

THE STAR ENTERTAINMENT GROUP

16 September 2020

Dear Shareholder

I am pleased to invite you to The Star Entertainment Group Limited's (the **Company**) tenth Annual General Meeting, which will be held on **Thursday, 22 October 2020 at 11:00am (AEDT) (the Meeting)** as a virtual meeting online at <https://agmlive.link/SGR20>.

In light of the current social distancing requirements, travel restrictions and limitations on public gatherings due to the COVID-19 pandemic, the Board has decided in the interests of the health and safety of shareholders, staff and other stakeholders to hold this year's Meeting virtually. Unfortunately, shareholders will not be able to physically attend the Meeting.

The Company is pleased to provide shareholders with the opportunity to participate at the Meeting through an online platform hosted by the Company's Share Registry, where shareholders will be able to view, participate, submit written questions and vote online in real time at the Meeting. Further details in relation to participating at the Meeting via the online platform are set out below.

The following pages contain details on the items of business to be considered at the Meeting, as well as explanatory notes and voting procedures.

In addition to the consideration of the Company's financial statements and reports for the financial year ended 30 June 2020, the business of the Meeting includes proposals for:

- the re-election of Ms Katie Lahey AM and myself, as both of us are retiring in the normal course by rotation and, being eligible, offer ourselves for re-election;
- the adoption of the Remuneration Report;
- the issue of ordinary shares and grant of performance rights to the Managing Director and Chief Executive Officer;
- the adoption of certain amendments to the Constitution of the Company; and
- the renewal of the proportional takeover provisions in the Constitution of the Company.

More details in relation to each of these proposals are set out in the Company's 2020 Notice of Annual General Meeting (the **Notice**).

Shareholders are encouraged to lodge their votes and submit any written questions ahead of the Meeting.

Shareholders will be able to vote online ahead of the Meeting by logging in to their portfolio or holding(s) on the share registry's website at www.linkmarketservices.com.au. Votes must be received by **11:00am (AEDT) on Tuesday, 20 October 2020 to be valid for the Meeting.**

Shareholders may lodge written questions ahead of the Meeting online at www.linkmarketservices.com.au or by email to starentertainment@linkmarketservices.com.au. More frequently asked questions may be addressed in the Chairman's and the Managing Director and Chief Executive Officer's addresses at the Meeting. Written questions must be received by the Company's Share Registry by **5:00pm (AEDT) on Thursday, 15 October 2020.**

Participation via the online platform

Shareholders, proxy holders and corporate representatives may participate at the Meeting online using their desktop or laptop computer by entering the following URL into their browser: <https://agmlive.link/SGR20>. Please refer to the Virtual Meeting Online Guide for supported browsers.

THE  STAR ENTERTAINMENT GROUP

THE  STAR SYDNEY TREASURY BRISBANE THE  STAR GOLD COAST

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Detailed instructions on how to log in to, participate, vote and ask questions in real time at the Meeting are set out in the Company's Virtual Meeting Online Guide which is available on the Company's website at <https://www.starentertainmentgroup.com.au/annual-general-meetings> under the Investors tab.

To obtain a voting card or ask a question at the Meeting, shareholders will need their Shareholder Reference Number (**SRN**) or Holder Identification Number (**HIN**). Proxyholders will be sent their proxy number in the week leading up to the Meeting.

We recommend logging in to the online platform for the Meeting at least 15 minutes prior to the scheduled start time for the Meeting. Online registration for the Meeting will open one hour before the start of the Meeting.

2020 Annual Report

The Star Entertainment Group's Annual Report can be accessed online at <http://www.starentertainmentgroup.com.au/annual-reports>.

I look forward to welcoming you to our first virtual Meeting.

Yours sincerely

A handwritten signature in black ink, appearing to read 'John O'Neill', with a stylized, looped end.

John O'Neill AO
Chairman

NOTICE OF ANNUAL GENERAL MEETING

The tenth Annual General Meeting of The Star Entertainment Group Limited A.C.N. 149 629 023 (*the Company*) will be held on **Thursday, 22 October 2020** at **11:00am (AEDT)** (*the Meeting*) as a virtual meeting online at <https://agmlive.link/SGR20>. Online registration will commence at 10:00am (AEDT).

General Business

Item 1 – Financial Statements and Reports

To receive and consider the Financial Statements, Directors' Report and Auditor's Report for the financial year ended 30 June 2020.

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

Ordinary Business

Item 2 – Re-election of Mr John O'Neill AO as a Director

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

That Mr John O'Neill AO, who retires by rotation in accordance with the Constitution of the Company and, being eligible for re-election, be re-elected as a Director of the Company.

Item 3 – Re-election of Ms Katie Lahey AM as a Director

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

That Ms Katie Lahey AM, who retires by rotation in accordance with the Constitution of the Company and, being eligible for re-election, be re-elected as a Director of the Company.

Item 4 – 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 financial year ended 30 June 2020 be adopted.

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

Item 5 – Issue of Ordinary Shares 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 for the issue of the number of ordinary shares determined based on the formula $\$829,872$ divided by the volume weighted average price of the Company's ordinary shares on the 10 trading days prior to 15 September 2020, to the Managing Director and Chief Executive Officer of the Company, Matt Bekier, as a short term incentive on the basis described in the Explanatory Memorandum to this Notice of Meeting.

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 for the grant of the number of performance rights determined based on the formula $\$2,900,000$ divided by the Face Value of a performance right to the Managing Director and Chief Executive Officer of the Company, Matt Bekier, as a long term incentive on the basis described in the Explanatory Memorandum to this Notice of Meeting.

Voting Exclusions – Items 4, 5 & 6

For the purposes of the voting exclusions for Item 4, Item 5 and Item 6, **KMP** means the key management personnel of the Company who (directly or indirectly) have authority and responsibility for planning, directing and controlling the activities of the Company (including the Directors). The Remuneration Report identifies the key management personnel of the Company for the financial year ended 30 June 2020. A reference to the KMP in these voting exclusions includes their closely related parties. Their closely related parties are defined in the *Corporations Act 2001* (Cth) (**Corporations Act**), and include certain members of their family, dependants and companies they control.

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

The Company will disregard any votes cast on **Item 4**:

- by or on behalf of any KMP, details of whose remuneration is disclosed in the Remuneration Report (regardless of the capacity in which the vote is cast); and
- as proxy by any KMP as at the date of the Meeting,

unless it is cast as proxy for a person entitled to vote:

- in accordance with the directions on the Voting Form; or
- by the Chairman of the Meeting, in accordance with an express authorisation in the Voting Form to exercise the proxy even though the resolution is connected with the remuneration of a member of the KMP.

The Company will disregard any votes:

- cast in favour of **Item 5 and Item 6** by or on behalf of Matt Bekier (being the only Director who is eligible to participate in the Company's short-term incentive plan and long-term incentive plan (as applicable)) or his associates; and
- cast on **Item 5 and Item 6** as proxy by any KMP as at the date of the Meeting,

unless it is cast by:

- a person as proxy or attorney for a person entitled to vote on the resolution in accordance with the directions on the Voting Form; or
- the Chairman of the Meeting as proxy or attorney for a person entitled to vote, in accordance with an express authorisation in the Voting Form to exercise the proxy even though the resolution is connected directly or indirectly with the remuneration of a member of the KMP; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the person that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with the directions given by the beneficiary to the person to vote in that way.

Special Business

Item 7 – Amendments to Constitution

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

That, in accordance with section 136(2) of the Corporations Act, the Company's Constitution be modified by making the amendments contained in the document made available at the Meeting and signed by the Chairman for the purposes of identification.

(Note: Further information about the proposed amendments to the Constitution is provided in the Explanatory Memorandum accompanying this Notice of Meeting. A copy of the amended Constitution is available from the Company's website at <https://www.starentertainmentgroup.com.au/annual-general-meetings>.)

Item 8 – Renewal of Proportional Takeover Provisions in Constitution

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

That Rule 79 of the Company's Constitution, as set out in the Explanatory Memorandum accompanying and forming part of this Notice of Meeting, is renewed in accordance with Part 6.5 of the Corporations Act 2001 (Cth) for a period of three years commencing on the date this resolution is passed.

Voting Requirements – Items 7 & 8

Section 136(2) of the Corporations Act (and, in relation to Item 8, section 648G(4) of the Corporations Act) requires the amendments to the Constitution to be approved by a special resolution of the shareholders of the Company.

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

A handwritten signature in blue ink, appearing to read "Paula Martin".

Paula Martin
Company Secretary

Dated: 16 September 2020

NOTES ON VOTING

Entitlement to Attend the Meeting and Vote

1. Pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) and ASX Settlement Operating Rule 5.6.1, for the purpose of the Meeting, voting shareholders will be taken to be those persons recorded in the Company's Register of Shareholders as holding shares at **7:00pm (AEDT) on Tuesday, 20 October 2020**. Transactions registered after that time will, accordingly, be disregarded in determining which shareholders are entitled to vote at the Meeting.

All resolutions to be determined by poll

2. In accordance with the *Corporations (Coronavirus Economic Response) Determination (No. 1) 2020*, voting on each of the proposed resolutions at the Meeting will be conducted by poll. On a poll, voting shareholders have one vote for every fully paid ordinary share held (subject to the restrictions on voting referred to below).
3. The results of the voting on resolutions requiring a shareholder vote at the Meeting will be announced to the ASX promptly after the Meeting.

Conduct of the Meeting

4. The Company is committed to ensuring that its shareholder meetings are conducted in a manner which provides those shareholders (or their proxy holders or representatives) who are present at the meeting with the opportunity to participate in the business of the meeting and to ask questions about matters relevant to the business of the meeting or the Company generally.
5. The Chairman of the Meeting will exercise his or her powers as the Chairman to ensure that the Meeting is conducted in an orderly and timely fashion, in the interests of all attending shareholders.
6. As this Meeting is a virtual meeting, technical issues may arise. In that event, the Company will have regard to the impact of any technical issue on the ability of shareholders as a whole to participate and the Chairman of the Meeting may, in exercising his or her powers as the Chairman, issue any instructions for resolving the issue and may continue the Meeting if it is appropriate to do so.

Participation at the Meeting

7. The virtual Meeting will be held at **11:00am (AEDT) on Thursday, 22 October 2020**.
8. Shareholders, proxies and corporate representatives may participate at the Meeting in real time from their desktop or laptop computers by entering the following URL into their browser: <https://aqmlive.link/SGR20>.
9. Detailed instructions on how to log in to, participate, vote and ask questions during the Meeting are set out in the Company's Virtual Meeting Online Guide which is available on the Company's website at <https://www.starentertainmentgroup.com.au/annual-general-meetings> under the Investors tab.
10. We recommend logging in to the online platform for the Meeting at least 15 minutes prior to the scheduled start time for the Meeting. Online registration for the Meeting will open one hour before the start of the Meeting.

Voting Methods

11. A shareholder entitled to vote may vote in one of three ways:
 - by attending the virtual Meeting by accessing the secure online platform hosted by the Company's Share Registry and voting themselves or by attorney, or in the case of corporate shareholders, by corporate representative;
 - by lodging a direct vote online at the website of the Company's Share Registry www.linkmarketservices.com.au; or
 - by appointing a proxy to attend and vote on their behalf, and lodging the appointment online at www.linkmarketservices.com.au.
12. **Shareholders are encouraged to lodge their voting instructions online at www.linkmarketservices.com.au ahead of the Meeting.** To be effective, voting instructions must be lodged online at www.linkmarketservices.com.au by **11:00am (AEDT) on Tuesday, 20 October 2020**.

Voting using the Secure Online Platform

13. To log in to, and submit votes and questions in real time during the Meeting, shareholders will need their Shareholder Reference Number (SRN) or Holder Identification Number (HIN). Proxyholders will be provided with their proxy number by the Company's Share Registry in the week leading up to the Meeting. The online platform will be open for registration one hour before the start of the Meeting.
14. Voting will be open until the Chairman of the Meeting closes the Meeting, upon which shareholders will have an additional 5 minutes to finalise and submit their votes.
15. More information about online participation at the Meeting (including how to cast your votes and ask questions in real time during the Meeting) is set out in the Company's Virtual Meeting Online Guide which is available on the Company's website at <https://www.starentertainmentgroup.com.au/annual-general-meetings> under the Investors tab.

Voting by Proxy

16. 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.
17. A shareholder appointing two proxies must have at least two shares and 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 Voting Form will be supplied by the Company's Share Registry on request.
18. A shareholder or proxy that is a corporation and entitled to attend and vote at the 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) (**Corporations Act**) and be lodged with the Company before the Meeting.
19. 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.
20. If you appoint the Chairman of the Meeting as your proxy or the Chairman of the Meeting is appointed as your proxy by default and you do not specify how the Chairman is to vote on a resolution, by completing and submitting the Voting Form, you expressly authorise the Chairman to vote your proxy as he sees fit.
21. The Chairman of the Meeting intends to vote all available proxies in favour of all resolutions.

Attorneys

22. If a shareholder has appointed an attorney to attend and vote at the Meeting, the power of attorney (or a certified copy of the power of attorney) must be provided to the Company's Share Registry in the manner and by the same time, as specified for lodging Voting Forms (below), unless the power of attorney has been previously lodged with the Company's Share Registry.

Restrictions on Voting

23. 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.

Questions from Shareholders

24. Shareholders will have the opportunity to ask questions online via the online platform provided by the Company's Share Registry at <https://agmlive.link/SGR20> (including an opportunity to ask questions of the Company's auditor) in real time during the Meeting.
25. Shareholders may also lodge any written questions ahead of the Meeting through their portfolio or holding(s) login at www.linkmarketservices.com.au. More frequently asked questions may be addressed in the Chairman's and the Managing Director and Chief Executive Officer's addresses at the Meeting. Written questions must be received by the Company's Share Registry by **5:00pm (AEDT) on Thursday, 15 October 2020**.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum provides additional information on the items to be considered at the Annual General Meeting of The Star Entertainment Group Limited (*the Company*) to be held on **Thursday, 22 October 2020 at 11:00am (AEDT)** (*the Meeting*) as a virtual meeting online at <https://agmlive.link/SGR20> and forms part of the Notice of Meeting.

Item 1 – Financial Statements and Reports

The Financial Statements, Directors' Report and Auditor's Report for the Company for the financial year ended 30 June 2020 will be laid before the Meeting. There is no requirement for shareholders to approve those reports. However, the Chairman of the Meeting 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.

[If you wish to put questions to the Chairman of the Meeting or the Company's Auditor, you are encouraged to lodge your questions online through your portfolio or holding(s) login on the Share Registry's website at www.linkmarketservices.com.au by **5:00pm (AEDT)** on **Thursday, 15 October 2020**.

During the Meeting, the Chairman of the Meeting will endeavour to address as many of the more frequently raised shareholder topics as possible. However, there may not be sufficient time available at the Meeting to address all topics raised. Please note that individual responses will not be sent to shareholders.

Item 2 – Re-election of Mr John O'Neill AO as a Director

Mr John O'Neill AO has been a Non-Executive Director of the Company since 28 March 2011 and is currently the Chairman of the Board. The Board considers Mr O'Neill to be an independent Director.

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 has reconfirmed that he has sufficient time to meet his responsibilities as a Non-Executive Director of The Star Entertainment Group Limited.

Brief biographical details of Mr O'Neill are provided below.

Academic and Professional Qualifications

Diploma of Law; Foundation Fellow of the Australian Institute of Company Directors; Member of the Order of Australia; French decoration of Chevalier de la Légion d'Honneur

Special Responsibilities

Mr O'Neill is an ex-officio member of all Board committees.

Experience and Skills

Mr O'Neill was formerly Managing Director and Chief Executive Officer of Australian Rugby Union Limited, Chief Executive Officer of Football Federation Australia, Managing Director and Chief Executive Officer of the State Bank of New South Wales, Chairman of the Australian Wool Exchange Limited, as well as a Director of Tabcorp Holdings Limited.

Mr O'Neill 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, as well as a Director of Rugby World Cup Limited.

Mr O'Neill is currently Chairman of Queensland Airports Limited and a member of the Advisory Council of China Matters. He is also a member of the 2032 Brisbane Olympic Bid Advisory Board to the Premier of Queensland.

Recommendation

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 2. The Board considers that Mr O'Neill is a valued member of the Board given his strong leadership as Chairman and his expertise and experience in the entertainment and gaming industry.

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

Item 3 – Re-election of Ms Katie Lahey AM as a Director

Ms Katie Lahey AM has been a Non-Executive Director of the Company since 1 March 2013. The Board considers Ms Lahey to be an independent Director.

In accordance with the ASX Listing Rules and the Constitution of the Company, Ms Lahey retires, and being eligible, offers herself for re-election as a Director.

Ms Lahey has reconfirmed that she has sufficient time to meet her responsibilities as a Non-Executive Director of The Star Entertainment Group Limited.

Brief biographical details of Ms Lahey are provided below.

Academic and Professional Qualifications

Bachelor of Arts (First Class Honours); Master of Business Administration

Special Responsibilities

Chair of the People, Culture and Social Responsibility Committee

Member of the Risk and Compliance Committee

Member of the Remuneration Committee

Experience and Skills

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

Ms Lahey is currently a Director of Carnival Corporation & plc, and is a member of the National Indigenous Culinary Institute Advisory Board.

Ms Lahey was previously the Chair of Carnival Australia and the Chairman Australasia of Korn Ferry International. In addition, Ms Lahey was a member of the boards of David Jones Limited, Australia Council Major Performing Arts, Hills Motorway Limited, Australia Post and Garvan Research Foundation.

Recommendation

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. The Board believes that Ms Lahey's skills and experience in retail and tourism industries, general management, marketing, media and human resources remain highly valuable to the Board, including through her role as Chair of the People, Culture and Social Responsibility Committee.

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

Item 4 – Remuneration Report

Pursuant to the *Corporations Act 2001* (Cth) (**Corporations Act**), the Company is required to include in the Directors' Report a detailed Remuneration Report relating to the remuneration of Directors and key management personnel in the financial year ended 30 June 2020, and submit it for adoption by resolution of shareholders at the Meeting.

The Directors' Report for the financial year ended 30 June 2020 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 <http://www.starentertainmentgroup.com.au/annual-reports>.

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

- details relating to the remuneration arrangements 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 2020; and
- the remuneration framework and key programs which drive the Company's performance.

Following consideration of the Remuneration Report, the Chairman of the Meeting 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.

Recommendation

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 4.

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

Item 5 – Issue of Ordinary Shares to the Managing Director and Chief Executive Officer

Shareholders are asked to approve the short-term incentive equity component of the remuneration package for the Managing Director and Chief Executive Officer, Mr Matt Bekier, for the financial year ended 30 June 2020, which relates to the proposed issue of fully paid ordinary shares in the Company to Mr Bekier, subject to a one year holding restriction from the date of issue.

A. Background

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 participates in a short-term incentive plan (**STI**) pursuant to which he is 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. The STI is designed to (amongst other things) reward participants for the execution of the Company's strategy and achievement of operational goals during the performance period. The key features of the STI (all of which are consistent with the prior year) are set out in the Company's Remuneration Report for the year ended 30 June 2020 on pages 22 to 27.

For the purposes of awards under the STI for the year ended 30 June 2020, the Company was on track to meet its performance gateway prior to COVID-19. However, as a result of the mandatory shutdown of operations in March 2020, the Company's full year financial performance was impacted and the normalised net profit after tax gateway was not met.

In response to the COVID-19 pandemic and closure of the Company's operations, Mr Bekier accepted a 40% reduction in his fixed remuneration component for a period of 3 months to 30 June 2020.

