PENGANA CAPITAL

ABN 43 059 300 426

PCG

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

NEED ASSITANCE?

PHONE
1300 850 505
(WITHIN AUSTRALIA)
+61 3 9415 4000
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ONLINE
PENGANA.COM

SRN/HIN: I9999999999

Please note for security reasons it is important to keep your SRN/HIN confidential.

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PENGANA CAPITAL GROUP LIMITED 2023 ANNUAL GENERAL MEETING

You are invited to the Annual General Meeting ("AGM") of Pengana Capital Group Limited (ASX: PCG).

THURSDAY
9
NOVEMBER

— 9:30 AM —
(Sydney time)

Pengana Capital Group Head Office
Suite 1,
Level 27, Governor Phillip Tower,
1 Farrer Place,
Sydney, NSW, 2000.

AGENDA

Shareholders will be asked to vote on the re-election of Mr. David Groves, the election of Mr. Brendan O'Dea, and to adopt the Remuneration Report, which forms part of the Directors Report contained in the PCG 2023 Annual Report. In addition, we have a resolution regarding the grant of PCG shares to the Non-Executive Directors (NEDs) under the NED Equity Plan, as well as a resolution seeking renewed approval of PCG's Employee Loan Share Plan. At the meeting, shareholders will have the opportunity to ask questions of the Directors and Auditors.

AGM PORTAL

PENGANA.COM/PCGAGM →

VISIT THE PORTAL TO ACCESS:

- 2023 Notice of Annual General Meeting
- Online proxy form to vote ahead of the meeting
- Submit questions to the Board, auditors and management ahead of the meeting
- Book a Zoom meeting to receive a personal update on the Company

We encourage you to pre-register in order to receive meeting details in advance.

We request that you pre-register on the AGM website in order to receive meeting details in advance and for catering purposes.

We also strongly encourage all shareholders to participate and vote on the items of business ahead of the AGM by accessing their online proxy forms via our AGM portal. A printed copy of the Notice of Meeting and Proxy Form will not be sent to you unless you contact Computershare to request a copy on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) Monday to Friday 8:30am to 7:00pm (Sydney time).

302988_01_V2

Please note for security reasons it is important to keep your SRN/HIN confidential.

PENGANA CAPITAL

ABN 43 059 300 426

NEED ASSISTANCE?

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1300 850 505
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(OUTSIDE AUSTRALIA)

ONLINE
PENGANA.COM/PCG

AGM PORTAL - pengana.com/pcgagm

An AGM portal has been established to provide you with access to all information, documentation and instructions relevant to the 2023 PCG AGM.

PENGANA.COM/PCGAGM →

LINKS AND INSTRUCTIONS

The AGM portal provides links and instructions to submit your vote and to submit questions to the Board, auditors and Investment Manager ahead of the meeting.

ATTENDING THE MEETING IN PERSON

The meeting will be held at Pengana Capital Group, Suite 27.01, Level 27, Governor Phillip Tower, 1 Farrer Place, Sydney, NSW, 2000.

ACCESS DOCUMENTS

The AGM portal provides you with access to the Company's 2023 Annual Report, the Notice of Annual General Meeting (including the Explanatory statements and directors' recommendations) and an online proxy form to vote ahead of the meeting. You can also access the online proxy form by using the QRCode below:

Control Number: 999999
SRN/HIN: I9999999999
PIN: 99999

For your proxy appointment to be effective it must be received by 9:30 am (Sydney time) Tuesday 7 November 2023.

A printed copy of the Notice of Meeting and Proxy Form will not be sent to you unless you contact Computershare to request a copy on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) Monday to Friday 8:30am to 7:00pm (Sydney time).

PERSONAL UPDATE

If you would like to receive a personal update on the Company, you can book a Zoom meeting at the AGM portal.

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PENGANA CAPITAL GROUP LIMITED

AND CONTROLLED ENTITIES

ACN 059 300 426

9 NOVEMBER
2023

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS GIVEN that the 2023 Annual General Meeting (Meeting) of Shareholders of Pengana Capital Group Limited ACN 059 300 426 (Pengana or Company) will be held on Thursday 9 November 2023 at 9:30 am (Sydney time) at Pengana Capital Group, Suite 1, Level 27, Governor Phillip Tower, 1 Farrer Place, Sydney, NSW, 2000.

Shareholders unable to attend the Meeting are invited to vote by proxy on the resolutions to be considered at the Meeting.

You can access all information, documentation, and instructions relevant to the Meeting in our online Annual General Meeting portal at pengana.com/pcgagm.

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AGENDA

ORDINARY BUSINESS

1. FINANCIAL REPORT, DIRECTORS' REPORT AND AUDITOR'S REPORT

To receive and consider the Financial Report of the Company and of the consolidated entity, the Directors' Report, and the Auditor's Report for the financial year ended 30 June 2023.

Please note, neither the Corporations Act nor the Company's Constitution requires Shareholders to vote on such reports.

2. RE-ELECTION OF DIRECTOR: MR DAVID GROVES

To consider and, if thought fit, with or without amendment, pass the following resolution as an ordinary resolution:

"That Mr David Groves, who retires by rotation in accordance with article 11.2 of the Company's Constitution and Listing Rule 14.4, being eligible, is re-elected as a Director of the Company."

3. ELECTION OF DIRECTOR: MR BRENDAN O'DEA

To consider and, if thought fit, with or without amendment, pass the following resolution as an ordinary resolution:

"That Mr Brendan O'Dea, in accordance with article 11.4 of the Company's Constitution and Listing Rule 14.4, being eligible, is elected as a Director of the Company."

4. REMUNERATION REPORT

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

"That the Remuneration Report of the Company as set out in the Company's Annual Report (as part of the Directors' Report) for the financial year ended 30 June 2023 be adopted."

Please note that in accordance with section 250R of the Corporations Act, the vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement

The Company will disregard any votes cast on this resolution:

- by, or on behalf of a member of the Company's Key Management Personnel (**KMP**) whose remuneration is disclosed in the Remuneration Report or any of their closely related parties (such as close family members and any controlled companies);
- as a proxy by a member of the KMP or a KMP's closely related party, unless the vote is cast as proxy for a person entitled to vote:
  - for directed proxies, in accordance with the direction on the proxy form specifying how the proxy is to vote; or
  - for undirected proxies, by the Chairman pursuant to an express authorisation in the proxy form to vote undirected proxies as the Chairman sees fit even if that resolution is connected directly or indirectly with the remuneration of a member of the Company's KMP.

Note: The Chairman will vote all undirected proxies in favour of this resolution.

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SPECIAL BUSINESS

5. EQUITY GRANTS UNDER THE NON-EXECUTIVE DIRECTOR EQUITY PLAN

To consider and, if thought fit, pass the following resolution 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 of Restricted Rights under the Company's Non-executive Director Equity Plan (**NED Equity Plan**) to Non-executive Directors, as described in the Explanatory Notes."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of resolution 5 by or on behalf of each Non-executive Director (being the only Directors entitled to participate in the NED Equity Plan) or any of their associates. However, this does not apply to a vote cast in favour of resolution 5 by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
    - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this resolution; and
    - the holder votes on this resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Further, votes cannot be cast on resolution 5:

- by, or on behalf of, a member of the Company's Key Management Personnel (**KMP**) whose remuneration is disclosed in the Remuneration Report or any of their closely related parties (such as close family members and any controlled companies); or
- as a proxy by a member of the KMP or a KMP's closely related party, unless the vote is cast as proxy for a person entitled to vote:
    - for directed proxies, in accordance with the direction on the proxy form specifying how the proxy is to vote; or
    - for undirected proxies, by the Chairman pursuant to an express authorisation in the proxy form to vote undirected proxies as the Chairman sees fit even if that resolution is connected directly or indirectly with the remuneration of a member of the Company's KMP.

Note: The Chairman will vote all undirected proxies in favour of this resolution.

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6. RENEWED APPROVAL OF THE PENGANA EMPLOYEE LOAN SHARE PLAN TO ADDRESS CORPORATIONS ACT CHANGES AND PROPOSED LOAN TERM EXTENSION

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

"That, for the purposes of exception 13(b) to Listing Rule 7.2, section 259B(2) and section 260C(4) of the Corporations Act and for all other purposes, approval is given for the Pengana Employee Loan Share Plan (as summarised in the Explanatory Notes) and for the issue of securities under that Plan."

Voting Exclusion Statement

The Company will disregard any votes cast in favour this resolution 6 by or on behalf of a person who is eligible to participate in the Pengana Employee Loan Share Plan or an associate of that person (including, for the avoidance of doubt, any person who at the date of this Meeting holds awards granted under the Pengana Employee Loan Share Plan or any associate of that person).

However, the above exclusion does not apply to a vote cast in favour of this resolution 6 by:

- a person as proxy or attorney for a person who is entitled to vote on this resolution, provided the vote is made in accordance with a voting direction given to the proxy or attorney; or
- the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on this resolution, provided the vote is made in accordance with a voting direction given to the Chairman (including a direction for the Chairman to vote as they see fit); or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
    - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this resolution; and
    - the holder votes on this resolution in accordance with a voting direction given to the holder by the beneficiary.

In accordance with section 250BD of the Corporations Act, a vote on this resolution 6 must not be cast by a person appointed as proxy where that person is either a member of the Key Management Personnel or a closely related party (such as close family members or a controlled company) of such member. However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and

- the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the resolution is connected with the remuneration of a member of the Key Management Personnel.

Note: The Chairman will vote all undirected proxies in favour of this resolution.

By order of the Board of Directors

Paula Ferrao
Pengana Capital Group Limited
Company Secretary
6 October 2023

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EXPLANATORY NOTES

These Explanatory Notes have been prepared to provide Shareholders with sufficient information to assess the merits of the resolutions and the business to be conducted at the Meeting. You should read the Explanatory Notes in full in conjunction with the Notice of Meeting before making any decisions in relation to the resolutions.

ORDINARY BUSINESS

RESOLUTION 1: FINANCIAL REPORT, DIRECTORS' REPORT AND AUDITOR'S REPORT

In accordance with section 317 of the Corporations Act, the Financial Report and the reports of the Directors and the auditor for the financial year ended 30 June 2023 will be presented for consideration by Shareholders at the Meeting. Shareholders will be given a reasonable opportunity to ask questions and to make comments in relation to these reports.

Shareholders will also be given the opportunity to ask a representative of the Company's auditor, Grant Thornton, questions relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

Neither the Corporations Act nor the Company's Constitution requires Shareholders to vote on such reports.

The Directors', Auditor's and Financial Reports can be found in the Company's 2023 Annual Report, which is available on the Company's website at pengana.com/shareholders. Shareholders who have specifically requested a hard copy of the Annual Report will receive it by mail.

RESOLUTION 2: RE-ELECTION OF DIRECTOR – MR DAVID GROVES

In accordance with ASX Listing Rule 14.4 and article 11.2 of the Constitution Mr David Groves is retiring at this Meeting and being eligible, offers himself for re-election.

Mr David Groves is the Non-executive Chairman of the Company (appointed Non-executive Director on 1 June 2017 and Non-executive Chairman on 1 April 2023).

Mr Groves has over 25 years' experience as a company director. He is Chairman of H&G High Conviction Limited (ASX:HCF) and is a non-executive director of Pengana International Equities Limited (ASX: PIA) and Redcape Hotel Group Management Ltd as responsible entity of the Redcape Hotel Group. He is a former director of EQT Holdings Ltd, Tassal Group Ltd and GrainCorp Ltd and a former executive with Macquarie Bank Limited and its antecedent, Hill Samuel Australia. David is a member of the Council of Wollongong University. He is a member of Chartered Accountants Australia and New Zealand.

Mr Groves is a member of the Pengana Capital Group Limited Audit and Risk Committee.

Having had regard to the ASX Corporate Governance Principles and Recommendations, the Board considers Mr Groves an independent Director.

Directors' Recommendation

On the basis of Mr Groves' skills, qualifications and experiences, and his contribution to the Board's activities, the Directors (other than Mr Groves) recommend that Shareholders vote in favour of the re-election of Mr Groves. The Chairman intends to vote undirected proxies in **favour** of the re-election of Mr Groves.

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RESOLUTION 3: ELECTION OF DIRECTOR – MR BRENDAN O'DEA

Under article 11.4 of the Constitution, the Directors may at any time appoint a person to be a director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed holds office only until the next general meeting and is then eligible for election but must not be taken into account in determining the Directors who are to retire by rotation at that meeting. Additionally, under ASX Listing Rule 14.4, a Director appointed to fill a casual vacancy or as an addition to the board must not hold office (without election) past the next annual general meeting of the entity.

Mr Brendan O'Dea was appointed as a Non-Executive Director of the Company by the Board on 1 April 2023.

Mr O'Dea is currently the Chief Investment Officer of Washington H. Soul Pattinson and Company (ASX: SOL) and was appointed to the role in October 2021 having previously been the Managing Director and CEO of Milton Corporation for 3 years. Mr O'Dea is an experienced global equity markets executive with extensive business management and investing experience having spent 22 years with Citigroup in Sydney, Hong Kong, New York and Tokyo as a Managing Director. Brendan holds a Bachelor of Economics from the University of Sydney and a Master's Degree in Business Finance from the University of Technology, Sydney. Brendan is a Member of Chartered Accountants Australia and New Zealand and a Member of the Institute of Company Directors.

Mr O'Dea is a member of the Pengana Capital Group Limited Nomination and Remuneration Committee.

Directors' Recommendation

On the basis of Mr O'Dea's skills, qualifications and experiences, and his contribution to the Board's activities, the Directors (other than Mr O'Dea) recommend that Shareholders vote in favour of the election of Mr O'Dea. The Chairman will vote undirected proxies in favour of the re-election of Mr O'Dea.

RESOLUTION 4: REMUNERATION REPORT

The Remuneration Report can be found in the Company's 2023 Annual Report, which is available on the Company's website at pengana.com/shareholders. The Remuneration Report sets out the Company's remuneration information in relation to Non-executive Directors, Executive Directors and other specified executives, collectively termed Key Management Personnel.

In accordance with section 250R of the Corporations Act, the Company is required to put to the vote a resolution that the Remuneration Report be adopted. Shareholders should note that this resolution is an 'advisory only' resolution and does not bind the Directors or the Company, but the outcome of the vote could have consequences for the Board. In any case the Directors will take the outcome of the vote into consideration when reviewing remuneration practices and policies.

In accordance with the Corporations Act, the Chairman will give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

Directors' Recommendation

The Directors note that each Director has a personal interest in their own remuneration and therefore they do not consider it is appropriate to make a voting recommendation in relation to this resolution. The Chairman will vote all available undirected proxies in **favour** of the adoption of the Remuneration Report. A voting exclusion statement with regard to resolution 4 is set out on page 1 of this Notice.

SPECIAL BUSINESS

RESOLUTION 5: EQUITY GRANTS UNDER THE NON-EXECUTIVE DIRECTOR EQUITY PLAN

Resolution 5 seeks Shareholder approval for the grant of Restricted Rights to Non-executive Directors under the Company's Non-executive Director Equity Plan (**NED Equity Plan**) for the financial year ending 30 June 2024 (**FY2024**).

In April 2020, the Company implemented the NED Equity Plan. The NED Equity Plan has been introduced to support Non-executive Directors to build their shareholdings in the Company and as a means of enhancing the alignment of interests between Non-executive Directors and Shareholders generally.

The NED Equity Plan is a salary sacrifice plan, which allows Non-executive Directors to sacrifice up to 100 per cent of their annual Director's base fees to acquire Restricted Rights in the manner described below. Each Restricted Right is a right to receive a Share in the Company, subject to the terms of grant (**Restricted Rights**).

Only Non-executive Directors are eligible to participate in the NED Equity Plan.

5.1 WHY APPROVAL IS NEEDED

The Company is proposing to issue Restricted Rights to Non-executive Directors under the NED Equity Plan as a result of FY2024 Director's base fees they intend to sacrifice on the terms set out below (**FY2024 Issue**).

ASX Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme without prior shareholder approval:

- 10.14.1 a director of the Company;
- 10.14.2 an associate of a director of the Company; or
- 10.14.3 a person whose relationship with the Company or a person referred to in ASX Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders.

Under ASX Listing Rule 10.16, shareholder approval is not required for the issue of Restricted Rights to any Director, if the Shares allocated on exercise of the Restricted Rights are required by the terms of the scheme to be purchased on-market.

The Company anticipates that it will satisfy the exercise of some or all of the Restricted Rights by issuing Shares (rather than purchasing Shares on-market). As such, the FY2024 Issue may fall within ASX Listing Rule 10.14.1 above and therefore requires the approval of the Company's Shareholders under ASX Listing Rule 10.14.1.

Resolution 5 seeks the required Shareholder approval to the FY2024 Issue under and for the purposes of ASX Listing Rule 10.14.

If resolution 5 is passed, the Company will have the flexibility to issue Shares to the Non-executive Directors in satisfaction of its obligations on exercise of the Restricted Rights, and will be able to proceed with the FY2024 Issue without impacting its ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12-month period.

If resolution 5 is not passed, the Company will not be able to issue Shares to the Non-executive Directors in satisfaction of its obligations on exercise of the Restricted Rights, and will need to satisfy such obligations by acquiring Shares on-market.

The Board also recognises that it is in line with good corporate governance practices for equity grants to Directors to be approved by Shareholders.

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5.2 OVERVIEW OF THE PENGANA NON-EXECUTIVE DIRECTOR EQUITY PLAN

How does the NED Equity Plan operate?

The NED Equity Plan operates on a fee sacrifice basis and therefore will not involve additional cost to the Company. Each year the Non-executive Directors (**NEDs**) will be given the opportunity to voluntarily sacrifice up to 100% of cash fees (including, to the extent permitted by law, compulsory company superannuation contributions) in return for rights to acquire Shares. Each Non-executive Director will elect the proportion of fees to be sacrificed annually following the release of the Company's full year results. This election is binding for the duration of that year. Restricted Rights will be allocated annually based on the fees sacrificed for the year. Such Restricted Rights will be fully vested at grant and may be exercised not less than 60 days following the grant of the rights, subject to compliance with insider trading laws and the Company's Policy for Personal Trading in PCG Securities.

How is the number of Restricted Rights allocated determined?

The number of Restricted Rights to be granted to each NED will be calculated in accordance with the following formula (rounded down to the nearest whole Restricted Right with any unfulfilled fees sacrificed returned to the Non-executive Director):

No. of Restricted Rights = Total Amount of Fee Sacrifice for Year ÷ Face Value where:

- Total Amount of Fee Sacrifice for Year = the dollar value of the Non-executive Director's fees which that Non-executive Director has elected to sacrifice in respect of the relevant period to acquire Restricted Rights; and
- Face Value = the volume weighted average price of Shares for the 10 trading days following the announcement of the Company's annual results, rounded to 2 decimal points.

Shares to be allocated on exercise of the Restricted Rights are sourced on-market or issued and held by the Pengana Capital Group Limited Employee Share Trust.

What are the key terms of the Restricted Rights?

A summary of the key terms of the Restricted Rights is set out below.

Each Restricted Right is a conditional right to acquire one Share. No amount is payable on the exercise of Restricted Rights. Restricted Rights will be subject to disposal restrictions and may be exercised 60 days following the date of grant, subject to compliance with insider trading laws and the Company's Policy for Personal Trading in PCG Securities.

On exercise, Restricted Rights convert into Restricted Shares and will be subject to disposal restrictions until the earlier of:

- the 15th anniversary of the date of grant of the Restricted Rights, and
- the date the NED retires from the Board,

(**Restriction Period**) unless the disposal restrictions are waived by the Board in cases of demonstrable financial hardship, or automatically cease to apply in respect of 50% of the Restricted Shares if a taxing point arises in relation to the Restricted Shares.

In the event of a change of control of the Company that is expected to result in the delisting of the Company's Shares, any unexercised Restricted Rights held by a NED that are subject to exercise restrictions will cease to be so restricted on the date determined by the Board (in its sole discretion), and any Restricted Shares will cease to be subject to disposal restrictions (unless otherwise determined by the Board).

Restricted Rights that are not exercised prior to the 15th anniversary of the date of grant of the Restricted Rights will lapse.

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Non-executive Directors do not have dividend or voting rights with respect to Restricted Rights until they have been exercised. Upon retirement from the Board, Non-executive Directors are entitled to retain any outstanding Restricted Rights, which will remain on foot. There will be no Restriction Period applicable to Shares allocated in these circumstances.

Any salary-sacrifice contributions which have been deducted from a retiring Director and for which Restricted Rights have not been allocated will be repaid as normal gross fees less applicable PAYG tax.

The Restricted Rights granted to Non-Executive Directors under the NED Equity Plan will not be subject to performance conditions or service requirements which could result in potential forfeiture. This is in line with best practice governance standards which recommend that Non-executive Directors generally should not receive equity with performance hurdles attached as it may lead to bias in their decision-making and compromise their objectivity.

If at any time the Board determines that the allocation of Restricted Rights or Restricted Shares would result in the Company breaching the Company's Constitution, Company policies, any law, the ASX Listing Rules, or is otherwise inappropriate in the circumstances, the Board may defer the allocation of Restricted Rights or Restricted Shares until a more suitable time or, in the case of Restricted Rights, return the fees that have been salary sacrificed to the Non-executive Director.

Restricted Shares

Each Restricted Share is one Share, subject to disposal restrictions. During the Restriction Period, the Restricted Shares will be held on trust for the relevant Non-executive Director by the Pengana Capital Group Limited Employee Share Trust.

Restricted Shares acquired by Directors will rank equally, and will carry the same dividend, voting and other rights, as Shares. Restricted Shares will be subject to the Restriction Period.

Restricted Rights can be exercised into unrestricted Shares in some circumstances. For example, if the NED retires from the Board after Restricted Rights have been granted but before the Restricted Rights are exercised into Shares.

5.3 ADDITIONAL INFORMATION IN ACCORDANCE WITH ASX LISTING RULE 10.14 AND 10.15

Only Non-executive Directors may participate in the NED Equity Plan. The Non-executive Directors currently entitled to participate in the NED Equity Plan are Mr Jeremy Dunkel, Mr Brendan O'Dea, Mr David Groves and Mr Kevin Eley. The Company will seek further approval if it intends for any other Non-executive Director to participate in the NED Equity Plan.

The maximum potential value of Restricted Rights that could be allocated under the FY2024 Issue is equal to A$750,000 (which is the Shareholder-approved NED fee cap). The actual value of the Restricted Rights that will be allocated will be lower, because the level of NED fees is below the Shareholder-approved fee cap, and not all NEDs may sacrifice all of their fees under the NED Equity Plan.

The fee arrangements for each NED for FY2024 are as follows:

	Cash salary and fees $	Superannuation $	Total $
Jeremy Dunkel	91,603	10,076	**101,679**
Kevin Eley	101,864	11,205	**113,069**
David Groves	142,534	15,679	**158,213**
Brendan O'Dea	81,435	8,958	**90,393**
	417,436	**45,918**	**463,354**

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If all NEDs sacrifice all of their fees, a maximum of 417,434 Restricted Rights will be allocated to NEDs under the FY2024 Issue based on:

- Total Amount of Fee Sacrifice for Year = $463,354
- Face Value = $1.11 which is the volume weighted average price of Shares for the 10 trading days following the announcement of the Company's results for the financial year ending 30 June 2023 (being 24 August 2023 to 6 September 2023 inclusive), rounded to two decimal places.

The maximum value the Company attributes to the Restricted Rights proposed to be granted under the FY2024 Issue is $463,354, being 100% of all NED's cash fees.

The Company previously allocated 874,092 Restricted Rights to NEDs under the NED Equity Plan as set out below. These related to fees sacrificed for the period from March 2020 to June 2023. All of those Restricted Rights have been exercised into Restricted Shares. 307,393 Restricted Rights were converted into Ordinary Shares on Warwick Negus' retirement from the Board, and in accordance with the terms of the NED Equity Plan.

NED	Restricted Rights	Acquisition Price	Restricted Shares	Ordinary Shares
Warwick Negus	307,393	$465,530	-	307,393
Jeremy Dunkel	188,882	$283,552	188,882	-
Kevin Eley	167,901	$252,056	167,901	-
David Groves	209,916	$315,138	209,916	-

No loans will be made available in relation to the acquisition of Restricted Rights or Shares under the NED Equity Plan.

Restricted Rights will be issued before 10 November 2023. No Restricted Rights will be issued more than three years after the date of the Meeting.

Details of any securities issued under the NED Equity Plan will be published in each Annual Report of the Company relating to a period in which securities have been issued along with a statement that approval for the issue of securities was obtained under ASX Listing Rule 10.14.

Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the scheme after the resolution is approved and who were not named in the Notice of Meeting will not participate until approval is obtained under that rule.

Directors' Recommendation

Because they have a personal interest in the subject of this resolution, the Directors have abstained from making a recommendation to Shareholders in relation to this resolution. The ASX Listing Rules and the Corporations Act prohibit certain persons from voting on resolution 5. The Chairman will vote all undirected proxies in favour of this resolution. A voting exclusion statement with regard to resolution 5 is set out on page 2 of this Notice.

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RESOLUTION 6: RENEWED APPROVAL OF THE PENGANA EMPLOYEE LOAN SHARE PLAN TO ADDRESS CORPORATIONS ACT CHANGES & PROPOSED LOAN TERM EXTENSION

The Company currently operates an employee incentive scheme named the Pengana Capital Group Limited Employee Loan Share Plan (**Employee Loan Share Plan**) for the purpose of rewarding, retaining and motivating selected employees and executive Directors of the Company and its subsidiaries (**Participants**). A summary of the key terms of the Employee Loan Share Plan are set out below.

The Employee Loan Share Plan was initially approved by shareholders at a general meeting of the Company on 1 June 2017 and more recently re-approved by shareholders at the Company's 2021 Annual General Meeting (**2021 Employee Loan Share Plan Approval**).

The Company is seeking renewed Shareholder approval of the Employee Loan Share Plan for all purposes, including for exception 13(b) of Listing Rule 7.2 and section 259B(2) and section 260C(4) of the Corporations Act at this time.

Seeking approval of the Employee Loan Share Plan at this time is considered appropriate as:

- the Company proposes to make several procedural changes to the terms of the Employee Loan Share Plan to respond to changes to the provisions of the Corporations Act relating to 'employee share schemes' which came into effect in late 2022; and
- the Board has determined to defer the repayment date for loans made in or around March 2017 to certain Participants (including an associate of Mr. Russel Pillemer, Managing Director and Chief Executive Officer) (together, the **2017 Plan Participants**) to 31 October 2024 (the original loan repayment dates were on or around 28 February 2024) (the **Proposed Loan Term Extension**) and, while this proposal can be implemented through the exercise of a Board discretion under the drafting of the Employee Loan Share Plan, the revised repayment date is inconsistent with previous disclosures made to Shareholders (including in past Remuneration Reports).

For completeness, the Company also operates a non-employee incentive scheme named the Pengana Capital Group Limited Non-Employee Loan Share Plan (Non-Employee Loan Share Plan) for the purpose of rewarding, retaining and motivating selected contractors and consultants of the Company and its subsidiaries (Non-Employees). It is also proposed that the repayment date for loans made in or around March 2017 to certain Non-Employees under the Non-Employee Loan Share Plan be deferred until 31 October 2024 (the original loan repayment date for these loans were on or around 28 February 2024). The Non-Employee Loan Share Plan has not previously required Shareholder approval, and it is noted that these loan extensions also do not require Shareholder approval.

6.1 SUMMARY OF THE EMPLOYEE LOAN SHARE PLAN

Under the terms of the Employee Loan Share Plan, the Company may grant ordinary shares in the Company (**Awards**) to Participants. In accordance with the rules of the Employee Loan Share Plan, the Directors will determine in their sole and absolute discretion the terms and conditions of Awards which are granted under the Employee Loan Share Plan including, but not limited to, the following:

- which individuals will be invited to participate in the Employee Loan Share Plan;
- the number of Awards to be granted to each Participant;
- the fee payable (if any) by Participants on the grant of Awards to Participants; and
- any vesting conditions which must be met.

Under the Employee Loan Share Plan, the Directors may also, at their discretion, issue loans to Participants for the purpose of funding the purchase, by those Participants, of the Awards. The loans will be provided by the Company (or a subsidiary of the Company). The loans will typically be repayable upon the occurrence of certain events or, if not already repaid, upon the maturity of the loan. For all future offers of Awards under the Employee Share Plan, the maturity of the loan for each participant will be determined by the Board (in its discretion), but may be up to 9 years and 364 days from the loan date. The Board has the discretion to adjust a Participant's loan repayment date from time to time.

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The Directors may delegate management and administration of the Employee Loan Share Plan together with any of their powers or discretions under the Employee Loan Share Plan to a committee consisting of Directors or to any one or more persons selected by them, including but not limited to the Company Secretary.

If a Participant ceases to be an employee of the Company or a subsidiary, generally, any unvested Awards will be compulsorily divested. The Board also has the discretion to cause the Participant to compulsorily divest their Awards in certain other circumstances. The Board also retains discretion in certain circumstances to vary or waive the vesting conditions, or bring forward the date on which Awards vest, including where a Participant ceases to be employed by the Company or its subsidiary other than where their employment has been terminated for serious and wilful misconduct, material breach of the terms of their employment, or gross negligence (among other things).

6.2 APPROVAL FOR THE PURPOSES OF EXCEPTION 13 OF LISTING RULE 7.2

Listing Rule 7.1 provides that shareholder approval is required for an issue of securities if the securities will, when aggregated with the securities issued by the entity during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12-month period.

Exception 13 of Listing Rule 7.2 provides an exception to Listing Rule 7.1. It allows companies to issue securities without shareholder approval, and without reducing their 15% capacity under Listing Rule 7.1 where the securities are issued under an employee incentive scheme within 3 years of shareholder approval of that scheme.

Resolution 6 is being put to Shareholders for the Employee Loan Share Plan to be approved for the purposes of Exception 13 of ASX Listing Rule 7.2.

In accordance with Exception 13 of ASX Listing Rule 7.2, the Company provides the following information:

- 2,816,000 Shares have been issued under the Employee Loan Share Plan since it was last re- approved by Shareholders at the Company's 2021 Annual General Meeting; and
- the maximum number of Shares which may be issued under the Employee Loan Share Plan following Shareholder approval under this resolution 6 is 3,000,000 Shares. This maximum number is not intended to be a prediction of the actual number of Shares to be issued by the Company under the Employee Loan Share Plan.

6.3 APPROVAL FOR THE PURPOSES OF SECTION 259B(2) AND SECTION 260C(4) OF THE CORPORATIONS ACT

Section 259B(1) of the Corporations Act prohibits a company from taking security over its own shares, except as permitted by section 259B(2) of the Corporations Act. Section 259B(2) of the Corporations Act states that a company may take security over shares in itself under an employee share scheme which has been approved by a resolution passed at a general meeting of the company. If a loan is made to a Participant to acquire Awards under the Employee Loan Share Plan then, until the loan is repaid in full, the Company has the ability to take security over all of the Awards held by the Participant to which the loan relates.

Section 260A of the Corporations Act provides that a company may financially assist a person to acquire shares in the company or a holding company of the company only if:

- giving the assistance does not materially prejudice the interests of the company or its shareholders or the company's ability to pay its creditors;
- the assistance is approved by shareholders under section 260B of the Corporations Act; or
- the assistance is exempted under section 260C of the Corporations Act.

Section 260C of the Corporations Act exempts certain specific instances of financial assistance including in the context of employee share schemes that have been approved by a resolution passed at a general meeting of the company (section 260C(4) of the Corporations Act).

Under the Employee Loan Share Plan, the Company may determine to provide financial assistance to Participants in the form of loans to acquire Awards and may exercise certain discretions in relation to the loans that constitute financial assistance.

Given the proposed amendments to the Employee Loan Share Plan and the Proposed Loan Term Extensions, the Company is seeking Shareholder re-approval of the Employee Loan Share Plan for the purposes of section 260C(4) of the Corporations Act.

If resolution 6 is passed, the Company will be able to issue Shares to eligible employees under the Employee Loan Share Plan, without using up any of the Company's 15% limit on issuing equity securities without Shareholder approval under ASX Listing Rule 7.1. The Company will not be prohibited by the Corporations Act from providing financial assistance in connection with the Employee Loan Share Plan (including without limitation extending the loan repayment period for Participants from time to time)) and taking security over the Awards acquired with those loans.

If resolution 6 is not passed, the Company may still issue Awards to eligible employees under the Employee Loan Share Plan, but any issue will reduce the Company's capacity to issue equity securities under ASX Listing Rule 7.1 for 12 months following issue. Furthermore, to provide financial assistance in connection with the Employee Loan Share Plan or take security of Awards granted under that plan, the Company will need to rely on other exemptions within the Corporations Act or obtain Shareholder approval. The Board considers the exemptions within the Corporations Act that are designed to facilitate the efficient functioning of employee share schemes should where available be utilised by the Company and therefore seeks Shareholder approval of the Employee Loan Share Plan.

6.4 PROPOSED LOAN TERM EXTENSION FOR THE EMPLOYEE LOAN SHARE PLAN PARTICIPANT ASSOCIATED WITH MR PILLEMER

In relation to the Proposed Loan Term Extension for the Employee Loan Share Plan participant associated with Mr Pillemer, it is noted that:

- the Company is not seeking shareholder approval for the purposes of:
  - Listing Rule 10.14 (which relates to the requirement for shareholder approval in connection with the grant of securities to directors (or their associates)) as no further securities are being granted to Mr. Pillemer (or his associates);
  - Chapter 2E of the Corporations Act as the Board has determined that the Proposed Loan Term Extension falls within the exemption within section 211 of the Corporations Act as the benefit is reasonable in the circumstances of the Company and Mr Pillemer's circumstances (including the responsibilities involved in his employment); and
- the Board does not consider the loan term extension to be a material change to the terms of Mr. Pillemer's terms of employment.

Directors' Recommendation

The Directors note that Mr. Russel Pillemer is eligible to participate in the Employee Loan Share Plan and therefore abstains from making a voting recommendation in relation to this resolution. The non-executive Directors recommend that Shareholders vote in favour of this resolution. The Chairman will vote all available undirected proxies in favour of this resolution. A voting exclusion statement with regard to resolution 6 is set out in page 3 of this Notice.

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VOTING INFORMATION

VOTING ENTITLEMENTS

Persons holding Shares in the Company at 7:00 pm (Sydney time) on Tuesday 7 November 2023 shall, for the purposes of ascertaining entitlements to attend and vote at the Meeting, be taken to be Shareholders of the Company.

Shareholders entitled to vote at the Meeting can do so by attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by corporate representative OR by appointing a proxy to attend the Meeting and vote on their behalf.

ALL RESOLUTIONS WILL BE BY POLL

The Chairman intends to demand a poll on each of the Resolutions proposed at the AGM. Each Resolution considered at the AGM will therefore be conducted by a poll. This will mean that the decision on each Resolution is determined by counting the actual votes (i.e., number of shares) – for and against – held by Shareholders present and entitled to vote at the meeting and represented by proxies present at the meeting. The Chairman considers voting by poll to be in the interests of the shareholders as a whole and is a way to ensure the views of as many shareholders as possible are represented at the Meeting. Voting by poll is also consistent with the ASX's Guidance Note 35 which states that "for an entity to determine with any confidence that the votes that should have been disregarded under a voting exclusion statement were in fact disregarded, it is essential that the vote on the resolution is conducted by a poll rather than by a show of hands".

APPOINTMENT OF A PROXY

A Shareholder who is entitled to attend and vote at the Meeting may appoint a proxy to attend and vote at the Meeting on the Shareholder's behalf. A proxy may be an individual or body corporate and is not required to be a Shareholder of the Company. A Shareholder who is entitled to cast two or more votes at the Meeting may appoint two proxies and may specify the percentage or number of votes each proxy is appointed to exercise.

