

Argo Investments Limited

ABN 35 007 519 520

Notice of 2015 Annual General Meeting

Notice is hereby given that the Sixty Ninth Annual General Meeting of shareholders of Argo Investments Limited (“Company”) will be held at the Adelaide Convention Centre, North Terrace, Adelaide on Monday 26 October, 2015 at 10.00 a.m.

Ordinary Business

1. Financial and other Reports

To receive and consider the Financial Report and the reports of the Directors and the Auditor in respect of the financial year ended 30 June, 2015.

2. Adoption of Remuneration Report

To adopt the Remuneration Report for the financial year ended 30 June, 2015.

Note - the vote on this item is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement

The Company will disregard any votes cast on Item 2 by or on behalf of a member of the Company’s key management personnel (KMP) whose remuneration details are disclosed in the Remuneration Report, or by or on behalf of a closely related party of a member of the KMP, in any capacity, unless the vote is cast as proxy for a person who is entitled to vote and:

- the proxy’s appointment directs how the proxy is to vote; or
- the vote is cast by the person chairing the Meeting, in accordance with the stated voting intentions of the Chairman of the Meeting.

3. Re-election of Directors

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

3.1 “That **Mr. G. Ian Martin AM**, a Director who will retire by rotation at the close of the Meeting in accordance with clause 54 of the Company’s Constitution, being eligible, be re-elected as a Director of the Company.”

3.2 “That **Ms. Jocyelyn C. Morton**, a Director who will retire by rotation at the close of the Meeting in accordance with clause 54 of the Company’s Constitution, being eligible, be re-elected as a Director of the Company.”

Special Business

4. Increase the maximum annual aggregate remuneration of non-executive Directors

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

“That, with effect from and including the financial year commencing 1 July, 2015, the aggregate maximum sum per annum which non-executive Directors may be paid out of the funds of the Company by way of remuneration for their services be increased from \$950,000 to \$1,100,000.”

Voting Exclusion Statement

The Company will disregard any votes cast on Item 4 by or on behalf of any of the Company’s Directors or by or on behalf of an associate of a Company Director, in any capacity; or by a member of the KMP or a closely related party of a member of the KMP, acting as a proxy, unless the vote is cast as proxy for a person who is entitled to vote and:

- the proxy’s appointment directs how the proxy is to vote; or
- the vote is cast by the person chairing the Meeting, in accordance with the stated voting intentions of the Chairman of the Meeting.

5. Grant of Executive Performance Rights to the Managing Director, Mr. Jason Beddow

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

“That, under and for the purposes of ASX Listing Rule 10.14 and for all other purposes, the grant to the Managing Director of the Company, Mr. Jason Beddow, of 90,752 Performance Rights under the Executive Performance Rights Plan on the terms set out in the Explanatory Notes to this Notice of Annual General Meeting, be approved.”

Voting Exclusion Statement

The Company will disregard any votes cast on Item 5 by or on behalf of Mr. Beddow or by or on behalf of an associate of Mr. Beddow, in any capacity; or by a member of the KMP or a closely related party of a member of the KMP, acting as a proxy, unless the vote is cast as proxy for a person who is entitled to vote and:

- the proxy’s appointment directs how the proxy is to vote; or
- the vote is cast by the person chairing the Meeting, in accordance with the stated voting intentions of the Chairman of the Meeting.

Voting Information

1. The Company has determined that for the purpose of voting entitlements at the Meeting, shares of the Company will be taken to be those held by the shareholders recorded on the register as at 7.00 p.m. (Adelaide time) on Saturday 24 October, 2015.
2. A shareholder entitled to attend and vote has a right to appoint a proxy to attend and vote instead of the shareholder. A proxy need not be a shareholder and can be either an individual or a body corporate. If a shareholder appoints a body corporate as a proxy, that body corporate will need to ensure that it:
 - appoints an individual as its corporate representative to exercise its powers at the Meeting, in accordance with section 250D of the Corporations Act 2001; and
 - provides satisfactory evidence of the appointment of its corporate representative.

A form of proxy is enclosed. To be effective, the document appointing the proxy (and the Power of Attorney, if any, under which it is signed) must be received by the Company not later than 48 hours before the Meeting, being 10.00 a.m. (Adelaide time) on Saturday 24 October, 2015.

A proxy form and proxy appointment authorities may be lodged with the Company's share registry:

In person at: Computershare Investor Services Pty Limited, Level 5, 115 Grenfell Street Adelaide SA 5000 Australia.

By mail to: Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, VIC 3001 Australia.

By facsimile to: 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia).

Vote online: Shareholders can also cast their votes online using a computer or smartphone at www.investorvote.com.au. To use this facility you will need your holder number (SRN or HIN), postcode and control number as shown on the proxy form. You will be taken to have signed the proxy form if you lodge it in accordance with the instructions on the website.

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

3. A shareholder entitled to attend and vote at this Meeting may appoint not more than two proxies (who need not be shareholders of the Company) to attend and vote in the shareholder's place. A shareholder may direct their proxy how to vote using the FOR, AGAINST or ABSTAIN boxes provided next to each resolution on the proxy form.

If a shareholder appoints one proxy, that proxy is entitled to vote on the taking of a poll or on a show of hands unless the proxy has two or more appointments that specify different ways to vote on a resolution, then the proxy must not vote on a show of hands.

If a shareholder appoints two proxies, neither proxy is entitled to vote on a show of hands, but each proxy is entitled to vote in the percentage or number specified by the shareholder on the taking of a poll. If no percentage or number is specified, each proxy is entitled to vote half of the shareholder's votes.

If a proxy does not attend the Meeting or chooses not to vote as proxy on a resolution where a poll is taken, the Chairman of the Meeting will be taken to have been appointed as the shareholder's proxy for the purposes of that poll. The Chairman of the Meeting will cast the shareholder's votes in accordance with any directions provided on the proxy form, or if no directions are provided, in accordance with the stated voting intentions of the Chairman of the Meeting, to the extent permitted by law. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention, in which case an ASX announcement will be made by the Company.

4. The proxy form must be signed by the shareholder or the shareholder's attorney, duly authorised in writing. In the case of joint shareholders, the proxy form may be signed by any of the shareholders or attorneys. If the shareholder is a body corporate, the proxy form must be signed in accordance with the corporation's constitution and (if applicable) the Corporations Act 2001 or by its duly authorised attorney or representative. If you vote online, you will be taken to have signed the proxy form if you lodge it in accordance with the instructions on the website.

Explanatory Notes

Item 1: Financial and other Reports

Section 317 of the Corporations Act 2001 requires each of the Financial Report (which includes the Financial Statements and Directors' Declaration), the Directors' Report and the Auditor's Report for the last financial year to be laid before the Annual General Meeting. The Company's Constitution also provides for these reports to be received and considered at that Meeting.

There is no requirement for these reports to be formally approved by shareholders.

The reports referred to in Item 1 of the Notice of Annual General Meeting are included in the Annual Report sent to shareholders who have requested to receive a copy. If you have not elected to receive a hard copy of the Company's 2015 Annual Report, it can be accessed on the Company's website at www.argoinvestments.com.au.

Shareholders will be given a reasonable opportunity at the Meeting to ask questions and make comments on these reports and on the business, operations and management of the Company.

Item 2: Adoption of the Remuneration Report

The Company's Remuneration Report to shareholders forms part of the Company's Directors' Report for the year ended 30 June, 2015 and is set out on pages 16 to 32 of the Company's 2015 Annual Report. The Remuneration Report is submitted to shareholders for consideration and adoption by way of a non-binding resolution.

However, if the Company's Remuneration Report receives a 'no' vote of 25 per cent or more at two consecutive annual general meetings, a resolution must then be put to shareholders at the second annual general meeting as to whether another meeting should be held (within 90 days) at which all Directors who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

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

The Directors unanimously recommend that shareholders vote in favour of Item 2, noting that each Director has a personal interest in his or her own remuneration from the Company.

Item 3: Re-election of Directors

At this Annual General Meeting, Mr. G.I. Martin AM and Ms. J.C. Morton are retiring from office in accordance with clause 54 of the Company's Constitution and, being eligible, are seeking re-election as Directors of the Company. Details of the qualifications and experience of Mr. Martin and Ms. Morton follow:

Item 3.1: Mr. G. Ian Martin AM BSc(Hons), FAICD

Ian Martin joined the Board of Argo Investments Limited as an independent, non-executive Director in 2004 and was appointed Chairman on 1 March, 2012. He is a member of the Company's Remuneration Committee. He is also Chairman of Argo Global Listed Infrastructure Limited.

Ian has over 25 years of experience in economics, investment management, superannuation, investment banking and financial services, including roles in many different facets of the Australian and international financial sectors.

He is a former Chief Executive Officer of the BT Financial Group, and a former Global Head of Investment Management and member of the Management Committee of Bankers Trust Corporation. He was a Director of Bankers Trust Australia Ltd. and various companies affiliated with BT. In addition, he is a former non-executive Director of GPT Group and Babcock & Brown Limited.

Earlier in his career, Ian worked at the Australian Treasury for eight years as an economic policy adviser before spending two years as Chief Economist of Citigroup in Australia. He was the inaugural Chairman of the Investment and Financial Services Association and more recently was a Panel Member of the Australian Superannuation System Review (Cooper Review).

He holds an Honours degree in Economics from the University of Adelaide, an Advanced Diploma from the Australian Institute of Company Directors and has completed senior executive programs in investment management at London Business School and AIMR/Princeton University.

Ian is also currently an independent non-executive Director of UniSuper Limited and is Vice Chairman, Asia Pacific, of Berkshire Capital. He has served as Chairman of the Wayside Chapel Foundation since 2006 and has worked with a number of other charitable organisations.

The Directors (excluding Mr. Martin) unanimously recommend that shareholders vote in favour of Item 3.1.

Item 3.2: Ms. Joycelyn C. Morton BSc, FCA, FCPA, FIPA, FCIS, FAICD

Joycelyn Morton was appointed as an independent, non-executive Director of the Company on 1 March, 2012 and is a member of the Audit & Risk Committee. She is also a non-executive Director of Argo Global Listed Infrastructure Limited.

As a highly qualified accountant with particular expertise in taxation matters, Joycelyn enjoyed a long and successful executive career, initially in chartered accountancy, followed by senior management roles with Woolworths Limited and global leadership roles within the Shell Group of companies, including Vice President, Accounting Services. She has also held a variety of government and international advisory positions and is currently a Board Member of the Business School Divisional Board of the University of Sydney and the Chair of the Salvation Army Red Shield Door-knock Appeal for the City of Sydney.

She has valuable Board experience across a range of industries, currently as Chair of Thorn Group Limited and a non-executive Director of Snowy Hydro Limited and InvoCare Limited, and previously as Chair and non-executive Director of Noni B Limited, and as a non-executive Director of Crane Group Limited and Count Financial Limited until their takeovers.

Joycelyn holds a Bachelor of Economics degree from the University of Sydney and has completed a senior executive program at INSEAD Business School. She is also a Fellow of the major Australian professional accounting and governance bodies.

The Directors (excluding Ms. Morton) unanimously recommend that shareholders vote in favour of Item 3.2.

Item 4: Increase the maximum annual aggregate remuneration of non-executive Directors

In accordance with the ASX Listing Rules and clause 57 of the Company's Constitution, shareholders determine the maximum annual aggregate amount of remuneration that may be paid to non-executive Directors for their services. This limit includes all remuneration paid for service as non-executive Directors and Committee members of the Board of the Company and any subsidiaries, and includes superannuation payments.

Approval is sought to increase the maximum aggregate amount of remuneration available per annum for distribution to non-executive Directors by \$150,000 from the present sum of \$950,000 to \$1,100,000. It is not proposed to utilise the full amount of the increase in the immediate future.

Increases to the maximum aggregate amount are required from time to time to enable the Company to pay competitive remuneration in order to attract and retain the best Directors in a competitive market place.

It is also important that the level of the maximum aggregate amount allows the flexibility to appoint more Directors than usual for short periods of time in order to facilitate smooth succession planning. It is good corporate governance to renew Board membership over time and this may require some overlap when new Directors join the Board prior to the departure of those nearing the end of their tenure. Strong Director candidates with skills that complement and enhance the Board's skill set are often attractive to other companies too, which may prompt the need for an earlier than expected appointment, in order to secure their services when they become available.

The previous increase in the maximum aggregate limit was approved by shareholders four years ago in 2011. Since then, the Company's total assets have grown to over \$5 billion and another business line has been added, following the establishment of a subsidiary to provide funds management services to external listed investment companies. Any fees paid to the Directors of this subsidiary will be included in the maximum aggregate limit under consideration by shareholders. No securities have been issued to non-executive Directors under Listing Rules 10.11 or 10.14, which would have required the approval of shareholders, at any time in the last three years.

As the non-executive Directors have a personal interest in the proposed resolution in Item 4, the Directors decline to make any recommendation as to how shareholders should vote on this item.

Item 5: Grant of Executive Performance Rights to the Managing Director, Mr. Jason Beddow

Shareholder approval is sought for the proposed grant of 90,752 Performance Rights to the Managing Director, Mr. Beddow, pursuant to his participation in the Argo Investments Limited Executive Performance Rights Plan (Plan) for the year ended 30 June, 2015. Although the ASX Listing Rules do not require shareholder approval where any shares resulting from the vesting of performance rights are bought on market, the Company is seeking shareholder approval in the interests of good governance and clear disclosure.

The amount of 90,752 Performance Rights is comprised of 25,802 short-term incentive (STI) Performance Rights and 64,950 long-term incentive (LTI) Performance Rights. Further information regarding each element of the equity component of the Managing Director's remuneration is provided below.

The non-executive Directors are of the view that the overall remuneration for Mr. Beddow, including the proposed grant of Performance Rights, is reasonable having regard to the circumstances of the Company, the duties and responsibilities of the Managing Director and market levels of remuneration for managing directors and chief executive officers of similar companies. Additional information regarding the remuneration package of the Managing Director is provided in the Remuneration Report in the Annual Report, which is also considered and voted upon at this meeting.

Executive Performance Rights Plan terms and conditions

There is no amount payable by Mr. Beddow either on grant or exercise of the Performance Rights. The Company will bear all costs associated therewith. The Performance Rights can be exercised, once vested, by Mr. Beddow serving notice on the company.

The extent of vesting will depend on the level of achievement of the performance and service conditions. On exercise, each performance right will be convertible into an ordinary Argo share.

If the Managing Director ceases employment with the Company, the Performance Rights that are not exercisable will be forfeited, except in limited circumstances. These circumstances may include death, incapacity, redundancy or retirement. The Board also has the discretion to enable the Performance Rights to continue beyond cessation of employment.

The Managing Director's entitlement to Company shares that will vest for each Performance Right may be adjusted to take account of capital reconstructions, rights and bonus issues.

In the event of a takeover bid (or other transaction likely to result in a change in control of the Company), the Managing Director may exercise his Performance Rights to the extent provided for in the Plan Rules.

In order to safeguard shareholders' interests, the Performance Rights (to the extent that they have not already been exercised) will lapse if the Board considers that the Managing Director has acted fraudulently, dishonestly or in breach of his obligations to the Company.

The Board has the discretion to claw back unvested Performance Rights if after they have been granted, a material misstatement is discovered in the Company's accounts.

Other features of the Performance Rights, which are consistent with the Plan Rules, include:

- the Performance Rights will not be listed on the ASX;
- the Managing Director (and other executives) are prohibited from entering into transactions or arrangements to limit the economic risk of unvested Performance Rights;
- any shares issued on exercise of the Performance Rights will rank equally in all respects with the Company's shares listed on the ASX; and
- the Company will apply to ASX for official quotation of any newly issued shares on exercise of the Performance Rights.

Short-term incentive (STI) component

For the year ended 30 June, 2015, the Managing Director was entitled to receive an STI award of up to 70% of his fixed remuneration component which is inclusive of superannuation and any agreed salary sacrifice arrangements. Pursuant to the Plan, half of the STI award is paid in cash and half is awarded as deferred equity in the Company, subject to shareholder approval. The deferred equity will be issued as STI performance rights which will vest two years after grant, subject to the Managing Director having continued service with the Company.

Subject to shareholder approval, the Board proposes to grant to the Managing Director 25,802 STI Performance Rights, as the deferred equity portion of his STI award for the year ended 30 June, 2015. This award equates to an achievement of 97% of the maximum STI opportunity. As noted in the Remuneration Report, this reflects an excellent year for the Company, including a record profit, increased dividends and the successful launch of Argo Global Listed Infrastructure Limited, which will provide an ongoing additional revenue stream for the Company. All of the following metrics for the measurement of the Managing Director's performance were assessed positively.

The STI amount awarded is determined based on key Company and individual performance indicators, of which at least 50% are financially based. The financial performance indicators which are tested include the requirement for the Company to achieve a superior one year earnings per share (EPS) performance relative to its approved listed investment company (LIC) peer group; and to achieve a superior one year total portfolio return (TPR) (as independently calculated and based on the movement in net asset backing per share before providing for tax on unrealised gains in the portfolio and assuming dividends paid are reinvested) adjusted for franking credits, when compared with the S&P ASX 200 Accumulation Index, adjusted for franking credits.

The EPS performance indicator tests the ability of the Company to meet its objective of maximising the payment of dividends to its shareholders.

The TPR performance indicator tests the ability of the Company to meet its objective of maximising total shareholder returns and also ensures the Company strives to provide outperformance in its investment sector.

In addition, personal performance indicators are set for the Managing Director. These personal objectives are designed to encourage outperformance on non-financial metrics and the indicators are tailored to the Managing Director's specific role and responsibilities. They may include advising and reporting to the Board, management of staff, risk management, succession planning, strategic direction, marketing and communication with internal and external stakeholders.

The individual performance indicators, both financial and non-financial, are considered to be important determinants of business success and key drivers to improve the Company's performance. They provide a structure in order to assess the Managing Director's short-term performance.

The assessment of the Managing Director's performance against the applicable specific metrics is made by the Board (other than the Managing Director), after considering recommendations from the Remuneration Committee.

The Board considers the STI, including the individual performance indicators and the method of assessing performance, is appropriate in a competitive remuneration environment and the specific circumstances of the Company.

Long-term incentive (LTI) component

Pursuant to the Plan, the Managing Director is entitled to receive an annual LTI award of up to 70% of his fixed remuneration component which is inclusive of superannuation and any agreed salary sacrifice arrangements.

Subject to shareholder approval, the Board proposes to grant to the Managing Director 64,950 LTI Performance Rights, to be issued in two equal tranches of 32,475 Performance Rights, as his 2015 LTI Performance Rights award, with each tranche subject to separate performance conditions and a service condition, pursuant to the Plan.

The first tranche of rights is known as the 'TPR tranche' and has the Total Portfolio Return (TPR) Performance Condition, and the second tranche is known as the 'EPS tranche' and has the Earnings Per Share (EPS) Performance Condition.

The TPR Performance Condition is that the TPR Performance of the Company (as independently calculated and based on the movement in net tangible asset backing per share before providing for tax on unrealised gains in the portfolio and assuming dividends paid are reinvested), adjusted for franking credits, must exceed the movement in the S&P ASX 200 Accumulation Index over the performance period, adjusted for franking credits (Index Movement).

The EPS Performance Condition is that the EPS Performance of the Company (EPS means a company's non-dilutive earnings per share which is measured as the net profit of the consolidated entity after minority interests divided by the weighted average number of shares on issue over the performance period and as calculated by the Board on a comparable basis) over the performance period must exceed the average of the EPS performance of those member companies of the Australian Listed Investment Companies Association, excluding the Company, which have Australian equity portfolios (ALICA EPS).

The performance measurement period is four financial years and the performance rights have one vesting opportunity at the end of the fourth year.

If the Company's performance at least equals the respective abovementioned Performance Conditions, 25% of the respective tranches of rights will vest, dependent upon the performance producing an absolute positive return.

The 75% balance of the respective tranches of rights will vest in full if the outperformance is 30% or greater, with pro-rata award apportioned on a straight-line basis between the Index Movement and 30% outperformance of the Index Movement (for the TPR tranche of rights), and between the ALICA EPS and 30% outperformance of the ALICA EPS (for the EPS tranche of rights), dependent upon each outperformance producing an absolute positive return.

If, at the Performance Date, the TPR Performance of the Company is greater than the Index Movement but produces an absolute negative return, then the benefit is 50% of the number of TPR tranche of rights that would vest if the return had been positive.

If, at the Performance Date, the EPS Performance of the Company is greater than the ALICA EPS but produces an absolute negative return, then no benefit is available.

The Board considers these performance conditions to be appropriate because they will ensure that a proportion of the Managing Director's remuneration is linked to the Company's performance and the generation of shareholder value.

Other information

Mr. Beddow is the only Director entitled to participate in the Plan. Following shareholder approval at the 2014 Annual General Meeting, Mr. Beddow was granted 10,785 STI Performance Rights and 64,700 LTI Performance Rights for nil consideration on 20 November, 2014.

There is no loan to the Managing Director associated with the grant of Performance Rights or the allocation of shares upon exercise of the Performance Rights.

Details of the number of Performance Rights issued under the Plan, and the extent to which they have vested and been exercised, are disclosed by the Company in its Annual Report in accordance with the requirements of the Corporations Act 2001 and relevant Accounting Standards.

The date by which Performance Rights approved under Item 5 will be granted will be within one month following the Annual General Meeting to be held on 26 October, 2015.

The Directors (excluding Mr. Beddow) unanimously recommend that shareholders vote in favour of Item 5.

Chairman of the Meeting authorised to exercise undirected proxies on remuneration related resolutions in Items 2, 4 and 5:

The Chairman of the Meeting will be a member of the key management personnel (KMP), details of whose remuneration is included in the Remuneration Report. You should be aware that the Chairman of the Meeting intends to vote undirected proxies in favour of Items 2, 4 and 5. By appointing the Chairman of the Meeting to be your proxy, you **expressly authorise** the Chairman of the Meeting to exercise your proxy in relation to Item 2, 4 and 5 (including an undirected proxy) even though the Chairman of the Meeting is a member of the KMP. A shareholder may appoint the Chairman of the Meeting as proxy with a direction to cast the votes contrary to the Chairman's stated voting intentions, or to abstain from voting on that resolution.



Argo Investments Limited

ABN 35 007 519 520

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 350 716
(outside Australia) +61 3 9415 4296

Proxy Form - 2015 Annual General Meeting



Vote and view the annual report online

Go to 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 online:

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 10.00 a.m. (Adelaide time) on Saturday 24 October, 2015**

How to vote on items of business

All your shares will be voted in accordance with your directions.

Appointment of proxy

Voting 100% of your holding: You may direct your proxy how to vote by marking one of the boxes opposite each item of business. If you mark more than one box on an item, your vote will be invalid on that item.

If you do not mark a box, your proxy may, to the extent permitted by law, vote as they choose on that item. However, note that if the Chairman of the Meeting is your proxy, he will vote your undirected proxy in accordance with the voting intentions set out in Step 2.

Voting a portion of your holding: You may indicate a portion of your voting rights by inserting the percentage or number of shares you wish to vote in the For, Against or Abstain box(es). 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 or number of shares for each proxy to vote, otherwise each proxy may exercise half of the votes. When appointing a second proxy, write both names and the percentage or number of shares for each to vote in Step 1 overleaf.

A proxy need not be a shareholder of the Company.

Signing instructions for postal forms

Individual: Where the holding is in one name, the shareholder or attorney must sign.

Joint Holding: Where the holding is in more than one name, any of the shareholders or attorneys may sign.

Power of Attorney: Where the proxy is signed by the shareholder's attorney and if the Power of Attorney has not already been lodged with the share 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 shareholder or proxy is to attend the Meeting, you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

**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. Shareholders sponsored by a broker (reference number commences with 'X') should advise their broker of any changes.

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a proxy to vote on your behalf

XX

I/We being a member/s of Argo Investments 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 Argo Investments Limited to be held at The Adelaide Convention Centre, North Terrace, Adelaide, South Australia on Monday 26 October, 2015 at 10.00 a.m.** and at any adjournment or postponement of that Meeting.

Chairman of the Meeting authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman of the Meeting becomes my/our proxy by default), I/we **expressly authorise** the Chairman of the Meeting to the extent permitted by law, to exercise my/our proxy on **Items 2, 4 and 5** (except where I/we have indicated a different voting intention below) even though **Items 2, 4 and 5** are connected directly or indirectly with the remuneration of a member of the key management personnel of Argo Investments Limited which includes the Chairman of the Meeting.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy, you can direct the Chairman of the Meeting to vote for or against or abstain from voting on **Items 2, 4 and 5** by marking the appropriate box in Step 2 below.

STEP 2 Items of Business

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

ORDINARY BUSINESS

	For	Against	Abstain
2 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.1 Re-election of Director - Mr. G.I. Martin AM	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.2 Re-election of Director - Ms. J.C. Morton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SPECIAL BUSINESS

4 Increase the maximum annual aggregate remuneration of non-executive Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Grant of Executive Performance Rights to the Managing Director, Mr. J. Beddow	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Note: The Chairman of the Meeting intends to vote all available proxies in favour of each item of business, to the extent permitted by law. 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 Shareholder(s)

This section must be completed.

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /