

ASX release

22 September 2017

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 at 10 am on 27 October 2017 at Level 8, Exchange Tower, 2 The Esplanade, Perth, WA.

Investor and media enquiries:

Keith R. John
Managing Director
Pioneer Credit Limited
P: 08 9323 5001
E: krjohn@pioneercredit.com.au

Mr Leslie Crockett
Chief Financial Officer
Pioneer Credit Limited
P: 08 9323 5008
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Pioneer Credit Limited

ABN 44 103 003 505

Notice of Annual General Meeting

Time: 10 am (AWST)
Date: Friday 27 October 2017
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 2017 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 Friday 27 October, 2017 at 10.00 am (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. Please keep questions to a reasonable length to allow as many people as possible to participate, contain questions to matters raised at the AGM and not repeat questions already answered. Please 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 2017.

Resolution 1 – Ratification of previous issue of Shares

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

"That, for the purposes of ASX Listing Rule 7.4 and all other purposes, the issue of 7,458,658 fully paid ordinary shares to institutional and sophisticated investors, as more fully described in the Explanatory Statement, be approved."

Voting Exclusion

The Company will disregard any votes cast on Resolution 1 by:

- (a) a person who has participated in the issue; and*
- (b) an associate of that person.*

However, the Company need not disregard a vote if it is cast by:

- (a) a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or*
- (b) 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 Mark Dutton

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

“That Mr Mark Dutton, 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 - Re-Election of Ms Andrea Hall

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

“That Ms Andrea Hall, who retires in accordance with clause 6.1(e) of the Company’s Constitution, and having offered herself for re-election and being eligible, is re-elected as an Independent Non-Executive Director of the Company”.

Resolution 4 - Remuneration Report

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

“That the Company’s Remuneration Report for the financial year ended 30 June 2017 (as set out in the Directors’ Report), be adopted.”

Note – The vote on Resolution 4 is advisory only and does not bind the Directors or the Company.

Voting Exclusion

A vote must not be cast on Resolution 4 (and the Company will disregard any such vote) by or on behalf of:

- (a) a member of the Company's Key Management Personnel (“KMP”) whose remuneration details are included in the 2017 Remuneration Report; or*
- (b) a closely related party of such a KMP (including close family members and companies the KMP controls).*

However, a vote may be cast (and the Company will not disregard any such vote) if it is cast by:

- (a) a person as proxy for a person entitled to vote in accordance with the directions on the proxy form; or*
- (b) 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 Resolution 4; 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 KMP.**

Resolution 5 – Grant of Indeterminate Rights to Keith John

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

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the grant to Mr Keith John, Managing Director, of up to 500,000 Indeterminate Rights for nil financial consideration which, subject to the achievement of performance and vesting conditions, may convert to ordinary shares in the capital of the Company on a one-for-one basis, under the Pioneer Credit Limited Equity Incentive Plan, on the terms described in the Explanatory Statement.”

Voting Exclusion

The Company will disregard any votes cast on Resolution 5 by:

- (a) a Director (except one who is ineligible to participate in any employee incentive scheme in relation to the Company); and*
- (b) an associate of that Director.*

However the Company need not disregard a vote if it is cast by:

- (a) a Director as proxy for a person who is entitled to vote, in accordance with the direction on the Proxy Form; or*
- (b) 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.*

In addition, a member of the KMP (and their closely related parties) acting as a proxy must not vote on Resolution 5 (and the Company will disregard any such vote) where the proxy appointment does not specify the way the proxy is to vote on the resolution, unless the proxy:

- (a) is the Chair of the meeting; and*
- (b) appointment expressly authorises the Chair to exercise the proxy even if that resolution is connected directly or indirectly with the remuneration of a KMP.*

Resolution 6 – Approval of the Pioneer Credit Limited Equity Incentive Plan

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

“That, for the purposes of ASX Listing Rule 7.2 (Exception 9), section 260C(4) of the Corporations Act 2001 (Cth) and for all other purposes, shareholders approve the issue of securities under the Pioneer Credit Limited Equity Incentive Plan, on terms set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on Resolution 6 by:

- (a) a Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company); and*
- (b) an associate of that Director.*

However the Company need not disregard a vote if it is cast by:

- (a) a Director of the Company as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) 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.

In addition, a member of the KMP (and their closely related parties) acting as a proxy must not vote on Resolution 6 (and the Company will disregard any such vote) where the proxy appointment does not specify the way the proxy is to vote on the resolution unless the proxy:-

- (a) is the Chair of the meeting; and
- (b) appointment expressly authorises the Chair to exercise the proxy even if that resolution is connected directly or indirectly with the remuneration of a KMP.

By order of the Board of Directors



Sue Symmons

Company Secretary

Date 22 September 2017

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 Wednesday 25 October 2017.

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 duly appointed attorney. If the shareholder is a corporation, the proxy form must be signed in accordance with the Corporations Act 2001 (Cth) (**'Corporations Act'**) or under the hand of its duly appointed attorney or authorised officer.

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 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 Wednesday 25 October 2017**, being 48 hours before the AGM. 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

Completed proxy forms 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

If 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, in the manner set out above, no later than **10.00 am (AWST) on Wednesday 25 October 2017**.

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.

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 Chair 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) Friday 20 October 2017.

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 AGM to be held on Friday 27 October 2017 at 10 am (AWST).

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 carefully read this Explanatory Statement before determining whether or not to support the resolutions.

All resolutions are ordinary resolutions requiring a simple majority of votes cast in favour by shareholders entitled to vote on the resolution.

The Chair of the AGM intends to vote all undirected proxies (where he has been appropriately authorised) in favour of each of the Resolutions.

Financial Report

The Financial Report, Directors' Report and the Independent Auditor's Report for the year ended 30 June 2017 will be put before the AGM. No resolution is required for this matter.

Together, the Financial Report, Directors' Report and the Independent Auditor's Report constitute the Company's 2017 Annual Report. The Annual Report has been made available to shareholders and published on Pioneer's website at <http://corporate.pioneercredit.com.au/wp-content/uploads/2017/08/170824-App-4E-and-FY17-Annual-Report.pdf>.

The Chair 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 Chair 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 previous issue of 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 the 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 of the issue of 7,458,658 fully paid ordinary shares issued under an institutional and sophisticated investor placement dated 6 April 2017.

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 ('**Directors**') to undertake any further issue of equity securities in the event that approval is received from shareholders in respect of Resolution 1. The 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:

- The total number of fully paid ordinary shares issued was 7,458,658 ('**Shares**').
- The issue price for the Shares was \$2.00 per Share.
- The Shares rank equally in all respects with existing ordinary shares in the Company.
- The Shares were issued to institutional and sophisticated investors.
- The funds were used to acquire a \$14m purchased debt portfolio and will be used to pursue a number of growth opportunities.
- A voting exclusion statement is included in the Notice of Meeting.

The Board unanimously recommends that shareholders vote in favour of the ratification of the issue of 7,458,658 fully paid ordinary shares (Resolution 1).

Resolution 2 – Re-election of Mr Mark Dutton

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 Mark Dutton retires from office as a Director, and being eligible offers himself for re-election as a Director of Pioneer.

Mr Dutton has served as a Non-Executive Director of Pioneer since May 2010. Until April 2017 Mr Dutton was a director of a substantial shareholder of the Company. That substantial shareholder ceased to be a shareholder on 10 April 2017 and Mr Dutton is now an Independent Non-Executive Director.

The founder and director of Banksia Capital, Mr Dutton was previously on the Board of Mineral Resources Limited, a partner at Navis Capital and a director at Foundation Capital and at BancBoston Capital. Prior to embarking on his private equity career, Mr Dutton worked in Audit and Corporate Finance at PricewaterhouseCoopers in the UK and Russia. He is a chartered accountant and a member of the Institute of Chartered Accountants of England & Wales. Mr Dutton also holds an MA in Management Studies and Natural Sciences from the University of Cambridge.

In accordance with the Company's Board Charter, the Nomination Committee met and recommended to the Board that Mr Dutton be re-elected.

The Board (with Mr Dutton abstaining) unanimously recommends that shareholders vote in favour of the re-election of Mr Mark Dutton (Resolution 2).

Resolution 3 – Re-Election of Ms Andrea Hall

Ms Andrea Hall was appointed a Director as a casual vacancy on 7 November 2016 and in accordance with clause 6.1(e) of the Company's Constitution retires from office as a Director. Being eligible, she offers herself for re-election as a Director of the Company.

Ms Hall is a highly regarded professional non-executive director who currently serves on the boards of Tap Oil Ltd, Insurance Commission of Western Australia, Lottery West, Fremantle Dockers Pty Ltd and C-Wise.

A chartered accountant, Ms Hall has a Bachelor of Commerce from the University of Western Australia, and a Masters of Applied Finance from Kaplan. She is a Fellow of the Institute of Chartered Accountants Australia and New Zealand. Ms Hall is also a former chair of the WA Council of Chartered Accountants Australia New Zealand.

Ms Hall is former KPMG Risk Consulting Partner, with over 20 years' experience in corporate and operational governance, risk management, financial management, internal audit and external audit.

In accordance with the Company's Board Charter, the Nomination Committee met and recommended to the Board that Ms Hall be re-elected.

The Board (with Ms Hall abstaining) unanimously recommends that shareholders vote in favour of the re-election of Ms Hall (Resolution 3).

Resolution 4 – Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Board is presenting the Remuneration Report to shareholders for their consideration and adoption by an advisory vote. Although it is an advisory vote which does not bind the Company or the Directors, 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 2017 AGM, and another vote of 25% or more at the 2018 AGM, then a resolution will be put at the 2018 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 2018 AGM 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 <http://corporate.pioneercredit.com.au/wp-content/uploads/2017/08/170824-App-4E-and-FY17-Annual-Report.pdf>.

The Board recognises that satisfying appropriate remuneration expectations is important to attract and retain quality executives and senior management. It seeks to ensure its remuneration strategy supports and drives the achievement of Pioneer's business strategy. Its aim is to ensure that remuneration outcomes are linked to the Company's performance and aligned with shareholder outcomes.

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 good corporate governance, from making a recommendation on the adoption of the Remuneration Report (Resolution 4).

Resolution 5 – Grant of Indeterminate Rights to Keith John

Resolution 5 seeks Shareholder approval to issue Indeterminate Rights to the Managing Director, Mr Keith John, under the terms and conditions of the Pioneer Credit Limited Equity Incentive Plan (the "**Plan**").

Remuneration Philosophy

General Background

Due to the nature of Pioneer's business, as an acquirer of assets that typically liquidate over a period of up to 10 years, the Board recognises the importance of appropriately incentivising employees such that they are accountable for the most significant part of tenure of acquired assets. As announced to the market in July 2017 and in accordance with the FY17 Remuneration Report, Pioneer has updated its remuneration structure to appropriate assets at the optimal prices, rather than driving short term results. The aim of Pioneer's updated remuneration structure is to further align the Company's remuneration strategy to long term performance and consequently, to the sustainable achievement of shareholder returns, and maintenance of Pioneer's excellent track-record in compliance and customer service.

In that regard, the Board has determined that, effective 1 July 2017 the Company will not award Short Term Incentives (**STI**) to any part of the management group, except for its Operations team. That is, the Managing Director will not be eligible to receive an STI.

Executives (including the Managing Director) will now be incentivised based on Long Term Incentives through the issue of performance and indeterminate rights in the Company. The Non-

Executive Directors have determined that the Managing Director be awarded with 500,000 Indeterminate Rights under the Plan. A copy of the Plan can be viewed on the Company's website <http://corporate.pioneercredit.com.au/wp-content/uploads/2016/06/Equity-Incentive-Plan.pdf> and is attached as Annexure 1 to this Explanatory Statement, as amended for the purposes of Resolution 6.

Further information about the Company's remuneration governance and executive remuneration policy and framework is set out the Company's Remuneration Report (part of the 2017 Annual Report).

Grant of Rights in FY18

As described above, in respect of the financial year ending 30 June 2018 and subject to shareholder approval, the Board has made an offer under the Plan to its Managing Director, Mr Keith John.

The Board has decided to grant Indeterminate Rights to the Managing Director for the following reasons:

- a long term equity based grant is appropriate remuneration structure for senior executives and is in accordance with acceptable market practice and the Company's philosophy of incentivising employees such that they are accountable for the most significant part of the tenure of its acquired assets;
- a grant of Indeterminate Rights can have a minimal dilutionary effect on the issued share capital of the Company as they vest over a number of years;
- a grant of Indeterminate Rights can reward executives for their performance; and
- vested Indeterminate Rights can create recognisable value to executives and align the executives to the Company's strategic goal of sustainable long-term earnings growth.

Details about the grant of Indeterminate Rights to Mr John under the FY2018 Managing Director's Award

How many Indeterminate Rights will Mr John receive?

Subject to shareholder approval, Mr John will be granted 500,000 Indeterminate Rights.

The Board resolved to issue Mr John with 500,000 Indeterminate Rights subject to shareholder approval as it considers this number to be fair and reasonable and within comparable market parameters having regard to both the Company's size and stage of development and the role and responsibilities expected of Mr John as Managing Director of the Company.

During the 12 month period to 30 June 2018, 500,000 Indeterminate Rights will be granted to Mr John. These Indeterminate Rights may vest into fully paid ordinary shares in the Company if the Vesting Condition (described below) is met. Alternatively, if the Vesting Condition is met, the Board may determine in its absolute and unfettered discretion that a vested Indeterminate Right will be satisfied by the Company making a cash payment to Mr John in lieu of issuing Shares. In such an instance, the cash payment will be equivalent to the number of vested Indeterminate Rights multiplied by the then value of the Company's Share price as traded on the ASX, calculated at the 5 day volume weighted average share price ('**VWAP**') prior to the Vesting Date.

Vesting Condition

As stated above, one of the reasons that the Company has introduced the Plan is not only to attract and reward key executives, but to retain talented staff. Therefore, the Board has resolved that a tenure based vesting condition is the most appropriate hurdle for current purposes.

Indeterminate Rights granted to Mr John will vest in accordance with the following schedule:

Vesting Date	Vesting %
1 July 2020	25%
1 July 2021	60%
1 July 2022	15%

This is provided Mr John remains employed by the Company at the respective Vesting Date.

The grant of the Indeterminate Rights to Mr John, as a Director of the Company, is a financial benefit for the purposes of the related party provisions in Chapter 2E of the Corporations Act. However, the Non-Executive Directors have determined that the remuneration package for Mr John, including the grant of the Indeterminate Rights, is reasonable having regard to the circumstances of the Company and Mr John (including the responsibilities involved in his office). Accordingly, and in reliance on this statutory exception to the related party requirements, Shareholder approval under Chapter 2E of the Corporations Act is not being sought in this case.

Information required under ASX Listing Rule 10.15

Pursuant to the requirements of ASX Listing Rule 10.15, the following information is provided with regard to Resolution 5:

- Mr Keith John is the Managing Director and is an Executive Director of the Company.
- Mr John will be granted up to 500,000 Indeterminate Rights for nil financial consideration which, subject to the achievement of the Vesting Condition, may convert to ordinary shares in the capital of Pioneer on a one-for-one basis. As such up to 500,000 ordinary shares may be granted to Mr John upon the conversion of vested Indeterminate Rights, for nil financial consideration. Any shares granted to Mr John may be acquired on market or issued by Pioneer. Alternatively, should Indeterminate Rights vest, the Board may determine in its absolute discretion that a vested Indeterminate Right will be satisfied by the Company making a cash payment to Mr John in lieu of allocating Shares at the 5 day VWAP prior to each Vesting Date.
- 150,000 Indeterminate Rights were issued to Mr John following shareholder approval at the 29 October 2014 AGM. 90,000 of those Indeterminate Rights vested on 1 July 2017 and the Board, in their absolute discretion made a cash payment to Mr John at the 5 day VWAP prior to 1 July 2017, which was \$2.2864/share. No other person referred to in ASX Listing Rule 10.14 has received any securities under the Plan.
- The Terms and Conditions of the Plan provide that any Director is eligible to participate in particular awards. With respect to the issue of Indeterminate Rights the subject of this resolution, the only Director who is eligible for participation is the Executive Director, Mr John.
- The Indeterminate Rights will be granted under the terms and conditions of the Plan.
- A Voting Exclusion Statement is set out under Resolution 5 of this Notice of Meeting.
- There is no loan attaching to the offer under the Plan.

- Details of any securities issued under this Award will be published in Pioneer's future annual Remuneration Reports, including that approval for this issue of securities was obtained under ASX Listing Rule 10.14.
- The Company is expected to allocate the Indeterminate Rights within one year after the AGM.

The Board (with Mr John abstaining) unanimously recommends that shareholders vote in favour of granting Indeterminate Rights to Mr Keith John under the Pioneer Credit Limited Equity Incentive Plan (Resolution 5).

Resolution 6 – Approval of the Pioneer Credit Limited Equity Incentive Plan

Background

In line with the Company's remuneration strategy, the Board believes that an equity-based incentive is a key component of the at-risk remuneration arrangements for employees.

In order to satisfy this strategy, the Company has established the Pioneer Credit Limited Equity Incentive Plan ('Plan'), which was approved at the 29 October 2014 AGM.

Such shareholder approval has allowed the Company to issue Plan Interests that are exempt under ASX Listing Rule 7.2 (Exception 9(b)) from being calculated in the Company's 15% capacity to issue shares without shareholder approval under ASX Listing Rule 7.1. The Board considers this desirable to maintain this flexibility so that it may access capital under ASX Listing Rule 7.1 through subsequent issues as required.

The exemption provided under ASX Listing Rule 7.2 (Exception 9(b)) is valid for a period of three years from the date of approval. That is, this exemption expires on 29 October 2017.

The Directors now seek further approval to issue Plan Interests under the Plan in accordance with ASX Listing Rule 7.2 (Exception 9(b)) so that any shares issued under the Plan will be excluded from the maximum number of new shares that may be issued by the Company in any 12 month period without shareholder approval for a further period of three years.

Such shareholder approval will also provide the Company with the benefit of exemption in section 260C(4) of the Corporations Act for financial assistance provided under an employee share scheme approved by shareholders.

Minor referencing amendments are proposed to the previously approved Plan and a copy of the Plan, marked up with these amendments, is set out in Annexure 1 to this Explanatory Statement. The Plan is summarised as follows:-

Key terms of the Plan

The Board is empowered under the Plan terms and conditions to determine the key terms of any Plan Interest allocated under the Plan.

Eligibility

The Plan is open to eligible employees, namely employees and executive directors of the Company (or a subsidiary of the Company) or any other person whom the Board determines to be eligible to participate in the Plan from time to time (Eligible Employees).

Participation

Each Eligible Employee who acquires a legal or beneficial interest in a Plan Interest (including the legal personal representative of the person) becomes a 'Participant' in the Plan.

Invitation

An offer by the Board to acquire a Plan Interest and become a Participant in the Plan will be in such form and subject to such conditions as the Board determines.

The invitation will specify the terms attaching to the offer, including each of the following (as applicable):

- the number of Plan Interests to which the invitation relates;
- the date the Plan Interests will be allotted;
- any amount payable by Eligible Employees to acquire the Plan Interests;
- any exercise price payable by Participants;
- the date which unvested Plan Interests will lapse or expire (Expiry Date);
- any conditions that must be satisfied in relation to a Participant's and/or the Company's performance during a specified period (Performance Conditions);
- any requirements additional to the Performance Conditions that must be met to release Plan Interests from the Plan (and deliver Shares to Participants (Vesting Conditions));
- any conditions that must be satisfied before a Plan Share can be disposed of by a Participant (Disposal Restrictions); and
- any conditions that will result in the forfeiture of a Plan Interest (Forfeiture Conditions).

Rights of Participants

Unless Forfeiture Conditions are triggered or the Expiry Date is reached, Plan Interests remain subject to the terms and conditions of the Plan until all applicable Performance Conditions, Vesting Conditions and Disposal Restrictions are achieved.

Where Options or Rights have been granted, upon vesting and exercise (as applicable), Participants will receive either a beneficial entitlement to Plan Shares (ie subject to Disposal Restrictions) or a legal and beneficial entitlement to Shares (which are no longer held under the Plan). Plan Shares will rank equally with Shares in respect of dividends and voting entitlements.

Where Rights are granted, depending on the invitation terms specified, the Board may determine in its absolute discretion that a vested Right will be satisfied by the Company making a cash payment to the Participant in lieu of allocating Shares (Indeterminate Rights).

Where Options or Rights have been granted a Participant is not entitled to participate in a new issue of Shares.

A holder of Plan Interests is not entitled to participate in a new issue of Shares or other securities made by the Company to Shareholders merely because he or she holds Options or Performance Rights.

The Company will apply for quotation of the official list of the ASX of the Plan Shares or Shares (as the case may be) or upon the exercise of an Option issued or a vested Performance Right that vests under the Plan. The Company will not seek official quotation by ASX of any Options or Performance Rights.

In the event of a change of control, the Board may give notice to Participants and discretion to deal with the Plan Interests by:-

- converting Participants' Performance Rights to Shares whether or not all conditions have been met;
- permitting the exercise of some or all Options whether or not Vesting Conditions have been met; and or
- removing any Disposal Restrictions attaching the Plan Shares.

Assignment

Plan Interests issued under the Plan are not transferable or assignable.

Administration

The Plan will be administered by the Board which has an absolute discretion to determine appropriate procedures for its administration and resolve questions of fact or interpretation and formulate special terms and conditions (subject to any applicable ASX Listing Rules) in addition to those set out in the Plan.

Termination and Amendment

The Plan may be terminated or suspended at any time by the Board but any such suspension or termination will not affect nor prejudice rights of any Participant holding Plan Interests at that time. The Plan may be amended at any time by the Board.

Information required under ASX Listing Rule 7.2 (Exception 9(b))

In accordance with the requirements of ASX Listing Rule 7.2, the following information is provided:-

- a summary of the material terms of the Plan is set out above;
- securities issued under the Plan since adoption (the Plan was last approved at the 29 October 2014 AGM):-

Date of Issue	Securities Issued	No. of Securities	Securities vested	Securities remaining on issue
1 July 2014	Performance Rights	630,000	378,000	252,000
1 July 2014	Indeterminate Rights	150,000	90,000	60,000
1 July 2016	Performance Rights	320,000	nil	320,000
17 July 2017	Performance Rights	1,170,000	Nil	1,170,000

A further 500,000 Indeterminate Rights are proposed to be issued under Resolution 5.

- A voting exclusion statement has been included in the Notice of Meeting for the purposes of this Resolution 6.

The Board also seeks shareholder approval pursuant to section 260C of the Corporations Act. Section 260A of the Corporations Act states that a company may financially assist a person to acquire shares in the company only if:

- (a) giving the assistance does not materially prejudice the interests of the company or its shareholders or the company's ability to pay its creditors;
- (b) the assistance is approved by shareholders under section 260B; or
- (c) the assistance is exempt under section 260C.

Section 260C(4) provides that financial assistance is exempt from section 260A if it is given under an employee share scheme that has been approved by a resolution passed at a general meeting of the company. The Board believes that the giving of financial assistance to assist eligible employees to acquire shares in the Company under the Plan will not materially prejudice the interests of the Company or its shareholders or the Company's ability to pay its creditors. However, as approval is already being sought under Listing Rule 7.2, the Board believes that it is appropriate to also seek approval under section 260C(4). Accordingly, the Board seeks shareholder approval under section 260C of the Corporations Act to implement the Plan.

The Board unanimously recommends that Shareholders vote in favour of the Pioneer Credit Limited Equity Incentive Plan (Resolution 6).

ANNEXURE 1 – PIONEER CREDIT LIMITED EQUITY INCENTIVE PLAN

PIONEER CREDIT LIMITED
EQUITY INCENTIVE PLAN TERMS & CONDITIONS

1. INTRODUCTION

1.1 Object of the Terms & Conditions

These Terms & Conditions are the overarching terms and conditions that apply to all Plans other than any equity plan to which Board determines they should not apply.

1.2 Purpose of the Plans

The purpose of each Plan is:

- (1) to provide Eligible Persons with an incentive plan which recognises ongoing contribution to the achievement by the Company of its strategic goals thereby encouraging the mutual interdependence of Participants and the Company;
- (2) to establish an employee share scheme within the meaning of Division 83A of the Tax Act and ASIC Class Order [14/100003/184](#) (as applicable) (to the extent the employee share scheme provisions of the Tax Act and ASIC Class Order [14/100003/184](#) may be applicable to current or future plans);
- (3) to align the interests of Participants with shareholders of the Company through the sharing of a personal interest in the future growth and development of the Company as represented in the price of the Company's ordinary fully paid shares;
- (4) to encourage Eligible Persons to improve the performance of the Company and its total return to Shareholders; and
- (5) to provide a means of attracting and retaining skilled and experienced employees.

2. DEFINITIONS AND INTERPRETATION

2.1 Definitions

In this document, unless the context requires otherwise:

Administrator means any person engaged by the Board to carry out the day-to-day administration of the Plans as contemplated by Rule 8.2(6).

Application Form means the form that the Board determines from time to time is to be used by an Eligible Person to make an offer to participate in a Plan.

ASIC means the Australian Securities and Investments Commission.

