

ASX release

25 October 2018

Pioneer Credit Limited – Annual General Meeting

Following is the Notice of Annual General Meeting of Pioneer Credit Limited (ASX: PNC) to be held at 10 am on Thursday 29 November 2018 at Conference Centre, Ground Floor, 108 St Georges Terrace, 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
E: lcrockett@pioneercredit.com.au

Pioneer Credit Limited

ABN 44 103 003 505

Notice of Annual General Meeting

Time: 10 am (AWST)
Date: Thursday 29 November 2018
Place: Conference Centre,
Ground Floor, 108 St Georges Terrace
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 contact the Company Secretary on (+61 8) 9323 5020.

TIME AND PLACE OF MEETING AND HOW TO VOTE

Notice is given that the 2018 Annual General Meeting (“**AGM**”) of Pioneer Credit Limited (ABN 44 103 003 505) (**‘Pioneer’** or **‘the Company’**) will be held at Conference Centre, Ground Floor, 108 St Georges Terrace, Perth, WA, 6000 on Thursday 29 November, 2018 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

Please be 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 don't 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 2018.

Resolution 1 - Re-Election of Mr Michael Smith

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

“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 2 – Re-Election of Ms Ann Robinson

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

“That Ms Ann Robinson, 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 3 - 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 2018 (as set out in the Directors’ Report), be adopted.”

Note – The vote on Resolution 3 is advisory only and does not bind the Directors or the Company.

Voting Exclusion

A vote must not be cast on Resolution 3 (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 2018 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 3; 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 4 – Ratification of 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 1,289,399 fully paid ordinary shares (**Shares**) to institutional and sophisticated investors on 26 October 2018, as more fully described in the explanatory notes accompanying this notice of meeting, be approved.”

Voting Exclusion

A vote must not be cast in favour of Resolution 4 (and the Company will disregard any such vote) by or on behalf of any person who participated in the issue of Shares. However, the Company will 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 a direction of the Proxy Form; or*
- (b) by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decided.*

Resolution 5 – Grant of Indeterminate Rights to Mr 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 500,000 Indeterminate Rights for nil financial consideration which, subject to the achievement of performance and vesting conditions, may

convert to Shares 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 in favour of 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 – Increase to Non-Executive Directors’ remuneration cap

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

“That, for the purposes of Rule 6.3 of the Company’s constitution, ASX Listing Rule 10.17 and for all other purposes, the maximum annual aggregate amount of remuneration that Non-Executive Directors of the Company are entitled to be paid for their services as Directors out of the funds of the Company, in respect of each financial year of the Company commencing on or after 1 July 2018 be increased by \$300,000 from \$500,000 to \$800,000.”

Voting Exclusion

The Company will disregard any votes cast in favour of Resolution 6 by:

- (a) a Director; 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 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

A handwritten signature in black ink, appearing to read 'S. Symmons', with a large loop at the end of the name.

Sue Symmons
Company Secretary
Date: 26 October 2018

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 27 November 2018.

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 Tuesday 27 November 2018**, 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 Tuesday 27 November 2018**.

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) Thursday 22 November 2018.

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 Thursday 29 November 2018 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 2018 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 2018 Annual Report. The Annual Report has been made available to shareholders and is published on Pioneer's website at <http://corporate.pioneercredit.com.au/wp-content/uploads/2018/08/180824-1-FY18-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 – Re-election of Mr Michael Smith

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 has served as Non-Executive Chairman of Pioneer since February 2014.

In addition to his role as Managing Director of strategic marketing consultancy firm Black House, Mr Smith is Non-Executive Chairman of 7-Eleven Stores Pty Ltd, the Lionel Samson Sadleir Group and Starbucks Australia Advisory Board.

Michael is a fellow of the Australian Institute of Company Directors and in March 2014, was awarded a Doctor of Letters (Hon) from the University of Western Australia for his contribution to business and the arts. Michael's previous roles include Deputy Chairman of Automotive Holdings Group Limited, Chairman of iiNet Limited, Synergy, Verve, Perth International Arts Festival, West Coast Eagles, Indian Pacific Limited and Scotch College.

In accordance with the Company's Board Charter, the Nomination Committee met and 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 1).

Resolution 2 – Re-Election of Ms Ann Robinson

Ms Ann Robinson was appointed as Non-Executive Director as a casual vacancy on 27 February 2018 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 Robinson's experience includes management consulting to clients in Australia and internationally, guiding clients through strategic reviews and performance improvement projects across a variety of industries.

Ann has worked in commercial leadership roles in retail and industrial businesses, including as Chief Financial Officer for Wesfarmers Chemicals Energy & Fertilisers, where Ann served as an Executive Director for five years. Ann was responsible for creating the Innovation function for that division, with a focus on outcomes-based use of technology to solve business and customer challenges, supported by cultural change and building the organisation's capability to accelerate projects.

Ann is a Graduate of the Australian Institute of Company Directors, and holds a Bachelor of Arts, Bachelor of Psychology and Graduate Diploma in Applied Finance & Investment.

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

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

Resolution 3 – 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 2018 AGM, and another vote of 25% or more at the 2019 AGM, then a resolution will be put at the 2019 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 of the 2019 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/2018/08/180824-1-FY18-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 3).

Resolution 4 – Ratification of issue of 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 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 4, the Company seeks shareholder approval under ASX Listing Rule 7.4 for the issue of 1,289,399 fully paid ordinary shares on 26 October 2018 to institutional and

sophisticated investor clients of Bell Potter Securities Limited under an underwritten dividend reinvestment plan.

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 4, 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 4. 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 issued was 1,289,399 ('Shares').
- b) The issue price for the Shares was \$3.2208 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 investor clients of Bell Potter Securities Limited.
- 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 1,289,399 fully paid ordinary shares (Resolution 4).

Resolution 5 – Grant of Indeterminate Rights to Mr 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. Pioneer has recently updated its remuneration structure to appropriate assets at the optimal prices, rather than driving short term results. The aim of Pioneer's 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.

As previously advised, the Company does not and will not award Short Term Incentives to the Managing Director.

Executives (including the Managing Director) are 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/2018/08/Equity-incentive-plan-July-2018-Branding.pdf>.

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 2018 Annual Report).

Grant of Rights in FY19

As described above, in respect of the financial year ending 30 June 2019 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 FY2019 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 2019, 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 service based vesting condition is most appropriate for current purposes.

Indeterminate Rights granted to Mr John will vest (provided Mr John remains employed by the Company at the respective Vesting Date) in accordance with the following schedule:

Vesting Date	Vesting %
1 July 2021	25%
1 July 2022	60%
1 July 2023	15%

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 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 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.
- Indeterminate Rights previously issued to Mr John are as follows:-
 - 500,000 following shareholder approval at the 27 October 2017 AGM. None of those Indeterminate Rights have vested to date.
 - 150,000 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. A further 37,500 Indeterminate Rights vested on 1 July 2018 and the Board, in their absolute discretion issued fully paid ordinary shares.

- 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 – Increase to Non-Executive Directors' remuneration cap

Clause 6.3 of the Company's Constitution provides that remuneration of Non-Executive Directors may not exceed in total in any year the amount fixed by the Company in general meeting for that purpose. The Company's remuneration pool of \$500,000 was fixed by shareholders on 23 December 2013.

Resolution 6 proposes to increase the maximum aggregate remuneration that can be paid to the Non-Executive Directors to \$800,000 per annum (i.e. an increase of \$300,000 per annum).

Non-Executive Directors are currently paid a fee of \$100,000 plus superannuation while the Chairman is paid a fee of \$160,000 plus superannuation. No committee fees are payable under this structure.

The Company is not seeking to increase individual Non-Executive directors' fees in the near future beyond that set out above. The Directors are seeking Shareholder approval to increase the remuneration pool to allow them to continue to review the size and composition of the Board. The increase in the remuneration pool will provide the Board with the ability to appoint additional directors with the requisite skills and experience as appropriate.

Accordingly, the Company seeks shareholder approval for the purposes of Clause 6.3 of the Company's Constitution and ASX Listing Rule 10.17 to increase the maximum aggregate annual remuneration of the non-executive directors from \$500,000 to \$800,000.

No securities have been issued to Non-Executive Directors under Listing Rule 10.11 or 10.14 with the approval of shareholders within the last three years.

The Board abstains, in the interests of good corporate governance, from making a recommendation on the increase to Non-Executive Directors' remuneration cap (Resolution 6).

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 (AWST) on Thursday, 29 November 2018 at Conference Centre, Ground Floor, 108 St Georges Terrace, Perth WA 6000 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolutions 3, 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 3, 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 Re-election of Mr Michael Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Grant of Indeterminate Rights to Mr Keith John	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Ms Ann Robinson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Increase to Non-Executive Directors' remuneration cap	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Ratification of issue of shares	<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 (AWST) on Tuesday, 27 November 2018**, 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.**