



Steadfast Group Limited Notice of Annual General Meeting 2015

Notice is given that the 2015 Annual General Meeting ("**AGM**") of Steadfast Group Limited (ACN 073 659 677) (referred to hereafter as the "**Company**" or "**Steadfast**") will be held on Friday, 30 October 2015 at 10.00am at the Radisson Blu Hotel Sydney (Marble Room, Lower Ground Floor), 27 O'Connell Street, Sydney NSW.

Steadfast Group Limited – Notice of AGM 2015

1. Consideration of reports

To receive and consider the financial report for the Company and its controlled entities, the directors' report and auditor's report for the financial year ended 30 June 2015 as set out in the Company's 2015 annual report.

There is no vote on this item.

2. Remuneration report

To consider, and if thought appropriate, pass the following resolution as an advisory resolution:

"That the remuneration report (set out in the directors' report) for the financial year ended 30 June 2015 be adopted."

3. Grant of equity and termination benefits for Mr Robert Kelly

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

"That:

(a) for the purposes of ASX Listing Rule 10.14 and for all other purposes:

- i. in relation to Mr Robert Kelly's FY15 remuneration, the grant to Mr Robert Kelly of an initial number of 554,398 deferred equity awards under the Company's long term and short term incentive schemes;*
- ii. the issue (or transfer) to and acquisition by Mr Robert Kelly of deferred equity awards in relation to Mr Robert Kelly's FY15 remuneration in consequence of the relevant deferred equity awards vesting into Steadfast ordinary shares; and*

(b) for the purposes of sections 200B and 200E of the Corporations Act 2001 (Cth) and for all other purposes, the giving of all benefits to Mr Robert Kelly referred to in paragraph 3(a) in connection with Mr Robert Kelly ceasing to hold an office or position of employment with the Company or a related body corporate, in circumstances of death, genuine retirement, redundancy or total and permanent disablement,

in each case, as set out in the Explanatory Memorandum which forms part of this Notice of Meeting, is approved and on the terms described in the Explanatory Memorandum."

4. Refresh of 15% placement capacity

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

"That approval be given for the purposes of ASX Listing Rule 7.4 and all other purposes, to the issue of 70,310,908 ordinary shares under the institutional share placement announced on 16 February 2015 and summarised in the explanatory notes to this notice of meeting."

5. Re-election of director – Mr David Liddy

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

"That Mr David Liddy is re-elected as a director of the Company."

6. Re-election of director – Mr Philip Purcell

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

"That Mr Philip Purcell is re-elected as a director of the Company."

By order of the Board.



Linda Ellis
Company Secretary

28 September 2015

Explanatory notes on the business to be transacted at the 2015 AGM

Item 1 – Consideration of reports

Following consideration of the reports, the Chairman will give shareholders a reasonable opportunity to ask questions about or comment on the management of the Company. The Chairman will also give shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- 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.

Item 2 – Remuneration report

In accordance with the Corporations Act, the Company is required to present the Company’s remuneration report to shareholders for consideration and adoption at the meeting. The remuneration report is located in the Company’s 2015 annual report and is also available on the Company’s website www.steadfast.com.au. Shareholders will have a reasonable opportunity to ask questions and comment on the remuneration report at the AGM.

The vote on this resolution is advisory only and does not bind the directors or the Company. Nevertheless, the board will take into account the outcome of the vote when considering the future remuneration arrangements of the Company.

Due to the “two strikes rule” in the Corporations Act, votes against this resolution could lead to an extra meeting to elect directors next year. If 25% or more of votes cast are voted against the adoption of the remuneration report at two consecutive AGMs (the first and second “strikes”), a “spill resolution” must be put to shareholders at that second AGM as to whether a further meeting should be held at which all directors (other than the Managing Director & CEO) cease to hold office but may stand for re-election. At the 2014 AGM, over 94% of shareholders voted in favour of the remuneration report.

The Company’s remuneration structure is designed to align executive and shareholder interests, retain talent and support long term value creation by providing competitive remuneration and valuable rewards for exceptional performance and earnings per share growth. The Company obtains independent input to confirm the appropriateness of these arrangements.

Noting that each director has a personal interest in their own remuneration from the Company as described in the remuneration report, the board recommends that shareholders vote in favour of the resolution in item 2.

*The Chairman of the AGM intends to vote undirected proxies able to be voted **in favour** of this resolution.*

Voting exclusion – item 2

1. Subject to 2. below, a vote must not be cast (in any capacity) on the resolution in item 2 by or on behalf of a member of the Company’s key management personnel (including the directors) (“KMP”), details of whose remuneration are included in the remuneration report or their closely related parties, whether as a shareholder or as a proxy, except that a vote may be cast on the resolution in item 2 by a KMP, or a closely related party of a KMP if:
 - (a) the vote is cast as a proxy appointed in writing that specifies how the proxy is to vote on the resolution in item 2; and
 - (b) the vote is not cast on behalf of a KMP or a closely related party of a KMP.
2. If you appoint the Chairman of the AGM as your proxy or the Chairman of the 2015 AGM is appointed as your proxy by default¹, and you do not direct your proxy how to vote on the resolution in item 2 on the proxy form, you will be expressly authorising the Chairman of the AGM to exercise your proxy in favour of the resolution in item 2 even if item 2 is connected directly or indirectly with the remuneration of a member of the KMP, which includes the Chairman of the AGM.

¹ Due to the failure of your nominated proxy to attend or if no proxy was identified in your lodged proxy form.

Item 3 – Grant of equity and termination benefits for Mr Robert Kelly

Approval of grant of equity to Mr Robert Kelly

Mr Robert Kelly's participation in the Company's STI and LTI Plans

Resolution 3 deals with the proposed grant of deferred equity awards to Mr Robert Kelly, Managing Director & CEO ("MD & CEO"), under the Company's short term incentive plan ("STI Plan") and long term incentive plan ("LTI Plan"). Specifically, the Board intends to grant Mr Kelly an initial number of 554,398 deferred equity awards of conditional rights to Steadfast ordinary shares at no cost ("DEAs") as part of his FY15 remuneration, subject to the hurdles described in the Key Details of the STI and LTI Plans (as attached to this Explanatory Memorandum).

The key elements of the financial remuneration paid to Mr Kelly are:

- fixed remuneration of cash salary, superannuation and non-monetary benefits;
- an annual incentive under the Company's STI Plan; and
- a long term incentive under the Company's LTI Plan.

For FY15, the targeted remuneration mix for the MD & CEO was 36% fixed and 64% variable (at risk). The board believes that the fundamental driver for executive remuneration should be long term financial performance that generates value for Steadfast's shareholders. The at risk (or variable) remuneration components for the MD & CEO are set by reference to current market practice and regulation. To ensure the MD & CEO remains focused on long term outcomes without encouraging excessive risk taking, the following conditions apply:

- financial performance hurdle – diluted earnings per share ("EPS") growth has been chosen to align with shareholders' objectives;
- operating performance hurdle – the MD & CEO has set annual performance objectives and must achieve at least 60% of those objectives to be eligible for any STI or LTI;
- 40% of the STI is granted as DEAs and is satisfied by either the issue or transfer of ordinary shares in the capital of the Company in three equal tranches after one, two and three years from the grant date;
- vesting of the LTI occurs after three years from the grant date and is satisfied by either the issue or transfer of ordinary shares in the capital of the Company; and
- the board retains the discretion to adjust any unpaid or unvested performance related remuneration (such as STI – cash, STI – DEAs and LTI) downwards if it is appropriate to do so. This discretion applies to all the following comments on applicable dates for vesting of share-based payment awards. The board also has a discretion to vest early in a change of control scenario.

The objectives agreed for the MD & CEO for FY15 were improving margins from underwriting agency businesses, successful integration of acquisitions, empowering executives, succession planning, implementation and successful implementation of new technology for back office efficiencies. The MD & CEO achieved a substantial majority of his non-financial objectives and through acquisition of a number of underwriting agencies, built the largest portfolio of underwriting agencies in Australia and drove the Company to achieve 16.4% diluted EPS growth in 2015.

Under the 2015 STI, the MD & CEO was awarded \$618,750 in cash and, subject to shareholder approval, will be granted 277,199 STI DEAs. Under the 2015 LTI, subject to shareholder approval, the MD & CEO, will be granted 277,199 LTI DEAs.

This gives an initial number of 554,398 DEAs, calculated by dividing \$825,000 by \$1.4881. The figure of \$825,000 is the total value of Mr Kelly's FY15 STI and LTI share entitlements approved by the Remuneration & Succession Planning Committee (comprised of independent non-executive directors) and disclosed on pages 35 and 36 of Steadfast's 2015 remuneration report. The figure of \$1.4881 is the volume weighted average share of Steadfast shares over the five trading days on the Australian Securities Exchange prior to Steadfast announcing its 2015 results on 26 August 2015.

This initial number will increase to reflect any dividends paid on Steadfast shares prior to vesting as if the DEAs were part of Steadfast's dividend reinvestment plan.

Further details of the 2015 STI and LTI Plans are attached to this Explanatory Memorandum, and also contained in the 2015 Annual Report.

ASX Listing Rule 10.14

ASX Listing Rule 10.14 prohibits the issue of new securities to a director (or their associates) under an employee incentive scheme without shareholder approval. It aims to minimise the dilution of shareholders and to protect them against related party transactions.

Other than Mr Robert Kelly, the MD & CEO, there are no directors or associates of directors who are currently entitled to participate in the LTI or STI Plans. Details of any issue to Mr Robert Kelly of DEAs, and any issue to Mr Robert Kelly of Steadfast shares as a consequence of those DEAs vesting into Steadfast shares, will be published in each annual report of the Company relating to a period in which the relevant DEAs or Steadfast shares have been issued (as applicable) and that approval for the issue was obtained under ASX Listing Rule 10.14 (subject to shareholder approval).

Any additional directors or their associates who become entitled to participate in the LTI or STI Plans after item 3 is approved and are not named in this notice of meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

Page 42 of Steadfast's 2015 remuneration report notes that Mr Kelly received 263,724 conditional rights in relation to his FY14 STI award, 279,369 for his FY14 LTI award, 16,922 for notional dividends and 27,969 for the impact of the discount under the 2015 rights issue not available to Mr Kelly. Shareholder approval was obtained at the 2014 AGM.

Strictly speaking, ASX Listing Rule 10.14 only applies to *issues* of securities to a director, not *transfers* of securities which are acquired on market if the DEAs vest. Nevertheless, to preserve flexibility in the operation in the LTI and STI Plans (so that the relevant Steadfast shares (on the vesting of any DEAs) can be either transferred or issued), and in the interests of good corporate governance, shareholders are being asked to vote on item 3.

Approval of termination benefits for Mr Robert Kelly

Termination Benefits

Termination benefits for Mr Robert Kelly covered by this approval involve the grant of DEAs, and subsequent issue or transfer of any Steadfast shares as a result of the vesting of any DEAs, or any equivalent cash payment in lieu ("Benefits") under either the STI or LTI Plans, so that they do not count towards such maximum termination amounts only to the extent the Benefits involve death, genuine retirement, redundancy or total and permanent disability. In these four circumstances, the board may provide the Benefits earlier than the usual vesting periods. The most likely example is genuine retirement.

For the purposes of the paragraph above, the "Benefit" will be the market value of the shares either issued or transferred to the MD & CEO on leaving service (or any cash payment in lieu). Apart from the future share price being unknown, the MD & CEO's length of service, number of DEAs, individual and Company performance factors, levels of cash awarded and amount of other remuneration are matters which will or are likely to affect the value of the Benefit.

In considering this resolution, shareholders should note that Mr Kelly, who is 68 years of age, has agreed to continue in his role until at least the end of 2017.

Corporations Act

The Corporations Act 2001 (Cth) ("Corporations Act") limits the maximum termination amounts which a corporation can pay on retirement to persons who hold a "managerial or executive office" (as defined in the Corporations Act).

Under section 200B of the Corporations Act, a corporation can only give a person who holds a "managerial or executive office" (as defined in the Corporations Act) a "benefit" (widely defined in the Corporations Act) in connection with their retirement from that office or position of employment in the corporation or a "related body corporate" (again as defined in the Corporations Act) if it is approved by shareholders or one of the limited exemptions apply. Under the Corporations Act, the maximum termination amount which may be paid without shareholder approval is an amount equal to average annual base salary over the last three years. "Benefit" includes early vesting. The Corporations Act defines retirement broadly to include loss of office, resignation and death. Section 200B applies to the MD & CEO.

In the absence of shareholder approval, it is possible the circumstances mentioned under the heading "Termination Benefits" may result in a benefit to the MD & CEO to which an exemption from section 200B may not apply and which together with other remuneration may exceed the maximum termination amount. For example, this may occur if the board exercises discretion to pay any unvested rights in cash and/or Steadfast shares before those rights would otherwise vest in the limited four circumstances described above, namely death, genuine retirement, redundancy or total and permanent disability.

Shareholder approval will allow Steadfast, where appropriate, to fulfil its DEA obligations under the STI and LTI Plans. Share benefits align senior executives with shareholders. Directors believe granting approval is better for shareholders than, for example, increasing cash awards in the future in lieu of share benefits.

Shareholder approval also assists Steadfast to retain, motivate and attract key employees. The share benefits under the STI and LTI Plans are consistent with the approach adopted since the Company's listing on ASX in 2013. They have been disclosed in previous annual reports and notices of meetings. The board continues to believe such benefits are suitable for Steadfast.

In general, the four circumstances above are beyond a senior executive's influence and do not involve poor performance.

The directors consider it good corporate governance and prudent for the Company to seek shareholder approval for any Benefit which the MD & CEO may receive under the STI or LTI in the event of the four circumstances mentioned above.

*The directors with Mr Kelly abstaining (and not voting) recommend that shareholders vote **in favour** of this resolution. None of the directors (excluding Mr Kelly who has a personal interest) have any interest in the outcome of the proposed resolution except to secure the services of Mr Kelly on a continuing basis.*

*The Chairman of the AGM intends to vote undirected proxies able to be voted **in favour** of this resolution.*

Voting exclusion – item 3

Steadfast will disregard any votes cast on item 3 by the MD & CEO and any associate of the MD & CEO. However, the Company need not disregard a vote on item 3 if:

- (a) it is cast by the MD & CEO or any associate of the MD & CEO as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the MD & CEO who is chairing 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.

Item 4 – Refresh of 15% placement capacity

On 26 February 2015, Steadfast issued 70,310,908 shares at \$1.26 each to raise \$88,591,747 using Steadfast's 15% placement capacity pursuant to ASX Listing Rule 7.1 ("Placement"). This resolution seeks to ratify this Placement.

ASX Listing Rule 7.1 requires shareholder approval for an issue of equity securities if, over a 12 month period, the number of equity securities issued is more than 15% of the number of shares on issue at the start of that 12 month period (subject to certain exceptions set out in Listing Rule 7.2).

Listing Rule 7.4 provides that an issue of shares made without approval under Listing Rule 7.1 is treated as having been made with approval for the purposes of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and shareholders subsequently approve the issue.

Approval is sought for the Placement to permit Steadfast to refresh its placement limit. This resolution is being put to shareholders to enable Steadfast to have the capacity to issue up to 15% of its issued ordinary shares over the next 12 months.

None of the investors in the Placement were "related parties" of Steadfast under the Corporations Act.

Listing Rule 7.5 provides that for shareholders to approve an issue subsequently, the notice of meeting must include particular information. This information is as follows:

- The number of shares issued under the Placement was 70,310,908 ordinary shares;
- The shares were issued at an issue price of \$1.26 each;
- The shares were fully paid ordinary shares in the capital of Steadfast and rank equally with all other existing Steadfast ordinary shares, from the time of issue;
- The allottees were determined on the basis of a bookbuild conducted by Steadfast (through J.P. Morgan Australia Limited and Macquarie Capital (Australia) Limited, joint lead managers and underwriters for the Placement); and
- Steadfast applied the net proceeds from the Placement to partly fund the acquisitions of Underwriting Agencies of Australia Pty Ltd, CHU Underwriting Agencies Pty Limited and Corporate Underwriting Agencies Pty Limited from QBE Insurance Group Limited and partly fund the acquisition of the Australian and New Zealand insurance broking business of IC Frith, as announced by Steadfast to the ASX on 16 February 2015 and 18 February 2015.

If shareholders approve this resolution, Steadfast will refresh its placement capacity. Although the directors do not currently propose to issue further shares in the immediate future (other than pursuant to its dividend reinvestment plan in relation to the dividend due to be paid on 14 October 2015), this resolution would provide funding flexibility in respect of any potential acquisitions that may arise.

If Steadfast issues further equity, the percentage holdings in Steadfast of shareholders will be diluted to the extent they do not participate in that further equity issue (should it occur). The directors consider that this potential disadvantage is outweighed by the potential advantages and benefits of Steadfast refreshing its placement capacity and accordingly consider that this resolution is in the best interests of shareholders.

If shareholders do not approve this resolution, if an opportunity to make a major acquisition arises, Steadfast's ability to participate in that opportunity in a timely manner, or at all, may be constrained and Steadfast would be prevented from raising further capital through a placement without shareholder approval until 27 February 2016 (being 12 months after the date of the Placement).

*The directors recommend that shareholders vote **in favour** of this resolution.*

*The Chairman of the AGM intends to vote undirected proxies able to be voted **in favour** of this resolution.*

Voting exclusion – item 4

Steadfast will disregard any votes cast on the resolution in item 5 by a person who participated in the Placement and any associates of those persons.

However, Steadfast need not disregard a vote if:

- (a) 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
- (b) it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

Re-election of directors

The board undertakes a regular review of its performance, policies and practices. The review includes an assessment of the performance of each director, their experience and skills. This is taken into account by the board in determining whether to endorse directors standing for re-election and anyone offering themselves for election as a director.

Item 5 – Re-election of director

Mr David Liddy

Mr Liddy is retiring by rotation in accordance with article 13.5 of the Company's constitution and ASX Listing Rule 14.4 and is offering himself for re-election. The board has concluded that Mr Liddy is independent.

Mr Liddy was appointed to the Steadfast board in 2013. He is a non-executive director and serves on the Audit & Risk, Nomination and Remuneration & Succession Planning committees, being the chairman of the latter.

Mr Liddy has over 43 years' experience in banking, including postings in London and Hong Kong. He was Managing Director of Bank of Queensland from 2001 to 2011. Mr Liddy is currently chairman of Collection House Ltd and a director of Emerchants Ltd. He is a Senior Fellow of the Financial Services Institute of Australasia and a Fellow of the Institute of Company Directors.

*The directors with Mr Liddy abstaining (and not voting) recommend that you vote **in favour** of the resolution in item 5.*

*The Chairman of the AGM intends to vote undirected proxies able to be voted **in favour** of this resolution.*

Item 6 – Re-election of director

Mr Philip Purcell

Mr Purcell is retiring by rotation in accordance with article 13.5 of the Company's constitution and ASX Listing Rule 14.4 and is offering himself for re-election. The board has concluded that Mr Purcell is independent.

Mr Purcell was appointed to the Steadfast board in 2013. He is a non-executive director and serves on the Audit & Risk, Nomination and Remuneration & Succession Planning committees.

Mr Purcell has over 40 years' experience in the insurance and legal industries. He has been a partner at Dunhill Madden Butler, PricewaterhouseCoopers Legal and Ebsworth & Ebsworth and has held two board positions with GE in Australia. Mr Purcell currently is a consultant to the international law firm Norton Rose Fulbright and provides advice to clients who are engaged in mediation of commercial disputes.

*The directors with Mr Purcell abstaining (and not voting) recommend that you vote **in favour** of the resolution in item 6.*

*The Chairman of the AGM intends to vote undirected proxies able to be voted **in favour** of this resolution.*

Information regarding voting

1 Entitlement to attend and vote

In accordance with Regulation 7.11.37 of the Corporations Regulations and ASX Settlement Operating Rule 5.6.1, the directors have determined that a shareholder's entitlement to vote at the 2015 AGM is as set out in the Company's share register as at 10.00am (Sydney time) on 28 October 2015.

Transactions registered after that time will be disregarded in determining the shareholders entitled to attend and vote at the 2015 AGM.

2 Proxies

- (a) **Proxy form:** A proxy form is included with this notice of AGM.
- (b) **Appointing a proxy:** If you are entitled to attend and vote at this AGM, you may appoint:
- a person ("person" can be an individual or a body corporate); or
 - if the shareholder is entitled to cast two or more votes at the meeting, two persons,
- as your proxy or proxies to attend and vote for you at the meeting. A proxy need not be a shareholder.
- (c) **Maximum of two:** You may appoint a maximum of two proxies and may state on the proxy form what proportion or number of your votes each proxy is being appointed to exercise. If you appoint two proxies and do not specify the proportion or number of votes each proxy may exercise, each of the proxies may exercise half of your votes.
- (d) **Deadline for receipt:** The Company must receive at least 48 hours (i.e. by 10.00am Sydney time on 28 October 2015) before the meeting:
- your completed proxy form; and
 - if you sign under power of attorney or corporate representative, that power of attorney or corporate representative appointment or a certified copy of it.
- Any proxy form received after this deadline (including at the AGM) will be invalid.
- (e) **How to send:** The proxy form (and any authority appointing an attorney or corporate representative) must be:
- sent by post to the Company's share registry:
Steadfast Group Limited
C/ - Link Market Services Limited
Locked Bag A14
Sydney South, NSW 1235
Australia;
 - delivered by hand to the Company's share registry:
Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138;
 - sent by fax to the Company's share registry on +61 2 9287 0309; or
 - lodged online at www.linkmarketservices.com.au.
- (f) **How and when a proxy must vote:** If the appointment of a proxy specifies the way the proxy is to vote on a particular resolution:
- the proxy is not required to vote on a show of hands, but if the proxy does so, the proxy must vote as directed (subject to any applicable voting exclusions);

- 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;
 - if the proxy is not the Chairman of the AGM, the proxy need not vote on a poll but if the proxy does so, the proxy must vote as directed (subject to any applicable voting restrictions); and
 - if the proxy is the Chairman of the AGM, the proxy must vote on a poll and must vote as directed.
- (g) **Proxy Voting by Chairman** - The Chairman of the Meeting will vote undirected proxies in favour of items 2, 3, 4, 5 and 6. The voting exclusions on KMP in item 2 does not apply to the Chairman of the Meeting acting as proxy if their appointment expressly authorises the Chairman of the Meeting to exercise the proxy even if that item is connected directly or indirectly with the remuneration of a KMP of Steadfast.
- (h) **Directing proxy votes:** We encourage shareholders who are appointing proxies to direct their proxies how to vote on each resolution by crossing a "For", "Against" or "Abstain" box before lodging their proxy form so that their proxy will vote on their behalf in accordance with their instructions.

3 Body corporate representative

Any corporation wishing to appoint a person to act as representative at the meeting may do so by providing that person with:

- a "Certificate of Appointment of Corporate Representative" which can be obtained from the Company's share registry; or
- a letter or certificate authorising the person to act as the corporation's representative in accordance with the corporation's constitution; or
- a copy of the resolution appointing the representative, certified by a secretary or director of the corporation.

4 Questions from shareholders

A shareholder of the Company who is entitled to vote at the AGM may submit a written question either to the Chairman of the AGM or the Company's auditor using the *Questions from shareholders form* enclosed with this notice and available from the Company's website at investor.steadfast.com.au/Investor-Centre/?page=AGM. The question(s) may be submitted by sending the form to the Company no later than 23 October 2015.

Further Details of FY15 Steadfast STI and LTI Plans for the MD & CEO

Further Details of STI Plan:

Potential maximum STI	The MD & CEO could earn up to 125% of his annual fixed remuneration for FY15.
Performance measures	<p>Non-financial measures – personal, cultural and behavioural objectives as agreed with the board. At least 60% of the objectives must be achieved by the MD & CEO to be eligible for any STI.</p> <p>Financial measures – no STI will be payable unless at least 5% pro forma EPS growth is achieved. Maximum STI could be awarded if the EPS growth is 15% or more.</p>
Testing and approval of performance measures	The MD & CEO's STI is recommended by the Remuneration & Succession Planning Committee ("RSPC") based on the financial and his non-financial performance outcome and approved by the board.
Rationale for choosing performance measures	<p>The financial measure of EPS growth is chosen to ensure long term shareholder value is achieved.</p> <p>The non-financial measures are chosen to ensure the MD & CEO performs specific tasks that support the success of the Company.</p>
Forms of STI reward elements	<p>60% is paid as cash, normally in September following the end of financial year.</p> <p>40% is granted as DEAs and vesting after a three year tenure hurdle from the grant date (from FY15, vesting of the DEA is in three equal tranches after one, two and three years from the grant date). DEAs will vest no later than 3 years after the AGM.</p>
Key terms of DEA	<p>DEAs are granted immediately following and subject to approval at the AGM.</p> <p>These rights are granted to the participant at no cost, to the dollar value of their DEA awarded. No consideration is payable on the conversion into Steadfast ordinary shares of the DEAs. Steadfast will not lend Mr Kelly any money in relation to the DEAs.</p> <p>The number of DEAs granted is calculated based on the weighted average share price over the five trading days before the grant date.</p> <p>The MD & CEO will become eligible to receive one Steadfast ordinary share per DEA subject to his continuing employment with the Company for three year period from the grant date.</p> <p>These rights will accrue notional dividends which will be paid upon vesting.</p>
Forfeiture conditions	<p>The board retains the discretion to adjust any unpaid or unvested performance-related remuneration downwards under the STI if it is appropriate to do so.</p> <p>The DEAs will be forfeited if the MD & CEO resigns before the vesting date.</p> <p>If the MD & CEO ceases employment in special circumstances, such as redundancy, any unvested rights may be paid in cash and/or Steadfast ordinary shares subject to board discretion.</p>

Further Details of LTI Plan:

Potential maximum LTI	The MD & CEO could earn up to 50% of his annual fixed remuneration in FY15.
Approval of the LTI	The MD & CEO's LTI is recommended by the RSPC based on his financial and non-financial performance outcome and approved by the board.
Form of LTI reward	DEAs and vesting after a three year tenure hurdle and meeting future performance hurdles from the grant date. DEAs will vest no later than 3 years after the AGM.
Future performance hurdles	<p>Financial measures – no DEA awarded under the LTI will vest unless the Group's average EPS growth by at least a compound 10% per annum over the three year vesting period is achieved.</p> <p>Non-financial measures – personal, cultural and behavioural objectives as agreed with the board. At least 60% of the objectives must be achieved by the MD & CEO to be eligible to any LTI.</p>

Further Details of LTI Plan (continued):

