



Investorfirst Ltd

ABN 87 124 891 685

ASX Release

Release Number: 02 - 11 - 10

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Results of Annual General Meeting

In accordance with Listing Rule 3.13.3, I enclose the presentation of the Executive Chairman, which will be delivered today at the Investorfirst Limited 2010 Annual General Meeting.

Yours sincerely

Andrea Steele

Company Secretary



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Investorfirst Limited

2010 Annual General Meeting (AGM)

Sydney, 11.00am Friday 26 November 2010

Introduction

Good morning ladies and gentlemen, I am Otto Buttula, the Executive Chairman of your company, Investorfirst and I will Chair today's meeting.

On behalf of your board, I'd like to welcome you all to the 2010 Annual General Meeting (AGM) for Investorfirst Limited ('Investorfirst', 'Company').

Our Company Secretary, Ms. Andrea Steele has confirmed that a quorum is present, and hence I formally declare this Meeting open.

Sitting before you today is the Board of your Company. Starting from my right is Darren Pettiona, Robert Spano, Robert Bishop and Kim Hogan.

Seated amongst us, we also have various members of our executive management and I take this opportunity to welcome them and thank them for their support and efforts as we continue with our transformation strategy. Welcome also to Mr. Andrew Gilder and Ms. Clare Sporie from Ernst & Young, our auditors.

The Notice for this AGM was mailed to shareholders on 25 October 2010 and I propose that this and the accompanying Explanatory Memorandum be taken as read.

I'll now outline the procedure for today's meeting. There are two items of business on today's agenda. These include:

- A. To receive and consider Investorfirst's Financial Report, the Director's Report and Auditor's Report for the year ended 30 June 2010; and
- B. To consider the fourteen (14) Resolutions put before this meeting, which include:
 - (1) The Remuneration Report for the year ended 30 June 2010;
 - (2) The re-election of Mr. Robert Bishop as a Director of the Company;
 - (3) The election of Mr. Kimberley Hogan as a Director of the Company;
 - (4) The inclusion of proportionate takeover article in the Constitution;
 - (5) Updates on indemnity provisions in the Constitution;
 - (6) Updates on dividend provisions in the Constitution;
 - (7) Refresh capacity to issue shares, following the issue of shares for the acquisition of an 81% interest in the Alert Trader Group of Companies;
 - (8) The cancellation of Investorfirst Partly Paid Securities to the former Chief Executive Officer;
 - (9) The increase in aggregate cap of Non-executive Directors' Fees;

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- (10) The acquisition of HUB24 Pty Ltd and the issue of Investorfirst fully paid ordinary shares as consideration for the acquisition;
- (11) The Placement up to A\$12.5m, to Sophisticated and Professional Investors;
- (12) The participation of Mr. Otto Buttula (Executive Chairman) in the Placement;
- (13) The participation of Mr. Darren Pettiona (Director) in the Placement;
- (14) The participation of Mr. Kimberley Hogan (Director) in the Placement; and
- (15) The participation of Mr. Robert Spano (Director) in the Placement.

A. To receive and consider Investorfirst's financial report, Director's and Auditor's report for the year ended 30 June 2010.

Investorfirst incurred an audited, consolidated net loss after income tax for the year ended 30 June 2010 of \$1.068 million, after recognising all non-recurring items, impairment charges and provisions. At a pre-tax level, the current year loss represents a 62% improvement on the previous corresponding period's (pcp) pre-tax loss of \$2.806 million and represents only a marginal increase on the half-year ended 31 December 2009 (1HFY'10) loss of \$0.845 million. In line with 1HFY'10, no income tax benefit has been recorded in relation to this result, therefore the pre and post tax results are consistent.

Total revenue amounted to \$8.729 million for the year, an increase of 42% over the pcp figure of \$6.132 million. Brokerage increased 45% over the pcp and represented 74% of Group revenue reflecting the consolidation and refocusing of the Company's core business following the wind-down of the Findlay & Co Stockbrokers and (Underwriters) businesses.

Corporate income decreased by 37% over the pcp to \$0.201 million, as a result of limited focus, however with legacy issues largely resolved, this area of activity will be given renewed focus. Investment Income of \$0.920 million represents an increase of 49% from the pcp, with this increase largely attributable to 'one-off' sales of investments attributable to debtor settlements. Notwithstanding this, the Company continues to significantly de-risk the business, with no new share trading undertaken during the period, other than that of disposing of non-core investments. Interest and other revenue increased significantly from the pcp as a result of some large, one-off outcomes, which also included a stronger balance sheet and higher interest rates.

Total operating expenses of \$9.797 million represented a 10% increase on the pcp figure of \$8.939 million. The increase is largely attributable to higher personnel expenses (including some one-offs); costs associated with the wind-down of legacy businesses and continued reinvestment in systems and infrastructure, including a Melbourne office and in our soon to be launched Researchfirst business web site.

The Company recorded total depreciation, impairment and amortisation expense of \$0.351 million for the year, a significant reduction from the pcp figure of \$1.241 million.

Whilst the overall cost base of the Company has increased over the period, it reflects a deliberate investment in preparing the business for new business initiatives and a broader and more diversified operating model.

