
YOWIE GROUP LTD

ABN 98 084 370 669

NOTICE OF GENERAL MEETING

CALLED PURSUANT TO SECTION 249D

AT THE REQUEST OF AURORA FUNDS MANAGEMENT LIMITED

TIME: 3.00pm (EDST) or immediately following the close of the Annual General Meeting being held on the same day, whichever is the later.

DATE: 8 October 2018

PLACE: The Grace Hotel
Pinaroo Room
77 York Street
Sydney, New South Wales

Your Board DOES NOT SUPPORT the removal of Mr Carroll

Your Board recommends you vote AGAINST the resolution

Your Directors will be voting all of their shares AGAINST the resolution

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 advisers 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) 6268 2640.

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the meeting of the Shareholders to which this Notice of Meeting relates will be held on Monday, 8 October 2018 at 3.00pm (EDST), or immediately following the close of the Annual General Meeting being held on the same day, whichever is the later at:

The Grace Hotel
Pinaroo Room
77 York Street
Sydney, New South Wales

SECTION 249D

This meeting is being called as required by section 249D of the *Corporations Act 2001* (Cth) (**Corporations Act**) following the service of a notice on the Company by Aurora Funds Management Limited (ACN 092 626 885) in its capacity as responsible entity of HHY Fund (ARSN 112 579 129) (**Aurora**) requiring that a meeting be held to consider removing the Company's Chairman, Louis Carroll, from your Board.

YOUR VOTE IS IMPORTANT

The business of the Meeting affects your shareholding and your vote is important.

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7.00pm (EST), on 5 October 2018.

VOTING IN PERSON

To vote in person, attend the Meeting at the time, date and place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

Proxy Forms and if applicable, the powers of attorney (or a certified copy of the powers of attorney) under which they are signed must be lodged directly with the Company at least 48 hours before the time of the Meeting.

Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints 2 proxies and the appointment does not specify the proportion or number of the Shareholder's votes, then each proxy may exercise one-half of the votes.

BUSINESS OF THE MEETING

AGENDA

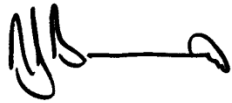
RESOLUTION – REMOVAL OF LOUIS CARROLL AS A DIRECTOR

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

“That Louis Carroll be removed as a director of the Company with immediate effect.”

DATED: 27 AUGUST 2018

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to be 'NB', followed by a horizontal line and a small flourish at the end.

NEVILLE BASSETT
COMPANY SECRETARY

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Meeting to be held immediately after the close of the Annual General Meeting on 8 October 2018.

This Explanatory Statement forms part of and should be read in conjunction with the accompanying Notice of Meeting.

RESOLUTION - REMOVAL OF LOUIS CARROLL AS A DIRECTOR

Background

On 8 August 2018, the Company received a requisition to convene a general meeting pursuant to section 249D of the Corporations Act from Aurora who is a Shareholder in the Company.

The requisition seeks the removal of the Chairman, Louis Carroll, from your Board.

Aurora has provided a statement which is attached to this Notice outlining their reasons for requiring the Resolution to be put to Shareholders. The Board considers those reasons are inaccurate and misleading.

The Company takes its disclosure requirements seriously and is strongly of the view that it has complied with its continuous disclosure obligations. No further queries or correspondence has been received from ASX and the Company is not aware of any concerns from ASX.

In June 2018, the Company received a confidential, non-binding expression of interest to consider a transaction for the acquisition of the Company at a very significant premium to its share price. That expression of interest required the support of Aurora and others. In confidence, Aurora's views were sought and Aurora informed the Company that it would not support such a transaction. As such, the expression of interest did not proceed any further. Aurora has now chosen to breach the confidential disclosure made to it. The proposal was never endorsed by Mr Carroll or any other director. In fact, the proposal never proceeded to a stage where it could be endorsed.

Aurora's description of the ideal Chairman is exactly the same what is outlined in the "Chairman's Message" in the Company's 2018 Annual Report which preceded Aurora delivering its statement to the Company.

Frequently asked questions

On what basis has the Resolution been requested?	Any shareholder (or group of shareholders) holding more than 5% of the Company's issued capital is entitled to requisition a general meeting be called to have resolutions considered. The Resolution is being put before the Meeting as a result of a request from Aurora, who holds more than 5% of the Shares.
Why does the Aurora wish to remove Mr Carroll as a Director?	Aurora has provided a statement that sets out their reason for requesting the Resolution and that statement is included with this Notice of Meeting. Your Directors are not responsible for the content of this statement, nor do they agree with the reasons cited by Aurora. The Board's response to that statement is included above.

Why can't Aurora just vote against Mr Carroll's re-election at the AGM?	Aurora has not provided any reason why they require a separate meeting to be called and held at the Company's expense given Mr Carroll is up for re-election at the AGM.
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Resolution

As a consequence of the requisition received, the Resolution to be considered at the Meeting is as outlined in this Notice of Meeting.

The Resolution is an ordinary resolution, meaning that it can be passed by a simple majority of votes cast by Shareholders entitled to vote.

RECOMMENDATION

Your Board **DOES NOT SUPPORT** the removal of Mr Carroll

Your Board recommends that you **VOTE AGAINST** the Resolution

Your Board will be voting all of their shares **AGAINST** the Resolution

Mr Johnson and Mr Carroll abstained from voting on the above recommendation.

GLOSSARY

AGM means the annual general meeting of the Shareholders to be held immediately prior to this Meeting at 2.00pm (EDST) on 8 October 2018.

Board means the current board of directors of the Company.

Directors means the current directors of the Company.

EDST means Eastern Daylight Saving Time as observed in Sydney, New South Wales.

General Meeting or **Meeting** means the meeting convened by the Notice.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Resolution means the resolution set out in the Notice.

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

Shareholder means a holder of a Share.

Company means Yowie Group Ltd (ACN 084 370 669).

STATEMENT FROM AURORA

AURORA
FUNDS MANAGEMENT

27 August 2018

To all Yowie Shareholders

**AURORA'S 1,000 WORD STATEMENT
REGARDING ITS REMOVAL OF CHAIRMAN REQUEST**

A.B.N. 69 092 626 885
AFSL No. 222110

Suite 613, Level 6
370 St Kilda Road
MELBOURNE VIC 3004

PO Box 33281, Melbourne VIC 3004

Telephone: 1300 553 431
Email: enquiries@aurorafunds.com.au

Aurora Funds Management Limited (**Aurora**) in its capacity as the responsible entity for the HHY Fund (**HHY**), is a substantial shareholder in Yowie Group Ltd (**Yowie and/or the Company**). Aurora has significant concerns regarding the financial performance, leadership and corporate governance of the Company.

Shareholders, including Aurora, rely upon the Company's ASX disclosures as part of their decision making process to invest in, or dispose of, their shareholding in Yowie. The ASX has queried the Company's disclosures on three (3) occasions in this calendar year alone. This demonstrates a real concern as to the way Yowie has gone about keeping the market informed of its activities, which coincides with a continued slide in the Yowie share price. On 17 January 2018, HHY announced it had become a substantial shareholder in Yowie and has since, along with all shareholders, suffered a 45% decline in value on its investment. It is a major responsibility of a listed company's Chairman to ensure that its public disclosures are clear and accurate and Aurora is concerned that the current Chairman has fallen short on this important task.

In response to Aurora's queries about the current Board's plans for the Company's future, Aurora was dismayed to learn that the Company was entertaining a 'whitewash' transaction as a means of generating shareholder value. The 'whitewash' transaction would have involved all shareholders receiving a combination of cash (by way of a capital return from their own reserves) and securities from another (in this case, an underperforming) listed company. This had the potential for Yowie shareholders to receive little or no value for the underlying Yowie business, which in Aurora's view, possesses material inherent value. Aurora does not believe that such a transaction would be in the best interests of current Yowie shareholders and would strongly oppose any transaction that would see shareholders receive nil value for the underlying Yowie business and brand. In Aurora's view, the Chairman's endorsement of such a transaction clearly demonstrates that he is out of touch with the Company's shareholders and certainly its largest shareholders.

Aurora is a long-term investor who is supportive of Yowie's long-term success. In its current circumstances, given the Company's sustained losses and recent trading performance, Aurora believes Yowie should prudently manage its cash assets whilst focussing on moving to profitability in the short-term.

Aurora believes Yowie shareholders would be better served by a Board which concentrates its efforts on restoring value to the Yowie business rather than pursuing distracting corporate 'whitewash' transactions. In Aurora's view, a Board led by a Chairman who has a clear focus on reducing costs, growing revenues, improving margins and moving to profitability is what the Company (and its shareholders) require. It is for this reason that Aurora has requested the Company to include, and if thought fit pass, the following ordinary resolution at the next general meeting:

Removal of Louis Carroll as a director

"That Louis Carroll be removed as a director of the Company with immediate effect."

Yours faithfully,



John Patton
Managing Director
Aurora Funds Management Limited



ABN 98 084 370 669

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
Yowie Group Ltd
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 Yowie Group Ltd 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

STEP 1

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 General Meeting of the Company to be held at **3.00pm (EDST) or immediately following the close of the Annual General Meeting on Monday, 8 October 2018 at The Grace Hotel, Pinaroo Room, 77 York Street, Sydney, New South Wales (the Meeting)** and at any postponement or adjournment of the Meeting.

The Chairman of the Meeting intends to vote undirected proxies AGAINST the Resolution.

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*

1 Removal of Louis Carroll as a Director

STEP 2



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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

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

STEP 3

YOW PRX1801A



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

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

APPOINTMENT OF PROXY

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

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

Proxy Forms and if applicable, the Powers of Attorney (or a certified copy of the Powers of Attorney) under which they are signed must be lodged by the member directly with the Company at an address given below by **3:00pm (EDST) on Saturday, 6 October 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, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MOBILE DEVICE

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

QR Code



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



BY MAIL

Yowie Group Ltd
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 GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**