



Notice of 2018 Annual General Meeting

Notice is given that the 2018 Annual General Meeting of Silex Systems Limited ABN 69 003 372 067 (the 'Company') will be held in the Hart Room, Amora Hotel Jamison Sydney, 11 Jamison Street, Sydney NSW 2000, on Friday, 30 November 2018 at 9.30am (Sydney time).

AGENDA

ORDINARY BUSINESS

FINANCIAL STATEMENTS AND REPORTS

To receive and consider the financial report, the report of the Directors and Auditors for the year ended 30 June 2018. There is no vote on this item.

For those members who have not elected to receive a hardcopy of the Annual Report, the Annual Report is available on the Silex website at www.silex.com.au.

RESOLUTION 1 - ORDINARY RESOLUTION TO ADOPT THE REMUNERATION REPORT

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

“THAT the Remuneration Report for the year ended 30 June 2018 be adopted.”

Note 1: The Remuneration Report is set out on pages 21 to 29 of the Company's Annual Report.

Note 2: The vote on this resolution is advisory only and does not bind the Company or its directors. Following the introduction of the *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011 (Cth)*, a 25% or higher “no” vote on the Remuneration Report resolution at two consecutive Annual General Meetings triggers a resolution being put to shareholders (a “spill resolution”) that another general meeting be convened to consider the election of certain directors (the “spill meeting”). If the spill resolution is carried by an ordinary majority, the spill meeting must be held within 90 days and all directors that were directors when the second 25% “no” vote was passed will cease to hold office immediately after the spill meeting (except for the Managing Director) unless they are willing to stand for re-election and are re-elected at that meeting.

Voting Exclusion Statement (*Corporations Act 2001 (Cth)*): The Company will not accept any votes cast on this resolution by or on behalf of a person who is disclosed in the Remuneration Report as one of the key management personnel of the Company (including the directors), or a closely related party of that person (as these persons are not entitled to vote on the resolution in their own capacity). However, such a person may cast a vote on this resolution if they do so as a proxy for a shareholder who is entitled to vote, in accordance with a direction on the proxy form or by the Chair of the meeting where she has been expressly authorised to exercise the proxy (even though the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel).

RESOLUTION 2 - ORDINARY RESOLUTION TO RE-ELECT MR CHRISTOPHER WILKS AS A DIRECTOR

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

“THAT Mr Christopher Wilks, being a Director of the Company, who retires as a Director in accordance with Rule 6.1(f) of the Constitution of the Company and being eligible offers himself for re-election, is re-elected as a Director of the Company.”

Additional Information

1. The Explanatory Statement following provides further details of the proposed resolutions.
2. For the purposes of this meeting, shares will be taken to be held by the persons who are registered as members at 9.00pm Sydney time on Wednesday, 28 November 2018. Accordingly, transactions registered after that time will be disregarded in determining members entitled to attend and vote at the meeting.
3. A member entitled to attend and vote is entitled to appoint no more than two (2) proxies.
4. Votes may be cast "For", "Against" or not voted on a resolution ("Abstain"). A member may direct a proxy how to vote on any resolution by placing a mark (e.g. a cross) in the appropriate box on the proxy form and their votes may only be exercised in that manner.
5. If a member is entitled to cast two (2) or more votes at the Annual General Meeting, the member may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise on a poll. If the appointment does not specify the proportion or the number of the member's votes that each proxy may exercise, each proxy is entitled to exercise half of the shareholder's votes on a poll. Fractions will be disregarded. A proxy need not be a member of the Company.
6. The form of proxy must be signed by the member or the member's attorney. Proxies given by corporations must be signed either under seal or under the hand of a duly authorised officer, representative or attorney. In the case of joint holders, the form of proxy should be signed by all holders.
7. To be valid, the form appointing the proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney must be lodged at the registered office or the share registry of the Company, Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001 (or by facsimile to 1800 783 447 within Australia or +61 3 9473 2555 outside Australia) at least 48 hours prior to the Annual General Meeting (that is, by no later than 9.30am Sydney time on Wednesday, 28 November 2018). A form of proxy accompanies this Notice of Annual General Meeting.
8. Alternatively, you may appoint a proxy using an electronic facility available at the website www.investorvote.com.au. At the website, members will be able to view an electronic version of the proxy form, which will accept proxy appointments and register them accordingly.
9. Custodian voting – For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.
10. Please refer to the accompanying Proxy Form for further detailed information regarding how to vote on Items of Business.

Explanatory Statement**FINANCIAL STATEMENTS AND REPORTS**

The Company's 2018 Annual Report to members, which includes the financial report, as well as the Directors' and Auditor's reports, will be laid before the meeting. The Company's 2018 Annual Report is available on the Company's website at www.silex.com.au and has been sent to those members who have elected to receive a hardcopy in the mail.

Members are not required to vote on the financial report or the Directors' and Auditor's reports. However, an opportunity for members to discuss these reports will be provided at the meeting.

RESOLUTION 1 - ORDINARY RESOLUTION TO ADOPT THE REMUNERATION REPORT

The Directors' report for the year ended 30 June 2018 contains a Remuneration Report, which sets out the policy for the remuneration of the directors and key management personnel. The Remuneration Report is set out on pages 21 to 29 of the Company's 2018 Annual Report which is available from the Company's website at www.silex.com.au. An opportunity to discuss the Remuneration Report will be provided at the meeting.

The *Corporations Act 2001 (Cth)* requires that a resolution be put to the vote that the Remuneration Report be adopted. The *Corporations Act 2001 (Cth)* expressly provides that the vote is advisory only, and does not bind the directors or the Company. The Board of the Company will take into account the discussion on this resolution and the outcome of the vote when considering the future remuneration arrangements of the Company.

Board Recommendation

The Board of the Company unanimously recommend that members vote in favour of adopting the Remuneration Report.

RESOLUTION 2 - ORDINARY RESOLUTION TO RE-ELECT MR CHRISTOPHER WILKS AS A DIRECTOR

Rule 6.1(f) of the Company's Constitution requires an election of directors to take place each year with at least one director (excluding the CEO/Managing Director) retiring from office. The Director referred to in Resolution 2 (Mr Christopher Wilks) is retiring in accordance with Rule 6.1(f) and, being eligible, offers himself for re-election.

Mr Christopher Wilks

BComm, FAICD

Non-executive director

Appointed: December 1988
Last elected: November 2015
Board Committees: Member of the Audit Committee
Member of the People & Remuneration Committee



Mr Wilks is Silex's longest serving Director and brings a wealth of financial, commercial, strategic acumen and invaluable knowledge to the Company. Mr Wilks has a background in chartered accounting and investment banking and has held positions on the board of a number of public companies. Mr Wilks is also the Finance Director and Chief Financial Officer of Sonic Healthcare Limited, an ASX 50 company.

Board Recommendation

The Board recommends (with Mr Wilks abstaining and not voting) that shareholders vote in favour of this resolution.

Dated: 25 October 2018



Julie Ducie
Company Secretary

