

Print Mail Logistics Limited

ACN 103 116 856

Notice of Annual General Meeting

Date Friday, 29 November 2013
Time 9:00 am
Place Print Mail Logistics Limited,
Ground Floor, 30 Davey Street, Hobart, Tasmania 7000

The Annual General Meeting of Print Mail Logistics Limited (**'the Company'**) will be held at the place, date and time specified above for the purpose of conducting the following business.

ORDINARY BUSINESS

1. Financial report

To consider the Company's financial report, directors' report and auditor's report for the financial year ended 30 June 2013.

2. Remuneration report

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

'That the Remuneration Report for the year ended 30 June 2013 be adopted.'

The directors recommend that you vote in favour of the Resolution.

3. Election of Director

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

'That Mr Barry Hamilton, who was appointed as a director on 5 July 2013, have his appointment as a director of the Company confirmed in accordance with s201H(3) of the Corporations Act.'

Information about Mr Barry Hamilton appears in the accompanying Explanatory Memorandum. The directors recommend that you vote in favour of the Resolution.

4. Re-election of Director

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

'That Mr Robert Cameron, who retires by rotation in accordance with rule 17.1 of the Company's constitution, and being eligible, be re-elected as a director of the Company.'

Information about Mr Robert Cameron appears in the accompanying Explanatory Memorandum. The directors recommend that you vote in favour of the resolution.

SPECIAL BUSINESS

5. Selective share buy-back

To consider and, if thought fit, pass the following resolution as a Special Resolution:

'That in accordance with section 257D of the Corporations Act and for all other purposes, approval is given for the Company to conduct a selective Share Buy-back on the terms detailed in the Explanatory Memorandum.'

Voting Exclusion

The Company will disregard any votes cast on Item 5 by the Participating Shareholders and any associate of those persons.

The directors recommend that you vote in favour of the Resolution.

6. Constitutional Amendments

To consider and, if thought fit, pass the following resolution as a Special Resolution:

'That the Constitution of the Company be amended by special resolution, in the form of the Constitution tabled at this meeting and signed by the Chairperson for identification purposes.'

The directors recommend that you vote in favour of the Resolution.

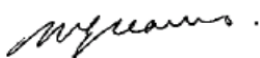
7. Other business

To transact any other business which may be brought forward in accordance with the constitution of the Company.

The Directors recommend that you vote in favour of all resolutions.

DATED

By Order of the Board



Mary-Anne Greaves
Company Secretary
Dated: 25 October 2013

NOTE:

- (a) A member who is entitled to vote at a general meeting is entitled to appoint not more than two proxies.
- (b) When two proxies are appointed and each proxy is not appointed to represent a specified proportion of the member's voting rights, then each proxy may exercise half of the shareholder's voting rights.
- (c) A proxy need not be a member.

- (d) An instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed must be returned to the Company by mail, by facsimile or in person not less than 48 hours before the time set for the holding of the meeting (i.e. 9:00am on Wednesday 27 November 2013) to the following address:

By Mail:

Armstrong Registry Services Pty Ltd
GPO Box 897
Brisbane Qld 4001
Australia

By Facsimile:

Armstrong Registry Services Pty Ltd
+61 7 3231 0099

In Person:

Armstrong Registry Services Pty Ltd
Level 22
307 Queen Street
Brisbane Qld 4000
Australia

Print Mail Logistics Limited

Explanatory Memorandum

Item 1: Financial statements and reports

While shareholders are not required to vote on the financial statements and reports, shareholders will be given reasonable opportunity at the meeting to raise questions on the statements and reports. They will also be able to ask the Company's auditor questions.

Item 2: Remuneration Report

Shareholders will be given a reasonable opportunity at the meeting to comment on and ask questions about the Company's Remuneration Report.

The Remuneration Report is contained in the Financial Report. Copies of the Financial Report are distributed with the Notice of Annual General Meeting and are available on the Company's website at www.pml.com.au or can be obtained from the Office of the Company Secretary by telephoning +61 3 6220 8444.

The Remuneration Report includes:

- an explanation of the Company's policy for determining the remuneration of directors and executives; and
- a discussion of the relationship between that policy and the Company's performance; and
- details of the performance conditions associated with the remuneration of the directors and executives.

The vote on the proposed resolution in this Item 2 is advisory and will not bind the directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing remuneration practices and policies.

The Board recommends that shareholders vote in favour of adopting the Remuneration Report.

Item 3: Election of Director

On 5 July 2013, the Board appointed Mr Barry Hamilton as a director of the Company and endorse his nomination as a candidate for election. Details about Mr Hamilton are outlined below.

Mr Barry Hamilton

Mr Hamilton is a member of the Institute of Chartered Accountants in Tasmania and an associate member of the Insolvency Practitioners Association of Australia. In addition to being a registered company liquidator and trustee in bankruptcy, Mr Hamilton has worked extensively in insolvency and business reconstruction management.

The Board (other than the director who is the subject of the relevant resolution) recommends that shareholders vote in favour of Mr Barry Hamilton's election.

Item 4: Re-election of Director

The Board, in the absence of Mr Cameron, reviewed the performance of the director standing for re-election and have endorsed his nomination as a candidate for re-election. Details about Mr Cameron are outlined below.

Mr Robert Cameron

Mr Cameron is a non-executive director having been appointed to the board in April 2010.

Mr Cameron is a member of the Audit and Risk Management Committee, the Remuneration Committee and the Nominations Committee.

Mr Cameron is a Chartered Accountant and a former Director of an ASX listed company.

The Board (other than the director who is the subject of the relevant resolution) recommends that shareholders vote in favour of Mr Robert Cameron's re-election.

Item 5: Selective share buy-back

Background and rationale

Item 5 seeks Shareholder approval for the Company to conduct a selective Share Buy-back of the shares in the Company which are held by Armstrong Registry Services Pty Ltd.

On 23 November 2009, Armstrong Registry Services Pty Ltd acquired 2,720,000 shares in the Company.

On 20 May 2011, the Company acquired 816,000 shares in Armstrong Registry Services Pty Ltd with a face value of \$1.00 per share.

The proposed selective share buy-back involves the shareholding of Armstrong Registry Services Pty Ltd in Print Mail Logistics Limited (being 2,720,000 shares) being bought back and cancelled in exchange for the shares that are currently held by Print Mail Logistics Limited in Armstrong Registry Services Pty Ltd (being 816,000 shares) being cancelled.

On 30 October 2009 a subsidiary of Print Mail Logistics Limited, 999999999 Pty Ltd ACN 125 892 999 purchased the 816,000 shares in Armstrong Registry Services Pty Ltd and a Shareholders Agreement was entered into. These shares were subsequently transferred to Print Mail Logistics Limited and Print Mail Logistics Limited assumed all the obligations under the Shareholders Agreement.

Pursuant to the Shareholders Agreement, in the event Print Mail Logistics Limited wishes to dispose of its shareholding in Armstrong Registry Services Pty Ltd it must first offer those shares to other Shareholders of Armstrong Registry Services Pty Ltd before offering those shares or economic benefits attached to them, to any other person who is not a party to the Shareholders Agreement.

Accordingly, Print Mail Logistics Limited has negotiated an outcome with the other shareholder of Armstrong Registry Services Pty Ltd and its directors in relation to the disposal of the shares it holds in Armstrong Registry Services Pty Ltd. This entails the shares in Armstrong Registry Services Pty Ltd being cancelled as consideration for Print Mail Logistics Limited buying-back the shares held by Armstrong Registry Services Pty Ltd in Print Mail Logistics Limited.

The volume weighted average share price of Print Mail Logistics Limited shares over the 30 trading days to 25 October 2013 was \$0.33. The highest trade over the previous 6 months to that date was \$0.33 and the lowest trade in that period was \$0.33 on 18 September 2013.

(a) *Effect on Print Mail Logistic Limited's share capital*

The table below sets out the effect of the Buy-back on the Company's share capital before, and on the completion of, the Buy-back:

Shares in PML on issue at the date of this Notice	33,346,000
The number and percentage of shares to be bought back	2,720,000 (8.157%)
Shares in PML on issue upon completion of the selective share buy back and cancellation based on the number of shares currently on issue in PML	30,626,000

(b) *Change in control*

The table below sets out the effect of the Buy-back on Armstrong Registry Services Pty Ltd's shareholding in Print Mail Logistics Limited before, and on the completion of, the Buy-back:

Shareholder	No of Shares held in PML	% of total Shares	No. of Shares held in PML on completion of Buy-back	% of total Shares
Armstrong Registry Services Pty Ltd	2,720,000	8.157	0	0.000%

The table below sets out the effect of the Buy-back on the current Top 10 Shareholders in Print Mail Logistics Limited holding more than 1% of the Company's issued Shares before, and on the completion of, the Buy-back:

Shareholder	No of Shares held	% of total Shares	No. of Shares on completion of Buy-back	% of total Shares
1. Landav Pty Ltd	6,115,000	18.338%	6,115,000	19.967%
2. NSS Trustees Limited <The Capo Bianco Retirement A/C>	4,159,813	12.475%	4,159,813	13.583%
3. Mr Nigel Benjamin Elias	2,887,720	8.660%	2,887,720	9.429%
4. Armstrong Registry Services Pty Ltd	2,720,000	8.157%	0	0.000%
5. Mr J Capo-Bianco & Mrs S Capo-Bianco & NSS Trustees Ltd	2,505,580	7.514%	2,505,580	8.181%
6. Pumbaa Investment Pty Ltd <Penrose Family Trust A/C>	2,250,000	6.747%	2,250,000	7.347%

	Shareholder	No of Shares held	% of total Shares	No. of Shares on completion of Buy-back	% of total Shares
7.	Dermos Pty Ltd <RV Jordan Settlement No 2 A/C>	1,333,000	3.997%	1,333,000	4.353%
8.	Mr David Harris Stewart	1,177,000	3.530%	1,177,000	3.843%
9.	Mr Marc Hoegger	1,041,787	3.124%	1,041,787	3.402%
10.	Mr Robert Craig Cameron	928,000	2.783%	928,000	3.030%

Interests of Directors

The Directors do not have any interests in Armstrong Registry Services Pty Ltd as at the date of this Notice other than in their capacity as directors of Print Mail Logistics Limited which holds 816,000 shares in Armstrong Registry Services Pty Ltd.

Consideration

The Selective Share Buy-Back transaction entails a direct exchange and cancellation of holdings between Print Mail Logistics Limited and Armstrong Registry Services Pty Ltd in lieu of any cash consideration.

Terms of the agreement

The Buy-back Agreement is conditional on approval from Shareholders of Print Mail Logistics Limited and contemplates the shareholding of Armstrong Registry Services Pty Ltd in Print Mail Logistics Limited being bought back and cancelled in exchange for the cancellation of the shareholding of Print Mail Logistics Limited in Armstrong Registry Services Pty Ltd.

Reason for Selective Share Buy-backs

(a) The advantages of the Buy-back

The Company considers that the principal potential advantages of the Buy-back are as follows:

- (i) The buy-back provides an opportunity for the Company to reduce its issued share capital.
- (ii) As no cash is involved, the transaction will have no effect on the liquidity of the Company.
- (iii) Each continuing shareholder's percentage ownership in the Company will increase along with the net asset value per share.

(b) The disadvantages of the Buy-back

The Company considers that the principal potential disadvantages of the Buy-back are as follows:

- (i) The offer is limited to a single shareholder and not to all shareholders at large.

Fairness and reasonableness of proposal

If the Buy-back is approved, the Company will buy-back 2,720,000 Print Mail Logistics Limited shares. Upon completion, these shares will be cancelled in accordance with the Corporations Act.

As consideration for the 2,720,000 Print Mail Logistics Limited shares, the Company will surrender its entire shareholding in Armstrong Registry Services Pty Ltd of 816,000 shares, which will be cancelled.

The Directors view such a transaction as both 'fair' and 'reasonable', particularly in light of the illiquid nature, lack of redemption or trading market for the Armstrong Registry Services Pty Ltd shares held by the Company and the requirements of the Shareholders Agreement.

Procedural requirements

To enable the Company to conduct the selective Share Buy-back, section 257D(1) of the Corporations Act requires the terms of the Buy-back Agreement to be approved before it is entered into by either:

- (i) a special resolution passed at a general meeting of the Company with no votes being cast in favour of the resolution by any person whose shares are proposed to be bought back or by their associates; or
- (ii) a resolution agreed to, at a general meeting, by all ordinary shareholders;

or the agreement must be conditional on such an approval.

Under the Resolution, the Company is seeking Shareholder approval by way of a Special Resolution passed at the Annual General Meeting of the Company, with no votes being cast in favour of the Resolution by any person whose shares are proposed to be bought back or by their associates.

Under the Corporations Act, the requirements for a selective share buy-back is that the share buy-back:

- (i) does not materially prejudice the Company's ability to pay its creditors; and
- (ii) follows the procedures laid down in Division 2 of Chapter 2J of the Corporations Act.

The Directors are of the opinion that this transaction does not materially prejudice the Company's ability to pay its creditors and the relevant procedures set out in the Corporations Act have been followed.

Effective date of the proposal

Under Section 256C(3) of the Corporations Act, the Company can act on the Resolution 14 days after a copy of the Resolution as passed, is lodged with ASIC.

Taxation considerations

The Directors of the Company consider that the proposed selective share Buy-back of the Buy-back Shares will not affect the Company's taxation position.

Financial Statements and Financial Effect

The auditor reviewed the Annual Financial Report for the Year Ended 30 June 2013 of the Company. This Report was lodged with ASIC and released on NSX on 12 September 2013.

The Directors view the financial impact of the Buy-back as being a reduction in the share capital of the Company.

Impact on Creditors

The Directors do not believe that the Buy-back will have an adverse effect on the Company's ability to pay its creditors.

Other Considerations

Before deciding whether to vote in favour or against the selective share buy-back, the Directors strongly recommend that Print Mail Logistics shareholders:

- (i) consult their own professional advisers;
- (ii) carefully read all relevant documentation provided to them including prior Market Releases and the Notice of General Meeting and this Explanatory Memorandum; and
- (iii) consider their own specific circumstances.

The Board recommends that Shareholders vote in favour of approving the Selective Share Buy-Back. The Board see the proposed transaction between the Company and Armstrong Registry Services Pty Ltd as being both 'fair' and 'reasonable' to continuing shareholders.

Item 6: Constitutional amendments

A copy of the Constitution of the Company highlighting all proposed changes is available on request to Shareholders by post or email.

Shareholders requiring a copy of the current Constitution or the proposed marked up Constitution should contact the Company Secretary, Mr Adrian Pereira on telephone (03) 6220 8444.

The *Corporations Amendment (Corporate Reporting Reform) Act 2010* (Cth) ('the Act') made an important amendment to the Corporations Act by replacing the requirement that dividends be paid out of company profits with a test based on balance sheet solvency. The Act came into effect on 28 June 2010 and applied to dividends declared on or after this date.

The Act requires that a Company may only make a payment to Shareholders if the following tests are satisfied:

- (a) the Company's assets sufficiently exceed its liabilities immediately before the declaration of the payment and the excess is sufficient for the payment to be made;
- (b) the payment is fair and reasonable to the Company's Shareholders as a whole; and
- (c) the payment to Shareholders does not materially prejudice the Company's ability to pay its creditors.

Accordingly, it is proposed that the following amendments be made to the Constitution of the Company:

Amendments

Existing Constitution	Proposed Constitution
24.5 Dividends out of profits No dividend is payable except out of the profits of the Company, and no dividend or other moneys payable on or in respect of a share carries interest as against the Company. The declaration of the Board as to the amount of the profits of the company is conclusive.	24.5 No Interest on Dividends No dividend or other moneys payable on or in respect of a share carries interest as against the Company.

The Board recommends that shareholders vote in favour of the Constitutional amendments.

Definitions

The following terms used in the Notice of Meeting and the Explanatory Memorandum are defined as follows:

ASIC means the Australian Securities & Investments Commission;

Board means the directors of the Company as at the date of the Notice of Annual General Meeting being Mr John Woods, Mr Nigel Elias, Mr Robert Cameron and Mr Barry Hamilton;

Buy-back means the transaction contemplated by Resolution 5 in the Notice of Annual General Meeting;

Buy-back Agreement means the share buy-back agreement entered into between the Company and Armstrong Registry Services Pty Ltd on the terms summarised in Item 5 of the Explanatory Memorandum;

Buy-back Shares means the Shares currently held by Armstrong Registry Services in Print Mail Logistics Limited being 2,720,000 shares;

Company means Print Mail Logistics Limited ACN 103 116 856 (NSX: PNT);

Constitution means the constitution of the Company from time to time;

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

Directors means the board of directors of the Company as at the date of the Notice of Annual General Meeting being Mr John Woods, Mr Nigel Elias, Mr Robert Cameron and Mr Barry Hamilton;

Explanatory Memorandum means the explanatory memorandum accompanying the Notice of Annual General Meeting;

Meeting means the General Meeting to be held at 9:00am on 29 November 2013 as convened by the attached Notice of Annual General Meeting;

Notice of Annual General Meeting or **Notice** means the notice of meeting giving notice to shareholders of the Annual General Meeting, accompanying this Explanatory Memorandum;

Ordinary Resolution means a resolution passed by more than 50% of the votes cast at a general meeting of shareholders;

Participating Shareholder means Armstrong Registry Services Pty Ltd;

Resolutions means the resolutions set out in the Notice of Annual General Meeting;

Shares means fully paid ordinary shares in the Company from time to time;

Shareholder means a shareholder of the Company other than Armstrong Registry Services Pty Ltd; and

Special Resolution means a resolution passed by at least 75% of the votes cast at a general meeting of shareholders.

Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Mr Adrian Pereira, Company Secretary at:

Postal Address

GPO Box 1618,
Hobart, TAS 7001

Telephone

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+61 3 6224 7659