



**NOTICE OF ANNUAL GENERAL MEETING
AND EXPLANATORY STATEMENT**

**For an Annual General Meeting to be held on
Thursday, 22 November 2012 at 9:30am (AEDT) at
Edwin Flack Room, Sofitel Sydney Wentworth,
61-101 Phillip Street, Sydney NSW 2000**

For personal use only



TIME AND PLACE OF MEETING AND HOW TO VOTE

Venue

The Annual General Meeting of **IMF (Australia) Ltd** will be held at:

**Edwin Flack Room
Sofitel Sydney Wentworth
61-101 Phillip Street
Sydney NSW 2000**

Date: **22 November 2012**
Commencing: **9:30am (AEDT)**

How to Vote

You may vote by attending the meeting in person, by proxy or by authorised representative.

Voting in Person

To vote in person, please attend the meeting on the date and at the place set out above. The meeting will commence at 9:30am (AEDT).

Voting by Proxy

To vote by proxy, please complete, sign and return to Computershare the proxy form enclosed with this Notice of Annual General Meeting as soon as possible. You can send your proxy form to Computershare by doing one of the following:

- lodging it online at www.investorvote.com.au; or
- emailing it to imf@computershare.com.au; or
- faxing it to 1800 783 447 (within Australia) or +61 3 9473 2555 (from overseas); or
- posting it to:
Computershare Investor Services Pty Limited
GPO Box 242, Melbourne VIC 3001; or
- delivering it to:
Computershare Investor Services Pty Limited,
Level 4, 60 Carrington Street, Sydney NSW 2000; or
- Custodian voting - for Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions;

so that your proxy is received by no later than 5:00pm (AEDT) on 20 November 2012.

Your proxy form is enclosed.



IMF (AUSTRALIA) LTD
ABN 45 067 298 068

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of shareholders of IMF (Australia) Ltd (**Company**) will be held in the Edwin Flack Room, Sofitel Sydney Wentworth, 61-101 Phillip Street, Sydney NSW 2000 at 9:30am (AEDT) on 22 November 2012.

The Explanatory Statement that accompanies and forms part of this Notice describes the matters to be considered as ordinary and special business.

AGENDA

ITEM 1 - FINANCIAL STATEMENTS AND REPORT

To receive the financial statements of the Company for the year ended 30 June 2012 together with the Directors' Declaration, the Directors' Report and the Auditor's Report.

ITEM 2 - RE-ELECTION AND ELECTION OF DIRECTORS

Resolution 1 – Re-election of a Director – Mr Michael Bowen

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

“That Mr Michael Bowen, being a Director, retires by rotation in accordance with Clause 13.2 of the Constitution and, being eligible, is hereby re-elected as a Director.”

Short Explanation: Clause 13.2 of the Constitution requires that at the Annual General Meeting, one-third of the Directors for the time being shall retire from office. A retiring Director is eligible for re-election. Clause 13.2 also requires that no Director can hold office for more than 3 years. Mr Bowen was last re-elected at the AGM held in 2009. A retiring Director is eligible for re-election.

Resolution 2 – Election of a Director – Mr David Barrow

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

“That Mr David Barrow, who has nominated himself in accordance with Clause 13.4 of the Constitution and, being eligible, is hereby elected as a Director.”

Short Explanation: Clause 13.4 of the Constitution enables a shareholder to nominate a person to be a director of the Company at the Annual General Meeting. A nomination was received from Mr David Barrow on 28 September 2012. Further information concerning Mr Barrow's nomination can be found in the explanatory statement.

Resolution 3 – Re-election of a Director – Mr John Walker

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

“That Mr John Walker, being a Director, retires by rotation in accordance with Clause 13.2 of the Constitution and, being eligible, is hereby re-elected as a Director.”

Short Explanation: Clause 13.2 of the Constitution requires that at the Annual General Meeting, one-third of the Directors for the time being shall retire from office. A retiring Director is eligible for re-election. Clause 13.2 also requires that no Director can hold office for more than 3 years. Mr Walker was last re-elected at the AGM held in 2010. A retiring Director is eligible for re-election.

ITEM 3 – REMUNERATION REPORT

Resolution 4 – Remuneration Report

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

“That, for the purposes of Section 250R(2) of the Corporations Act, the Remuneration Report for 2012 be adopted.”

Short Explanation: Under Section 250R(2) of the Corporations Act, at the Annual General Meeting of a listed company a resolution that the Remuneration Report be adopted must be put to the vote. This resolution is advisory only and does not bind the Company.

Voting Exclusion

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the remuneration report, or a Closely Related Party of such member. However, a vote may be cast by such person if:

- (a) the person is acting as proxy and the proxy form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chair voting an undirected proxy which expressly authorises the Chair to vote the proxy on a resolution connected with the remuneration of a member of the Key Management Personnel.

