

ASX ANNOUNCEMENT

ECHO ENTERTAINMENT GROUP



21 September 2012

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 Jupiters Theatre, Jupiters Hotel & Casino, Broadbeach Island, Gold Coast Highway, Gold Coast, Queensland, commencing at 10:00am (Queensland time) on Thursday 25 October 2012.

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 2012 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

21 September 2012

Dear Shareholder

I am pleased to invite you to Echo Entertainment Group Limited's second Annual General Meeting, which will be held at Jupiters Theatre, Jupiters Hotel & Casino, Broadbeach Island, Gold Coast Highway, Gold Coast, Queensland on **Thursday, 25 October 2012 at 10.00am (Queensland 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 10.00am (Queensland time) on Tuesday, 23 October 2012 to be valid for the meeting.

Annual Report 2012

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 newly refurbished Jupiters Theatre.



John O'Neill AO
Chairman

ECHO ENTERTAINMENT GROUP

Echo Entertainment Group Ltd | ABN 85 149 629 023 | www.echoentertainment.com.au

Registered Office | Level 3, 159 William Street, Brisbane QLD 4000, Australia | T +61 7 3228 0000

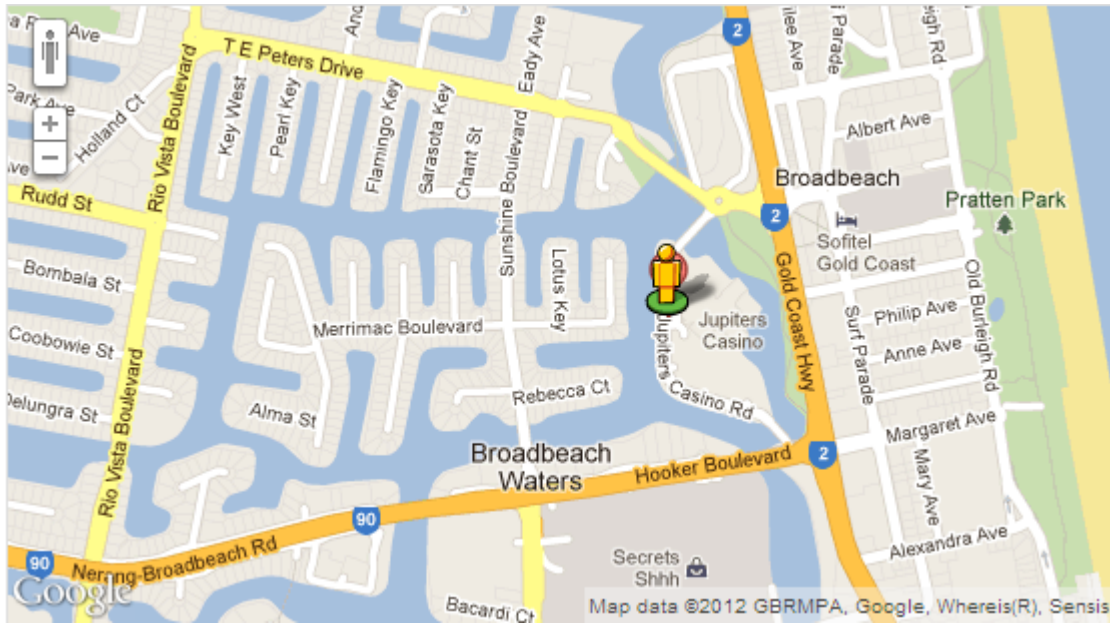


THE STAR



HOW TO GET TO JUPITERS HOTEL & CASINO, GOLD COAST, QUEENSLAND

The various ways to get to Jupiters Hotel & Casino are detailed below.



Travelling by Bus

The 745 and 750 buses stop on Broadbeach Island outside the casino. Alternatively, you can catch any bus which travels along the Gold Coast Highway opposite the casino.

Driving

If you are travelling along Hooker Boulevard (e.g. from Nerang), proceed past Pacific Fair and take the left-hand turn at the Jupiters sign. Enter through the boom gates located at the far end of the main entry. Enter through the main entrance of the casino and take the stairs just before the entrance to the main gaming floor. The stairs will lead down to the Jupiters Theatre.

Parking

Free parking will be available for all shareholders attending the Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

The second Annual General Meeting of Echo Entertainment Group Limited (*the Company*) will be held at Jupiters Theatre, Jupiters Hotel & Casino, Broadbeach Island, Gold Coast Highway, Gold Coast, Queensland on **Thursday, 25 October 2012 at 10.00am (Queensland 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 2012.

(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 2012 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 – Re-election of John O’Neill AO as a Director

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

‘That John O’Neill, who retires by rotation in accordance with the Company’s constitution and is eligible for re-election, be re-elected as a Director of the Company.’

Item 4 – Election of John Redmond as a Director

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

‘That John Redmond, 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 Anne Brennan as a Director

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

‘That Anne Brennan, 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 \$1,000,000 divided by the Fair Market Value of a performance right to the Managing Director and Chief Executive Officer of the Company, Mr Lawrence (Larry) Mullin, 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 Fair Market 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 Larry Mullin 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.

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: 21 September 2012

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 (Queensland time) on Tuesday, 23 October 2012.
- 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

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.
- 3 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 **10.00am (Queensland time) on Tuesday, 23 October 2012**.
 - 4 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

- 5 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 body corporate. Should you appoint a body corporate as your proxy, that body corporate will need to ensure that it:
 - appoints an individual as its corporate representative to exercise its powers at the meeting, in accordance with section 250D of the *Corporations Act 2001* (Cth); and
 - provides to the Company satisfactory evidence of the appointment of its corporate representative prior to commencement of the meeting.

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.

- 6 A proxy need not be a shareholder of the Company.
- 7 The Chairman intends to vote undirected proxies in favour of all resolutions.

Restrictions on Voting

- 8 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

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

(By Mail)

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

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 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 2012 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 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 no later than Thursday, 18 October 2012 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

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 Directors' and executives' remuneration in the financial year ended 30 June 2012, and submit it for adoption by resolution of shareholders at the Annual General Meeting.

The Directors' Report for the year ended 30 June 2012 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):

- Board policy for determining the remuneration of Directors and executives;
- the relationship between that policy and the Company's performance;
- details of the performance conditions associated with the remuneration of the Managing Director and Chief Executive Officer and senior executives; and
- certain details relating to the remuneration of the Directors and of the key management personnel of the Company.

Following consideration of the Remuneration Report, the Chairman will give shareholders a reasonable opportunity to ask questions about, or comment on, the 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 – Re-election of John O’Neill AO as a Director

Mr John O’Neill has been a Non-Executive Director of the Company since 28 March 2011 and is currently the Chairman of the Board. Mr O’Neill was initially appointed as Acting Chairman of the Board on 8 June 2012 and later assumed the role of Chairman of the Board as announced to the Australian Securities Exchange on 23 July 2012.

In accordance with the ASX Listing Rules and the Constitution of the Company, Mr O’Neill retires, and being eligible, offers himself for re-election as a Director.

Mr O’Neill is a former Chief Executive Officer of Football Federation Australia and was Managing Director and Chief Executive Officer of the State Bank of New South Wales and Chairman of the Australian Wool Exchange Limited. He was also the inaugural Chairman of Events New South Wales, which flowed from the independent reviews he conducted into events strategy, convention and exhibition space, and tourism on behalf of the New South Wales Government.

Mr O’Neill is Managing Director and Chief Executive Officer of Australian Rugby Union Limited and a Director of Rugby World Cup Limited.

Mr O’Neill is also the Chairman of the Nomination Committee and is a member of the Risk and Compliance Committee, the Audit Committee and the Remuneration Committee.

The Board (other than Mr O’Neill 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 John Redmond as a Director

Mr John Redmond joined the Board as a Non-Executive Director of the Company from 23 March 2012, 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 Redmond retires and, being eligible, offers himself for election as a Director.

Mr Redmond has a wealth of international casino management experience, including an executive management career spanning more than 20 years in the United States of America.

Mr Redmond previously held executive positions with Caesars World Inc. including as Senior Vice President and Chief Financial Officer of Caesars Palace and Sheraton Desert Inn. He was subsequently Co-CEO of MGM Grand Inc. and then Co-CEO of MGM Mirage, following MGM Grand’s acquisition of Mirage Resorts Inc. Mr Redmond later held the position of President and CEO of MGM Grand Resorts with a portfolio including Mandalay Bay, Luxor, New York, Excalibur, MGM Grand, Borgata and MGM Grand Detroit casinos.

Mr Redmond was a director of MGM Mirage for over 7 years and is currently a Non-Executive Director of Tropicana Las Vegas Hotel & Casino as well as Vail Resorts Inc and Allegiant Travel.

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

The Board (other than Mr Redmond 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 Anne Brennan as a Director

Ms Anne Brennan joined the Board as a Non-Executive Director of the Company from 23 March 2012, 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 Brennan retires and, being eligible, offers herself for election as a Director.

Ms Brennan has extensive chartered accounting experience, including at Partner level, across three major accounting firms. More recently Ms Brennan has held financial executive positions including Chief Financial Officer at CSR Limited and Finance Director at the Coates Group.

Ms Brennan is currently a Non-Executive Director of Argo Investments Limited, Charter Hall Group Limited, Myer Holdings Limited and Nufarm Limited.

Ms Brennan is the Chair of the Remuneration Committee. She is also a member of the Audit Committee, the Risk and Compliance Committee and the Nomination Committee.

The Board (other than Ms Brennan 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 Lawrence (Larry) Mullin, and for the Chief Financial Officer and Executive Director, Mr Matthias (Matt) Bekier, in respect of the financial year ending 30 June 2013, which relates to a proposed allocation of new performance rights under the Echo Entertainment Group Limited Long Term Performance Plan (**Long Term Performance Plan**).

There have been no changes to the remuneration packages of Mr Mullin or Mr Bekier from the previous year when details of Mr Mullin's and Mr Bekier's remuneration arrangements were disclosed in the Scheme Booklet for the demerger of the Company and its controlled entities from Tabcorp Holdings Limited (**Demerger**).

(a) Background

Managing Director and Chief Executive Officer – Mr Larry Mullin

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

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

During the financial year ending on 30 June 2013, Mr Mullin will continue to receive fixed remuneration of \$1,500,000 per annum. Mr Mullin receives cash in lieu of superannuation, due to being an Executive Director temporary resident of Australia. Mr Mullin's contract includes benefits comprising living away from home expenses and home leave for a period of four years from 2 February 2009 to 2 February 2013. These benefits are consistent with Mr Mullin's previous contract with Tabcorp Holdings Limited dated 19 December 2008.

Mr Mullin 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 Mullin's short term performance award is equivalent to \$1,500,000 if targets are met.

No short term incentives were awarded to Mr Mullin for the year ended 30 June 2012, as the short term incentive targets (derived from the Board approved business plan) were not met.

In respect of Mr Mullin's long term incentive component of his annual remuneration for the financial year ending on 30 June 2013, the Company will, subject to obtaining the necessary shareholder approval, allocate to him that number of performance rights determined based on the formula \$1,000,000 divided by the Fair Market Value¹ of a performance right calculated at 19 September 2012 (the **Calculation Date**) rounded down to the nearest whole number (**CEO Performance Rights**).

This represents a long term incentive award equivalent to \$1,000,000 as at 19 September 2012 if performance hurdles are fully met.

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 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 2013, Mr Bekier will continue to receive fixed remuneration of \$900,000 per annum (inclusive of superannuation). Mr Bekier's contract also includes benefits comprising of living away from home expenses and relocation costs for a period of two years to 31 December 2012.

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 if targets are met.

No short term incentives were awarded to Mr Bekier for the year ended 30 June 2012, as the short term incentive targets (derived from the Board approved business plan) were not met.

In respect of Mr Bekier's long term incentive component of his annual remuneration for the financial year ending on 30 June 2013, 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 Fair Market Value¹ of a performance right calculated at the Calculation Date rounded down to the nearest whole number (**CFO Performance Rights**).

This represents a long term incentive award equivalent to \$500,000 as at 19 September 2012 if performance hurdles are fully met.

The proposed allocation of the CEO Performance Rights to Mr Mullin 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 ending on 30 June 2013.

¹ Fair Market Value (**FMV**) is the valuation method used to allocate equity components of long term incentives (**LTI**) in order to align remuneration values with disclosed accounting values and emerging corporate practice. The Company engages external consultants to calculate the FMV for each allocation of performance rights under the LTI using the following pricing models:

- 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 hurdles; and
- Black Scholes option pricing model.

