



Hotel Property Investments Trust	ARSN	166 484 377
Hotel Property Investments Limited	ACN	010 330 515
Hotel Property Investments Limited	AFSL	479719

## NOTICE OF MEETINGS

Notice is given that the 2018 annual general meeting of Shareholders of Hotel Property Investments Limited, and a meeting of Unitholders of Hotel Property Investments Trust, will be held concurrently on Wednesday 21 November 2018 at 10:30am (Melbourne time) at:

Quay West Suites Melbourne  
26 Southgate Avenue  
Southbank VIC 3006

### Ordinary Business

#### 1. Financial Reports and Statements (Company and Trust)

To receive and consider the consolidated Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2018.

#### 2. Remuneration Report (Company only)

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

*To receive, consider and adopt the Remuneration Report for the year ended 30 June 2018.*

#### 3. Election of Director – Mr Michael Tilley (Company only)

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

*That Mr Michael Tilley, who retires by rotation in accordance with the Company's constitution and ASX Listing Rule 14.4, and who, being eligible, offers himself for re-election, be re-elected as a Director of the Company.*

#### 4. Election of Director - Mr John Russell (Company only)

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

*That Mr. John Russell, who retires by rotation in accordance with the Company's constitution and ASX Listing Rule 14.4, and who, being eligible, offers himself for re-election, be re-elected as a Director of the Company.*

#### 5. Election of Director – Mr Donald Smith (Company only)

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

*That Mr Donald Smith, who was appointed in accordance with the Company's constitution and, being eligible, offers himself for election, be elected as a Director of the Company.*

**Special Business**

**6. Grant of Performance Rights to Mr Donald Smith under Long Term Incentive Plan (“LTIP”) (Company only)**

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

*The grant to Mr Donald Smith of 63,333 Performance Rights under the LTIP for no consideration and otherwise on the terms and conditions described in the Explanatory Memorandum, be approved.*

By Order of the Board

Blair Strik  
Company Secretary  
19 October 2018

For personal use only

## 1. Defined terms

Capitalised terms used in this Notice (including those used in the resolutions set out in this Notice) have, unless otherwise defined, the same meanings set out in the Explanatory Memorandum attached to this Notice.

## 2. Material accompanying this Notice

The following materials accompany this Notice:

- a) the Explanatory Memorandum setting out details relevant to the ordinary business set out in this Notice; and
- b) the Proxy Form.

## 3. Voting and required majority - Corporations Act

- a) In accordance with section 249HA of the Corporations Act, for resolutions 2 to 6 to be effective:
  - i) not less than 28 days' written notice has been given;
  - ii) each resolution must be passed by more than 50% of all the votes cast by Securityholders entitled to vote on the resolutions (whether in person or by proxy, attorney or representative); and
  - iii) subject to clause 3(b) and (c), on a show of hands each Securityholder has one vote and on a poll each Securityholder has one vote for each Stapled Security held.
- b) In accordance with section 250R of the Corporations Act, for Resolution 2, a vote must not be cast (in any capacity) by or on behalf of a member of the Company's Key Management Personnel ("KMP") whose remuneration is included in the Remuneration Report or a closely related party of such member of the KMP ("Voter"). However, a Voter may cast a vote on Resolution 2 as a proxy for a person who is entitled to vote on Resolution 2 and either:
  - i) the appointment as a proxy is in writing and specifies the way the proxy is to vote on the resolution; or
  - ii) the vote is cast by the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.
- c) In accordance with section 250BD of the Corporations Act, for Resolution 6, a member of the KMP, and a closely related party of a member of the KMP, will not be eligible to vote as a proxy except where either:
  - i) The appointment specifies the way the proxy is to vote on the resolution; or
  - ii) the vote is cast by the Chair and the appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a KMP.

## 4. Voting Exclusion Statement - Listing Rules

The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- a) Mr. Donald Smith; or
- b) an associate of Mr. Donald Smith.

However, the Company need 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 Chair 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.

## 5. Entitlement to attend and vote at the meetings

Pursuant to regulation 7.11.37 of the Corporations Regulations 2001, HPI has determined that, for the purpose of voting at the Meetings, members are those persons who are the registered holders of Stapled Securities at **7:00pm (Melbourne time) on Monday 19 November 2018 ("Effective Time")**.

