the circumstances of the event.</p> <p>The Rules also provide for a 'default' treatment such that if the Board does not exercise its discretion and an actual change in control occurs, a pro-rata amount of the Participant's unvested Performance Rights (based on the proportion of the performance period that has elapsed at the time of the change of control) will vest. The amount that may vest is based on the extent to which any applicable performance conditions have been satisfied (or are estimated to have been satisfied) at that time.</p>
12.	Clawback	<p>The Board has the discretion to determine the treatment of Performance Rights which would not have otherwise vested, vest or may vest as a result (directly or indirectly) of fraud, dishonesty or breach of obligations.</p>
13.	Administration of the Plan	<p>The Board has broad powers of management in connection with the Plan. Subject to the Corporations Act, the ASX Listing Rules and other applicable laws, the Board may amend or supplement the rules of the Plan by Board resolution at any time.</p> <p>However, any amendment or supplementation to the rules will not apply to any Performance Rights or shares already granted or acquired, respectively, under the Plan unless an express resolution of the Board states otherwise.</p>

SCHEDULE 2: KEY TERMS AND CONDITIONS OF THE NEW CHIEF EXECUTIVE OFFICER'S GRANT UNDER THE NEW AHG PERFORMANCE RIGHTS PLAN

	Term	Detail
1.	Details of the proposed FY2017 LTI grant	<p>The FY2017 LTI Performance Rights granted to Mr McConnell represent the LTI component of Mr McConnell's remuneration package for the financial year ending 30 June 2017 (FY2017).</p> <p>Mr McConnell will be granted 207,684 Performance Rights. The number of Performance Rights granted was determined based on Mr McConnell's maximum LTI opportunity for FY2017 (being \$666,667) divided by the face value discounted for dividends of the LTI Performance Right as at 1 July 2016 (calculated by PwC to be \$3.21).</p> <p>Mr McConnell's LTI opportunity has been approved by the Board.</p>
2.	Entitlements	<p>Each Performance Right is a right to acquire one share in the Company, subject to the achievement of the relevant performance conditions over the performance period.</p> <p>Performance Rights do not carry a right to vote or a right to dividends. Performance Rights are non-transferrable, except in limited circumstances or within the consent of the Board.</p> <p>Upon vesting of Performance Rights, the Company may provide Mr McConnell with an entitlement to receive a cash payment or shares equivalent to the dividends payable during the period between the vesting date and exercise date in respect of the number of Performance Rights that vest. No dividend equivalents are provided on Performance Rights (or portion thereof) which are unvested or which do not vest.</p>
3.	Date of grant	<p>If shareholder approval is obtained, the Performance Rights will be granted to Mr McConnell after the Meeting, but in any event, within 12 months of the Meeting.</p>
4.	Performance period and vesting	<p>The FY2017 LTI Performance Rights will be subject to a three year performance period commencing on 1 July 2016 and ending on 30 June 2019.</p> <p>Any Performance Rights that do not vest following testing of the vesting conditions at the end of the performance period will lapse.</p>
5.	Relative TSR comparator group	<p>The comparator group for the purpose of the FY2017 LTI Performance Rights is comprised of the following 21 companies:</p> <ul style="list-style-type: none"> • Adairs Limited • AP Eagers Limited • ARB Corporation Limited • AUB Group Limited • Bapcor Limited • Bradken Limited • Breville Group Limited • Corporate Travel Management Limited • CSR Limited • Event Hospitality & Entertainment Limited • FlexiGroup Limited • Harvey Norman Holdings Limited • JB Hi-Fi Limited • Nick Scali Limited • Premier Investments Limited • Qube Holdings Limited • RCG Corporation Limited • Reece Limited • Seven Group Holdings Limited • Super Retail Group Limited • TradeME Group Ltd

6.	Allocation of shares upon vesting	<p>Following testing of the applicable performance conditions and determination of the level of vesting of Performance Rights, one fully paid share in the Company will be allocated in relation to each Performance Right which vests and is exercised.</p> <p>The Company's obligation to allocate shares on vesting and exercise may be satisfied by issuing new shares or acquiring shares on market. The Company may also operate an employee share trust to acquire, hold or provide shares for the purposes of the Plan.</p>
7.	Trading restrictions	<p>Shares allocated on vesting of Performance Rights will not be subject to any further trading restrictions, subject to complying with the Company's Share Trading Policy.</p>
8.	Price payable for securities	<p>No amount will be payable in respect of the allocation of Performance Rights, nor in respect of any shares granted upon vesting and exercise of the Performance Rights.</p>
9.	Cessation of employment	<p>If Mr McConnell ceases employment with the Company before the end of the performance period, the treatment will depend on the circumstances of cessation.</p> <ul style="list-style-type: none"> • Where Mr McConnell ceases employment due to resignation or termination for cause (including gross misconduct), all unvested Performance Rights will lapse at cessation. • Where Mr McConnell ceases employment for any other reason prior to Performance Rights vesting, a pro-rata portion of unvested Performance Rights (based on the period of time employed during the vesting period) will generally continue on-foot and be tested at the original vesting date against the relevant vesting conditions. <p>However, the Board retains a broader discretion to apply any another treatment that it deems appropriate in the circumstances (including that another number of Performance Rights may vest either at cessation or at the end of the original vesting date, or that some or all of the Performance Rights lapse).</p>

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AUTOMOTIVE HOLDINGS GROUP



AUTOMOTIVE HOLDINGS GROUP

Automotive Holdings Group Limited
ABN 35 111 470 038

LODGE YOUR VOTE

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

 **BY MAIL**
Automotive Holdings Group 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

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

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

LODGE MENT 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 **10:00am (Perth time) on Wednesday, 16 November 2016**, 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).

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

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

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the 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 Resolution. 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 Resolution 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 Resolutions of business, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on that Resolution 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 the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.



COMMUNICATION PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.

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

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

PROXY FORM

I/We being a member(s) of Automotive Holdings Group Limited (the **Company**) and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

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 **10:00am (Perth time) on Friday, 18 November 2016 at Botanical 3, Lower Level, Crown Convention Centre, Great Eastern Highway, Burswood, Western Australia** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolutions 2, 3, 4, 5, 6 and 8: By completing and returning this form, 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 2, 3, 4, 5, 6 and 8, 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 (where appropriately authorised) intends to vote all eligible undirected proxies in favour of each Resolution. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any Resolution, in which case an ASX announcement will be made.

STEP 2

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*
1.1 Re-election of Mr David Griffiths	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Adoption of remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1.2 Election of Ms Jane McKellar	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval of the amended AHG Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Grant of performance rights to Mr Bronte Howson – FY2016 STIs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of Mr Bronte Howson's termination package – early testing of FY2015 and FY2016 LTIs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Grant of performance rights to the new Chief Executive Officer – FY2017 LTIs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval for increase to non-executive Directors' remuneration cap	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Approval of prior issue of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



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

STEP 3

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

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