**DATED THIS 10th DAY OF OCTOBER 2012
BY ORDER OF THE BOARD**



**DIANE JONES
COMPANY SECRETARY**

NOTES:

1. A shareholder of the Company who is entitled to attend and vote at a general meeting of shareholders is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides or it is cast 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 decides.
3. In accordance with Regulation 7.11.37 of the Corporations Regulations, the Directors have set a date to determine the identity of those entitled to attend and vote at the meeting. This date is 5:00pm (AEDT) on 20 November 2012.

VOTING PROHIBITION BY PROXY HOLDERS

4. In accordance with section 250R of the Corporations Act, a vote on Resolution 4 must not be cast (in any capacity) by, or on behalf of:
 - (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
 - (b) a Closely Related Party of such a member.
5. However, a person described above may cast a vote on Resolution 4 if:
 - (a) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 4; and
 - (b) the vote is not cast on behalf of a person described in paragraphs 4 (a) or 4 (b) above.

EXPLANATORY STATEMENT

This Explanatory Statement and all attachments are important documents. They should be read carefully.

If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice, please contact the Company, your stockbroker or other professional adviser.

GENERAL INFORMATION

This Explanatory Statement has been prepared for the Shareholders of IMF (Australia) Ltd (**Company**) in connection with the Annual General Meeting.

ITEM 1 – FINANCIAL STATEMENTS AND REPORTS

The Financial Report, Directors' Report and Auditor's Report for the Company for the year ended 30 June 2012 will be laid before the Meeting. There is no requirement for shareholders to approve those reports. However, the Chairman will allow a reasonable opportunity for shareholders to ask questions or make comments about those reports and the management of the Company.

Shareholders will also be given a reasonable opportunity to ask the Auditor questions about the conduct of the audit and 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. As a shareholder, you are entitled to submit one written question to the Auditor prior to the Annual General Meeting provided that the question relates to:

- the content of the Auditor's Report; or
- the conduct of the audit in relation to the Financial Report.

All written questions must be received by the Company no later than 5 business days before the meeting date. All questions must be sent to the Company and may not be sent directly to the Auditor. The Company will then forward all questions to the Auditor. The Auditor will answer all written questions submitted prior to the Annual General Meeting. Copies of the questions, if any, submitted to the Company's Auditor will be available at the Meeting and posted on the Company's website.

ITEM 2 - RE-ELECTION AND ELECTION OF DIRECTORS

a. Resolution 1 – Re-election of a Director – Mr Michael Bowen

Clause 13.2 of the Constitution requires that at the Annual General Meeting, one third of the Directors for the time being, or, if their number is not a multiple of 3, then such number as is appropriate to ensure that no Director, other than alternate Directors and the Managing Director, holds office for more than 3 years, shall retire from office. A retiring Director is eligible for re-election. Additional Directors appointed since the last Annual General Meeting shall not be taken into account in determining the Directors who are to retire by rotation.

Mr Michael Bowen retires by rotation and is eligible for re-election.

Mr Bowen is currently a Non-Executive Director. Mr Bowen is also Chairman of the Remuneration Committee and a member of the Audit Committee. A brief description of the qualifications of Mr Bowen is set out on pages 8 and 9 of the Company's 2012 Annual Report.

The Chairman intends to vote undirected proxies in favour of the re-election of Mr Bowen.

The Board unanimously recommends the re-election of Mr Bowen.

b. Resolution 2 – Election of a Director – Mr David Barrow

Clause 13.4 of the Constitution requires that at the Annual General Meeting, any nomination for the election of a Director which has been received at least 30 business days before the Annual General Meeting shall be put to shareholders.

On 28 September 2012 the Company Secretary received correspondence from Mr David Barrow setting out that he held 10 shares in the issued capital of the Company and that he nominated himself for election as a director of the Company at the forthcoming Annual General Meeting.

Mr Barrow requested the following material be published in this Explanatory Statement:

“David Barrow has a Bachelor of Commerce honours degree in Accounting and Finance from Melbourne University and a Juris Doctor degree in Law from RMIT University. He is a Certified Practising Accountant member of CPA Australia with over 10 years experience in accounting and auditing.

Mr Barrow affirms he has been involved in successful litigation in superior courts against BlackRock Investment Management (Australia) Limited, BrisConnections Management Company Limited, Nationwide News Pty Limited, Fairfax Media Publications Pty Limited and many leading Australian Banks.

During the past three years he has not served as a director of any other listed company.