## 6. Proxies and representatives

- a) All holders of Stapled Securities at the Effective Time are entitled to attend and vote at the Meetings and may appoint a proxy for that purpose.
- b) A proxy need not be a Securityholder.
- c) The Proxy Form sent with this Notice should be used for the Meetings unless you appoint your proxy online as set out below.
- d) If a Securityholder is entitled to cast two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. If the proxy appointments do not specify the proportion of the Securityholder's voting rights that each proxy may exercise, each proxy may exercise half of the Securityholder's votes and any fractions will be disregarded.
- e) The Proxy Form must be signed by the Securityholder or the Securityholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act.
- f) A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act in which case the Company will require a Certificate of Appointment of Corporate Representative executed in accordance with the Corporations Act. The Certificate must be lodged with the Company before the Meetings or at the registration desk on the day of the Meetings. The Company will retain the certificate. Appointments of representatives must be received in accordance with paragraph (g) below at any time before the Meetings or at the Meetings or any adjournment of the Meetings.
- g) To be effective, the proxy form (and, if the appointment is signed by the appointer's attorney, the authority under which it was signed or a certified copy of the authority) must be received by the Company's share registry, Link Market Services Limited, no later than **10:30am (Melbourne time) on Monday 19 November 2018** (being 48 hours prior to the commencement of the Meetings). The completed proxy form may be:
  - i) delivered to the Company's share registry, Link Market Services Limited at Level 12, 680 George Street, Sydney NSW 2000 during business hours (Monday to Friday, 9.00am – 5:00pm);
  - ii) mailed to the Company's share registry, Link Market Services Limited at Locked Bag A14, Sydney South NSW 1235;
  - iii) sent by facsimile to Link Market Services Limited on +61 2 9287 0309; or
  - iv) lodged electronically at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

Please refer to the Proxy Form accompanying this Notice for more information.

## Explanatory Memorandum

### Item 1 - Financial Reports and Statements (Company and Trust)

The Corporations Act requires that the Financial Report, Directors' Report and Auditor's Report for the financial year ended 30 June 2018 be laid before the Meetings. While this item of business does not require a formal resolution to be put to Securityholders, the Chair will give Securityholders a reasonable opportunity to ask questions on these reports at the Meetings. Securityholders will also be given a reasonable opportunity to ask the auditor questions about the conduct of the audit and the content of the Auditor's Report.

A copy of the Financial Report, Directors' Report and Auditor's Report is available online at [www.hpitrust.com.au](http://www.hpitrust.com.au).

### Item 2 - Remuneration Report (Company only)

The Directors' Report contains the Remuneration Report, which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the Company's non-executive Directors and executive KMP. A copy of the Remuneration Report is available online at [www.hpitrust.com.au](http://www.hpitrust.com.au).

A resolution will be put to Shareholders to adopt the Remuneration Report. Shareholders should note that the vote on this resolution is advisory only and is not binding on the Company. However, the Directors will take the outcome of the vote into consideration when considering future changes regarding the Company's remuneration policy.

Under section 300A of the Corporations Act, if comments are made on the Remuneration Report and 25% or more of the votes cast on this resolution are against adoption of the Remuneration Report, the Company will be required to consider and report to Shareholders on what action has been taken to address their concerns at next year's annual general meeting. Depending on the outcome of next year's voting on the Company's Remuneration Report, Shareholders may be required to consider a resolution to call another general meeting in accordance with the Corporations Act at which the Directors who held office at the date of the Directors' Report will be required to seek re-election.

As stated in the Notice, each of the KMP's whose remuneration is included in the Remuneration Report and closely related parties of those KMP's are not eligible to vote on this resolution, except as stated in the Notice.

The Board recommends that Shareholders vote in favour of Resolution 2 and the Chair intends to vote all available proxies in favour of Resolution 2.

### Item 3 - Election of Mr Michael Tilley (Company only)

Mr Tilley has been a non-executive Director and Chairman of HPI since his appointment in November 2013 and was most recently re-elected in November 2015. In accordance with the Company's Corporate Governance policy he is considered by the Board to be an independent Director.

Mr Tilley has over 30 years advising and managing leading companies in financial services, life insurance and funds management in Australasia. He has served as Managing Director and Chief Executive Officer of Challenger Financial Services, Chairman and Chief Executive Officer of Merrill Lynch Australasia, and as a partner at Deloitte Touche Tohmatsu.

