

---

# **MCS** Services Ltd

(FORMERLY RED GUM RESOURCES LIMITED)

ACN 119 641 986

## NOTICE OF ANNUAL GENERAL MEETING

---

**The annual general meeting of the Company will be held at the offices of Stantons International, Level 2, 1 Walker Avenue, West Perth, Western Australia on Monday, 28 November 2016 commencing at 10:30 am (WST).**

*This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.*

*Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 8 9301 2420*

**Shareholders are urged to attend or vote by lodging the proxy form attached to this Notice.**

## CONTENTS

NOTICE OF ANNUAL GENERAL MEETING .....	2
AGENDA.....	2
1. ANNUAL REPORT .....	2
2. RESOLUTION 1 - REMUNERATION REPORT .....	2
3. RESOLUTION 2 - RE-ELECTION OF MS MELISSA CHAPMAN AS DIRECTOR .....	3
4. RESOLUTION 3 - RE-ELECTION OF MR ROBERT KUCERA AS DIRECTOR.....	3
5. RESOLUTION 4 - APPROVAL OF SELECTIVE SHARE BUY-BACK AGREEMENT .....	3
6. RESOLUTION 5 - ISSUE OF OPTIONS TO MR JOHN BOARDMAN .....	3
EXPLANATORY MEMORANDUM.....	5
1. INTRODUCTION .....	5
2. ACTION TO BE TAKEN BY SHAREHOLDERS .....	5
3. ANNUAL REPORT .....	6
4. RESOLUTION 1 – REMUNERATION REPORT .....	6
5. RESOLUTION 2 – RE-ELECTION OF MS MELISSA CHAPMAN AS DIRECTOR.....	7
6. RESOLUTION 3 – RE-ELECTION OF MR ROBERT KUCERA AS DIRECTOR .....	8
7. RESOLUTION 4 - APPROVAL OF SELECTIVE SHARE BUY-BACK AGREEMENT .....	8
8. RESOLUTION 5 - ISSUE OF OPTIONS TO MR JOHN BOARDMAN .....	11
SCHEDULE 1: DEFINITIONS.....	14

---

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the annual general meeting of shareholders of MCS Services Limited (**Company**) will be held at the offices of Stantons International, Level 2, 1 Walker Avenue, West Perth, Western Australia on Monday, 28 November 2016 commencing at 10:30 am (WST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Saturday, 26 November 2016 at 10:30 am (WST).

Terms and abbreviations used in this Notice (including the Explanatory Memorandum) are defined in Schedule 1.

**AGENDA**

**1. ANNUAL REPORT**

To consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2016, which includes the Financial Report, the Directors' Report and the Auditor's Report.

**2. RESOLUTION 1 - REMUNERATION REPORT**

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

*"That, pursuant to and in accordance with section 250R(2) of the Corporations Act and for all other purposes, approval is given by the Shareholders for the adoption of the Remuneration Report on the terms and conditions in the Explanatory Memorandum."*

**Voting Exclusion**

A vote on this Resolution must not be cast:

- (a) 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, regardless of the capacity in which the vote is cast; or
- (b) by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; or
- (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly

authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

**3. RESOLUTION 2 - RE-ELECTION OF MS MELISSA CHAPMAN AS DIRECTOR**

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

*"That, pursuant to and in accordance with article 38.1 of the Constitution and for all other purposes, Ms Melissa Chapman, Director, retires and being eligible, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum."*

**4. RESOLUTION 3 - RE-ELECTION OF MR ROBERT KUCERA AS DIRECTOR**

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

*"That, pursuant to and in accordance with Listing Rule 14.4 and article 36.2 of the Constitution and for all other purposes, Mr Robert Kucera, Director, who was appointed as a Director on 20 January 2016, retires and being eligible is re-elected as a Director on the terms and conditions in the Explanatory Memorandum."*

**5. RESOLUTION 4 - APPROVAL OF SELECTIVE SHARE BUY-BACK AGREEMENT**

To consider and, if thought fit, to pass with or without amendment, as a special resolution the following:

*"That, pursuant to and in accordance with section 257D of the Corporations Act and for all other purposes, the Shareholders approve the terms of the Buy-Back Agreement for the selective buy-back of 18,000,000 Shares from Mr John Bartholomew Boardman on the terms and conditions in the Explanatory Memorandum."*

**Voting Exclusion**

The Company will disregard any votes cast on this Resolution by Mr John Boardman and any of his associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

**6. RESOLUTION 5 - ISSUE OF OPTIONS TO MR JOHN BOARDMAN**

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

*"That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 27,000,000 Options with an exercise price of \$0.06 and an expiry date of 30 October 2020 to Mr John Boardman on the terms and conditions in the Explanatory Memorandum."*

**Voting Exclusion**

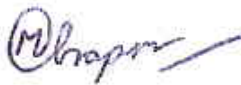
The Company will disregard any votes cast on this Resolution by Mr John Boardman and any of his associates.

The Company will not disregard a vote if:

- (c) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (d) it is cast by the Chairman 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.

Dated: 27 October 2016

By order of the Board

A handwritten signature in blue ink, appearing to read 'M Chapman', with a horizontal line extending to the right.

**Melissa Chapman**

Company Secretary

## **EXPLANATORY MEMORANDUM**

### **1. INTRODUCTION**

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the offices of Stantons International, Level 2, 1 Walker Avenue, West Perth, Western Australia on Monday, 28 November 2016 commencing at 10:30 am (WST).

This Explanatory Memorandum forms part of the Notice which should be read in its entirety. This Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

A Proxy Form is located at the end of this Explanatory Memorandum.

### **2. ACTION TO BE TAKEN BY SHAREHOLDERS**

Shareholders should read the Notice including this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

#### **2.1 Proxies**

A Proxy Form is attached to this Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Returning the Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. Where the proportion or number is not specified, each proxy may exercise half of the votes.

Proxy Forms must be received by the Company no later than 10:30 am (WST) on Saturday, 26 November 2016 being at least 48 hours before the Meeting.

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

#### **2.2 Voting Prohibition by Proxy holders (Remuneration of Key Management Personnel)**

A vote on Resolution 1 must not be cast:

- (a) 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, regardless of the capacity in which the vote is cast; or

- (b) by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; or
- (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

### **3. ANNUAL REPORT**

In accordance with section 317(1) of the Corporations Act the Annual Report must be laid before the annual general meeting. There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at <http://www.mcssecurity.com.au/investors/annual-reports/>;
- (a) ask questions about, or comment on, the management of the Company; and
- (b) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies of the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

### **4. RESOLUTION 1 – REMUNERATION REPORT**

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors of the Company. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

Shareholders will have the opportunity to remove the whole Board except the Managing Director if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings.

Where a resolution on the Remuneration Report receives a Strike 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.

The Company's Remuneration Report did not receive a Strike at the 2015 annual general meeting. Please note if the Remuneration Report receives a Strike at this Meeting and if a second Strike is received at the 2017 annual general meeting, this may result in the re-election of the Board.

The Chairman will allow reasonable opportunity for Shareholders to ask questions about or comment on the Remuneration Report.

Resolution 1 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 1.

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

## **5. RESOLUTION 2 – RE-ELECTION OF MS MELISSA CHAPMAN AS DIRECTOR**

Article 38.1 of the Constitution requires one third of all Directors, or if their number is not a multiple of three, then the greater of one or the number nearest to but not exceeding one-third, to retire at each annual general meeting.

Article 38.8 of the Constitution states that a Director who retires under article 38.1 is eligible for re-election.

Resolution 2 provides that Ms Melissa Chapman retires by rotation and seeks re-election as a Director.

Details of the qualifications and experience of Ms Melissa Chapman are in the Annual Report.

Resolution 2 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 2.

The Board (excluding Ms Melissa Chapman) supports the re-election of Ms Melissa Chapman and recommends that Shareholders vote in favour of Resolution 2.



## 6. RESOLUTION 3 – RE-ELECTION OF MR ROBERT KUCERA AS DIRECTOR

In accordance with Listing Rule 14.4, a director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the entity.