These models take into account, as a minimum, the following factors:

- current share price of the underlying shares;
- life of the performance rights;
- expected volatility of the Company's share price;
- risk free interest rate for the life of the performance rights; and
- the Company's expected dividend yield.

The Company intends that the long term incentive component of Mr Mullin'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 Larry Mullin and Mr Matt Bekier respectively is sought for all purposes under the Corporations Act and the Listing Rules of the ASX, 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 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 Mullin 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 Mullin 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 2012.

(b) Date the securities will be granted

If approved by shareholders, the New Performance Rights will be provided to Mr Mullin 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 19 September 2012.

(c) Maximum number of securities to be granted

The maximum number of CEO Performance Rights that may be acquired by Mr Mullin 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.

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 Mullin 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 19 September 2016 (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 hurdle which will apply in respect of the grant of the New Performance Rights to Mr Mullin and Mr Bekier is relative total shareholder return (**TSR**). Whether the TSR hurdle has been met for the New Performance Rights will be determined on the Test Date.

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.

The TSR hurdle measures the Company's total shareholder return ranking against a peer group of companies, measured over the period from 19 September 2012 to the Test Date. The peer group comprises those companies in the S&P/ASX100 Index as at 19 September 2012, 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 19 September 2012 (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 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 Performance Rights that will vest
Below 50 th percentile	0% of Performance Rights will vest
At 50 th percentile	50% of Performance Rights will vest
Above the 50 th percentile and below the 75 th percentile	An additional 2% of Performance Rights will vest for each 1 percentile increase above the 50 th percentile
At or above 75 th percentile	100% of Performance Rights will vest

Vesting and lapsing of New Performance Rights

Upon vesting of the CEO Performance Rights, subject to Mr Mullin remaining employed with the Company, the Company will deliver to Mr Mullin 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 Mullin 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 Mullin 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 19 September 2012 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 19 September 2012 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 19 September 2012 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 19 September 2012 to the Test Date during which leave was taken) may occur, subject to the Board's discretion, in circumstances where Mr Mullin 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 Mullin and Mr Bekier are the only Directors who have received securities under the Long Term Performance Plan.

On 6 December 2011, the Company granted 465,116 performance rights to Mr Mullin and 232,558 performance rights to Mr Bekier, with an effective allocation date of 20 September 2011. Mr Mullin and Mr Bekier were not required to pay any amount on the grant or vesting of these performance rights.

Shareholder approval was not required in respect of the grant of 465,116 performance rights to Mr Mullin and 232,558 performance rights to Mr Bekier in 2011 on the basis that the ASX granted the Company a waiver from Listing Rule 10.14 (the **Waiver**).

The Waiver was granted to the extent necessary to allow the Company to permit Mr Mullin and Mr Bekier to acquire securities under an employee incentive scheme without the approval of the Company's shareholders in the event that the Demerger was approved by shareholders of Tabcorp Holdings Limited. As required under the terms of the Waiver, the Scheme Booklet for the Demerger included a summary of the terms of the relevant employee incentive schemes (namely, the Short Term Performance Plan and the Long Term Performance Plan) and the terms of the proposed issue of securities to Mr Mullin and Mr Bekier under those schemes.

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

Mr Mullin 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 Mullin 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: 1300 880 923 Overseas: +61 2 8280 7504



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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 10:00am (Queensland time) on Thursday, 25 October 2012, at Jupiters Theatre, Jupiters Hotel & Casino, Broadbeach Island, Gold Coast Highway, Gold Coast, Queensland 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 10:00am (Queensland time) on Thursday, 25 October 2012, at Jupiters Theatre, Jupiters Hotel & Casino, Broadbeach Island, Gold Coast Highway, Gold Coast, Queensland 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 Anne Brennan as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of John O'Neill AO 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 John Redmond 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.

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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 a item, your vote for that item will be invalid.

If you have lodged a direct vote, and you attend the meeting, your attendance will cancel your direct vote.

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

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 when you return it 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.

Corporate Representatives

If a corporate representative is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. 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 **10:00 am (Queensland time) on Tuesday, 23 October 2012**, 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.**