

Dear Shareholder

I am pleased to invite you to the Annual General Meeting (“**AGM**”) of Platinum Capital Limited (the “**Company**”), which will take place at **10:00am (AEDT) on Thursday, 29 October 2015 at Radisson Blu Plaza Hotel (Marble Room), 27 O’Connell Street, Sydney, NSW.**

Enclosed are the Notice of Meeting, Explanatory Memorandum, important Voting Information and Proxy Form. The Board advises shareholders that there are a number of important resolutions to be considered at the AGM and recommends that shareholders read the Notice of Meeting carefully. In particular, shareholders will be asked to vote on the adoption of the 2015 Remuneration Report and proposed changes to the management fee structure. A summary of the 2015 Remuneration Report is outlined in the Explanatory Memorandum on page 3 and a summary of the proposed changes to the management fee structure are outlined in the Explanatory Memorandum on pages 3 and 4.

If you decide to attend the meeting, please bring this letter with you to facilitate registration prior to the meeting.

If you are unable to attend the meeting, you may appoint a proxy. You can do so by completing the enclosed Proxy Form and returning it in the enclosed reply paid envelope (for Australian residents only) or faxing it (+61 3 9473 2555) to the Company’s Share Registrar. Alternatively, you can appoint a proxy online at [www.investorvote.com.au](http://www.investorvote.com.au). You must appoint your proxy (online or by returning the Proxy Form to the Company’s Share Registrar) so that it can be received no later than **10:00am (AEDT) on Tuesday, 27 October 2015.**

Corporate shareholders may appoint an individual representative to attend the AGM on the corporate entity’s behalf. Such representatives must bring their authorities of appointment to the AGM. An “Appointment of Corporate Representative” form is available from the Company’s Share Registrar or may be printed from [www.investorcentre.com](http://www.investorcentre.com).

You may submit questions in advance of the meeting by emailing [invest@platinum.com.au](mailto:invest@platinum.com.au).

Yours faithfully

Janna Vynokur  
Company Secretary  
14 September 2015

## **NOTICE OF MEETING**

Notice is given that the Annual General Meeting (“**AGM**”) of Platinum Capital Limited (the “**Company**”) will be held in the **Marble Room at Radisson Blu Plaza Hotel, 27 O’Connell Street, Sydney, NSW** on **Thursday, 29 October 2015** commencing at **10:00am (AEDT)**. The business to be considered at the AGM is set out below. The Notice of Meeting should be read in conjunction with the accompanying Explanatory Memorandum.

## **ORDINARY BUSINESS**

### **A. Consideration of Financial and Statutory Reports**

To consider the Financial Report of the Company and the Directors’ Report and Auditor’s Report for the year ended 30 June 2015.

### **B. Re-appointment of Directors**

#### **Resolution 1 Re-appointment of Jim Clegg as a Director**

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

‘That Jim Clegg, retiring from the office of Director in accordance with rule 45(d) of the Company’s Constitution and being eligible, be re-appointed as a Director of the Company.’

#### **Resolution 2 Re-appointment of Richard Morath as a Director**

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

‘That Richard Morath, retiring from the office of Director in accordance with rule 46(a) of the Company’s Constitution and being eligible, be re-appointed as a Director of the Company.’

### **C. Remuneration Report**

#### **Resolution 3 Adoption of the Remuneration Report**

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

‘That the Remuneration Report of the Company for the year ended 30 June 2015 be adopted.’

### **D. Changes to the Management Fee Structure under Investment Management Agreement**

#### **Resolution 4 Adoption of the New Management Fee Structure**

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

‘That, effective on and from 1 January 2016, the existing Schedule 4 of the Investment Management Agreement between the Company and Platinum Investment Management Limited dated 7 August 2009 be replaced with a new Schedule 4 which provides for the payment of a base management fee of 1.10% (ex GST) per annum of the Company’s Adjusted Portfolio Value\* and a performance fee of 15% (ex GST) of the amount by which the Company’s portfolio annual return exceeds the return achieved by the MSCI All Country World Net Index in \$A terms.’

Refer to the Explanatory Memorandum for further information on the resolutions.

\* Portfolio Value adjusted by (i) adding back Australian income taxes or dividends paid out of the portfolio, or any shares bought back or cancelled and (ii) subtracting any capital raised through the issue of new shares or any Australian income tax refunded and deposited in the portfolio.

## EXPLANATORY MEMORANDUM

### Introduction

The Explanatory Memorandum is intended to provide shareholders with important background information in relation to each item of business. It should be read in conjunction with the Notice of Meeting.

### Financial and Statutory Reports (Not voted on)

The financial report and the reports of the Directors and the auditor for the financial year ended 30 June 2015 will be laid before the AGM, as required by section 317 of the *Corporations Act 2001* (Cth) (the “**Corporations Act**”). The Corporations Act does not require a vote of shareholders on these reports.

The Company’s 2015 Annual Report (which includes the Directors’, auditor’s and financial reports) is available on the Company’s website at [www.platinum.com.au/Our-Funds/Platinum-Capital-Limited/#FinancialStatements](http://www.platinum.com.au/Our-Funds/Platinum-Capital-Limited/#FinancialStatements).