Article 36.1 of the Constitution allows the Directors to appoint a person to fill a casual vacancy or as an addition to the Board at any time, provided that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office until the next general meeting of members of the Company and under Article 36.2 of the Constitution is eligible for re-election at that meeting.

Mr Robert Kucera was appointed as a Director on 20 January 2016. Resolution 3 provides that he retires from office and seeks re-election as a Director.

Details of Mr Robert Kucera's background and experience are set out in the Annual Report.

Resolution 3 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 3.

The Board (excluding Mr Robert Kucera) supports the re-election of Mr Robert Kucera and recommends that shareholders vote in favour of Resolution 3.

## 7. RESOLUTION 4 - APPROVAL OF SELECTIVE SHARE BUY-BACK AGREEMENT

### 7.1 General

As announced to ASX on 7 September 2016, the Company has entered into a selective buy-back agreement with Mr John Boardman (**Buy-Back Agreement**).

Pursuant to the Buy-Back Agreement, the Company will buy-back 18,000,000 Shares (**Buy-Back Shares**) held by Mr John Boardman (**Buy-Back**).

The Buy-Back Shares were issued to Mr John Boardman as part consideration for the purchase of all the issued capital in John Boardman Pty Ltd (trading as Intiga Security) (**JBL**) by the Company pursuant to a sale and purchase agreement between the Company and Mr John Boardman (**SPA**). The remaining consideration payable to Mr John Boardman under the SPA was an additional Contingent Purchase Consideration of 6,000,000 Shares in the Company to be issued on the Company achieving a combined net profit after tax of \$1.92 million for the year ended 30 June 2016. As further detailed in the Company's Annual Report, the Contingent Purchase Consideration is not payable by the Company.

In consideration for Mr John Boardman selling the Buy-Back Shares:

- (a) the Company will issue 27,000,000 unlisted Options to Mr John Boardman (**Consideration Options**). The Consideration Options will have an exercise price of \$0.06 and an expiry date of 30 October 2020; and
- (b) the Company has agreed to release Mr John Boardman from any potential liability relating to the provision of information by him relating to employee costs of JBL under the SPA.

The Buy-Back Agreement will become effective one business day after the last of the following occurs:

- (a) the Company declaring payment of a dividend (as such, the Buy-Back Shares will be eligible for such dividend);
- (b) the terms of the Buy-Back Agreement are approved by Shareholders (Resolution 4); and
- (c) the issue of the Consideration Options is approved by Shareholders (Resolution 5).

Accordingly, the Buy-Back Agreement will not become effective unless both Resolution 4 and Resolution 5 are approved by Shareholders.

Resolution 4 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Chairman intends to exercise all available proxies in favour of Resolution 4.

## **7.2 Rationale for Buy-Back and Issue of Consideration Options under the Buy-Back Agreement**

The Board considers that the Buy-Back Agreement is a commercially beneficial method of resolving, as between the Company and Mr John Boardman, any potential liability of Mr John Boardman in connection with the SPA arising from the provision of information by him relating to employee costs at head office and operationally (being uniformed guards) being higher than historically recorded and observed.

The Board considers the issue of the Consideration Options to Mr John Boardman to be an incentive structure linked to increases in net market capitalisation that directly benefits the Company and its Shareholders. The Board considers that the terms of the Buy-Back Agreement are in the best interests of the Company.

Pursuant to the Buy-Back Agreement, in partial consideration for Mr John Boardman selling the Buy-Back Shares, the Company irrevocably releases and discharges Mr John Boardman from any liabilities that may arise from the SPA due to the provision of information to the Company related to employee costs.

Other than to the extent of the release set out above, any potential liabilities of the Company and Mr John Boardman provided in the SPA are unaffected by the Buy-Back Agreement and the issue of the Consideration Options to Mr Boardman. Similarly, save to the extent required for the Company to release Mr Boardman from liabilities which may have arisen in respect of employee costs, the warranties provided by the Company and Mr John Boardman in the SPA are unaffected by the Buy-Back Agreement and the issue of the Consideration Options to Mr Boardman.

## **7.3 Effect of Buy-Back on control and issued capital of the Company**

### **(a) Shares**

The Company has 201,610,212 Shares on issue at the date of this Notice.

The 18,000,000 Buy-Back Shares represent 8.93% of the Company's issued share capital. In total, Mr John Boardman holds 18,031,292 Shares which represents 8.94% of the Company's issued share capital.

The Company will have 183,610,212 Shares on issue upon completion of the Buy-Back Agreement and cancellation of the Buy-Back Shares.

The Buy-Back will result in Mr John Boardman no longer being a substantial holder for the purposes of the Listing Rules and the Corporations Act.

The Buy-Back will not trigger any person, whether an existing Shareholder or not, to acquire a relevant interest in Shares exceeding 20%. The effect of the Buy-Back on the shareholding of the top 3 Shareholders (excluding Mr John Boardman) will be as follows:

Shareholder	Shareholding	Current %	Post Buy-Back %
Microequities Asset Management Pty Ltd	20,285,671	10.06	11.05
Mr Paul Robert Simmons	17,500,000	8.68	9.53
Ms Maureen Simmons	17,500,000	8.68	9.53

(b) **Options**

The Company has 4,000,047 Options on issue at the date of this Notice.

The Company will have 31,000,047 Options on issue upon completion of the Buy-Back Agreement and issue of the Consideration Options.

**7.4 Advantages and disadvantages of Buy-Back**

Under the Buy-Back Agreement the consideration given by the Company is the issue of the Consideration Options and release of John Boardman from liability as discussed in Section 7.1.

There is no monetary consideration payable for the Buy-Back Shares and the Buy-Back will not have an adverse effect on the Company's ability to pay its creditors.

A principal advantage of the Buy-Back is that the share capital of the Company will be reduced (from 201,610,212 Shares to 183,610,212 Shares). Other than Mr John Boardman, each Shareholder's percentage interest in the Company will increase at no cost to the Company.

Should Mr John Boardman exercise the Consideration Options, this effect may be offset. However, the Consideration Options have an exercise price of \$0.06 which represents a 188% premium to the current Share price of \$0.032 (as at 12 October 2016). Depending on the future Share price, this may represent a further advantage to the Company.

Another advantage of the Buy-Back Agreement is that it represents a time and cost efficient manner of resolving the issues around Mr John Boardman's provision of information relating to employee costs under his original share purchase agreement.

The disadvantage of the Buy-Back Agreement is that the Company releases Mr John Boardman from claims it may have against him for provision of such information. However,

the Board considers that this is outweighed by the advantages to the Company and believes the Buy-Back is in the best interests of the Company as a whole.

#### **7.5 Division 2, Part 2J.1 the Corporations Act**

A company incorporated under, and subject to the provisions of, the Corporations Act may buy-back its own shares if the buy-back does not materially prejudice the company's ability to pay its creditors and the company follows the procedures in Division 2 of Part 2J.1 of the Corporations Act.

In accordance with section 257D of the Corporations Act, the terms of a buy-back agreement must be approved by either:

- (a) 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
- (b) a resolution agreed to, at a general meeting, by all ordinary shareholders.

Shareholder approval may be obtained prior to entering into the buy-back agreement, or the agreement may be conditional on such approval.

The Buy-Back Agreement is conditional on Shareholder approval under section 257D of the Corporations Act.

#### **7.6 Information required by section 257D of the Corporations Act**

The information set out in this Explanatory Memorandum and information previously disclosed to Shareholders constitutes all information known to the Company that is material to the decision as to how to vote on Resolution 4.

#### **7.7 Interdependent Resolutions**

Resolution 5 is subject to the approval of Resolution 4 and both are conditions under the Buy-Back Agreement.

#### **7.8 Directors' Recommendation**

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

### **8. RESOLUTION 5 - ISSUE OF OPTIONS TO MR JOHN BOARDMAN**

#### **8.1 General**

In accordance with Listing Rule 10.11, Shareholder approval is required for the issue of Options to a related party or to a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained. Mr John Boardman is chief operations officer of the Company and a substantial holder of Shares in the Company. As such, the Board considers it possible that ASX may exercise its discretion under Listing Rule 10.11.2 and require that Shareholder approval is obtained for issue of the Consideration Options.

Subject to Shareholder approval of Resolution 4 and Resolution 5, the Company will issue the Consideration Options to Mr John Boardman in accordance with the Buy-Back Agreement.

As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required, in accordance with exception 14 of Listing Rule 7.2.

Resolution 5 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 5.

## **8.2 Listing Rule 10.11**

In accordance with Listing Rule 10.11, the Company must not issue securities to a related party of the Company, or to a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained, unless it obtains Shareholder approval.

Pursuant to Listing Rule 7.2, exception 14, the effect of passing Resolution 5 will be to allow the Company to issue the 27,000,000 Consideration Options to Mr John Boardman without utilising the Company's 15% placement capacity under Listing Rule 7.1.

## **8.3 Specific information required by Listing Rule 10.13**

Information must be provided to Shareholders for the purposes of obtaining Shareholder approval as follows:

- (a) 27,000,000 Consideration Options will be issued to Mr John Bartholomew Boardman.
- (b) The Consideration Options will be issued when the Buy-Back Agreement becomes effective (discussed in Section 7.1). In accordance with Listing Rule 10.13.3, the Options will be issued no later than one month after the date of the Meeting or such longer period of time as ASX may in its discretion allow.
- (c) Mr John Boardman is chief operations officer of the Company and a substantial holder of Shares in the Company. As such, the Board considers it possible that ASX may exercise its discretion under Listing Rule 10.11.2 and require that Shareholder approval is obtained.
- (d) No funds will be raised by the issue of the Consideration Options as they are being issued for nil monetary consideration.
- (e) The Consideration Options will have an exercise price of \$0.06 and an expiry date of 30 October 2020.
- (f) The exercise price of \$0.06 represents a 188% premium to the current Share price of \$0.032 (as at 12 October 2016).
- (g) A voting exclusion statement is included in the Notice for Resolution 5.
- (h) Other than the information set out in this Notice and information released in Company announcements to ASX, the Company believes that there is no other information that would be reasonably required by Shareholders to pass Resolution 5.

## **8.4 Interdependent Resolutions**

Resolution 5 is subject to the approval of Resolution 4 and both are conditions under the Buy-Back Agreement.

## **8.5 Directors' Recommendation**

The Directors recommend that Shareholders vote in favour of Resolution 5.

## SCHEDULE 1: DEFINITIONS

In this Notice, words importing the singular include the plural and vice versa.

**\$** means Australian Dollars.

**Annual Report means** the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ended 30 June 2016.

**ASX** means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

**Auditor's Report** means the auditor's report on the Financial Report.

**Board** means the board of Directors.

**Buy-Back** has the meaning given in Section 7.1.

**Buy-Back Agreement** has the meaning given in Section 7.1.

**Buy-Back Shares** has the meaning given in Section 7.1.

**Chairman** means the person appointed to chair the Meeting, or any part of the Meeting, convened by the 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** means MCS Services Limited (ACN 119 641 986).

**Consideration Options** has the meaning given in Section 7.1.

**Constitution** means the constitution of the Company as at the commencement of the Meeting.

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

**Director** means a director of the Company.

**Directors' Report** means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

**Explanatory Memorandum** means the explanatory memorandum which forms part of the Notice.

**Financial Report** means the annual financial report prepared under chapter 2M of the Corporations Act of the Company and its controlled entities.

**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.

**Listing Rules** means the listing rules of ASX.

**Managing Director** means the managing director of the Company.

**Meeting** has the meaning given in the introductory paragraph of the Notice.

**Notice** means the notice of meeting which comprises of the notice, agenda, Explanatory Memorandum and Proxy Form.

**Office** means office as a Director.

**Option** means an option which entitles the holder to subscribe for one Share.

**Proxy Form** means the proxy form attached to the Notice.

**Remuneration Report** means the remuneration report of the Company contained in the Directors' Report.

**Resolution** means a resolution contained in the Notice.

**Schedule** means a schedule to the Explanatory Memorandum.

**Section** means a section of the Explanatory Memorandum.

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

**Shareholder** means a registered holder of a Share.

**Strike** has the meaning given in Section 4.

**WST** means Australian Western Standard Time, being the time in Perth, Western Australia.