ASIC Class Order 03/18414/1000 means Class Order 03/18414/1000 “Employee Incentive schemes: listed bodies” ~~Share Schemes~~ as issued by ASIC and updated or replaced from time to time and includes any other similar exemption, modification, instrument or relief made or granted by ASIC that applies to the Company from time to time.;

ASX Settlement Operating Rules means the operating rules of ASX Settlement Pty Limited ABN 49 008 504 532.

ASX means ASX Limited ABN 98 008 624 691 or the securities market which it operates, as the context requires.

Board means the board of directors of the Company or any committee of the board or any person to whom any authority has been delegated under clause 8.2(4).

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Western Australia.

Company means Pioneer Credit Limited ABN 44 103 003 505.

Constitution means the constitution of the Company.

Control of an entity means having the right:

- (1) to vote 50% (or more) of the votes that can be cast on the election or removal of the entity’s directors;
- (2) to appoint or remove directors who possess 50% (or more) of the votes exercisable by all directors of the entity; or
- (3) to 50% (or more) of the profits or distributions of the entity or of its net liquidation proceeds.

For this definition, if the entity does not have a board of directors, ‘director’ means a member of the entity’s governing body with a role similar to a board of directors.

Control Event means any of the following:

- (1) an offer is made by a person for the whole of the issued ordinary share capital of the Company (or any part as is not at the time owned by the offeror or any person acting in concert with the offeror) and after announcement of the offer the offeror (being a person who did not Control the Company prior to the offer) acquires Control of the Company; or
- (2) any other event which the Board reasonably considers should be regarded as a Control Event.

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

Date of Registration means with respect to a Plan Interest, the date that a Participant acquires a legal or beneficial interest.

Deferred Share Plan means a Plan to which Subdivision 83A-C of the Tax Act applies to allow deferral of income (subject to the conditions in the Tax Act as amended from time to time), and may include a Salary Sacrifice Plan.

Disposal Restrictions means, in relation to a Plan Share, the restrictions (if any) determined by the Board at the time of offer of that Plan Share that must be satisfied before the Plan Share may be Disposed of by a Participant.

Dispose means, in relation to a Plan Share, sell, transfer, grant an option over, create a Third Party Right in, deal with or otherwise dispose of the Plan Share or Share (as the case may be) or any interest in the Plan Share.

Eligible Person means an employee, contractor, consultant or executive director of the Group or any other person whom the Board determines to be eligible to participate in the Plans from time to time and who is not prohibited from participating in the Plans by virtue of these Terms & Conditions.

Employee Share Scheme has the meaning given to it in the Tax Act.

Exempt Share Plan means a Plan under which an Eligible Person is offered Plan Shares not exceeding a total value of \$1,000 or such other amount as permitted under the Tax Act (as amended from time to time) that may be reduced from the assessable income of that Eligible Person for the income year in which the Eligible Person acquires those Plan Shares.

Exercise Price means the price payable (if any) per Share to exercise an Option or a Right.

Expiry Date means the date on which a Plan Interest lapses, or the date determined by a method of calculating when a Plan Interest lapses, as specified at the time of the offer.

Forfeiture Conditions means, in relation to a Plan Interest, the conditions (if any) determined by the Board at the time of offer of that Plan Interest that will result in forfeiture of the Plan Interest.

Group means the Company and any Subsidiary of the Company.

Holding Lock has the same meaning as in the Listing Rules.

Holding Lock Period means the period commencing on the Date of Registration and expiring on the date as determined by the Board at the time of offer of the Plan Share, such as removal of the Holding Lock or satisfaction of the Disposal Restrictions.

Invitation means an invitation made in accordance with clause 3.1 and clause 3.2.

Law means any applicable statute, regulation, by-law, ordinance or subordinate legislation in force from time to time in the relevant jurisdiction, including common law and equity, as applicable from time to time.

Legal Personal Representative means:

- (a) the executor of the will or an administrator of the estate of a deceased person;
- (b) the trustee of the estate of a person under a legal disability; or
- (c) any beneficiary of the estate of the deceased person as nominated by the executor, administrator or trustee.

Listing Rules means the official listing rules of the ASX, as they apply to the Company from time to time.

Option means an option to acquire Shares, subject to these Terms & Conditions and any Vesting Conditions and payment of any Exercise Price as specified at the time of the offer of the option.

Participant means a person who acquires a legal or beneficial interest in Plan Interests under a Plan and includes the Legal Personal Representative of the person.

Performance Conditions means, in relation to a Plan Interest, the conditions (if any) determined by the Board that must be satisfied in the Performance Period.

Performance Period means, in relation to a Plan Interest, the period determined by the Board.

Permanent Disability means, in relation to a Participant, the inability, by reason of physical condition, mental illness or accident, of the Participant to perform substantially all of the duties of the position in which the Participant has been employed or appointed (as determined by the Board).

Plan or Plans means:

- (1) any equity incentive scheme; and
- (2) any Employee Share Scheme

established by the Board and operated in accordance with these Terms & Conditions (and for the avoidance of doubt, also in accordance with any additional rules made pursuant to clause 8.2(1)), including but not limited to an Exempt Share Plan, a Salary Sacrifice Plan and/or a Deferred Share Plan.

Plan Interest means a Plan Share, Option or Right allocated under a Plan

Plan Share means a Share allocated under a Plan and which remains subject to these Terms and Conditions.

Qualifying Reason means, in relation to a Participant, the cessation of employment of the Participant with the Group due to his or her death or Permanent Disability or any other reason determined by the Board from time to time.

Right means without limiting the operation of clause 6.3, a non-transferable right to receive, subject to these Terms & Conditions and any Vesting Conditions, the number of Shares specified at the time of the offer of the right.

Salary Sacrifice Plan means a Plan:

- (1) which is intended to be subject to the deferred taxation arrangements as permitted under the Tax Act and to which Subdivision 83A-C of the Tax Act applies (subject to the requirements of the Tax Act as amended from time to time); and
- (2) under which the total market value of the Plan Interests that may be acquired by an Eligible Person under any Plans during the year does not exceed \$5,000 (or such other amount as prescribed by the Tax Act as amended from time to time).

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

Shareholders means holders of Shares.

Subsidiary has the meaning given to it in the Corporations Act.

Tax includes any tax (whether direct or indirect), levy, impost, deduction, charge, rate, contribution, duty or withholding which is assessed (or deemed to be assessed), levied, imposed or made by any government or any governmental, semi-governmental or judicial entity or authority together with any interest, penalty, fine, charge, fee or other amount assessed (or deemed to be assessed), levied, imposed or made on or in respect of any or all of the foregoing.

Tax Act means the *Income Tax Assessment Act 1997* and any amendments to that Act or any additional legislation which applies to Employee Share Schemes.

Terms & Conditions means these terms and conditions governing the Plans as amended from time to time pursuant to clause 8.1, and includes any additional rules made pursuant to clause 8.2(1) or contained within any offer letter or Invitation.

Third Party Right means:

- (1) any third party interest, including a mortgage, charge, assignment by way of security, lien, pledge, hypothecation, title retention arrangement, preferential right or a trust arrangement;
- (2) any arrangement having a commercial effect equivalent to anything in (1a); and
- (3) any agreement to create an interest described in (1a) or an arrangement described in (2b).

Trading Policy means the Company's Trading Policy (as amended from time to time) that has been released to the ASX under ASX Listing Rule 12.10.

Vesting Conditions means the combination of any Performance Conditions and any Forfeiture Conditions.

Vesting Date means the date on which Vesting Conditions are satisfied or determined by the Board to be satisfied.

2.2 Interpretation

In these Terms & Conditions, unless the context otherwise requires:

(1) A reference to an “employee” or “employment” extends to those relationships as contemplated within the meaning of section 83A.325 of the Tax Act;

(1)(2) a reference to any thing (including an amount or a provision of these Terms & Conditions) is a reference to the whole and each part of it;

(2)(3) the singular includes the plural, and vice versa;

(3)(4) the word ‘person’ includes an individual, a body corporate, a firm, an unincorporated body, a society, an association and an authority;

(4)(5) a reference to a particular person includes their legal personal representatives, administrators, successors, substitutes and permitted assigns;

(5)(6) a reference to ‘costs’ includes charges, expenses and legal costs;

(6)(7) a reference to a ‘**clause**’ in these Terms & Conditions, ‘**a rule**’ or ‘**additional rules**’ is the clause, the rule or rules (as the case may be) as amended or replaced;

(7)(8) a reference to a document or an agreement is to that document or agreement as amended or replaced;

(8)(9) a reference to ‘dollars’, ‘\$’ or ‘A\$’ is to the lawful currency of Australia;

(9)(10) a time means that time in Western Australia;

(10)(11) a reference to a day or a month means a calendar day or calendar month but Business Day has that meaning given to it in clause 2.1;

(11)(12) if a period of time starts from a given day (or event), it is to be calculated exclusive of that day (or the day the event occurs);

(12)(13) the masculine includes the feminine, and vice versa; and

(13)(14) the meaning of any general language is not restricted by any accompanying example and the words ‘includes’, ‘including’ ‘such as’ or ‘for example’ (or similar phrases) are not words of limitation.

2.3 **Headings**

Headings in this document are for convenience only and do not affect its meaning.

2.4 **Omission of certain provisions**

If (but for this clause) a provision of this document would be illegal, void or unenforceable or contravene the law, this document is to be interpreted as if the provision was omitted.

3. **OPERATION OF THE PLAN**

3.1 **Invitation to participate**

Subject to these Terms & Conditions, the Board may from time to time do all or any of the following under the Plan:

- (1) invite an Eligible Person to acquire Plan Interests; and
- (2) grant Plan Interests to an Eligible Person; as part of the Eligible Person's remuneration.

3.2 **Form of invitation**

An invitation made under clause 3.1 shall be in such form and content and subject to such conditions and rules as the Board determines, including, if applicable:

- (1) either:
 - (1) the number or value of Plan Interests to which the invitation relates; and/or
 - (2) the basis on which the number or value of Plan Interests to which the invitation relates is to be determined;
- (2) either:
 - (1) the date on which the Plan Interests will be allotted; and/or
 - (2) the basis on which the date on which the Plan Interests will be acquired is to be determined;
- (3) either:
 - (1) the amount payable by the Eligible Person (if any) to acquire Plan Interests; and/or
 - (2) the basis on which the amount payable by the Eligible Person (if any) to acquire Plan Interests is to be determined;

- (4) the Performance Period (if any);
- (5) the Performance Conditions (if any);
- (6) the Forfeiture Conditions (if any);
- (7) the Disposal Restrictions (if any);
- (8) the Holding Lock Period (if any);
- (9) the Expiry Date (if any);
- (10) the Exercise Price (if any); and
- (11) any other matters required to be specified at the time of the offer by either the Corporations Act or the Listing Rules.

3.3 Acceptance of an Invitation

- (1) Acceptance of an Invitation must be made in accordance with the instructions that accompany the Invitation, or in any other way the Board determines.
- (2) The Board may only allow the participation of an Eligible Person where that Eligible Person continues to satisfy any relevant conditions imposed by the Board (which may include, without limitation, that the Eligible Person continues to be an employee of the Group at the time of the grant of Plan Interests).
- (3) Nothing limits the Board's ability to treat the conduct of an Eligible Person in respect of an Invitation (including the failure of an Eligible Person to lodge an election not to participate within the time specified in the instructions accompanying the Invitation) as valid acceptance of that Invitation under these Terms & Conditions.

3.4 Plan Interests subject to the Terms & Conditions

Generally, Plan Interests will be subject to these Terms & Conditions until such time as the Plan Interest:

- (1) is registered in the name of the Participant; and
- (2) is not subject to any Vesting Conditions; and
- (3) is not subject to a Holding Lock; and
- (4) is not subject to any Disposal Restrictions.

3.5 Binding nature of these Terms & Conditions

The Plans shall operate in accordance with these Terms & Conditions, which binds the Company and each Participant.

3.6 Issue or On-Market Acquisition

Plan Shares or Shares (as the case may be) may be delivered to a Participant by, at the absolute discretion of the Board, the issue, transfer and/or purchase of Plan Shares or Shares (as the case may be) on behalf of the Participant.

3.7 Trustee

The Company may appoint a trustee on terms and conditions which it considers appropriate to acquire and hold Plan Shares or Shares (as the case may be) either on behalf of Participants or for the purpose of a Plan.

3.8 Ranking of Plan Shares

Plan Shares will rank equally with all existing Shares on and from the Date of Registration in respect of all Shareholder entitlements (including rights issues, bonus issues and dividends) which have a record date for determining entitlements on or after the date of issue of those Plan Shares.

3.9 Quotation

Where Plan Shares or Shares (as the case may be) are not yet quoted on the official list of ASX, the Company must apply for quotation of those Plan Shares or Shares (as the case may be) on the official list of ASX as soon as practicable after the acquisition of those Plan Shares or Shares (as the case may be), so long as the Plan Shares or Shares (as the case may be) are quoted on the official list of ASX at that time.

The Company will not seek official quotation by ASX of any Rights or Options.

4. LIMITATIONS ON OFFERS OF PLAN INTERESTS

4.1 Overriding Restrictions

Notwithstanding anything else in these Terms & Conditions, the Plans must be operated in accordance with the Constitution, any Law, the Listing Rules and the ASX Settlement Operating Rules.

4.2 No assignment

Unless the Board determines otherwise, a Participant must not assign to any other person any of their legal or equitable rights to Plan Interests, except a Participant's Legal Personal Representative, to be delivered Shares upon vesting of Rights or exercise of Options.

4.3 No Disposal of Plan Shares

Participants must not Dispose of any Plan Share until the removal of any Disposal Restrictions.

4.4 Lapse of Plan Interests

Subject to the rules of any relevant Plan, a Plan Interest will lapse upon the earliest to occur of:

- (1) the expiry date;
- (2) failure to meet a Performance Condition applicable to the Plan Interest within the applicable Performance Period; or
- (3) the occurrence of a Forfeiture Condition.

4.5 Effect of lapse

On a Plan Interest lapsing, all rights of a Participant under the relevant Plan in respect of that Plan Interest cease and no consideration or compensation will be payable for or in relation to that lapse.

5. STATEMENT OF PLAN INTERESTS

If applicable, as soon as practicable after the allotment of Plan Interests, the Company must forward to the Participant a statement which will include all relevant information in relation to the offer of Plan Interests and any information required by any Law.

6. VESTING AND CONVERSION

6.1 No Interest

A grant of Rights or Options does not confer any legal or equitable interests in Plan Shares or Shares (as the case may be) represented by the Rights or Options until the relevant Vesting Date and any exercise or conversion to Plan Shares or Shares (as the case may be) has been completed.

6.2 Vesting and Exercise of Rights or Options

The vesting, exercise or conversion of any Right or Option will only occur in accordance with the terms of the relevant offer of the Right or Option.

6.3 Discretion to make cash payment

The Board may determine in its absolute discretion that a vested Right will be satisfied by the Company making a cash payment to the Participant in lieu of allocating Shares to the Participant.

Where the Board exercises its discretion under this clause, the Company must pay to the Participant, as soon as reasonably practicable, an amount in Australian Dollars (or any other currency determined by the Board in its absolute discretion) calculated by:

(1) multiplying the number of vested Rights by the volume weighted average price of the Shares over the 5 days prior to the date determined by the Board for calculation under this clause;

~~(1)(2)~~ deducting any Exercise Price (as applicable); and

~~(2)(3)~~ deducting and/or withholding and remitting to the Australian Taxation Office any related Tax liability or any other amounts required by Law to be deducted or withheld.

6.4 Waiver, amendment or replacement

The Board may waive, amend or replace any performance measure in a Performance Condition attaching to a Right or Option if the Board determines that the relevant Performance Condition is no longer appropriate or applicable, provided that the interests of the relevant Participant are not, in the opinion of the Board, materially prejudiced or advantaged relative to the position reasonably anticipated at the time of the grant.

6.5 Cessation of Employment

Unless the Board determines otherwise, where a Participant ceases to be an employee of the Group all unvested Plan Interests held by the Participant, or on the Participant's behalf, will lapse or be forfeited, as the case may be.

Where the Board exercises its discretion under clause 6.5, it will give written notice to the Participant of its decision, the impact on the Participant's Plan Interests and any other information required by Law.

6.6 Where, in the opinion of the Board, a Participant acts fraudulently or dishonestly, or is in breach of his or her obligations to the Company, any:

- (1) unvested Plan Interests held by the Participant;
- (2) vested but unexercised Options held by the Participant; and/or
- (3) Plan Shares,

will lapse or are deemed to be forfeited (as the case may be) immediately, unless the Board determines otherwise.

6.6 Trading Policy

Participants must comply with the Company's Trading Policy (including insider trading laws and restrictions) in relation to the sale of any Shares acquired on vesting and/or exercise of a Right or Option.

7. PRO-RATA ISSUES, RECONSTRUCTIONS OF CAPITAL AND TAKEOVERS

7.1 Subject to clause 7.3, in respect of a Right or Option, a Participant may not participate in:

- (1) new issues of Shares to Shareholders;
- (2) bonus issues of Shares or other securities to Shareholders; or
- (3) any pro-rata issue of Shares or other securities pro-rata to Shareholders,

unless the Option is exercised or the Right is converted into Shares or Plan Shares (as the case may be), in each case before the record date for the relevant issue.

7.2 Reconstructions

In the event of any reconstruction (including consolidation, subdivision, reduction, capital return, buy back or cancellation) of the share capital of the Company, the number of Shares or Plan Shares (as the case may be) that may be acquired by each Participant and/or the consideration (for instance, Exercise Price) (if any) payable by the Participant for the acquisition of the Shares or Plan Shares (as the case may be), must be reconstructed to the extent necessary to comply with the Listing Rules as they apply at the relevant time, and in a manner that does not result in any additional benefits being conferred on Participants that are not conferred on Shareholders. However in all other respects, the terms for the conversion of Rights or Options will remain unchanged.

7.3 Bonus issues

If, prior to the exercise of an Option, the Company makes a bonus issue to the holders of its Shares, and the Option is not exercised prior to the record date in respect of that bonus issue, the Option will, when exercised, entitle the holder to one Share plus the number of bonus shares which would have been issued to the holder if the Option had been exercised prior to the record date.

7.4 Pro-rata Issues

If, prior to the exercise of an Option, the Company makes a pro-rata offer of Shares to Shareholders, and the Option is not exercised prior to the record date in respect of that offer, the exercise price of the Option will be adjusted in accordance with the formula in the Listing Rules.

7.5 Change of Control

If there is a Control Event, the Board may in its discretion give written notice to Participants of the Control Event and:

- (1) convert all or any of the Participant's Rights to Shares whether or not the Performance Conditions have been met; and/or
- (2) permit the exercise of some or all Options whether or not the Vesting Conditions have been met; and/or

- (3) remove any Disposal Restrictions whether or not all requirements have been met.

7.6 Termination or other benefits

Nothing in these Terms & Conditions:

- (1) authorises the Board to provide any termination or other benefit to a Participant which, without the approval of Shareholders, would be prohibited under the Corporations Act or the Listing Rules; or
- (2) requires the Board to seek approval of Shareholders in relation to the provision of any termination or other benefit to a Participant.

8. ADMINISTRATION OF THE PLAN

8.1 Amendment

Subject to clause 4.1, these Terms & Conditions may be amended at any time and from time to time by the Board, in the Board's absolute unfettered discretion.

8.2 Powers of the Board

Subject to clause 4.1, a Plan will be managed by the Board which will have power to:

- (1) amend existing terms and conditions and/or make and amend additional rules and/or procedures for the operation, control and administration of the Plans and any matter incidental to a Plan;
- (2) resolve conclusively all questions of fact or interpretation arising in connection with a Plan;
- (3) determine matters falling for determination in connection with a Plan;
- (4) delegate to any one or more persons (for such period and on such conditions as it may determine) the exercise of any of its functions, powers or discretions arising under a Plan;
- (5) establish a trust (by way of a separate trust deed) to acquire and hold Plan Shares or Shares (as the case may be); and
- (6) appoint (and remove) an Administrator (by way of a separate agreement) to administer a Plan and determine the terms and conditions of the Administrator's appointment (and removal).

8.3 Discretion

A determination, decision, approval or opinion of the Board under these Terms & Conditions (or any additional rules made under clause 8.2(1)) will be in the absolute unfettered discretion of the Board.

8.4 Decision Final

In the absence of manifest error, the determination, decision, approval or opinion of the Board will be final. Any calculations or adjustments which are required to be made under the Plans will be made by the Board and will, in the absence of manifest error, be final and conclusive and binding on the Participants.

8.5 Commencement of a Plan

A Plan will take effect on and from such date/s as the Board may resolve.

8.6 Termination or suspension of a Plan

The Board may terminate or suspend the operation of any one or more of the Plans at any time provided that the termination or suspension does not affect or prejudice the existing rights of Participants at that time.

9. EMPLOYMENT RIGHTS

9.1 Discretion of the Board

It is a condition of these Terms & Conditions that a Plan may be terminated or suspended at any time at the discretion of the Board and that no compensation under any employment contract will arise as a result.

9.2 Calculation of employee benefits

The value of Plan Interests allocated under a Plan does not increase a Participant's income for the purpose of calculating any employee benefits.

9.3 No right to future employment

Participation in a Plan does not confer on any Participant any right to continue as an employee of the Group.

9.4 Termination of employment

Participation in a Plan does not affect any rights which the Group may have to terminate the employment of any Participant. Nothing in the Terms & Conditions, including participation in a Plan, may be used to increase damages in any action brought against the Group in respect of any termination of employment with the Group.

10. NOTICES

10.1 Notice to Participants

Any notice or direction given under these Terms & Conditions is validly given to a Participant if it is handed to the Participant concerned or sent by ordinary prepaid post to the Participant's last known address or sent to the email address last notified by the Participant or given in any reasonable manner which the Board from time to time determines.

10.2 Notice to the Company

Any notice given by a Participant to the Company under these Terms & Conditions must be in writing and directed to the address or email address notified at the time of offer of Plan Interests. Notices may be hand delivered or sent by prepaid post or electronic mail to the specified address.

10.3 Receipt of notices

Notices are taken to be received:

- (1) if hand delivered, on delivery;
- (2) if sent by prepaid post, five Business Days after the date of posting;
- (3) if by electronic mail, when the electronic communication enters the relevant information system(s).

11. PLAN COSTS AND EXPENSES

11.1 Costs of the Company

Subject to clauses 11.2 and 3, unless otherwise determined by the Board, the Company must pay all costs relating to the establishment and operation of a Plan, including all costs and expenses in relation to the delivery of the Plan Interests except that the Company is not responsible for any Taxes which may become payable in connection with the Plan Interests or any other dealing with the Plan Interests.

11.2 Costs of Participants

Each Participant will pay all costs and expenses in relation to the sale, transfer or other disposal of any Plan Shares or Shares (as the case may be).

12. LOAN ARRANGEMENTS

Subject to compliance with all applicable laws, the Company may (but is not obliged to) provide to any Eligible Person any loan or facility or other form of financial accommodation for the purpose of facilitating participation by the Eligible Person in a Plan.

13. FINANCIAL ASSISTANCE

Subject to the Corporations Act, the Company may (but is not obliged to) financially assist a person to acquire Plan Interests under a Plan.

14. BUY BACKS

Subject to the Corporations Act, the Company may (but is not obliged to) buy back any Plan Shares.

15. WITHHOLDING TAX

The Company or any Group company may withhold from amounts otherwise owing to a Participant, or require the Participant to remit to it, an amount sufficient to satisfy all withholding tax obligations and any government imposts, in respect of any or all of the Shares issued or transferred under a Plan.

16. INCONSISTENCY

To the extent that the terms of an Invitation are inconsistent with these Terms and Conditions, these Terms and Conditions will prevail.

17. GOVERNING LAW AND JURISDICTION

The laws of the State of Western Australia govern these Terms & Conditions and the rights of the Participants thereunder.

Each Participant irrevocably and unconditionally submits to the exclusive jurisdiction of the courts of the State of Western Australia and courts entitled to hear appeals from those courts.

LODGE YOUR VOTE

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

 **BY MAIL**
Pioneer Credit 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 Pioneer Credit Limited (the "Company") 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 (WST) on Friday, 27 October 2017 at Level 8, Exchange Tower, 2 The Esplanade, Perth WA 6000** (the **Meeting**) and at any postponement or adjournment of the Meeting.

Important for Resolutions 4, 5 and 6: 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 4, 5 and 6 even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

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

VOTING DIRECTIONS

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

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Ratification of previous issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Grant of Indeterminate Rights to Keith John	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-Election of Mr Mark Dutton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approval of the Pioneer Credit Limited Equity Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-Election of Ms Andrea Hall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Remuneration Report	<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 SECURITYHOLDERS – THIS MUST BE COMPLETED

Securityholder 1 (Individual)

Joint Securityholder 2 (Individual)

Joint Securityholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder'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 SECURITYHOLDER PROXY FORM

YOUR NAME AND ADDRESS

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

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities 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 securities 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 security 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 securities 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 securityholder 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 security 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 (WST) on Wednesday, 25 October 2017**, 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, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MAIL

Pioneer Credit 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)



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.**