Rationale for choosing performance measures	<p>The financial measure of EPS growth is chosen to ensure long term shareholders value is achieved.</p> <p>The non-financial measures are chosen to ensure that the MD & CEO performs specific tasks that support the success of the Company.</p>
Key terms of DEA	<p>DEAs are granted immediately following and subject to approval at the AGM.</p> <p>These rights are granted to the participant at no cost, to the dollar value of a percentage to their fixed remuneration in accordance with the LTI. No consideration is payable on the conversion into Steadfast ordinary shares of the DEAs. Steadfast will not lend Mr Kelly any money in relation to the DEAs.</p> <p>The number of DEAs granted is calculated based on the weighted average share price over the five trading days before the grant date.</p> <p>The MD & CEO becomes eligible to receive one Steadfast ordinary share per DEA subject to his continuing employment with the Steadfast group for the three year period from the grant date and meeting performance hurdles, subject to board discretion.</p> <p>These rights will accrue notional dividends which will be paid upon vesting.</p>
Forfeiture conditions	<p>The board retains the discretion to adjust any unpaid or unvested DEA awarded under the LTI downwards if it is appropriate to do so.</p> <p>The DEAs will be forfeited if the executive resigns before the vesting date.</p> <p>If the MD & CEO ceases employment in special circumstances, such as redundancy, any unvested rights may be paid in cash and/or Steadfast shares subject to board discretion.</p>



Steadfast Group Limited
ACN 073 659 677
Level 3, 99 Bathurst Street, Sydney NSW 2000 Australia
phone: 02 9495 6500
website: steadfast.com.au

LODGE YOUR VOTE

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

 **BY MAIL**
Steadfast 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



X99999999999

PROXY FORM

I/We being a member(s) of Steadfast Group Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name 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 on Friday, 30 October 2015 at Radisson Blu Hotel Sydney, Marble Room, Lower Ground Floor, 27 O'Connell Street, Sydney NSW** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolution 2: 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 Resolution 2, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
2 Remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Re-election of director – Mr Philip Purcell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Grant of equity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Refresh of 15% placement capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Re-election of director – Mr David Liddy	<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 Item, 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.

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).



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 Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) 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
- (b) 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.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am on Wednesday, 28 October 2015**, 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 front of the Proxy Form).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

Steadfast Group Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

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

**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.**

LODGE YOUR QUESTIONS

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

 **BY MAIL**
Steadfast 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



X99999999999

Please use this form to submit any questions about Steadfast Group Limited ("the Company") that you would like us to respond to at the Company's 2015 Annual General Meeting. Your questions should relate to matters that are relevant to the business of the meeting, as outlined in the accompanying Notice of Meeting and Explanatory Memorandum. If your question is for the Company's auditor it should be relevant to the content of the auditor's report, or the conduct of the audit of the financial report.

This form must be received by the Company's share registrar, Link Market Services Limited, by **Friday, 23 October 2015**.

Questions will be collated. During the course of the Annual General Meeting, the Chairman of the Meeting will endeavour to address as many of the more frequently raised shareholder topics as possible and, where appropriate, will give a representative of the Company's auditor, the opportunity to answer written questions submitted to the auditor. However, there may not be sufficient time available at the meeting to address all topics raised. Please note that individual responses will not be sent to shareholders.

My question relates to (please mark the most appropriate box)

- | | | |
|---|--|---|
| <input type="checkbox"/> Performance or financial reports | <input type="checkbox"/> A resolution being put to the AGM | <input type="checkbox"/> General suggestion |
| <input type="checkbox"/> Remuneration Report | <input type="checkbox"/> Sustainability/Environment | <input type="checkbox"/> Other |
| <input type="checkbox"/> My question is for the auditor | <input type="checkbox"/> Future direction | |

- | | | |
|---|--|---|
| <input type="checkbox"/> Performance or financial reports | <input type="checkbox"/> A resolution being put to the AGM | <input type="checkbox"/> General suggestion |
| <input type="checkbox"/> Remuneration Report | <input type="checkbox"/> Sustainability/Environment | <input type="checkbox"/> Other |
| <input type="checkbox"/> My question is for the auditor | <input type="checkbox"/> Future direction | |
