

ASX ANNOUNCEMENT

ECHO ENTERTAINMENT GROUP



4 October 2013

To: Australian Securities Exchange
Companies Announcements Platform
20 Bridge Street
Sydney NSW 2000

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of Echo Entertainment Group Limited (*the Company*) will be held at the Event Centre, The Star, Level 3, 80 Pyrmont Street, Pyrmont, New South Wales, commencing at 9:30am (Sydney time) on Friday 8 November 2013.

Attached are copies of the following documents relating to the Company's Annual General Meeting that will be despatched to shareholders (together with the Company's Annual Report for the year ended 30 June 2013 if requested):

- Chairman's letter
- Notice of Annual General Meeting and Explanatory Memorandum
- Shareholder Voting Form

The Company's Annual Report will be available for download from the Company's website at www.echoentertainment.com.au.

The Annual General Meeting will be webcast live on the Company's website at www.echoentertainment.com.au.

ECHO ENTERTAINMENT GROUP

4 October 2013

Dear Shareholder

I am pleased to invite you to Echo Entertainment Group Limited's third Annual General Meeting, which will be held at the new Event Centre at The Star, Level 3, 80 Pyrmont Street, Pyrmont, New South Wales on **Friday 8 November 2013 at 9:30am (Sydney time)**.

Enclosed is a Notice of Meeting detailing the business to be considered at the meeting.

If you plan to attend the meeting, please bring the enclosed voting form with you. The voting form sets out your registration details and will make registration easier on your arrival.

The meeting will be webcast live via Echo Entertainment Group's website at www.echoentertainment.com.au.

Direct Voting and Appointing a Proxy

If you are unable to attend the meeting, you may either lodge a direct vote or appoint a proxy to vote on your behalf at the meeting. You can vote directly or appoint a proxy by:

- using the website of Echo Entertainment Group's Share Registry, www.linkmarketservices.com.au; or
- completing the enclosed voting form in accordance with the instructions on the form.

Voting forms (including voting forms lodged online) must be received by 9:30am (Sydney time) on Wednesday, 6 November 2013 to be valid for the meeting.

Annual Report 2013

Echo Entertainment Group's Annual Report can be accessed online at www.echoentertainment.com.au/OurInvestors/AnnualReports.

Become an eShareholder (receive your communications electronically)

You can elect to receive all your shareholder communications electronically, including annual reports, notices of meetings and other shareholder communications. By providing your email address and electing to become an eShareholder, you will be helping to reduce the impact on the environment and costs associated with printing and sending shareholder documents. To make your elections using the on-line share registry available at Echo Entertainment Group's website, go to www.echoentertainment.com.au/OurInvestors/ShareholderCentre.

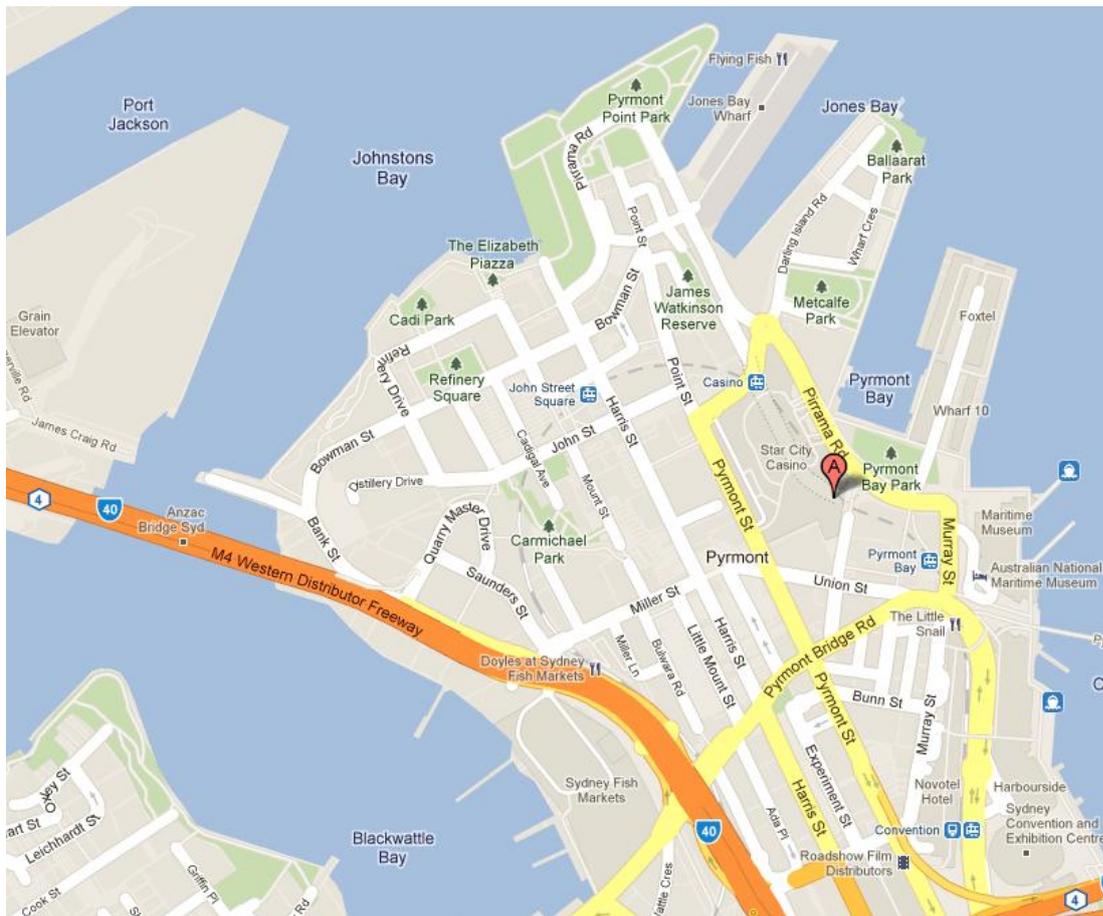
I look forward to welcoming you to the Annual General Meeting being held at the new Event Centre.



John O'Neill AO
Chairman

HOW TO GET TO THE STAR, 80 PYRMONT STREET, PYRMONT NSW

The Star is in the middle of the action of Darling Harbour (see map below). The main access routes are Pirrama Road and Pyrmont St, Pyrmont. The various ways to get to The Star are detailed below.



Walking

Take a short walk from Town Hall to The Star over the Pyrmont Bridge. It only takes about 10 minutes.

Driving

The main access roads into The Star car park are Pyrmont Street and Pirrama Road. Free parking will be available for all shareholders attending the Annual General Meeting.

Public Transport

STA Buses

The State Transit Authority bus route 443 regularly departs Circular Quay for The Star. For route and timetable information call 13 15 00 or visit www.131500.com.au.

Metro Light Rail

The Metro Light Rail operates 24 hours a day, seven days a week, departing from Central Station via Darling Harbour to The Star every 10 to 15 minutes (or every 30 minutes after certain times). Park at the Entertainment Centre or Harbourside car parks and catch the Light Rail to The Star. For further information call (02) 9552 2288.

For more information on Metro Light Rail, call (02) 8584 5288 or visit their website www.transport.nsw.gov.au/lightrail.

Ferry Services

Ferry services operate seven days a week from Circular Quay and stop at wharves a few minutes' walk from The Star. For route and timetable information on the ferry service from Darling Harbour to Pyrmont Bay Wharf, call 13 15 00 or visit www.131500.com.au.

NOTICE OF ANNUAL GENERAL MEETING

The third Annual General Meeting of Echo Entertainment Group Limited (*the Company*) will be held at the Event Centre, The Star, Level 3, 80 Pyrmont Street, Pyrmont, New South Wales on **Friday, 8 November 2013 at 9:30am (Sydney time)**.

General Business

Item 1 – Financial Statements and Reports

To receive and consider the Financial Statements and the Reports of the Directors and of the Auditor for the year ended 30 June 2013.

(Note: there is no requirement for shareholders to approve these reports.)

Ordinary Business

Item 2 – Remuneration Report

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

‘That the Remuneration Report (which forms part of the Directors’ Report) in respect of the year ended 30 June 2013 be adopted.’

(Note: the vote on this resolution is advisory only and does not bind the Directors or the Company.)

Voting Exclusions – Item 2

No votes may be cast (in any capacity) on the resolution in relation to Item 2 by or on behalf of:

- members of the key management personnel of the Company (including the Directors), details of whose remuneration is disclosed in the Remuneration Report (those persons being referred to as the *KMP*); or
- a closely related party (such as close family members and any entities the person controls) of those persons,

whether as shareholder or proxyholder.

However, a vote may be cast on Item 2:

- by a member of the KMP, or a closely related party of a member of the KMP, if the vote is cast as a proxy appointed by way of a shareholder voting form that specifies how the proxy is to vote on Item 2, and the vote is not cast on behalf of a member of the KMP or a closely related party of a member of the KMP; or
- by the Chairman of the Meeting, if the vote is cast as a proxy appointed in writing that does not specify the way the proxy is to vote on the resolution, and expressly authorises the Chairman of the Meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

If you appoint the Chairman of the Meeting as your proxy, and you do not direct your proxy how to vote on Item 2, you will be expressly authorising the Chairman of the Meeting to exercise your proxy even if Item 2 is connected directly or indirectly with the remuneration of a member of the KMP.

The Chairman of the Meeting intends to vote all available proxies in favour of Item 2.

Item 3 – Election of Katie Lahey AM as a Director

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

‘That Katie Lahey AM, having been appointed to the Board since the last Annual General Meeting of the Company, who retires in accordance with the Company’s constitution and is eligible for election, be elected as a Director of the Company.’

Item 4 – Election of Richard Sheppard as a Director

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

‘That Richard Sheppard, having been appointed to the Board since the last Annual General Meeting of the Company, who retires in accordance with the Company’s constitution and is eligible for election, be elected as a Director of the Company.’

Item 5 – Election of Gerard Bradley as a Director

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

‘That Gerard Bradley, having been appointed to the Board since the last Annual General Meeting of the Company, who retires in accordance with the Company’s constitution and is eligible for election, be elected as a Director of the Company.’

Item 6 – Grant of Performance Rights to the Managing Director and Chief Executive Officer

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

‘That approval be given to the grant of the number of performance rights determined based on the formula \$1,500,000 divided by the Moderated Face Value of a performance right to the Managing Director and Chief Executive Officer of the Company, Mr John Redmond, under the Echo Entertainment Group Limited Long Term Performance Plan and on the basis described in the Explanatory Memorandum to this Notice of Meeting.’

Item 7 – Grant of Performance Rights to the Chief Financial Officer and Executive Director

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

‘That approval be given to the grant of the number of performance rights determined based on the formula \$500,000 divided by the Moderated Face Value of a performance right to the Chief Financial Officer and Executive Director of the Company, Mr Matthias (Matt) Bekier, under the Echo Entertainment Group Limited Long Term Performance Plan and on the basis described in the Explanatory Memorandum to this Notice of Meeting.’

Voting Exclusions – Items 6 and 7

The following persons may not vote, and the Company will disregard any votes cast by the following persons, on each of the resolutions in relation to Items 6 and 7:

1. Mr John Redmond and Mr Matt Bekier (being the only Directors who are eligible to participate in any employee incentive scheme of the Company) and any of their respective associates. However, the Company need not disregard a vote if:
 - it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
 - it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
2. A member of the KMP (and any closely related party of any such member) that is appointed as a proxy where the proxy appointment does not specify the way the proxy is to vote on the relevant resolution, unless:
 - the proxy is the person chairing the meeting; and
 - the proxy appointment expressly authorises the person chairing the meeting to exercise the proxy even if that resolution is connected directly or indirectly with the remuneration of a member of the KMP.

If you appoint the Chairman of the Meeting as your proxy, and you do not direct your proxy how to vote on Items 6 or 7, you will be expressly authorising the Chairman of the Meeting to exercise your proxy even if Item 6 or 7 is connected directly or indirectly with the remuneration of a member of the KMP.

The Chairman of the Meeting intends to vote undirected proxies in favour of Items 6 and 7.

Please refer to the Notes on Voting for further information on voting at the meeting and the Explanatory Memorandum for further information on the proposed resolutions.

By Order of the Board



**Paula Martin
Company Secretary**

Dated: 4 October 2013

NOTES ON VOTING

Entitlement to Attend the Meeting and Vote

1. For the purpose of the meeting, voting shareholders will be taken to be those persons recorded in the Company's Register of Members as holding shares at 7:00pm (Sydney time) on Wednesday, 6 November 2013.
2. On a poll, shareholders have one vote for every fully paid ordinary share held (subject to the restrictions on voting referred to below).

Voting Methods

3. A shareholder entitled to vote may vote in one of three ways:
 - by attending the meeting and voting either in person or by attorney, or in the case of corporate shareholders, by corporate representative;
 - by lodging a direct vote, using the Shareholder Voting Form enclosed, and lodging it with the Company's Share Registry or online at www.linkmarketservices.com.au; or
 - by appointing a proxy to attend and vote on their behalf, using the Shareholder Voting Form enclosed, and lodging it with the Company's Share Registry or online at www.linkmarketservices.com.au.
4. To be effective, the Shareholder Voting Form must be received by the Company at the Company's Share Registry address or facsimile number shown below, or lodged on-line at the website of the Company's Share Registry by **9:30am (Sydney time) on Wednesday, 6 November 2013**.
5. The Shareholder Voting Form must be signed in accordance with the instructions on the form. You will be taken to have signed your Shareholder Voting Form if you lodge it on-line in accordance with the instructions on the website.

A Shareholder Voting Form accompanies this Notice of Annual General Meeting. For further instructions on voting, please refer to the Shareholder Voting Form.

Voting by Proxy

6. A shareholder entitled to attend the meeting and vote is entitled to appoint not more than two proxies, who may be either an individual or a corporation. A proxy need not be a shareholder of the Company.
7. A shareholder appointing two proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a shareholder appoints two proxies and the appointment does not specify the proportion or number of the shareholder's votes each proxy may exercise, then each proxy may exercise half of the votes. An additional Shareholder Voting Form will be supplied by the Company's Share Registry on request.
8. A shareholder or proxy that is a corporation and entitled to attend and vote at the Annual General Meeting may appoint an individual to act as its corporate representative to exercise its powers at the meeting. Evidence of the appointment of a corporate representative must be in accordance with section 250D of the *Corporations Act 2001 (Cth)* and be lodged with the Company before the Annual General Meeting or at the registration desk on the day of the Annual General Meeting.
9. If the appointment of a corporate representative is signed under power of attorney, the power of attorney under which the appointment is signed, or a certified copy of that power of attorney, must accompany the appointment unless the power of attorney has previously been noted by the Company's Share Registry.
10. The Chairman intends to vote undirected proxies in favour of all resolutions.

Restrictions on Voting

11. Gambling legislation and certain government agreements in New South Wales and Queensland and Part 2 (Rules 83-87) of the Constitution of the Company contain provisions regulating the exercise of voting rights by persons with prohibited shareholding interests. The legislation and government agreements also set out the regulation of shareholding interests. The relevant Minister has the power to request information to determine whether a person has a prohibited shareholding interest. If a person fails to furnish these details within the time specified or, in the opinion of the Minister, the information is false or misleading, then the Minister can declare the voting rights of those shares suspended.

Lodging Shareholder Voting Form

12. Shareholder Voting Forms may be lodged at the Company's Share Registry at the following addresses:

By Mail:

Echo Entertainment Group Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
or **by facsimile:** +61 2 9287 0309
or **on-line** at: www.linkmarketservices.com.au

By Hand:

Link Market Services Limited
1A Homebush Bay Drive
Rhodes, New South Wales
or
Level 12, 680 George Street
Sydney, New South Wales

EXPLANATORY MEMORANDUM

This Explanatory Memorandum provides additional information on the items to be considered at the Annual General Meeting of Echo Entertainment Group Limited to be held at the Event Centre, The Star, Level 3, 80 Pyrmont Street, Pyrmont, New South Wales on **Friday, 8 November 2013 at 9:30am (Sydney time)** and forms part of the Notice of Meeting.

Item 1 – Financial Statements and Reports

The Financial Report, Directors' Report and Auditor's Report for the Company for the year ended 30 June 2013 will be laid before the meeting. There is no requirement for shareholders to approve those reports. However, the Chairman will allow a reasonable opportunity for shareholders to ask questions or make comments about those reports and the management of the Company.

Shareholders will also be given a reasonable opportunity to ask the Company's Auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of the Auditor in relation to the conduct of the audit.

Written questions to the Company's Auditor about:

- the content of the Auditors' Report; and
- the conduct of the audit,

may be submitted to:

The Company Secretary
Echo Entertainment Group Limited
Level 3, 159 William Street
Brisbane QLD 4000
Facsimile: +61 7 3228 0099
Email: investor@echoent.com.au

and must be received by **5:00pm (Sydney time) on Friday, 1 November 2013**.

Copies of the questions, if any, to the Company's Auditor will be available at the meeting and posted on the Company's website.

In addition to taking questions at the meeting, written questions to the Chairman about the management of the Company may be submitted to the Company Secretary at the above address at any time prior to the day of the meeting.

Item 2 – Remuneration Report

Pursuant to the *Corporations Act 2001* (Cth), the Company is required to include in the Directors' Report a detailed Remuneration Report relating to remuneration of Directors and key management personnel in the financial year ended 30 June 2013, and submit it for adoption by resolution of shareholders at the Annual General Meeting.

The Directors' Report for the year ended 30 June 2013 contains the Company's Remuneration Report. A copy of the Remuneration Report is set out in the Annual Report, which can be found on the Company's website at www.echoentertainment.com.au.

The Remuneration Report discusses matters including (but not limited to):

- details relating to the remuneration arrangement of the Directors and other key management personnel of the Company, including actual cash remuneration received;
- key remuneration decisions taken during the financial year ended 30 June 2013;
- planned changes for the financial year ending 30 June 2014; and
- the remuneration framework and key programs which drive the Company's performance.

Following consideration of the Remuneration Report, the Chairman will give shareholders a reasonable opportunity to ask questions about, or comment on, the Remuneration Report. A resolution that the Remuneration Report be adopted will then be put to the vote.

The vote on this resolution is advisory only and does not bind the Directors or the Company.

Noting that each Director has a personal interest in their own remuneration from the Company, as described in the Remuneration Report, the Board recommends that shareholders vote in favour of the resolution in relation to Item 2.

Item 3 – Election of Katie Lahey AM as a Director

Ms Katie Lahey AM joined the Board as a Non-Executive Director of the Company from 1 March 2013, following the receipt of all necessary regulatory approvals.

Under the Constitution of the Company, a Director (other than a Managing Director of the Company) who is appointed by the Board may only hold office until the next general meeting of the Company and is then eligible for election at that meeting. Accordingly, Ms Lahey retires and, being eligible, offers herself for election as a Director.

Ms Lahey has extensive experience in the retail, tourism and entertainment sectors and has previously held chief executive roles in the public and private sectors.

Ms Lahey is currently the Managing Director of Australasia for Korn/Ferry International. She is also a member of several boards including the Australian Brandenburg Orchestra, and is the Chairperson of Carnival Australia.

Ms Lahey was previously a long term member of the boards of David Jones Limited, Australia Council Major Performing Arts, Hills Motorway Limited, Australia Post and Garvan Research Foundation.

Ms Lahey is the Chairman of the People, Culture and Social Responsibility Committee. She is also a member of the Risk and Compliance Committee and the Remuneration and Nomination Committee.

The Board (other than Ms Lahey who has an interest in the resolution and therefore abstains from making a recommendation) recommends that shareholders vote in favour of the resolution in relation to Item 3.

Item 4 – Election of Richard Sheppard as a Director

Mr (Wallace) Richard Sheppard joined the Board as a Non-Executive Director of the Company from 1 March 2013, following the receipt of all necessary regulatory approvals.

Under the Constitution of the Company, a Director (other than a Managing Director of the Company) who is appointed by the Board may only hold office until the next general meeting of the Company and is then eligible for election at that meeting. Accordingly, Mr Sheppard retires and, being eligible, offers himself for election as a Director.

Mr Sheppard has had an extensive executive career in the banking and finance sector including an executive career with Macquarie Group Limited spanning more than 30 years.

Mr Sheppard was previously the Managing Director and Chief Executive Officer of Macquarie Bank Limited and chaired the boards of a number of Macquarie's listed entities. He has also served as Chairman of the Commonwealth Government's Financial Sector Advisory Council.

Mr Sheppard is currently Chairman of Macquarie Group Foundation and Chairman of Green State Power. He is also a Non-Executive Director of Dexus Property Group, Treasurer of the Bradman Foundation and a member of the board of the Sydney Cricket Club.

Mr Sheppard is the Chairman of the Risk and Compliance Committee. He is also a member of the Audit Committee and the People, Culture and Social Responsibility Committee.

The Board (other than Mr Sheppard who has an interest in the resolution and therefore abstains from making a recommendation) recommends that shareholders vote in favour of the resolution in relation to Item 4.

Item 5 – Election of Gerard Bradley as a Director

Mr Gerard Bradley joined the Board as a Non-Executive Director of the Company from 30 May 2013, following the receipt of all necessary regulatory approvals.

Under the Constitution of the Company, a Director (other than a Managing Director of the Company) who is appointed by the Board may only hold office until the next general meeting of the Company and is then eligible for election at that meeting. Accordingly, Mr Bradley retires and, being eligible, offers himself for election as a Director.

Mr Bradley is currently the Chairman of Queensland Treasury Corporation and related companies, having served for 14 years as Under Treasurer and Under Secretary of the Queensland Treasury Department. He has extensive experience in public sector finance in both the Queensland and South Australian Treasury Departments.

Mr Bradley has previously served as Chairman of the Board of Trustees at QSuper. His previous non-executive board memberships also include Funds SA, Queensland Investment Corporation, Suncorp (Insurance & Finance), Queensland Water Infrastructure Pty Ltd, and South Bank Corporation.

Mr Bradley is the Chairman of the Audit Committee. He is also a member of the Risk and Compliance Committee and the Remuneration and Nomination Committee.

The Board (other than Mr Bradley who has an interest in the resolution and therefore abstains from making a recommendation) recommends that shareholders vote in favour of the resolution in relation to Item 5.

Items 6 & 7 – Grant of Performance Rights to the Managing Director and Chief Executive Officer and the Chief Financial Officer and Executive Director

Shareholders are asked to approve the equity component of the remuneration package for:

- the Managing Director and Chief Executive Officer, Mr John Redmond, in respect of the financial year ended 30 June 2013 as well as the financial year ending 30 June 2014; and
- the Chief Financial Officer and Executive Director, Mr Matthias (Matt) Bekier, in respect of the financial year ending 30 June 2014.

The proposed allocation will be issued under the Echo Entertainment Group Limited Long Term Performance Plan (**Long Term Performance Plan**).

Mr Redmond's remuneration arrangements were disclosed when his proposed appointment as Managing Director and Chief Executive Officer was announced to the Australian Securities Exchange on 12 December 2012.

Mr Bekier's remuneration arrangements were previously disclosed in the 2012 Annual Remuneration Report.

There have been no changes to the remuneration package of Mr Redmond since his appointment was announced or Mr Bekier since the 2012 Annual Remuneration Report.

(a) Background

Managing Director and Chief Executive Officer – Mr John Redmond

On 18 January 2013, Mr Redmond resigned as a Non-Executive Director of the Company and commenced his role as the Company's Managing Director and Chief Executive Officer.

In accordance with his employment contract, Mr Redmond receives fixed remuneration and the opportunity to receive variable remuneration through short term and long term incentive arrangements. Mr Redmond's annual fixed remuneration, and the amounts potentially payable as a short term incentive and long term incentive if targets are met, have not changed since Mr Redmond became the Company's Managing Director and Chief Executive Officer.

During the financial year ending on 30 June 2014, Mr Redmond will receive fixed remuneration of \$2,250,000 per annum (inclusive of superannuation).

Mr Redmond's employment contract includes non-monetary benefits to cover living away from home expenses up to the value of \$250,000 per annum, net of any fringe benefits tax. Mr Redmond was also entitled to relocation reimbursement and expatriate benefits (flights, accommodation, initial set up costs) to support his relocation to Australia, subject to conditions and in accordance with any applicable Company policies. These benefits are conditional upon Mr Redmond remaining employed by the Company (and not under notice of termination) for a period of at least two years (unless cessation of employment is due to a change of control event).

Mr Redmond will also continue to participate in a short term performance plan pursuant to which he will be eligible to receive a variable short term incentive award based on his individual performance and the Company's performance over the annual performance review period. Mr Redmond's target short term performance award is equivalent to \$1,500,000 per annum if targets are met.

No short term incentives were awarded to Mr Redmond for the financial year ended 30 June 2013, as the short term incentive targets (derived from the Board approved business plan) were not met.

Mr Redmond's long term incentive component of his annual remuneration is equivalent to a maximum of \$1,000,000 per annum if performance hurdles are fully met.

In respect of the long term incentive component of Mr Redmond's remuneration, the Company will, subject to obtaining the necessary shareholder approval, grant to Mr Redmond a long term incentive award equivalent to \$1,500,000, comprised of:

- \$500,000 worth of performance rights, representing a 50% pro-rata grant for the financial year ended 30 June 2013; and
- \$1,000,000 worth of performance rights, representing Mr Redmond's long term incentive component of his annual remuneration for the financial year ending on 30 June 2014.

Subject to shareholder approval being obtained, the Company will allocate to Mr Redmond the number of performance rights determined based on the formula $\frac{\$1,500,000}{\text{Moderated Face Value}^1}$ of a performance right calculated as at 1 October 2013 (the **Calculation Date**) rounded down to the nearest whole number (**CEO Performance Rights**).

Chief Financial Officer and Executive Director – Mr Matt Bekier

Mr Bekier commenced his role as the Company's Chief Financial Officer and Executive Director in June 2011 at the time of the Demerger.

In accordance with his employment contract, Mr Bekier receives fixed remuneration and the opportunity to receive variable remuneration through short term and long term incentive arrangements. Mr Bekier's annual fixed remuneration and the amounts potentially payable as a short term incentive and long term incentive if targets are met have not changed since Mr Bekier became the Company's Chief Financial Officer and Executive Director.

During the financial year ending on 30 June 2014, Mr Bekier will continue to receive fixed remuneration of \$900,000 per annum (inclusive of superannuation).

Mr Bekier will also continue to participate in a short term performance plan pursuant to which he will be eligible to receive a variable short term incentive award based on his individual performance and the Company's performance over the annual performance review period. Mr Bekier's short term performance award is equivalent to \$600,000 per annum if targets are met.

¹ Moderated Face Value (MFV) reflects the face value of the share at the allocation date less the value of any dividends forgone by the award holder during the vesting period (i.e. $\text{Share price} \times \text{Dividend Discount Factor}$). The Company engages external consultants to calculate MFV for each allocation of performance rights. In order to align with disclosed accounting values the Company also engages consultants to complete a fair value calculation utilising a 'Monte Carlo' simulation to estimate the proportion of performance rights which might vest at the test date after the application of the total shareholder return based performance hurdle.

No short term incentives were awarded to Mr Bekier for the year ended 30 June 2013, as the short term incentive targets (derived from the Board approved business plan) were not met.

Mr Bekier's long term incentive component of his annual remuneration is equivalent to a maximum of \$500,000 per annum if performance hurdles are fully met.

In respect of Mr Bekier's long term incentive component of his annual remuneration for the financial year ending on 30 June 2014, the Company will, subject to obtaining the necessary shareholder approval, allocate to him that number of performance rights determined based on the formula \$500,000 divided by the Moderated Face Value² of a performance right calculated as at the Calculation Date rounded down to the nearest whole number (**CFO Performance Rights**).

The proposed allocation of the CEO Performance Rights to Mr Redmond and the CFO Performance Rights to Mr Bekier will align their annual long term incentive arrangements with those of other senior executives of the Company. The performance hurdles, Test Date (as defined below), Calculation Date and other vesting conditions applying to the CEO Performance Rights and the CFO Performance Rights will be the same as those that apply to other senior executives participating in the Long Term Performance Plan for the financial year ended 30 June 2013.

The Company intends that the long term incentive component of Mr Redmond's and Mr Bekier's remuneration packages will involve annual grants of performance rights, which would be subject to performance hurdles, with the grant of such performance rights being subject to obtaining any necessary shareholder approvals at the relevant time.

ASX Listing Rule requirements

Shareholder approval for the grant of the CEO Performance Rights and the CFO Performance Rights (collectively referred to as the **New Performance Rights**) to Mr John Redmond and Mr Matt Bekier respectively is sought for all purposes under the *Corporations Act 2001* (Cth) and the ASX Listing Rules, including ASX Listing Rule 10.14. These New Performance Rights are to be issued under the Long Term Performance Plan, with the vesting conditions relating to the New Performance Rights being as described below.

Under ASX Listing Rule 10.14, an entity must not issue securities to a related party (such as a Director) under an employee incentive scheme without the approval of shareholders. Accordingly, approval of shareholders is sought for the purpose of ASX Listing Rule 10.14 to enable the Company to grant the New Performance Rights, and subsequently issue or transfer securities, to Mr Redmond and Mr Bekier, under the Long Term Performance Plan.

ASX Listing Rule 10.15 requires this Notice of Meeting to include the following specified information in relation to the New Performance Rights which are proposed to be granted to Mr Redmond and Mr Bekier pursuant to the Long Term Performance Plan.

For further information on the Long Term Performance Plan, refer to the Remuneration Report in the Company's Annual Report for the year ended 30 June 2013.

(b) Date the securities will be granted

If approved by shareholders, the New Performance Rights will be allocated to Mr Redmond and Mr Bekier respectively, as soon as practicable after the Annual General Meeting, but not later than 12 months after the Annual General Meeting, and with effect from 1 October 2013.

(c) Maximum number of securities to be granted

The maximum number of CEO Performance Rights that may be acquired by Mr Redmond under the Long Term Performance Plan pursuant to the resolution set out in Item 6 is that number arrived at based on the formula in that resolution.

² Moderated Face Value (MFV) reflects the face value of the share at the allocation date less the value of any dividends forgone by the award holder during the vesting period (i.e. *Share price x Dividend Discount Factor*). The Company engages external consultants to calculate MFV for each allocation of performance rights. In order to align with disclosed accounting values the Company also engages consultants to complete a fair value calculation utilising a 'Monte Carlo' simulation to estimate the proportion of performance rights which might vest at the test date after the application of the total shareholder return based performance hurdle.

The maximum number of CFO Performance Rights that may be acquired by Mr Bekier under the Long Term Performance Plan pursuant to the resolution set out in Item 7 is that number arrived at based on the formula in that resolution.

The number of New Performance Rights proposed to be allocated to Mr Redmond and Mr Bekier respectively will be confirmed at the Annual General Meeting.

(d) Price of the securities, vesting conditions and other matters

No Grant Price or Exercise Price

No amount is payable on the grant of the New Performance Rights or upon vesting of the New Performance Rights. If the New Performance Rights vest, then an equivalent number of fully paid ordinary shares will be automatically delivered to the relevant holder.

Vesting Conditions

There will be one test date and no retesting for the New Performance Rights, which may vest on 1 October 2017 (the **Test Date**) subject to the satisfaction of applicable performance hurdles (described below). Any New Performance Rights that do not vest on the Test Date will lapse, though the Board has discretion under the Long Term Performance Plan to lift some or all of the vesting conditions in special circumstances, such as, but not limited to, death and permanent disablement.

The performance hurdles which will apply in respect of the grant of the New Performance Rights to Mr Redmond and Mr Bekier are:

- relative total shareholder return (**TSR**); and
- absolute earnings per share (**EPS**).

Whether the TSR hurdle and EPS hurdle have been met for the New Performance Rights will be determined on the Test Date. These measures are equally weighted.

1. TSR Performance Hurdle

In respect of both Mr Redmond and Mr Bekier, 50% of the New Performance Rights available are subject to the TSR performance hurdle.

The TSR hurdle measures the Company's total shareholder return ranking against a peer group of companies, measured over the period from 1 October 2013 to the Test Date. The peer group comprises those companies in the S&P/ASX100 Index as at 1 October 2013, excluding property trusts, infrastructure groups and mining companies and companies that are subsequently taken over, demerged or (if the Board determines) otherwise delisted.

Broadly, TSR measures the return received by shareholders from holding shares in a company over a particular period. TSR is calculated by taking into account the change in a company's share price over the relevant measurement period as well as the dividends received (and assumed to be reinvested back into the company's shares) during that period.

For the purpose of measuring the change in the Company's share price over the relevant measurement period, the starting point and end point have been set at the volume weighted average share price of the Company's shares traded on the ASX on each of the 20 trading days up to and including 1 October 2013 (in the case of the starting point) and the Test Date (in the case of the end point). A similar approach will be applied for the purpose of measuring the change in the share price of each company in the peer group over the relevant measurement period.

The Company's TSR ranking as against the peer group of companies has been chosen as the performance measure for the New Performance Rights because it directly aligns the interests of senior executives participating in the Long Term Performance Plan with the interests of shareholders and reflects performance as measured against the Company's key strategic objective, which is to maximise TSR as compared with TSR for peer companies.

The table below sets out the percentage of the New Performance Rights that will vest depending on the Company's TSR ranking as at the Test Date. The maximum number of New Performance Rights that may vest will accord with the highest measure of the Company's relative TSR ranking as at the Test Date. The Company's TSR ranking, compared to its peer group, must be at least at the 50th percentile for any vesting to occur.

TSR Ranking	Percentage of New Performance Rights that will vest
Below 50 th percentile	0% of New Performance Rights will vest
At 50 th percentile	50% of New Performance Rights will vest
Above the 50 th percentile and below the 75 th percentile	An additional 2% of New Performance Rights will vest for each 1 percentile increase above the 50 th percentile
At or above 75 th percentile	100% of New Performance Rights will vest

2. *EPS Performance Hurdle*

In respect of both Mr Redmond and Mr Bekier, 50% of the New Performance Rights available are subject to an Earnings Per Share (**EPS**) performance hurdle.

The EPS hurdle measures the growth in accounting based earnings per ordinary share measured. It drives line of sight between shareholder value creation and management's financial performance. This target is an absolute target set by the Board considering the Company's five-year financial outlook.

A maximum and threshold performance level will be set relative to the percentage of Performance Rights that will vest. For example, at 90% of performance (threshold) 50% of performance rights will vest.

Echo will disclose EPS targets on a retrospective basis to ensure that the Company's competitive position is not compromised.

In the event of a takeover offer for the Company or any other transaction resulting in a change of control of the Company, the Board is required to determine, in its absolute discretion, the appropriate treatment regarding any unvested New Performance Rights. Such a determination may involve the waiver (wholly or in part) of the performance hurdle applicable to the New Performance Rights, or the lapse of some or all of the New Performance Rights.

Vesting and lapsing of New Performance Rights

Upon vesting of the CEO Performance Rights, subject to Mr Redmond remaining employed with the Company, the Company will deliver to Mr Redmond fully paid ordinary shares in the Company and he will receive full voting and dividend rights corresponding to the rights of all other holders of ordinary shares in the Company.

Upon vesting of the CFO Performance Rights, subject to Mr Bekier remaining employed with the Company, the Company will deliver to Mr Bekier fully paid ordinary shares in the Company and he will receive full voting and dividend rights corresponding to the rights of all other holders of ordinary shares in the Company.

New Performance Rights that have not vested on the Test Date will ordinarily lapse.

Unless the Board determines otherwise in its discretion, upon termination of employment of Mr Redmond or Mr Bekier (as relevant), all relevant unvested New Performance Rights will lapse immediately, subject to certain exceptions. Those exceptions are where (in broad terms) Mr Redmond or Mr Bekier (as relevant):

- (i) retires (where he will retain a pro-rata number of New Performance Rights based on the time served between 1 October 2013 and the Test Date);
- (ii) is retrenched (where he will retain a pro-rata number of New Performance Rights based on the time served between 1 October 2013 and the Test Date, subject to certain criteria); or
- (iii) dies or is permanently disabled (where he will retain a pro-rata number of New Performance Rights based on the time served between 1 October 2013 and the Test Date, subject to certain criteria).

In addition, partial lapse of unvested New Performance Rights (based on the proportion of the period from 1 October 2013 to the Test Date during which leave was taken) may occur, subject to the Board's discretion, in circumstances where Mr Redmond or Mr Bekier (as relevant) takes parental leave or extended unpaid leave.

(e) Directors who have received securities under the Long Term Performance Plan

Mr Bekier is the only Director who has received securities under the Long Term Performance Plan.

On 21 December 2012, the Company granted 227,272 performance rights to Mr Bekier, with an effective allocation date of 19 September 2012. Mr Bekier was not required to pay any amount on the grant or vesting of these performance rights.

The grant of 227,272 performance rights to Mr Bekier in 2012 was approved by shareholders at the Company's Annual General Meeting on 25 October 2012.

(f) Directors who are eligible to participate in the Long Term Performance Plan

Mr Redmond and Mr Bekier are presently the only Directors entitled to participate in the Long Term Performance Plan.

(g) No loan scheme

There is no loan scheme in relation to the acquisition of the New Performance Rights or securities issued under the Long Term Performance Plan.

The Board (other than Mr Redmond and Mr Bekier in respect of the resolution in respect of their own proposed grant, given they have a respective personal interest in the relevant resolution and therefore abstain from making a recommendation) recommends that shareholders vote in favour of the resolutions in relation to Item 6 and Item 7.

The Chairman intends to vote undirected proxies in favour of the resolutions in relation to Item 6 and Item 7.

 **By mail:**
Echo Entertainment Group Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **By fax:** +61 2 9287 0309

 **All enquiries to: Telephone:** +61 1300 880 923



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SHAREHOLDER VOTING FORM

To vote directly or to direct your proxy how to vote on any item, please insert in Box A or Box B below. Please read the voting instructions overleaf before marking any boxes.

Voting Directions will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

STEP 1 PLEASE MARK BOX A TO VOTE DIRECTLY OR BOX B TO APPOINT A PROXY

I/We being a shareholder(s) of Echo Entertainment Group Limited and entitled to attend and vote:

A VOTE DIRECTLY

elect to lodge my/our vote(s) directly (mark box)  in relation to the Annual General Meeting of the Company to be held at 9:30am (Sydney time) on Friday, 8 November 2013, at the Event Centre, The Star, Level 3, 80 Pyrmont Street, Pyrmont NSW and at any adjournment or postponement of the meeting.
You must mark either "For" or "Against" for each item for a valid direct vote to be recorded. If you mark the "Abstain" box, your vote for that item will be invalid. GO TO STEP 2.

OR if you wish to appoint a proxy to attend the meeting, please complete Box B

B APPOINT A PROXY

appoint the Chairman of the Meeting (mark box) OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy here
or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy and to vote for me/us on my/our behalf in accordance with the voting directions below (or, if no voting directions have been given, as the proxy sees fit) at the Annual General Meeting of the Company to be held at 9:30am (Sydney time) on Friday, 8 November 2013, at the Event Centre, The Star, Level 3, 80 Pyrmont Street, Pyrmont NSW and at any adjournment or postponement of the meeting. GO TO STEP 2.

Important for Items 2, 6 and 7 - Authorisation of the Chairman of the Meeting:

Where I/we have not marked any of the boxes opposite Items 2, 6 or 7, I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy to vote in favour of Items 2, 6 or 7 (as applicable), even though the Chairman of the Meeting is, and that item is connected directly or indirectly with the remuneration of, a member of key management personnel of Echo Entertainment Group Limited.

STEP 2 VOTING DIRECTIONS FOR YOUR DIRECT VOTE OR PROXY

Items	Proxy Only				Proxy Only		
	For	Against	Abstain*		For	Against	Abstain*
2 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Election of Gerard Bradley as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Katie Lahey AM as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Grant of Performance Rights to the Managing Director and Chief Executive Officer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Election of Richard Sheppard as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Grant of Performance Rights to the Chief Financial Officer and Executive Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* If you are voting under Box A and mark the Abstain box for a particular item, your vote will be invalid. If you are voting under Box B and mark the Abstain box for a particular item, you are thereby directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual) Joint Shareholder 2 (Individual) Joint Shareholder 3 (Individual)
Sole Director and Sole Company Secretary Director/Company Secretary (Delete one) Director

This form must be signed by the shareholder. For further information on signing instructions, please refer overleaf.



HOW TO COMPLETE THIS VOTING FORM

Your Name and Address

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

Voting under Box A

Direct Vote

If you marked the box under A you are indicating that you wish to vote directly. Please mark either the "For" or "Against" box only for each item, to record a valid direct vote on that item at STEP 2. You may include the number of shares to be voted on any item by inserting the percentage or number of shares in the "For" or "Against" boxes. If you mark the "Abstain" box for an item, your vote for that item will be invalid.

The Chairman's decision as to whether a direct vote is valid is conclusive.

If you have lodged a direct vote, and you attend the meeting, your direct vote remains valid and is not revoked by your attendance unless you instruct the Company's share registry prior to the meeting that you wish to vote in person on any or all of the resolutions to be put before the meeting (in which case your direct vote is revoked).

Voting under Box B

Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box under B. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Box B. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company and may be an individual or a body corporate.

Proxy Voting Directions

You can direct your proxy how to vote by placing a mark in one of the boxes opposite each item. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you mark more than one box on any item your vote on that item will be invalid.

If you do not mark any of the boxes on a given item then, subject to the rest of this paragraph, your proxy may vote as he or she chooses. If you wish to appoint as your proxy a Director (other than the Chairman) or other member of the key management personnel of the Echo Entertainment Group whose remuneration details are set out in the Remuneration Report, or their closely related parties, you must specify how they should vote on Items 2, 6 and 7 by completing the "For", "Against" or "Abstain" boxes on the voting form. If you do not do that, your proxy will not be able to exercise your vote on your behalf for those items. If you wish to appoint the Chairman as proxy with a direction to vote against, or to abstain from voting on Items 2, 6 or 7, you should specify this by completing the "Against" or "Abstain" boxes against the relevant item on the voting form.

Appointment of a Second Proxy

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

To appoint a second proxy you must:

- on each of the first Voting Form and the second Voting Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded;
- return both forms together to the Company's share registry.

Signing Instructions

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

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

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

Power of Attorney: to sign under Power of Attorney, you must have already lodged the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified copy of the Power of Attorney to this form and return both documents by post or by hand.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If you have appointed a proxy or an attorney, and you attend the meeting, your proxy or attorney remains valid and is not revoked by your attendance unless you instruct the Company's share registry prior to the meeting that you wish to vote in person on any or all of the resolutions to be put before the meeting (in which case your proxy or attorney is revoked entirely for the meeting).

Corporate Representatives

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 the Company's share registry.

Lodgement of a Voting Form

This Voting Form (and any Power of Attorney under which it is signed) must be received at any address given below by **9:30am (Sydney time) on Wednesday, 6 November 2013**, being not later than 48 hours before the commencement of the meeting. Any Voting Form received after that time will not be valid for the scheduled meeting.

Voting Forms may be lodged:



ONLINE  www.linkmarketservices.com.au

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



by mail using the reply paid envelope:

Echo Entertainment Group Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



by fax:

+61 2 9287 0309



by hand:

by delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 or Level 12, 680 George Street, Sydney NSW 2000.

**If you would like to attend and vote at the Annual General Meeting, please bring this form with you.
This will assist in registering your attendance.**