Mr Tilley was a non-executive Director at Orica Ltd from November 2003 until January 2014, where he was the Chairman of Orica's Safety, Health & Environment Committee and a member of the Audit and Risk and Corporate Governance and Nominations Committees. He was a former member of the Takeovers Panel and has previously served as a non-executive Director of Incitec Ltd.

Mr Tilley holds a Post Graduate Diploma in Business Administration from Swinburne University and is a Fellow of The Australian Institute of Company Directors. The continuing Directors recommends that Shareholders vote in favour of Resolution 3 and the Chair intends to vote all available proxies in favour of Resolution 3.

### Item 4 - Election of Mr John Russell (Company only)

Mr Russell was elected to the HPI Board by board resolution in May 2013 and was most recently re-elected in November 2015. In accordance with the Company's Corporate Governance policy he is considered by the Board to be an independent Director.

Mr Russell has a broad range of senior management experience in large and small public and private companies, including an extensive background in the hospitality and gaming industries. He was most recently Chief Executive

Officer of Redcape Group Limited and has enjoyed senior executive roles at Australian Leisure and Hospitality Group Limited (ALH) and Tabcorp Holdings Limited.

Mr Russell joined Redcape Group from Customers Limited where he was Managing Director & Chief Executive Officer. Previously he was Chief Financial Officer of ALH and has served as General Manager Strategy & Operations at AWB Limited and Group General Manager Operations at Tabcorp.

Mr Russell holds an Honours Degree in Economics and a Master of Business Administration from the University of Adelaide and is a Graduate Member of the Australian Institute of Company Directors.

Mr Russell is the Chairman of HPI Group's Human Resources Committee.

The continuing Directors recommend the election of Mr Russell and the Chair intends to vote all available proxies in favour of Resolution 4.

#### **Item 5 - Election of Mr Donald Smith (Company only)**

Mr Smith has been the Managing Director and CEO since 1 October 2018 and brings more than 20 years' property and funds management experience with listed and unlisted companies. Most recently Mr Smith has been a member of the management team at OSK Property and prior to that held a range of roles at Vicinity Centres and Colonial First State.

Mr Smith is also a Board Member and Chairman of Melbourne Athenaeum Incorporated, a not for profit cultural institution.

Mr Smith holds a Bachelor of Applied Science – Planning and a Graduate Diploma - Banking and Finance.

The continuing Directors recommend the election of Mr Smith and the Chair intends to vote all available proxies in favour of Resolution 5.

#### **Item 6 - Grant of Performance Rights to Mr Donald Smith under Long Term Incentive Plan**

Pursuant to Listing Rule 10.15B, Shareholder approval is not required under ASX Listing Rule 10.14 where Mr Smith's vested Performance Rights are satisfied through the purchase of Stapled Securities on-market. It is intended that Stapled Securities delivered to Mr Smith on the exercise of vested Performance Rights will be purchased on-market by the Company and therefore, no Shareholder approval would be required.

Notwithstanding the above, the Company is seeking approval for the grant of the Performance Rights in the interests of transparency and good governance.

Under his employment agreement, Mr Smith's remuneration consists of a fixed component and a long term incentive based component. The Board proposes that as soon as possible after the AGM, and in any event during FY2019, Mr Smith be granted 63,333 Performance Rights under the LTIP for no consideration and that these Performance Rights will represent the FY2019 long term incentive component of his remuneration.

If the performance conditions of the LTIP are satisfied, Mr Smith's Performance Rights will vest and he will be entitled to be transferred Stapled Securities for no consideration.

In determining the number of Performance Rights to be issued to Mr Smith, the Board has considered the nature of Mr Smith's position, current market factors, the incentive schemes offered by HPI's competitors and peers and other relevant advice and information.

Mr Smith is the only Director who is eligible to participate in the LTIP. No other Director or associate of a Director has been issued Performance Rights or other securities under the LTIP. No loans have been, or will be, granted to Mr Smith in relation to his participation in the LTIP and Mr Smith is not permitted to hedge or otherwise deal with his Performance Rights prior to vesting.

As stated in the voting exclusion statement in the Notice, Mr Smith and his associates are not eligible to vote on this resolution, except as stated in the Notice.

The Board (with Mr Smith abstaining) recommends that Shareholders vote in favour of Resolution 6 and the Chair intends to vote all available proxies in favour of Resolution 6.

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## GLOSSARY

<b>Auditor</b>	means the auditor of HPI.
<b>Auditor's Report</b>	means the report of the Auditor regarding its audit of HPI which accompanies the Notice.
<b>ASX</b>	means ASX Limited ACN 008 624 691.
<b>Board</b>	means the board of directors of the Company.
<b>Chair</b>	means the individual acting as chair of the Meetings.
<b>Company</b>	means Hotel Property Investments Limited ACN 010 330 515.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth).
<b>Director</b>	means a director of the Company.
<b>Director's Report</b>	means the report of the Directors, which accompanies the Notice.
<b>Effective Time</b>	means 7:00pm (Melbourne time) on Monday 19 November 2018
<b>Explanatory Notes</b>	means the notes contained in this document that provide details of the business to be heard at the Meetings.
<b>Financial Report</b>	means the financial report of HPI for the year ending 30 June 2018 that accompanies the Notice.
<b>HPI</b>	means the Company and the Trust.
<b>KMP</b>	has the meaning given to that term in the Financial Report.
<b>Listing Rules</b>	means the listing rules of the ASX, as amended from time to time.
<b>LTIP</b>	the HPI Long Term Incentive Plan
<b>Meetings</b>	means the annual general meeting of Shareholders and meeting of Unitholders, to be held concurrently on Wednesday 21 November 2018 at 10:30am (Melbourne time).
<b>Notice of Meetings</b>	means the notice of the Meetings accompanying this Explanatory Memorandum (and the term " <b>Notice</b> " has the same meaning).
<b>Proxy Form</b>	means the proxy form accompanying the Notice.
<b>Remuneration Report</b>	means HPI's remuneration report that forms part of the Directors' Report accompanying the Notice.
<b>Shares</b>	means fully paid ordinary shares in the capital of the Company.
<b>Shareholder</b>	means a holder of one or more Shares.
<b>Securityholder</b>	means a holder of Stapled Securities.
<b>Stapled Security</b>	means one Share stapled to one Unit.
<b>Trust</b>	means Hotel Property Investments Trust ARSN 166 484 377.
<b>Units</b>	means fully paid ordinary units in the Trust.
<b>Unitholder</b>	means a holder of one or more Units.

**LODGE YOUR VOTE**
 **ONLINE**  
[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)
 **BY MAIL**  
 Hotel Property Investments Limited  
 C/- Link Market Services Limited  
 Locked Bag A14  
 Sydney South NSW 1235 Australia

 **BY FAX**  
 +61 2 9287 0309

 **BY HAND**  
 Link Market Services Limited  
 Level 12, 680 George Street, Sydney NSW 2000

 **ALL ENQUIRIES TO**  
 Telephone: +61 1300 554 474

**X99999999999**
**PROXY FORM**

I/We being a member(s) of Hotel Property Investments Limited and entitled to attend and vote hereby appoint:


**APPOINT A PROXY**
 **the Chairman of the Meeting (mark box)**
**OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

 or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:30am (Melbourne time) on Wednesday, 21 November 2018 at Quay West Suites Melbourne, 26 Southgate Avenue, Southbank VIC 3006 (the Meeting)** and at any postponement or adjournment of the Meeting.

**Important for Resolutions 2 and 6:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 2 and 6, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.**
**VOTING DIRECTIONS**
**Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.**
**Please read the voting instructions overleaf before marking any boxes with an .**
**Resolutions**

			For	Against	Abstain*				For	Against	Abstain*
<b>2</b>	Adoption of the Remuneration Report (Non-Binding)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>6</b>	Grant of Performance Rights to Mr Donald Smith under Long Term Incentive Plan ("LTIP")		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>3</b>	Re-election of Mr Michael Tilley as a Director		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>4</b>	Re-election of Mr John Russell as a Director		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>5</b>	Election of Mr Donald Smith as a Director		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

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

**SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED**

Securityholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Securityholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Securityholder 3 (Individual)

Director

 This form should be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).




## HOW TO COMPLETE THIS SECURITYHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's security register. If this information is incorrect, please make the correction on the form. Securityholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your securities using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a securityholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's security registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either securityholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's security registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:30am (Melbourne time) on Monday, 19 November 2018**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



#### BY MAIL

Hotel Property Investments Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
Level 12  
680 George Street  
Sydney NSW 2000

\* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**