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During the course of the period, the Group achieved several significant milestones including:

- A successful dual capital-raising, in the form of a placement and fully underwritten Share Purchase Plan (SPP), which raised circa \$8 million gross at \$0.10 per share.
- Full compliance with the \$5 million minimum ASX capital liquidity requirement as a full ASX Market Participant by our wholly-owned subsidiary, ANZIX Ltd.
- The successful completion of a minimum holdings share buyback at \$0.08 per share, thereby reducing administrative and registry costs associated with smaller shareholdings.
- Ongoing investment in the Researchfirst business, our in-house, proprietary owned and developed web-based research platform.
- Currently beta-testing of our soon to be launched 'Portfoliofirst' and white-label portfolio management service offering, which is expected to grow annuity revenues.
- Execution of a wholesale broking services agreement with Trader Dealer Online, a subsidiary of MDS Financial Group Limited (ASX: MWS).
- Continued investment in business systems, infrastructure and associated collateral.

The Company is likely in its best ever condition since listing. Legacy issues are largely behind it, it remains well capitalised and it now has a single-minded focus upon harnessing growth opportunities and profitably augmenting the current business.

With regard to current operations, we remain cautious in our outlook given volatile investment markets, highly variable trading volumes and ongoing infrastructure investment as we prepare for the planned growth of the Company.

Notwithstanding this, the primary focus moving into FY'11 and beyond will be to build the revenue base, consolidate and refine the existing business model and cost base and build a Company capable of recording sustainable profits.

I would like to invite any questions should you have any that relate to the Report. Any questions?

Thank you. I now consider the Report adopted.

B. To Consider the fourteen (14) Resolutions put before this Meeting.

Resolution 1 – Remuneration Report

To consider and, if thought fit, pass the following non-binding resolution:

'That the Remuneration Report be adopted.'

Section 250R of the *Corporations Act* requires a publicly listed company to put a resolution to shareholders to adopt the company's Remuneration Report. The vote on this resolution is advisory only and does not bind the Directors or the company.

The Remuneration Report can be found at pages 9 to 15 of the Annual Report for the year ended 30 June 2010. It sets out Investorfirst's remuneration policy and the remuneration arrangements for the Key Management Personnel.

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The Group's remuneration structure is designed to align executive and shareholder interests, retain talent and support long term value creation by providing employees with competitive remuneration and valuable rewards for outstanding performance.

Before I put the motion, I would like to invite questions from shareholders, should there be any. With regard to this motion, I hold the following proxies:

- **Votes where the proxy directed to vote 'FOR' the motion:**
- 84,071,207
- **Votes where the proxy directed to vote 'AGAINST' the motion:**
- 257,192
- **Votes where the proxy directed to vote 'ABSTAIN' the motion:**
- 96,250
- **Votes where the proxy directed the Chairman to use his 'DISCRETION' for the motion:**
- 26,283,483

I now put the motion 'That the Remuneration Report be adopted' as set out on pages 9 to 15 of the 2010 Annual Report.

I now seek a member from the floor to second the motion. If I could ask members to approve the motion via a show of hands:

Those in favour / Those against

The motion was carried on a show of hands as a non-binding resolution.

Resolution 2 – Approval of Re-Election of Mr. Robert Bishop as a Director

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

'That, Mr. Robert Bishop, who retires by rotation in accordance with Article 18.5 of the Constitution of the Company, and who, being eligible, offers himself for re-election, be re-elected as a Director of the Company with immediate effect.'

Mr. Robert Bishop, who was previously elected as a Director by members of the Company on 8 October 2008.

Mr. Bishop has extensive experience in financial services, with a particular expertise in cards, payments, retail banking and distribution having held senior executive positions at National Australia Bank, Westpac and Citibank.

Mr. Bishop is currently a Director of Keycorp Limited (ASX: KYC) and was previously a Director of IWL Limited (ASX: IWL) from 2001 up until December 2007.

Mr. Bishop is the Chairman of the Audit, Risk & Compliance Committee.



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Before I put the motion, I would like to invite questions from shareholders, should there be any. With regard to this motion, I hold the following proxies:

- **Votes where the proxy directed to vote 'FOR' the motion:**
- 84,296,649
- **Votes where the proxy directed to vote 'AGAINST' the motion:**
- 49,250
- **Votes where the proxy directed to vote 'ABSTAIN' the motion:**
- 68,750
- **Votes where the proxy directed the Chairman to use his 'DISCRETION' for the motion:**
- 26,293,483

I now put the motion 'That, Mr. Robert Bishop, who retires by rotation in accordance with Article 18.5 of the Constitution of the Company, and who, being eligible, offers himself for re-election, be re-elected as a Director of the Company with immediate effect.'

I now seek a member from the floor to second the motion. If I could ask members to approve the motion via a show of hands:

Those in favour / Those against

The motion was carried on a show of hands as an ordinary resolution.

Resolution 3 – Approval of Election of Mr. Kimberley Hogan as a Director

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

'That, Mr. Kimberley Hogan, who was appointed by the Directors in the last 12 months to fill a casual vacancy, and who, being eligible, offers himself for election in accordance with Article 18.4 of the Constitution be elected as a Director of the Company with immediate effect.'

Mr. Hogan was appointed to the Board on 1 September 2010 as an independent Non-executive Director. Mr. Hogan has extensive experience in financial services, with a particular expertise in all facets of full service stockbroking. Specifically, this has included advice and portfolio construction, including derivatives, retail desk construction and management, in addition to supervision of risk exposures and compliance.

Profile of Mr. Kim Hogan's Experience

1987 - 1990 Benny Partners/Paterson Ord Minnett (Advisory)

1990 - 1999 Porter Western Limited (Director / Equity Partner)

1999 - 2006 Macquarie Bank (Associate Director)

2006 - Now Dalgety Capital Pty Ltd (Executive Director)

Mr. Hogan is resident of Perth, Western Australia.



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Before I put the motion, I would like to invite questions from shareholders, should there be any. With regard to this motion, I hold the following proxies:

- **Votes where the proxy directed to vote 'FOR' the motion:**
- 59,228,607
- **Votes where the proxy directed to vote 'AGAINST' the motion:**
- 117,192
- **Votes where the proxy directed to vote 'ABSTAIN' the motion:**
- 68,750
- **Votes where the proxy directed the Chairman to use his 'DISCRETION' for the motion:**
- 51,293,583

I now put the motion 'That, Mr. Kimberley Hogan, who was appointed by the Directors in the last 12 months to fill a casual vacancy, and who, being eligible, offers himself for election in accordance with Article 18.4 of the Constitution be elected as a Director of the Company with immediate effect.'

I now seek a member from the floor to second the motion. If I could ask members to approve the motion via a show of hands:

Those in favour / Those against

The motion was carried on a show of hands as an ordinary resolution.

I now turn to consider the '**Special Business**' which is on today's agenda for our consideration.

Resolution 4 – Approval of the inclusion proportionate takeover article in Constitution

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

'That, a new Article 40 be inserted into the Company's Constitution as follows:

40. Proportional Takeover Bids"

In this clause 40:

Approving Resolution means a resolution passed in accordance with this clause 40.

Approving Resolution Deadline means in relation to a Proportional Takeover Bid, the day that is the 14th day before the last day of the Bid Period.

40.1 Registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under a Proportional Takeover Bid is prohibited unless and until an Approving Resolution approving the Proportional Takeover Bid is passed.

40.2 A person (other than the Bidder or an associate of the Bidder) who, as at the end of the day on which the first offer under the Proportional Takeover Bid was made, held Bid Class Shares is entitled to:

- (a) vote on an Approving Resolution; and**
- (b) has one vote for Bid Class Share held.**

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- 40.3 Where offers have been made under a Proportional Takeover Bid, the Directors must ensure that an Approving Resolution is voted on at a meeting of the persons described in 40.2 before the Approving Resolution Deadline.**
- 40.4 An Approving Resolution is passed if more than 50% of the votes cast on the resolution are cast in favour of the resolution, and otherwise is taken to have been rejected.**
- 40.5 The provisions of this Constitution that apply to a general meeting of the Company apply, with such modifications as the circumstances require, to a meeting that is called under this clause as if the meeting was a general meeting of the Company.**
- 40.6 If an Approving Resolution to approve the Proportional Takeover Bid is voted on in accordance with this clause before the Approving Resolution Deadline, the Company must, on or before the Approving Resolution Deadline, give:**
- (a) the Bidder; and**
 - (b) the Relevant Financial Market,**
- a written notice stating that an Approving Resolution to approve the Proportional Takeover Bid has been voted on and whether it was passed or rejected.**
- 40.7 If no resolution has been voted on in accordance with this clause as at the end of the day before the Approving Resolution Deadline, a resolution to approve the Proportional Takeover Bid is taken, for the purposes of this clause, to have been passed in accordance with this clause.**
- 40.8 This clause 40 will, unless renewed in accordance with the Act, automatically cease to have effect three years after the date of its adoption or renewal or last renewal (as the case may require)."**

Under section 136 of the Corporations Act a company's constitution can only be amended by special resolution.

Section 618(1)(b) of the Corporations Act permits proportional takeovers in that it provides that an offer for securities under an off-market bid may be an offer to buy a specified proportion of the securities in the bid class, provided the proportion specified is the same for all holders of securities in the bid class.

In order to increase shareholders' bargaining power in the face of a proportional bid, section 648D of the Act provides that a company can alter its constitution by inserting provisions which prohibit the registration of a transfer of shares resulting from a proportional takeover bid unless the bid is approved by shareholders in general meeting.

Part 6.5 Subdivision 5C of the Corporations Act provides that these Proportional Takeover Bid provisions cease to apply at the end of 3 years from their adoption (or last renewal) but that these may be renewed by special resolution of the members.



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Before I put the motion, I would like to invite questions from shareholders, should there be any. With regard to this motion, I hold the following proxies:

- **Votes where the proxy directed to vote 'FOR' the motion:**
- 59,065,799
- **Votes where the proxy directed to vote 'AGAINST' the motion:**
- 280,000
- **Votes where the proxy directed to vote 'ABSTAIN' the motion:**
- 68,750
- **Votes where the proxy directed the Chairman to use his 'DISCRETION' for the motion:**
- 51,293,583

I now put the motion 'That, a new Article 40 be inserted into the Company's Constitution as follows:

40. Proportional Takeover Bids"

In this clause 40:

Approving Resolution means a resolution passed in accordance with this clause 40.

Approving Resolution Deadline means in relation to a Proportional Takeover Bid, the day that is the 14th day before the last day of the Bid Period.

40.1 Registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under a Proportional Takeover Bid is prohibited unless and until an Approving Resolution approving the Proportional Takeover Bid is passed.

40.2 A person (other than the Bidder or an associate of the Bidder) who, as at the end of the day on which the first offer under the Proportional Takeover Bid was made, held Bid Class Shares is entitled to:

- (a) vote on an Approving Resolution; and
- (b) has one vote for Bid Class Share held.

40.3 Where offers have been made under a Proportional Takeover Bid, the Directors must ensure that an Approving Resolution is voted on at a meeting of the persons described in 40.2 before the Approving Resolution Deadline.

40.4 An Approving Resolution is passed if more than 50% of the votes cast on the resolution are cast in favour of the resolution, and otherwise is taken to have been rejected.

40.5 The provisions of this Constitution that apply to a general meeting of the Company apply, with such modifications as the circumstances require, to a meeting that is called under this clause as if the meeting was a general meeting of the Company.

40.6 If an Approving Resolution to approve the Proportional Takeover Bid is voted on in accordance with this clause before the Approving Resolution Deadline, the Company must, on or before the Approving Resolution Deadline, give:

- (a) the Bidder; and

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(b) the Relevant Financial Market,

a written notice stating that an Approving Resolution to approve the Proportional Takeover Bid has been voted on and whether it was passed or rejected.

40.7 If no resolution has been voted on in accordance with this clause as at the end of the day before the Approving Resolution Deadline, a resolution to approve the Proportional Takeover Bid is taken, for the purposes of this clause, to have been passed in accordance with this clause.

40.8 This clause 40 will, unless renewed in accordance with the Act, automatically cease to have effect three years after the date of its adoption or renewal or last renewal (as the case may require).'

I now seek a member from the floor to second the motion. If I could ask members to approve the motion via a show of hands:

Those in favour / Those against

The motion was carried on a show of hands as a special resolution.

Resolution 5 – Approval to update the indemnity provisions in Constitution

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

That, Article 37 of the Company's constitution be amended as follows:

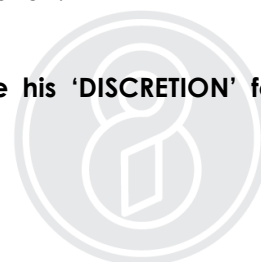
- *in Article 37.1(b), immediately after the words "under section 1317H" insert the words "1317HA or 1317HB"; and*
- *in Article 37.2(b), immediately after the words "under section 1317H" insert the words "1317HA or 1317HB".*

Under section 136 of the Corporations Act a company's constitution can only be amended by special resolution.

The proposed amendments to Article 37 of the Company's constitution reflect recent amendments to the Corporations Act which restrict indemnities being given in respect of pecuniary penalties ordered under sections 1017H, 1017HA and 1017HB.

Before I put the motion, I would like to invite questions from shareholders, should there be any. With regard to this motion, I hold the following proxies:

- **Votes where the proxy directed to vote 'FOR' the motion:**
- 59,285,799
- **Votes where the proxy directed to vote 'AGAINST' the motion:**
- 60,000
- **Votes where the proxy directed to vote 'ABSTAIN' the motion:**
- 68,750
- **Votes where the proxy directed the Chairman to use his 'DISCRETION' for the motion:**
- 51,293,583



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I now put the motion "That, Article 37 of the Company's constitution be amended as follows:

- in Article 37.1(b), immediately after the words "under section 1317H" insert the words "1317HA or 1317HB"; and
- in Article 37.2(b), immediately after the words "under section 1317H" insert the words "1317HA or 1317HB".

I now seek a member from the floor to second the motion. If I could ask members to approve the motion via a show of hands:

Those in favour / Those against

The motion was carried on a show of hands as a special resolution.

Resolution 6 – Approval to update dividend provisions in Constitution

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

'That, Article 32.1 of the Company's Constitution be repealed and replaced as follows:

"The Directors may from time to time declare dividends in accordance with section 254T of the Corporations Act."

Under section 136 of the Corporations Act a company's constitution can only be amended by special resolution.

Under the former section 254T of the Corporations Act a company could only pay dividends out of its profits. This was known as the "profits test".

Article 32.1 of the Company's Constitution mirrors this old section of the Act in that it provides for Directors to pay from profits such dividends as appear to be justified.

Pursuant to the Corporations Amendment (Corporate Reporting Reform) Act 2010, with effect from 28 June 2010, this has been replaced by a new section 254T which prohibits the payment of a dividend unless:

- the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and
- the payment of the dividend does not materially prejudice the company's ability to pay its creditors.

The proposed amendment reflects this change to the law.

Before I put the motion, I would like to invite questions from shareholders, should there be any. With regard to this motion, I hold the following proxies:

➤ **Votes where the proxy directed to vote 'FOR' the motion:**

➤ 59,285,799

➤ **Votes where the proxy directed to vote 'AGAINST' the motion:**



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- 60,000
- **Votes where the proxy directed to vote 'ABSTAIN' the motion:**
- 68,750
- **Votes where the proxy directed the Chairman to use his 'DISCRETION' for the motion:**
- 51,293,583

I now put the motion 'That, Article 32.1 of the Company's Constitution be repealed and replaced as follows:

"The Directors may from time to time declare dividends in accordance with section 254T of the Corporations Act."

I now seek a member from the floor to second the motion. If I could ask members to approve the motion via a show of hands:

Those in favour / Those against

The motion was carried on a show of hands as a special resolution.

Resolution 7 – Refresh capacity to issue shares, following the issue of shares for the acquisition of an 81% interest in the Alert Trader Group of Companies

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

'That, the issue by the Company on 9 September 2010 of 10,750,000 fully paid ordinary shares in the capital of the company be approved for all purposes, including the purpose of ASX Listing Rule 7.4, as described in the Explanatory Memorandum accompanying this Notice of Meeting.'

A prior issue of securities that is approved by Shareholders under Listing Rule 7.4 is excluded from the total number of issued securities used to calculate the number of new securities that may be issued under Listing Rule 7.1.

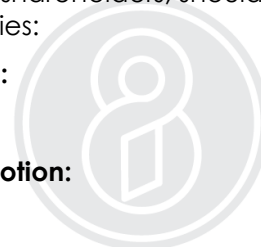
Pursuant to ASX Listing Rule 7.4, a company may subsequently obtain shareholder approval for the issue of securities. In doing so, the Company then 'refreshes' its ability under Listing Rule 7.1 to issue up to 15% of its issued capital in any 12 month period.

Shareholder approval to the above issue of shares was not required (and was not obtained) as it constituted less than 15% of the Company's fully paid ordinary shares. However, as a result of this issue, the Company is limited as to the extent of new issues of securities which it can make in the next 12 months without shareholder approval (because of the 15% limit in ASX Listing Rule 7.1).

The Directors believe that it is important for the Company to have the ability to issue securities under Listing Rule 7.1 and that it is in the best interests of the Company to enhance its Listing Rule 7.1 power, as it enables the Company to move quickly to undertake fundraising when necessary.

Before I put the motion, I would like to invite questions from shareholders, should there be any. With regard to this motion, I hold the following proxies:

- **Votes where the proxy directed to vote 'FOR' the motion:**
- 46,953,927
- **Votes where the proxy directed to vote 'AGAINST' the motion:**
- 3,515,598



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- **Votes where the proxy directed to vote 'ABSTAIN' the motion:**
- 68,750
- **Votes where the proxy directed the Chairman to use his 'DISCRETION' for the motion:**
- 62,532,593

I now put the motion 'That, the issue by the Company on 9 September 2010 of 10,750,000 fully paid ordinary shares in the capital of the company be approved for all purposes, including the purpose of ASX Listing Rule 7.4, as described in the Explanatory Memorandum accompanying this Notice of Meeting.'

I now seek a member from the floor to second the motion. If I could ask members to approve the motion via a show of hands:

Those in favour / Those against

The motion was carried on a show of hands as an ordinary resolution.

Resolution 8 – Cancellation of Investorfirst Partly Paid Securities to the former Chief Executive Officer

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

'That, for the purposes of Listing Rule 7.26, approval be given to cancel the 3,500,000 partly paid securities issued to Mr. Brett Spork, the former CEO of the company, which were forfeited following his resignation which took effect on 25 June 2010 and as described in the Explanatory Memorandum accompanying this Notice of Meeting.'

Mr. Brett Spork was appointed Chief Executive Officer ('CEO') of Investorfirst on 6 July 2009 and resigned from this position with effect from 25 June 2010.

As a part of Mr. Spork's employment agreement Shareholders were asked at the 2009 Annual General Meeting to approve for all purposes (including ASX Listing Rules 10.11 and 7.2 (Exception 7.2)) the direct issue of a maximum of 3,500,000 partly paid INQ shares, paid up to 2.0 cents per share by the Company with the outstanding 5.0 cents per share payable by the CEO by no later than 30 June 2012.

These partly paid shares were issued for nil consideration. The partly paid shares did not have performance hurdles or vesting criteria attached to them (other than the CEO must be continuously employed by Investorfirst 12 months after the commencement of his Employment Agreement in order to retain and further pay up the STIP Shares) as they form a part of the base remuneration (i.e. cash for equity sacrifice STIP).

Given Mr. Spork did not serve the full 12 month period of his contract, the 3,500,000 partly-paid shares were forfeited with a cash payment in lieu made by the Company, totaling A\$70,000.

There are no outstanding amounts which have been called but remain unpaid. Mr. Spork therefore has no liability to the Company in this respect.



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Before I put the motion, I would like to invite questions from shareholders, should there be any. With regard to this motion, I hold the following proxies:

- **Votes where the proxy directed to vote 'FOR' the motion:**
- 59,345,799
- **Votes where the proxy directed to vote 'AGAINST' the motion:**
- 0
- **Votes where the proxy directed to vote 'ABSTAIN' the motion:**
- 68,750
- **Votes where the proxy directed the Chairman to use his 'DISCRETION' for the motion:**
- 63,462,469

I now put the motion 'That, for the purposes of Listing Rule 7.26, approval be given to cancel the 3,500,000 partly paid securities issued to Mr. Brett Spork, the former CEO of the company, which were forfeited following his resignation which took effect on 25 June 2010 and as described in the Explanatory Memorandum accompanying this Notice of Meeting.'

I now seek a member from the floor to second the motion. If I could ask members to approve the motion via a show of hands:

Those in favour / Those against

The motion was carried on a show of hands as an ordinary resolution.

Resolution 9 – Increase in aggregate cap of Non-executive Directors' Fees

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

'That, the aggregate maximum sum available for remuneration of Non-executive Directors is increased by A\$150,000 from A\$250,000 per annum to A\$400,000 per annum.'

In accordance with Listing Rule 10.17, the limit on total aggregate remuneration that may be paid to non-executive directors is fixed by ordinary resolution of a general meeting of shareholders of the Company.

The current limit of A\$250,000 per annum, which was determined prior to the Company's listing on ASX in July 2007, is outlined in rule 19 of the Company's constitution and was disclosed in the prospectus dated 18 June 2007 ("IPO Prospectus") issued by the Company in connection with the initial public offering of its shares. This amount includes superannuation and fees paid to those directors of the Company in their capacity as members of Board committees and directors of subsidiary company boards.



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Before I put the motion, I would like to invite questions from shareholders, should there be any. With regard to this motion, I hold the following proxies:

- **Votes where the proxy directed to vote 'FOR' the motion:**
- 58,924,551
- **Votes where the proxy directed to vote 'AGAINST' the motion:**
- 431,248
- **Votes where the proxy directed to vote 'ABSTAIN' the motion:**
- 68,750
- **Votes where the proxy directed the Chairman to use his 'DISCRETION' for the motion:**
- 63,452,469

I now put the motion 'That, the aggregate maximum sum available for remuneration of Non-executive Directors is increased by A\$150,000 from A\$250,000 per annum to A\$400,000 per annum.'

I now seek a member from the floor to second the motion. If I could ask members to approve the motion via a show of hands:

Those in favour / Those against

The motion was carried on a show of hands as an ordinary resolution.

Resolution 10 – Approval of the acquisition of HUB24 Pty Ltd and the issue of Investorfirst fully paid ordinary shares as consideration for the acquisition

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

'That, subject to the approval of Resolution 11, for the purposes of ASX Listing Rules 7.1, 7.3, 10.11 and 11.1 and for all other purposes, approval is given for the issue by the Company of 266,666,667 million new shares as consideration for the acquisition of 100% of the issued capital of HUB24 Pty Ltd on the terms disclosed in the Explanatory Memorandum that accompanies this Notice of Meeting.'

On 21 October 2010, the Directors entered into a conditional Share Sale Agreement to acquire 100% of the issued share capital of HUB24 Pty Ltd and its two wholly-owned subsidiaries (HUB24) (**Proposed Acquisition**). The Proposed Acquisition is to be undertaken as a 100% Scrip for Scrip Acquisition, with HUB24 being notionally valued at A\$20 million.

As a consequence, INQ intends to issue to HUB24 Shareholders a total of 266,666,667 New Shares in INQ at a notional value of A\$0.075 cents per share (cps), which will be subject to voluntary escrow, based upon varying time periods or performance.



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HUB24's Portfolio Service is an advanced trading and reporting system that enables clients to benefit from cost effective executions and management of trades whilst retaining the full beneficial ownership of securities for improved tax efficiency. HUB24 acts as a 24 hour accessible hub between an Investor and their Adviser, the Model Manager recommending the Model Portfolio, the Broker performing the trades, and the Sub-Custodians who provide the custodial and depository services in respect of the Portfolio Service. This system can be used for managing and administering Managed Discretionary Accounts (MDA's), such as Separately Managed Accounts (SMA's) and Individually Managed Accounts (IMA's). This has the benefit of simplifying the administration of investing in shares for Self-Managed Superannuation Funds.

Through the acquisition of HUB24, Investorfirst will:

- ✓ markedly alter its investment proposition to investors from being a boutique Independent Stockbroker, which executes, clears and settles to becoming an Integrated Financial Services House, with an embedded early-growth stage, investment platform with unique, 100% owned intellectual property capable of delivering attractive medium to long-term annuity style revenues, capable of catapulting INQ's current market capitalisation by a number of multiples;
- ✓ be the first non-institutional integrated platform & broking financial services utility;
- ✓ gain a potential discount on the acquisition price of around 33% to what the HUB24 Board had been seeking from private equity investors;
- ✓ own 100% of what it believes to be the current "best-of-breed" and "first in market" investment platform / administration service allowing investors to gain the benefits of a wrap platform and an MDA service in one hybrid Unified Managed Account Service (UMA);
- ✓ strengthen its capital base, with a Proposed, Contingent Placement up to a maximum of A\$12.5 million;
- ✓ inherit a strong internal IT team, capable of further extending Investorfirst's own front-end stockbroking platforms;
- ✓ obtain a new Managing Director, with Mr. Darren Pettiona (current Non-Executive Director of INQ and Managing Director of HUB24), being offered the position of Managing Director of Investorfirst on a low fixed base salary of A\$150,000 per annum for the first three-years;
- ✓ obtain a new Non-Executive Director, with HUB24 director Mr. Jason Entwistle being offered a board seat. Mr. Entwistle is an experienced investment platform entrepreneur having been the co-founder of Avanteos, now owned by CBA;
- ✓ combine a team of proven entrepreneurs whom have built and sold financial services businesses for in excess of A\$0.5 billion over the past 10 years;
- ✓ be at the forefront of new investment choice development, as fund managers seek alternate methods outside of mutual funds to seek investable dollars, such as ETF's and separately managed accounts;
- ✓ have the ability to potentially export technology and know-how to international markets seeking to replicate Australia's successful financial services marketplace; and





- ✓ likely become a potential future target for acquisition, particularly following full integration, given Full ASX Market Participants which execute, clear and settle are dwindling in number and many of HUB24's competitor platforms rely partly on 3rd party solutions, are technologically outmoded and functionally constrained, let alone not necessarily cost competitive or in the investor's best interests.

Before I put the motion, I would like to invite questions from shareholders, should there be any. With regard to this motion, I hold the following proxies:

- **Votes where the proxy directed to vote 'FOR' the motion:**
- 59,235,799
- **Votes where the proxy directed to vote 'AGAINST' the motion:**
- 70,000
- **Votes where the proxy directed to vote 'ABSTAIN' the motion:**
- 108,750
- **Votes where the proxy directed the Chairman to use his 'DISCRETION' for the motion:**
- 63,462,469

I now put the motion 'That, subject to the approval of Resolution 11, for the purposes of ASX Listing Rules 7.1, 7.3, 10.11 and 11.1 and for all other purposes, approval is given for the issue by the Company of 266,666,667 million new shares as consideration for the acquisition of 100% of the issued capital of HUB24 Pty Ltd on the terms disclosed in the Explanatory Memorandum that accompanies this Notice of Meeting.'

I now seek a member from the floor to second the motion. If I could ask members to approve the motion via a show of hands:

Those in favour / Those against

The motion was carried on a show of hands as an ordinary resolution.

RESOLUTION 11: Approval of the placement up to A\$12.5 million, to Sophisticated and Professional Investors

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

"That, subject to the approval of Resolution 10, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the issue of up to 166,666,667 fully paid ordinary shares in the capital of the Company to sophisticated and professional investors (being persons to whom a disclosure document is not required to be provided by virtue of s708(8) or 708(11) of the Corporations Act) at an issue price of A\$0.075, by way of a placement, and otherwise on the terms detailed in the Explanatory Memorandum."

Resolution 11 is being put before Shareholders in accordance with ASX Listing Rule 7.1.

Subject to approval of resolution 10, INQ seeks to raise an additional A\$12.5 million through a new capital raising. This will be achieved by a further placement of 166,666,667 New Shares in INQ, again at a value of A\$0.075 cps.

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Various investors (including certain directors referred to in Agenda Item 13) have given firm commitments to participate in the placement. The participation by the relevant directors is conditional on shareholder approval being obtained under resolutions 12, 13 and 14. If resolutions 12, 13 and 14 are not passed by shareholders, then the remaining investors (excluding the directors) have committed to underwrite the placement by taking up the shortfall.

Before I put the motion, I would like to invite questions from shareholders, should there be any. With regard to this motion, I hold the following proxies:

- **Votes where the proxy directed to vote 'FOR' the motion:**
- 59,074,509
- **Votes where the proxy directed to vote 'AGAINST' the motion:**
- 271,290
- **Votes where the proxy directed to vote 'ABSTAIN' the motion:**
- 68,750
- **Votes where the proxy directed the Chairman to use his 'DISCRETION' for the motion:**
- 63,462,469

I now put the motion 'That, subject to the approval of Resolution 10, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the issue of up to 166,666,667 fully paid ordinary shares in the capital of the Company to sophisticated and professional investors (being persons to whom a disclosure document is not required to be provided by virtue of s708(8) or 708(11) of the Corporations Act) at an issue price of A\$0.075, by way of a placement, and otherwise on the terms detailed in the Explanatory Memorandum.'

I now seek a member from the floor to second the motion. If I could ask members to approve the motion via a show of hands:

Those in favour / Those against

The motion was carried on a show of hands as an ordinary resolution.

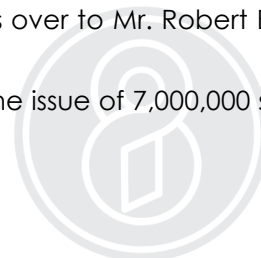
RESOLUTION 12: Approval for Mr. Otto Buttula (Executive Chairman) to participate in the Placement

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

'That, subject to the approval of Resolutions 10 and 11, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Mr. Otto Buttula (Executive Chairman) to participate in the placement of shares referred to in Resolution 11 and otherwise on the terms detailed in the Explanatory Memorandum.'

As this Resolution relates to my own participation, I will pass over to Mr. Robert Bishop to Chair the meeting on this particular resolution.

Approval is sought for the purpose of Listing Rule 10.11 for the issue of 7,000,000 shares to Mr. Otto Buttula.



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ASX Listing Rule 10.11 requires the approval of ordinary shareholders to issue securities to a related party or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained.

A director is a 'related party' for the purposes of Listing Rule 10.11.

The directors have given firm commitments to participate in the placement subject only to shareholder approval under this resolution.

Before I put the motion, I would like to invite questions from shareholders, should there be any. With regard to this motion, I hold the following proxies:

- **Votes where the proxy directed to vote 'FOR' the motion:**
- 59,037,317
- **Votes where the proxy directed to vote 'AGAINST' the motion:**
- 308,482
- **Votes where the proxy directed to vote 'ABSTAIN' the motion:**
- 68,750
- **Votes where the proxy directed the Chairman to use his 'DISCRETION' for the motion:**
- 63,462,469

I now put the motion 'That, subject to the approval of Resolutions 10 and 11, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Mr. Otto Buttula (Executive Chairman) to participate in the placement of shares referred to in Resolution 11 and otherwise on the terms detailed in the Explanatory Memorandum.'

I now seek a member from the floor to second the motion. If I could ask members to approve the motion via a show of hands:

Those in favour / Those against

The motion was carried on a show of hands as an ordinary resolution.

I will now hand back to Mr. Otto Buttula to continue with the remaining business on today's agenda.

RESOLUTION 13: Approval for Mr. Darren Pettiona (Director) to participate in the Placement

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

'That, subject to the approval of Resolutions 10 and 11, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Mr. Darren Pettiona (Director) to participate in the placement of shares referred to in Resolution 11 and otherwise on the terms detailed in the Explanatory Memorandum.'

Approval is sought for the purpose of Listing Rule 10.11 for the issue of 8,400,000 shares to Mr. Darren Pettiona.

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ASX Listing Rule 10.11 requires the approval of ordinary shareholders to issue securities to a related party or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained.

A director is a 'related party' for the purposes of Listing Rule 10.11.

The directors have given firm commitments to participate in the placement subject only to shareholder approval under this resolution.

Before I put the motion, I would like to invite questions from shareholders, should there be any. With regard to this motion, I hold the following proxies:

- **Votes where the proxy directed to vote 'FOR' the motion:**
- 59,017,317
- **Votes where the proxy directed to vote 'AGAINST' the motion:**
- 328,482
- **Votes where the proxy directed to vote 'ABSTAIN' the motion:**
- 68,750
- **Votes where the proxy directed the Chairman to use his 'DISCRETION' for the motion:**
- 63,462,469

I now put the motion 'That, subject to the approval of Resolutions 10 and 11, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Mr. Darren Pettiona (Director) to participate in the placement of shares referred to in Resolution 11 and otherwise on the terms detailed in the Explanatory Memorandum.'

I now seek a member from the floor to second the motion. If I could ask members to approve the motion via a show of hands:

Those in favour / Those against

The motion was carried on a show of hands as an ordinary resolution.

RESOLUTION 14: Approval for Mr. Kimberley Hogan (Director) to participate in the Placement

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

'That, subject to the approval of Resolutions 10 and 11, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Mr. Kimberley Hogan (Director) to participate in the placement of shares referred to in Resolution 11 and otherwise on the terms detailed in the Explanatory Memorandum.'

Approval is sought for the purpose of Listing Rule 10.11 for the issue of 7,500,000 shares to Mr. Kimberley Hogan.



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ASX Listing Rule 10.11 requires the approval of ordinary shareholders to issue securities to a related party or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained.

A director is a 'related party' for the purposes of Listing Rule 10.11.

The directors have given firm commitments to participate in the placement subject only to shareholder approval under this resolution.

Before I put the motion, I would like to invite questions from shareholders, should there be any. With regard to this motion, I hold the following proxies:

- **Votes where the proxy directed to vote 'FOR' the motion:**
- 59,037,317
- **Votes where the proxy directed to vote 'AGAINST' the motion:**
- 308,482
- **Votes where the proxy directed to vote 'ABSTAIN' the motion:**
- 68,750
- **Votes where the proxy directed the Chairman to use his 'DISCRETION' for the motion:**
- 63,462,469

I now put the motion 'That, subject to the approval of Resolutions 10 and 11, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Mr. Kimberley Hogan (Director) to participate in the placement of shares referred to in Resolution 11 and otherwise on the terms detailed in the Explanatory Memorandum.'

I now seek a member from the floor to second the motion. If I could ask members to approve the motion via a show of hands:

Those in favour / Those against

The motion was carried on a show of hands as an ordinary resolution.

RESOLUTION 15: Approval for Mr. Robert Spano (Director) to participate in the Placement

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

'That, subject to the approval of Resolutions 10 and 11, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Mr. Robert Spano (Director) to participate in the placement of shares referred to in Resolution 11 and otherwise on the terms detailed in the Explanatory Memorandum.'

Approval is sought for the purpose of Listing Rule 10.11 for the issue of 700,000 shares to Mr. Robert Spano.



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ASX Listing Rule 10.11 requires the approval of ordinary shareholders to issue securities to a related party or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained.

A director is a 'related party' for the purposes of Listing Rule 10.11.

The directors have given firm commitments to participate in the placement subject only to shareholder approval under this resolution.

Before I put the motion, I would like to invite questions from shareholders, should there be any. With regard to this motion, I hold the following proxies:

- **Votes where the proxy directed to vote 'FOR' the motion:**
- 53,481,675
- **Votes where the proxy directed to vote 'AGAINST' the motion:**
- 5,864,124
- **Votes where the proxy directed to vote 'ABSTAIN' the motion:**
- 68,750
- **Votes where the proxy directed the Chairman to use his 'DISCRETION' for the motion:**
- 63,462,469

I now put the motion 'That, subject to the approval of Resolutions 10 and 11, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Mr. Robert Spano (Director) to participate in the placement of shares referred to in Resolution 11 and otherwise on the terms detailed in the Explanatory Memorandum.'

I now seek a member from the floor to second the motion. If I could ask members to approve the motion via a show of hands:

Those in favour / Those against

The motion was carried on a show of hands as an ordinary resolution.

There being no other business, on behalf of the Board, I wish you and your families all the very best for the festive season and coming financial year and look forward to reporting on our progress as strategic initiatives being pursued are completed.

Thank you, I now declare the meeting formally closed.



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