Mr Barrow will address the meeting and answer questions from shareholders on:

- fresh scrutiny of the Company's approach to continuous disclosure requirements – to ensure we keep shareholders and the market informed;
- caution on the Company's strategic directions into funding foreign litigation and international arbitration; and
- serving shareholders through audit and remuneration committees.”

The Chairman intends to vote undirected proxies AGAINST the election of Mr Barrow.

The Board unanimously recommends shareholders to vote AGAINST the election of Mr Barrow.

c. Resolution 3 – Re-election of a Director – Mr John Walker

Clause 13.2 of the Constitution requires that at the Annual General Meeting, one third of the Directors for the time being, or, if their number is not a multiple of 3, then such number as is appropriate to ensure that no Director, other than alternate Directors and the Managing Director, holds office for more than 3 years, shall retire from office. A retiring Director is eligible for re-election. Additional Directors appointed since the last Annual General Meeting shall not be taken into account in determining the Directors who are to retire by rotation.

Mr John Walker retires by rotation and is eligible for re-election.

Mr Walker is currently an Executive Director of the Company and is the Company's Director of Marketing. A brief description of the qualifications of Mr Walker is set out on page 7 of the Company's 2012 Annual Report.

The Chairman intends to vote undirected proxies in favour of the re-election of Mr Walker.

The Board unanimously recommends the re-election of Mr Walker.

ITEM 3 – REMUNERATION REPORT

Resolution 4 – Adoption of Remuneration Report

Pursuant to the Corporations Act, the Company is required to include in the Directors' Report a detailed Remuneration Report relating to Directors' and executives' remuneration in the financial year ended 30 June 2012, and submit it for adoption by resolution of shareholders at the Annual General Meeting.

The Remuneration Report for the year ended 30 June 2012 is set out on pages 18 to 24 in the Company's 2012 Annual Report, a copy of which can be found on the Company's website at www.imf.com.au.

Shareholders are entitled to vote on the question of whether the Remuneration Report, as contained in the 2012 Annual Report, is to be adopted.

Section 250R(3) of the Corporations Act provides that Resolution 3 is advisory only and does not bind the Directors of itself. A failure of shareholders to pass Resolution 3 will not require the Directors to alter any of the arrangements in the Remuneration Report.

However, the Corporations Act has been amended by the Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act (**Director and Executive Remuneration Act**) which came into effect on 1 July 2011.

The Director and Executive Remuneration Act introduced new sections 250U and 250Y, among others, into the Corporations Act, giving shareholders the opportunity to remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (**Two Strikes Rule**).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

In summary, if the Remuneration Report receives a 'no' vote of 25% or more at this Meeting, shareholders should be aware that if there is a 'no' vote of 25% or more at the next annual general meeting the consequences are that it may result in the re-election of the Board.

Following consideration of the Remuneration Report, the Chairman will give shareholders a reasonable opportunity for shareholders to ask questions about, or make comments on, the Remuneration Report.

The Chairman will not cast undirected votes on Resolution 3.

The Board unanimously recommends the adoption of the Remuneration Report.

ENQUIRIES

Shareholders are invited to contact Ms Diane Jones (Company Secretary) on (02) 8223 3545 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

ASX means ASX Limited trading as the Australian Securities Exchange.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Board means the board of directors of the Company.

Chair or **Chairperson** means the person appointed to chair the Meeting convened by this Notice.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company and **IMF** means IMF (Australia) Ltd ABN 45 067 298 088.

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement to the Memorandum.

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

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

Memorandum means this explanatory memorandum.

Notice means the notice of meeting accompanying this Memorandum.

Resolution means a resolution contained in the Notice.

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

Shareholder means a holder of Shares.

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Lodge your vote:



Online:
www.investorvote.com.au



By Mail:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

www.investorvote.com.au



Cast your proxy vote



Access the annual report



Review and update your securityholding

Your secure access information is:

Control Number:

SRN/HIN:



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

For your vote to be effective it must be received by 5.00pm (AEDT) on Tuesday, 20 November 2012

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 as they choose. 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.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

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.

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of IMF (Australia) Ltd 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 IMF (Australia) Ltd to be held at the Edwin Flack Room, Sofitel Sydney Wentworth, 61-101 Phillip Street, Sydney NSW 2000 on Thursday, 22 November 2012 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 Item 4 (except where I/we have indicated a different voting intention below) even though Item 4 is 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 Item 4 by marking the appropriate box in step 2 below.

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
1	Re-election of a Director – Mr Michael Bowen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Election of a Director – Mr David Barrow	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Re-election of a Director – Mr John Walker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all available proxies in favour of all items of business with the exception of Item 2. The Chairman intends to vote all available proxies AGAINST the election of Mr Barrow.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / / _____