

Pioneer Credit Limited Annual General Meeting

Following is the Notice of Meeting for the Annual General Meeting of Pioneer Credit Limited (ASX: PNC) to be held on 27 October 2016 at 10 am (AWST).

About Pioneer

Pioneer Credit is an Australian company bringing a fresh new approach to financial services. We began life as a financial services provider to people in financial difficulty. Today, with more than 150,000 customers Australia-wide, we continue to focus on helping people get their finances back on track and achieve their goals. In 2016 we have commenced the next chapter in our growth story, with the launch of a range of products to our customers. Ultimately, our aim is to help customers achieve home ownership, using loans we will broker back through our valued banking partners.

For further information about Pioneer visit www.pioneercredit.com.au.

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Pioneer Credit Limited

ABN 44 103 003 505

Notice of Annual General Meeting

Time: 10.00 am (AWST)
Date: Thursday 27 October 2016
Place: Level 8, Exchange Tower
2 The Esplanade
Perth WA 6000

This Notice of Meeting should be read in its entirety.

If Shareholders are in doubt as to how they should vote they should seek advice from their professional advisors prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9323 5000.

TIME AND PLACE OF MEETING AND HOW TO VOTE

Notice is given that the 2016 Annual General Meeting (**AGM**) of Pioneer Credit Limited (ABN 44 103 003 505) (**Pioneer** or **the Company**) will be held at Level 8, Exchange Tower, 2 The Esplanade, Perth, Western Australia, 6000 on 27 October 2016 at 10.00am (AWST).

The Explanatory Statement accompanying this Notice of Meeting provides additional information on matters to be considered at the AGM. The Explanatory Statement and proxy form are part of this Notice of Meeting.

Conduct of the AGM

We ask that shareholders are courteous and respectful to all persons attending the AGM. We ask that you keep questions to a reasonable length to allow as many people as possible to participate. We ask that you contain questions to matters raised at the AGM and not repeat questions already answered. We also ask that you do not photograph or otherwise record the AGM.

ITEMS OF BUSINESS

Financial Report

To receive and consider the Financial Report, the Directors' Report and the Independent External Auditor's Report of the Company for the year ended 30 June 2016.

Resolution 1 - Ratification of issue of 3,415,031 fully paid ordinary shares

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

"That, for the purposes of ASX Listing Rule 7.4 and all other purposes, the issue of 3,415,031 fully paid ordinary shares to institutional and sophisticated investors, as more fully described in the explanatory notes accompanying the Notice of Meeting, be approved."

Voting Exclusion

A vote on Resolution 1 must not be cast (in any capacity) by, or on behalf of, the following persons:

- (a) Persons who have participated in the issue; and*
- (b) An associate of that person.*

However, a person described above may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a person described above and:

- (a) the proxy appointment is in writing that specifies the way the proxy is to vote (e.g. for, against, abstain) on the resolution; or*

- (b) *the vote is cast by the chair of the meeting as proxy for the person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

Resolution 2 - Re-Election of Mr Michael Smith, Independent Non-Executive Director

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

“That Mr Michael Smith, who retires in accordance with clause 6.1(f)(i)(A) of the Company’s Constitution, and having offered himself for re-election and being eligible, is re-elected as an Independent Non-Executive Director of the Company”.

Resolution 3 - Remuneration Report

To consider and, if thought fit, to pass the following as an advisory resolution of the Company:

“That, the Company’s Remuneration Report for the financial year ended 30 June 2016 (as set out in the Directors’ Report), be adopted.”

Voting Exclusion

A vote on Resolution 3 must not be cast (in any capacity) by, or on behalf of, the following persons:

- (a) *a member of the Key Management Personnel (“KMP”) whose remuneration details are included in the 2016 Remuneration Report; or*
- (b) *a closely related party of such a KMP (including close family members and companies the KMP controls).*

However, a person described above may cast a vote on Resolution 3 as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) *the proxy appointment is in writing that specifies the way the proxy is to vote (e.g. for, against, abstain) on the resolution; or*
- (b) *the vote is cast by the chair of the meeting and the appointment of the chair as proxy:*
- (i) *does not specify the way the proxy is to vote on the resolution; and*
 - (ii) *expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.*

By order of the Board of Directors



Sue Symmons

Company Secretary

Date 16 September 2016

VOTING ELIGIBILITY

The business of the AGM affects your shareholding and your vote is important. The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to attend and vote at the AGM are those who are registered shareholders at 4:00pm (AWST) on Tuesday 25 October 2016.

If more than one joint holder of shares is present at the AGM (whether personally, by proxy or by attorney or representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

Voting by Proxy

To appoint proxies a proxy form must be signed by the shareholder or their attorney. If the shareholder is a corporation, the proxy form must be signed in accordance with the Corporations Act or under the hand of its attorney or duly authorised officer. Completed proxy forms must be sent to Link Market Services at the address specified on the enclosed proxy form. Forms must be received by **10.00am (AWST) on Tuesday 25 October 2016**.

If you are a shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act 2001 (Cth) to exercise its powers as proxy at the AGM.

A proxy need not be a shareholder of the Company.

A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

To be effective, the proxy must be received at the Share Registry of the Company no later than 10.00am (AWST) on Tuesday 25 October 2016. Proxies must be received before that time by one of the following methods:

By Post: Pioneer Credit Limited
c/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia

By Facsimile: +61 2 9287 0309

By Hand: Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138

To be valid, a proxy must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

Voting by Attorney

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 10.00 am (AWST) on Tuesday 25 October 2016, being 48 hours before the AGM.

Corporate Representatives

A body corporate who is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the AGM. The appointment of the representative must comply with the requirements of section 250D of the Corporations Act 2001 (Cth).

The representative should bring to the AGM a properly executed letter or other document confirming its authority to act as the Company's representative. You can download and complete the "Appointment of Corporate Representation" form from Pioneer's share registry's website (www.linkmarketservices.com.au).

Shareholder Questions

If you wish a question to be put to the Chairman of the Meeting or Auditor and you are not able to attend the Meeting, please email your question to the Company Secretary at investor_relations@pioneercredit.com.au

To allow time to collate questions and prepare answers, questions are to be received by the Company Secretary by 5:00pm (AWST) Thursday 20 October 2016.

EXPLANATORY STATEMENT

The Explanatory Statement has been prepared for the information of shareholders of the Company in relation to the business to be conducted at the Company's Meeting to be held on Thursday 27 October 2016.

The purpose of this Explanatory Statement is to provide shareholders with information that is reasonably required by shareholders to decide how to vote upon the resolutions. The Directors recommend that shareholders read this Explanatory Statement before determining whether or not to support the resolutions.

Resolutions 1 and 2 are ordinary resolutions requiring a simple majority of votes cast in favour by shareholders entitled to vote on the resolution. Resolution 3 is an advisory resolution.

Financial Report

The Financial Report, Directors' Report and the Independent Auditor's Report for the year ended 30 June 2016 will be put before the AGM.

Together, the Financial Report, Directors' Report and the Independent Auditor's Report constitute the Company's 2016 Annual Report. The Annual Report has been made available to shareholders and published on Pioneer's website (www.pioneercredit.com.au).

The Chairman will give shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the Independent 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.

The Chairman will also give the Auditor a reasonable opportunity to answer written questions submitted by shareholders that are relevant to the content of the Independent Auditor's Report or the conduct of the audit. A list of questions, if any, submitted by shareholders will be made available at the start of the AGM and any written answer tabled by the Auditor at the AGM will be made available as soon as practicable after the AGM.

Resolution 1 – Ratification of issue of 3,415,031 fully paid ordinary shares

ASX Listing Rule 7.1 imposes limits on the number of equity securities (including ordinary shares) that a company can issue or agree to issue without shareholder approval. Under ASX Listing Rules, generally a company must not, without prior shareholder approval, issue in any 12 month period, a number of equity securities which is more than 15% of the number of fully paid ordinary shares on issue 12 months before the issue.

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

Under Resolution 1, the Company seeks shareholder approval under ASX Listing Rule 7.4 for the issue of 3,415,031 fully paid ordinary shares on 18 April 2016 to institutional and sophisticated investors.

The Company is seeking this approval in order to provide the Company with the maximum flexibility to undertake equity raisings without the need for further shareholder approval. The requirement to obtain shareholder approval for an issue, at the time of issue, could limit the Company's ability to take advantage of the opportunities that may arise.

Notwithstanding an approval by shareholders of Resolution 1, any future equity raising will remain subject to the 15% limit under ASX Listing Rule 7.1.

No decision has been made by the Board of Directors to undertake any further issue of equity securities in the event that approval is received from shareholders in respect of Resolution 1. The Board of Directors will only decide to issue further equity securities if it considers it is in the best interests of the Company to do so.

Information required by ASX Listing Rule 7.5

ASX Listing Rule 7.5 requires that the following information be provided to shareholders when seeking an approval for the purposes of ASX Listing Rule 7.4:

- a) The total number of fully paid ordinary shares allotted and issued was 3,415,031 ('Shares').
- b) The issue price for the Shares was \$1.70 per Share.
- c) The Shares rank equally in all respects with existing ordinary shares in the Company.
- d) The Shares were issued to institutional and sophisticated investors.
- e) The funds will be used to accelerate the Company's growth through the acquisition of further parcels of consumer debt.
- f) A voting exclusion statement is included in the Notice of Meeting.

The Board unanimously recommends that shareholders vote in favour of the ratification of issue of 3,415,031 fully paid ordinary shares.

Resolution 2 – Re-election of Mr Michael Smith, Independent Non-Executive Director

The Company's Constitution requires one-third of the directors (excluding the Managing Director and any director being elected for a casual vacancy) to retire from office at each meeting (rounded down). A director retiring from office under the Constitution, is eligible for re-election.

In accordance with clause 6.1(f)(i)(A) of the Company's Constitution, Mr Michael Smith retires from office as a Director, and being eligible offers himself for re-election as a Director of Pioneer.

Mr Smith is a highly experienced company director and executive and was appointed Non-Executive Chairman of Pioneer Credit in February 2014.

In addition to his role as Principal of strategic marketing consultancy firm Black House, Mr Smith is Non-Executive Chairman of 7-Eleven Stores Pty Ltd, the Lionel Samson Saddlers

Group and Starbucks Australia Advisory Board. Mr Smith is also a Non-Executive Director of Creative Partnerships Australia.

Mr Smith is a fellow of the Australian Institute of Company Directors and holds a Doctor of Letters (Hon) from the University of Western Australia for his contribution to business and the arts.

Mr Smith's previous roles include Chairman of iiNet Limited, Synergy, Verve, the Australian Institute of Company Directors, Perth International Arts Festival, West Coast Eagles and Deputy Chairman of Automotive Holdings Group Limited.

In accordance with the Company's Board Charter, the Nomination Committee met on 5 September 2016 to consider Mr Smith's re-election. The Nomination Committee then recommended to the Board that Mr Smith be re-elected.

The Board (with Mr Smith abstaining) unanimously recommends that shareholders vote in favour of the re-election of Mr Michael Smith.

Resolution 3 – Remuneration Report

In accordance with section 250R(2) of the Corporations Act 2001 (Cth), the Board is presenting the Remuneration Report to shareholders for their consideration and adoption by an advisory vote. Although it is an advisory vote, the Board will take the outcome of the vote and shareholder comments into account when determining future remuneration arrangements.

If there is a vote of 25% or more against the Remuneration Report at the 2016 AGM, and another vote of 25% or more at the 2017 AGM, then a resolution will be put at the 2017 AGM to put the Board (other than the Managing Director) up for re-election (Spill Resolution). If the Spill Resolution passes, then the Company must hold a Spill Meeting within 90 days at which all Directors (other than the Managing Director) who were Directors at the time the Remuneration Report that received the second strike will retire and may resubmit themselves for re-election.

The Remuneration Report is contained in the Annual Report and is available on Pioneer's website (www.pioneercredit.com.au).

Pioneer's remuneration strategy is predicated on providing appropriate remuneration to attract and retain executives and their staff generally, who attain high results and deliver long term results. Its remuneration strategy in relation to non-executive Directors is based on attracting experienced and qualified directors with appropriate insight into corporate governance issues.

Shareholders will have the opportunity to ask questions and comment on the Remuneration Report.

The Board abstains, in the interests of corporate governance, from making a recommendation on the adoption of the Remuneration Report.