During this item of business, shareholders will be given reasonable opportunity to ask questions and make comments in relation to the financial and statutory reports, the business and management of the Company.

Shareholders will also be given a reasonable opportunity to ask a representative of the Company’s auditor, PricewaterhouseCoopers, 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 the preparation of financial statements or the independence of the auditor in relation to the conduct of the audit.

### Resolution 1: Retirement and Re-election of Director

Rule 45(d) of the Company’s Constitution provides that the Board may appoint a person as a Director. Any Director so appointed automatically retires at the next annual general meeting and is eligible for election by that general meeting.

Mr Clegg joined the Board as Independent Non-Executive Director and member of the Audit and Risk Committee on 5 June 2015.

Mr Clegg is retiring from office, and in accordance with rule 45(d) of the Company’s Constitution, offers himself for re-election. A summary of Mr Clegg’s qualifications and experience is detailed below.

**Jim Clegg** BRurSc (Hons), DipAgEc

Mr Clegg has over 27 years of experience in the financial services industry, having been a Director of Godfrey Pembroke, Berkley Group and Centric Wealth. Mr Clegg is a trustee of The Walter & Eliza Hall Trust.

### Recommendation

The Directors (other than the relevant Director in relation to his re-election) recommend that shareholders vote in favour of Resolution 1.

### Resolution 2: Retirement and Re-election of Director

Rule 46(a) of the Company’s Constitution provides a Director may not hold office for a continuous period (without re-election) past the longer of three years and the third Annual General Meeting following a Director’s appointment (last election). Upon retirement and where eligible, a Director may stand for re-election.

Mr Morath joined the Board as Independent Non-Executive Director and Chairman of the Audit and Risk Committee in March 2009 and was re-elected in 2012.

Mr Morath is retiring from office, in accordance with rule 46(a) of the Company’s Constitution, and offers himself for re-election. A summary of Mr Morath’s qualifications and experience is detailed below.

**Richard Morath** BA FIAA ASIP

Mr Morath has over 41 years of experience in life insurance, funds management, banking and financial planning. Mr Morath is currently Non-Executive Director and Chairman of the Advice & Licences Boards of all Financial Planning companies in National Australia Bank/MLC and Chairman of National Australia Trustees. Mr Morath is also a Director of JANA Investment Advisors Limited, BNZ Life and BNZ Investments Services Limited, and during the year, he was appointed a Director of Wealth Defender Equities Limited.

### Recommendation

The Directors (other than the relevant Director in relation to his re-election) recommend that shareholders vote in favour of Resolution 2.

### Resolution 3: Adoption of Remuneration Report for the year ended 30 June 2015

The Remuneration Report of the Company for the financial year ended 30 June 2015 forms part of the Directors' Report and is set out on pages 18 to 22 of the Company's 2015 Annual Report, which is available on the Company's website at [www.platinum.com.au/Our-Funds/Platinum-Capital-Limited/#FinancialStatements](http://www.platinum.com.au/Our-Funds/Platinum-Capital-Limited/#FinancialStatements).

**A summary of the Remuneration Report for the year ended 30 June 2015 is as follows:**

- **There were only four officers remunerated by the Company during the year (the former and current Non-Executive Directors).**
- **Other than the increase in the mandatory superannuation rate, there has been no increase in remuneration paid to Non-Executive Directors between 2003 and 2015.**
- **The Company does not pay bonuses to any of its Directors.**
- **Despite the approval of shareholders to pay Non-Executive Directors remuneration up to \$350,000 per annum, only \$169,725 in aggregate was paid in 2015.**
- **During the last financial year, and up until 20 August 2015, Kerr Neilson and Andrew Clifford were both Executive Directors of the Company but were not employed or paid by the Company. They are employed by Platinum Investment Management Limited, whose services are governed by the Investment Management Agreement and the Administration Services Agreement with the Company. On 21 August 2015, both Kerr Neilson and Andrew Clifford relinquished their Board positions, but remain as Chief Executive Officer and Chief Investment Officer of Platinum Investment Management Limited respectively.**

In relation to the Remuneration Report for the financial year ending 30 June 2016, effective 1 July 2015, the base pay of the Company Chairman increased to \$60,000 (from \$55,000) and the base pay of the Non-Executive Directors increased to \$55,000 (from \$50,000). This represents the first increase in 12 years.

Shareholders will be given reasonable opportunity at the Meeting to ask questions about, and comment on, the Remuneration Report.

A 25% or higher "no" vote on the remuneration report at an AGM triggers a reporting obligation on a listed company to explain in its next Annual Report how concerns are being addressed.

Therefore, the Board encourages shareholders to read the 2015 Remuneration Report and vote on the important resolution.

#### **Recommendation**

The Directors recommend that shareholders vote in favour of Resolution 3.

Key Management Personnel and their closely-related parties are prohibited from voting on Resolution 3. The Key Management Personnel are the Directors of the Company.

### **Resolution 4: Adoption of the New Management Fee Structure**

Under the Investment Management Agreement between the Company and Platinum Investment Management Limited (the "**Manager**") dated 7 August 2009 (the "**IMA**"), the Manager is entitled to receive a monthly management fee which is comprised of a base management fee of 1.50% (ex GST) per annum of the Company's Adjusted Portfolio Value\* and a performance fee of 10% (ex GST) of the amount by which the Company's portfolio return exceeds the return achieved by the MSCI All Country World Net Index in \$A terms ("**Benchmark**") plus 5%. The performance fee is calculated at the end of each financial year on 30 June.

The Directors propose a new management fee structure, which will comprise a lower base management fee of 1.10% (ex GST) per annum of the Company's Adjusted Portfolio Value\* and a higher performance fee of 15% (ex GST) of the amount by which the Company's portfolio return (as at 30 June) exceeds the Benchmark return in \$A terms.

\* Portfolio Value adjusted by (i) adding back Australian income taxes or dividends paid out of the portfolio, or any shares bought back or cancelled and (ii) subtracting any capital raised through the issue of new shares or any Australian income tax refunded and deposited in the portfolio.

The Directors consider that the proposed new management fee structure is in line with the trend across the funds management industry, where base management fees are typically lower and the performance fees are higher.

The proposed new management fee structure is also consistent with the management fee structure for Platinum's new listed investment company, Platinum Asia Investments Limited, which is expected to be listed on the ASX on 21 September 2015 and will also be managed by Platinum Investment Management Limited.

After seeking external input, the Directors have concluded that, in general:

- if the Company's portfolio return is less than approximately 4% per annum above the Benchmark return then the proposed new fee structure will result in lower overall fees; and
- if the Company's portfolio return is greater than approximately 4% per annum above the Benchmark return, then the proposed new fee structure will result in higher overall fees.

The Directors consider this proposed new management fee structure is a better alignment of the interests of shareholders and the Manager. The Company will pay higher overall fees only if there is significant outperformance over the Benchmark.

If the Resolution is approved, the IMA will be amended and the new management fee structure will commence from 1 January 2016.

If the Resolution is not approved, the proposed changes to the management fee structure will not be effected and the current fee structure will remain.

### **Recommendation**

The Directors recommend that shareholders vote in favour of Resolution 4.

### **Voting exclusions**

The Manager and its associates are prohibited from voting on Resolution 4. However, a vote may be cast by the Manager and its associates as a proxy for a person who is entitled to vote on the Resolution, appointed by way of a proxy form that directs how the proxy is to vote on Resolution 4.

\* Portfolio Value adjusted by (i) adding back Australian income taxes or dividends paid out of the portfolio, or any shares bought back or cancelled and (ii) subtracting any capital raised through the issue of new shares or any Australian income tax refunded and deposited in the portfolio.



Custodian Voting: For Intermediary Online subscribers only (custodians), please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions.

Online: Vote online at [www.investorvote.com.au](http://www.investorvote.com.au) by following the instructions.

The Proxy Form must be received by Computershare or the Company by no later than **10:00am (AEDT)** on **Tuesday, 27 October 2015**. Proxies received after that time will not be effective for the AGM.

### **Corporate Representatives**

A body corporate, which is a shareholder or has been appointed as a proxy of a shareholder, may appoint an individual to act as its representative at the AGM. The appointment must comply with the requirements of section 250D of the *Corporations Act 2001* (Cth). An "Appointment of Corporate Representative" form is available from the Company's Share Registrar (phone 1300 855 080 or +61 3 9415 4000) or online at [www.investorcentre.com](http://www.investorcentre.com) (select the "Printable Forms" section under the "Help" tab).

The representative must bring to the AGM the completed form or evidence of his or her appointment (including the authority under which the appointment is signed).

### **Shareholder Questions**

Questions that are relevant to the business of the AGM (as outlined in this Notice of Meeting) and to be addressed at the AGM can be emailed to [invest@platinum.com.au](mailto:invest@platinum.com.au).

By the order of the Board

Janna Vynokur  
Company Secretary  
14 September 2015

**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**

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**Vote and view the annual report online**

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

**Your access information that you will need to vote:**

**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 10:00am (AEDT) on Tuesday, 27 October 2015.**

**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.

**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](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please email [invest@platinum.com.au](mailto:invest@platinum.com.au).

**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

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I/We being a member/s of Platinum Capital 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 Platinum Capital Limited to be held at **10:00am (AEDT) on Thursday, 29 October 2015** in the **Marble Room at Radisson Blu Plaza Hotel, 27 O'Connell Street, Sydney, NSW** and at any adjournment of that meeting.

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

If the Chairman of the Meeting is your proxy (or becomes your proxy in the event of an undirected proxy), you expressly authorise the Chairman to exercise your proxy on Resolution 3 (Remuneration Report resolution) even though this item is connected with the remuneration of members of key management personnel, which includes the Chairman.

**Important for Resolution 3 below:** If the Chairman of the Meeting is your proxy and you have not directed him/her how to vote on Resolution 3 below, the Chairman of the Meeting will vote undirected proxies in favour of Resolution 3.

## 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-appointment of Jim Clegg as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Re-appointment of Richard Morath as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Adoption of the new management fee structure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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.

## 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 / / \_\_\_\_\_