Where a Shareholder appoints two proxies but does not specify the percentage or number of votes each proxy may exercise, each proxy may exercise half of the appointing Shareholder's votes. Fractions of votes will be disregarded.

Corporate Shareholders must provide the Company with satisfactory evidence of the appointment of any corporate representative, prior to the commencement of the Meeting. A proxy can be either an individual or a body corporate.

Should you appoint a body corporate as your proxy, that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at meetings, in accordance with section 250D of the Corporations Act; and
- provides the Company with satisfactory evidence of the appointment of its corporate representative prior to commencement of the Meeting.

UNDIRECTED PROXIES

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on each resolution by marking either "For", "Against" or "Abstain" against each item of business on the Proxy Form.

It is important that you direct your proxy how to vote on each item of business. If, however, you appoint the Chairman as your proxy, he will vote undirected proxies on, and in favour of, all of the proposed resolutions.

If you do not want the Chairman to cast your vote in favour of a resolution, then you must direct him to vote against the relevant resolution or to abstain from voting on the relevant resolution.

If you have appointed a member of the key management personnel (other than the Chairman) for the Company or any of their closely related parties as your proxy, you must direct that person how to vote on resolutions 4, 5 and 6 otherwise they will not be able to cast a vote as your proxy on that item.

VOTING PRIOR TO THE MEETING VIA THE ONLINE PROXY VOTING FACILITY

An online proxy voting facility is available at investorvote.com.au/pcg. To access the online proxy voting facility Shareholders will need to either use the personalised link received in the AGM invitation email, or use their SRN/HIN, the postcode registered on their holding and the control number located in their personalised AGM invitation mailed to their registered address.. Shareholders with overseas addresses will require the country registered on their holding.

Alternatively, a Shareholder can request a printed copy of the Notice of Meeting and Proxy Form by contacting Computershare on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) Monday to Friday 8:30am to 7:00 pm (Sydney time). A Shareholder may direct a proxy on how to vote on the proposed resolutions by following the instructions on the Proxy Form.

PROXY DEADLINE

To be valid, online proxy voting or completed Proxy Forms must be received by Computershare Investor Services no later 9:30 am (Sydney time) on Tuesday 7 November 2023.

Completed Proxy Forms can be lodged:

- Online: at investorvote.com.au/pcg
- By mail: GPO Box 242, Melbourne VIC 3001
- By facsimile: 1800 783 447 (inside Australia), +61 3 9473 2555 (outside Australia)

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GLOSSARY

AGM or Meeting means the annual general meeting of Shareholders of the Company.

Annual Report means the Company's Annual Report for the year ended 30 June 2023, comprising the Financial Report, the Director's Report, the Remuneration Report and the Auditor's Report.

ASX means ASX Limited (ACN 008 624 591) trading as the Australian Securities Exchange.

ASX Listing Rules or Listing Rules means the official Listing Rules of the ASX, as amended or waived from time to time.

Board means the board of Directors of the Company.

Company or Pengana means Pengana Capital Group Limited ACN 059 300 426.

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Employee Loan Share Plan means the Pengana Employee Loan Share Plan.

Explanatory Notes means the explanatory notes, which form part of this Notice.

Key Management Personnel or KMP means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or non-executive) of the Company.

Notice or Notice of Meeting or NOM means this notice of annual general meeting.

Proxy Form means the proxy form that accompanies the Explanatory Notes or is available from the Company.

Remuneration Report means the section of the Directors' Report in the Annual Report.

Reports means the Financial Report (which includes the Directors' Declaration), Directors' Report, the Remuneration Report and Auditor's Report.

Resolution means a resolution to be put to Shareholders at the Meeting as set out in the Notice.

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

Shareholder means a registered holder of a Share.

PENGANA CAPITAL

ABN 43 059 300 426

Need assistance?

Phone:
1300 855 080 (within Australia)
+61 3 9415 4000 (outside Australia)

Online:
www.investorcentre.com/contact

PCG
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **9:30am (AEDT) on Tuesday, 7 November 2023.**

Proxy Form

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How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative
If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form: XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

Control Number: 999999
SRN/HIN: I9999999999
PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with '**X**') should advise your broker of any changes.

I 9999999999 I ND

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Pengana Capital Group Limited hereby appoint

☐ **the Chairman of the Meeting** **OR** ☐

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Pengana Capital Group Limited to be held at Suite 1, Level 27, Governor Phillip Tower, 1 Farrer Place, Sydney, NSW 2000 on Thursday, 9 November 2023 at 9:30am (AEDT) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 4, 5 and 6 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 4, 5 and 6 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 4, 5 and 6 by marking the appropriate box in step 2.

Step 2 Items of Business

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

		For	Against	Abstain
Resolution 2	Re-election of Director: Mr David Groves	☐	☐	☐
Resolution 3	Election of Director: Mr Brendan O'Dea	☐	☐	☐
Resolution 4	Remuneration Report	☐	☐	☐
Resolution 5	Equity grants under the Non-executive Director Equity Plan	☐	☐	☐
Resolution 6	Renewed approval of the Pengana Employee Loan Share Plan to address changes and proposed Loan Term extensions	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s)

This section must be completed.

Individual or Securityholder 1	Securityholder 2	Securityholder 3	
			/ /
Sole Director & Sole Company Secretary	Director	Director/Company Secretary	Date

Update your communication details *(Optional)*

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

Mobile Number	Email Address

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