As reported in the Company's Remuneration Report, the Board has exercised its discretion to approve a limited equity award to participants under the STI for the financial year ended 30 June 2020. In exercising its discretion the Board considered a range of factors, including the impact of COVID-19 on the Company's operations, team members, shareholders, guests and other stakeholders, and management's response to the pandemic, including the delivery of significant milestones critical for future success and shareholder value creation in spite of the challenging environment. The Company participated in the Federal Government JobKeeper payment scheme to provide a minimum fortnightly wage to employees who were stood down or working reduced hours, and to support 2 weeks' paid pandemic leave and pay on public holidays. Details of the JobKeeper payments received by the Company are noted on page 23 of the Company's Remuneration Report and in Note A3 of the financial statements on page 44 of the Financial Report for the year ended 30 June 2020.

The Board also considered the aim of the STI, which is to reward participants for the execution of the Company's strategy and achievement of operational goals during the performance period, as well as to retain talent, particularly in an environment of increased competition and uncertainty.

Based on this assessment, the Board exercised its discretion to approve a limited short-term incentive award pool of 40% of the short-term incentive on-target amount for members of the Executive Committee, including the Managing Director and Chief Executive Officer. Individual performance was considered against scorecard metrics and performance during COVID-19, to determine how to allocate the awards under the STI. This resulted in Mr Bekier receiving an effective 48% of his short-term incentive target opportunity for the financial year ended 30 June 2020.

Typically, two-thirds of payments under a short-term incentive award are delivered in cash, with the remaining one third of payments being made in restricted shares for a period of 12 months from the date of the award. However, to preserve cash following the impact of COVID-19, all of the short-term incentive awards for the financial year ended 30 June 2020 will be delivered as fully paid ordinary shares in the Company which will be subject to a one year holding restriction from the date of issue.

To address potential share price volatility over the allocation period in September 2020, the volume weighted average price (**VWAP**) of the Company's ordinary shares traded on the ASX on the 10 trading days prior to the effective date of issue (15 September 2020) will be used to determine the number of shares to be issued to STI participants, rounded down to the nearest whole number.

Accordingly, Mr Bekier's short-term incentive award for the year ended 30 June 2020, which is equivalent in value to \$829,872, would be deliverable by way of fully paid ordinary shares in the Company (**New Shares**), subject to a 12 month holding restriction as well as forfeiture and clawback conditions.

The Company considers that the proposed STI equity award to Mr Bekier provides an appropriate incentive to reward for performance whilst maintaining alignment with shareholders. Awards under the STI are non-transferrable.

Further details of the reward outcomes under the STI for the financial year ended 30 June 2020 are set out in the Company's Remuneration Report for the year ended 30 June 2020 on pages 22 to 27.

Example

As an illustration only, set out below is an example of the calculation of the number of New Shares that may be issued to Mr Bekier under the STI for the financial year ended 30 June 2020, on the basis that:

(a) Mr Bekier's short term incentive award is \$829,872; and

assuming that:

(b) the VWAP is \$3.00,

the number of New Shares to be issued to Mr Bekier would be calculated as $(\$829,872 \div \$3.00)$.

Based on the above assumptions, Mr Bekier would be issued 276,624 New Shares.

This calculation is shown by way of **example only** and does not commit the Board to the figures above or the VWAP of the Company's shares for the relevant period.

ASX Listing Rule requirements

Shareholder approval is being sought for all purposes under the Corporations Act and the ASX Listing Rules, including ASX Listing Rule 10.14.

Under ASX Listing Rule 10.14, an entity must not permit a director of the entity to acquire shares or rights to shares under an employee incentive scheme without the approval of shareholders. Accordingly, the approval of shareholders is being sought for the purpose of ASX Listing Rule 10.14.1 to permit the Company to issue the New Shares to Mr Bekier under the STI.

If shareholders do not approve the resolution set out in Item 5, the Company will not issue the New Shares to Mr Bekier. The Board would consider the impact of this outcome on the remuneration arrangements for the Managing Director and Chief Executive Officer, and the objectives of the Company's executive remuneration framework, including the stated aim of retaining executives, and the inclusion and weighting of performance-based remuneration elements. The Board would, in its considerations, have regard to the perspective of shareholders, market practice, and the Company's strategic and operational imperatives.

ASX Listing Rule 10.15 requires this Notice of Meeting to include the following additional specified information in relation to the New Shares which are proposed to be issued to Mr Bekier under the STI.

B. Details of Mr Bekier's current total remuneration package

Full details of Mr Bekier's total remuneration package in respect of the financial year ended 30 June 2020 are shown on page 19 of the Company's Remuneration Report for the year ended 30 June 2020. This comprised adjusted fixed remuneration (inclusive of superannuation) of \$1,556,010 and a short term incentive deferred equity award of \$829,872.

In addition, Mr Bekier received a long term incentive grant of Performance Rights to a value of \$2,900,000.

In response to the COVID-19 business closures, Mr Bekier elected to take a temporary reduction to his fixed remuneration of 40% for the period from 1 April to 30 June 2020. Mr Bekier's fixed remuneration will revert to \$1,728,900 for the current financial year ending 30 June 2021.

Mr Bekier's remuneration package for the current financial year ending 30 June 2021 will include fixed remuneration (inclusive of superannuation) of \$1,728,900, a short-term incentive target of \$1,728,900 and a long term incentive award to a value of \$2,900,000 (refer to pages 11 to 17 of this Notice of Meeting). The allocation of any short-term incentive award or long-term incentive award will be dependent on a number of factors, as set out in the Company's Remuneration Report for the year ended 30 June 2020 on pages 20 to 31, including a number of financial and non-financial performance measures.

C. Date the securities will be issued

If approved by shareholders, the New Shares are expected to be issued to Mr Bekier as soon as practicable after the Meeting, but not later than 12 months after the Meeting, and with effect from 15 September 2020.

D. Maximum number of securities to be issued

The maximum number of New Shares that may be acquired by Mr Bekier under the STI award pursuant to the resolution set out in Item 5 is that number arrived at based on the formula in the resolution.

The number of New Shares proposed to be issued to Mr Bekier will be confirmed at the Meeting. Mr Bekier is prohibited from hedging the share price exposure in respect of the New Shares.

E. Price of the securities and other matters

No Grant Price

No amount is payable on the issue of the New Shares.

Terms of the New Shares

Short-term incentive awards vest once the Board, in its discretion, determines that the relevant conditions have been satisfied. Notwithstanding this, the Board may use its discretion to determine that a short-term incentive will vest prior to the end of the relevant performance period or to adjust any performance related conditions.

As set out above, the Board has exercised its discretion to approve a limited short-term incentive award pool of 40% of the short-term incentive on-target amount for the Managing Director and Chief Executive Officer, as well as other members of the Executive Committee. Details of the performance conditions that were assessed, including the actual achievements of those conditions, are set out in the Company's Remuneration Report for the year ended 30 June 2020 on pages 25 to 27.

The New Shares are subject to a holding restriction for a period of twelve months from the effective date of issue (15 September 2020).

The New Shares will be forfeited if Mr Bekier's employment with the Company is terminated during the 12 month period to 15 September 2021.

The New Shares may be clawed back where there has been a material misrepresentation of the financial outcomes on which the payment had been assessed and/or Mr Bekier's actions have been found to be fraudulent, dishonest or in breach of the Company's Code of Conduct.

Other Matters

Mr Bekier will be entitled to receive dividends (if any) on the New Shares and will have voting rights on those New Shares during the restriction period. However, Mr Bekier is unable to vote on remuneration resolutions at the Company's Annual General Meetings.

F. Directors who have received securities under the STI

Mr Bekier is the only Director who has received securities under the STI. As all previous grants under the STI to Mr Bekier have been satisfied in cash or by the transfer of securities purchased on-market, no securities have previously been issued to Mr Bekier under the STI.

G. Directors who are eligible to participate in the STI

Mr Bekier is presently the only Director entitled to participate in the STI.

H. No loan scheme

There is no loan scheme in relation to the acquisition of the New Shares under the STI.

I. Other material terms of the STI

In addition to the material terms otherwise set out in this Item 5, in the event of (potentially amongst other events) a takeover bid for the Company or any other transaction or event is proposed that, in the opinion of the Board, is likely to result in a change of control of the Company prior to the satisfaction of any applicable deferral conditions, the STI rules provide that the Board may determine, in its absolute discretion, the appropriate treatment of any restricted shares.

The Board may also make special rules that apply to awards under the STI in the event that the Company divests, or disposes of, a business or asset, designated by the Board for this purpose as “material”.

J. Further information

Further information regarding the STI and the short-term incentive component of Mr Bekier’s remuneration is set out in the Company’s Remuneration Report for the year ended 30 June 2020 on pages 22 to 27.

Details of any securities issued under the STI will be published in the Remuneration Report relating to the period in which they were issued, along with a statement that approval for the issue of the securities was obtained under ASX Listing Rule 10.14 (if applicable).

Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the STI after the resolution is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

Recommendation

The Board (other than Mr Bekier, given that he has a personal 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.

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

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

Shareholders are asked to approve the long-term incentive equity component of the remuneration package for the Managing Director and Chief Executive Officer, Matt Bekier, for the financial year ending 30 June 2021, which relates to the proposed grant of performance rights to Mr Bekier.

A. Background

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.

In respect of the long-term incentive component of Mr Bekier’s remuneration for the financial year ending 30 June 2021, the Company will, subject to obtaining the necessary shareholder approval, grant to Mr Bekier a long-term incentive award equivalent in value to \$2,900,000. This amount is unchanged from the prior year.

Subject to shareholder approval being obtained, the Company will grant to Mr Bekier the number of performance rights determined based on the formula $\$2,900,000$ divided by the Face Value¹ of a performance right calculated as at 24 September 2020 (the **Allocation Date**) rounded down to the nearest whole number (**New Performance Rights**). The New Performance Rights are non-transferrable.

The Company considers that the proposed issue of performance rights to Mr Bekier under a long-term incentive plan (**LTI**) provides an appropriate incentive to enhance the performance of the Company and to seek to further align Mr Bekier’s interests with those of shareholders by linking his remuneration with the long term performance of the Company.

The performance hurdles, Test Date (as defined below), Allocation Date and other vesting conditions applying to the New Performance Rights will be the same as those that apply to other senior executives participating in the LTI as at 24 September 2020.

The New Performance Rights to be granted to Mr Bekier will have no dividend or voting rights.

¹ Face Value is determined by reference to the volume weighted average price of the Company’s shares on the 20 trading days prior to the Allocation Date.

Example

As an illustration only, set out below is an example of the calculation of the number of New Performance Rights that may be granted to Mr Bekier under the LTI for the financial year ending 30 June 2021, on the basis that:

- (a) Mr Bekier's long-term incentive award is \$2,900,000; and assuming that:
- (b) the Face Value is \$3.00,

the number of New Performance Rights to be granted to Mr Bekier would be calculated as $(\$2,900,000 \div \$3.00)$.

Based on the above assumptions, Mr Bekier would be granted 966,666 New Performance Rights.

This calculation is shown by way of **example only** and does not commit the Board to the figures above or the VWAP of the Company's shares for the relevant period.

ASX Listing Rule requirements

Shareholder approval for the grant of the New Performance Rights to Mr Bekier is sought for all purposes under the Corporations Act and the ASX Listing Rules, including ASX Listing Rule 10.14. The New Performance Rights are to be issued under the LTI, with the vesting conditions relating to the New Performance Rights being as described below.

Under ASX Listing Rule 10.14, an entity must not permit a director of the entity to acquire shares or rights to shares 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 allow the Company flexibility to grant the New Performance Rights to Mr Bekier under ASX Listing Rule 10.14, and subsequently either issue new shares or to purchase shares on-market for allocation to Mr Bekier, under the LTI.

If shareholders do not approve the resolution set out in Item 6, Mr Bekier will not be granted the New Performance Rights. The Board would consider the impact of this outcome on the remuneration arrangements for the Managing Director and Chief Executive Officer, and the objectives of the Company's executive remuneration framework, including the stated aim of retaining executives and the inclusion and weighting of performance-based remuneration elements. The Board would, in its considerations, have regard to the perspective of shareholders, market practice, and the Company's strategic and operational imperatives.

ASX Listing Rule 10.15 requires this Notice of Meeting to include the following additional specified information in relation to the New Performance Rights which are proposed to be granted to Mr Bekier under the LTI.

B. Details of Mr Bekier's current total remuneration package

Full details of Mr Bekier's total remuneration package in respect of the financial year ended 30 June 2020 are shown on page 19 of the Company's Remuneration Report for the year ended 30 June 2020. This comprised adjusted fixed remuneration (inclusive of superannuation) of \$1,556,010 and a short term incentive deferred equity award of \$829,872.

In addition, Mr Bekier received a long term incentive grant of Performance Rights to a value of \$2,900,000.

In response to the COVID-19 business closures, Mr Bekier elected to take a temporary reduction to his fixed remuneration of 40% for the period from 1 April to 30 June 2020. Mr Bekier's fixed remuneration will revert to \$1,728,900 for the current financial year ending 30 June 2021.

Mr Bekier's remuneration package for the current financial year ending 30 June 2021 will include fixed remuneration (inclusive of superannuation) of \$1,728,900, a short-term incentive target of \$1,728,000 and a long term incentive award to a value of \$2,900,000. The allocation of any short-term incentive award or long-term incentive award will be dependent on a number of factors, as set out in the Company's Remuneration Report for the year ended 30 June 2020 on pages 20 to 31, including a number of financial and non-financial performance measures.

C. Date the securities will be granted

If approved by shareholders, the New Performance Rights will be granted to Mr Bekier as soon as practicable after the Meeting, but not later than 12 months after the Meeting, and with effect from 24 September 2020.

D. Maximum number of securities to be granted

The maximum number of New Performance Rights that may be acquired by Mr Bekier under the LTI pursuant to the resolution set out in Item 6 is that number arrived at based on the formula in that resolution.

The number of New Performance Rights proposed to be granted to Mr Bekier will be confirmed at the Meeting.

Mr Bekier is prohibited from hedging the share price exposure in respect of the New Performance Rights during the performance period applicable to those rights.

E. 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.

Vesting Conditions

There will be one test date and no retesting for the New Performance Rights, which may vest on 24 September 2024 (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, although the Board has discretion under the LTI 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 Bekier are:

- 33.3% - relative total shareholder return (**TSR**);
- 33.3% - earnings per share (**EPS**); and
- 33.4% - return on invested capital (**ROIC**).

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

1. *TSR Performance Hurdle*

33.3% of the New Performance Rights available to Mr Bekier 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 24 September 2020 to the Test Date.

The peer group comprises those companies in the S&P/ASX100 Index as at 24 September 2020, excluding property trusts, infrastructure groups and mining companies and companies that, amongst other things, may be subsequently taken over, demerged, delisted or are otherwise determined by the Board (in its discretion) to no longer be a peer of the Company following the occurrence of some other significant corporate event.

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 price of the Company's shares on each of the 20 trading days up to and including 24 September 2020 (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 LTI with the interests of shareholders, 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%
At 50 th percentile	50%
Above 50 th percentile and below 75 th percentile	Pro-rata between 50% (at 50 th percentile) and 100% (at 75 th percentile)
At or above 75 th percentile	100%

2. EPS Performance Hurdle

33.3% of the New Performance Rights available to Mr Bekier are subject to the EPS performance hurdle.

The EPS hurdle measures the statutory earnings per ordinary share adjusted for the theoretical win rate in the VIP Rebate business. It drives line of sight between shareholder value creation and management's financial performance. The threshold hurdle is set by the Board by reference to market consensus. The target hurdle is set by the Board by reference to the Company's Board approved five-year business plan. While the Board may exercise certain discretions under the LTI, the Board will only consider exercising its discretion with respect to any applicable adjustments to thresholds and targets at the time of testing for vesting purposes.

The table below sets out the percentage of the New Performance Rights that will vest depending on the Company's EPS performance as at the Test Date.

EPS performance	Percentage of New Performance Rights that will vest
Below threshold	0%
At threshold	50%
Between threshold and stretch	Pro-rata between threshold and stretch
Stretch target	100%

The Company will disclose the actual EPS target on a retrospective basis to ensure that the Company's competitive position is not undermined.

3. ROIC Performance Hurdle

33.4% of the New Performance Rights available to Mr Bekier are subject to a Return on Invested Capital (**ROIC**) performance hurdle.

The ROIC hurdle measures statutory Earnings Before Interest and Taxes (**EBIT**), adjusted for the theoretical win rate in the International VIP Rebate business, as a proportion of average Net Debt and average Shareholders Equity. That is:

$$\text{ROIC} = \frac{\text{EBIT adjusted for theoretical win rate in the VIP Rebate business}}{\text{average Net Debt} + \text{average Shareholders' Equity}}$$

The ROIC hurdle measures the efficiency of earnings generated from capital investments made by the Company and seeks to create alignment of incentive programs in driving the execution of the Company's capital intensive strategy to build new assets and improve existing properties, with the aim of generating additional revenue and ultimately sustainable value for shareholders.

The threshold hurdle is set by the Board by reference to the Company's present ROIC levels and the target hurdle is set by the Board by reference to the Company's Board approved five-year business plan. While the Board may exercise certain discretions under the LTI, the Board will only consider exercising its discretion with respect to adjustments to thresholds and targets at the time of testing for vesting purposes.

The table below sets out the percentage of the New Performance Rights that will vest depending on the Company's ROIC performance as at the Test Date.

ROIC performance	Percentage of New Performance Rights that will vest
Below threshold	0%
At threshold	50%
Between threshold and stretch	Pro-rata between threshold and stretch
Stretch target	100%

The Company will disclose the actual ROIC target on a retrospective basis to ensure that the Company's competitive position is not undermined.

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 may 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 Board may also make special rules that apply to awards under the LTI in the event that the Company divests, or disposes of, a business or asset, designated by the Board for this purpose as "material".

Vesting and lapsing of New Performance Rights

Long-term incentives vest once the Board, in its discretion, determines that the relevant conditions have been satisfied. Notwithstanding this, the Board may also in its discretion determine that a long-term incentive vests prior to the end of the relevant performance period.

Upon satisfaction of the performance hurdles, and provided that Mr Bekier remains employed with the Company on the Test Date, the relevant number of New Performance Rights will automatically vest, and the following (or a cash equivalent value) will be allocated to Mr Bekier:

- (a) Base Shares; and
- (b) Dividend Equalisation Shares.

Base Shares means such number of fully paid ordinary shares in the Company that are equal to the number of vested New Performance Rights (on a one-for-one basis).

Dividend Equalisation Shares means such number of additional fully paid ordinary shares in the Company having a value equal to the aggregate dividends (excluding franking credits) that would otherwise have been paid on the Base Shares for the dividend record dates occurring during the period between the Allocation Date and the date the Base Shares are allocated to Mr Bekier (**Dividend Equalisation Period**).

The number of Dividend Equalisation Shares to be allocated to Mr Bekier will be calculated by reference to the following formula:

$$\frac{\$ \text{ amount of } \textit{Relevant Dividend} \times \textit{Base Shares}}{\textit{DRP Share Price}}$$

- *Relevant Dividend* means a dividend (excluding franking credits) having a record date during the Dividend Equalisation Period.
- *DRP Share Price* means:
 - the share price calculated in accordance with such other methodology adopted by the Board in the Company's Dividend Reinvestment Plan from time to time; or
 - where the Company does not have a Dividend Reinvestment Plan in operation, the average (rounded to the nearest cent) of the daily volume weighted average market price of the Company's shares sold in the ordinary course of trading on the ASX over a period of ten trading days beginning on the fourth trading day after the relevant dividend record date.

Lapsing of New Performance Rights

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

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

- (i) retires (where he will retain a pro-rata number of New Performance Rights based on the time served between 24 September 2020 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 24 September 2020 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 24 September 2020 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 24 September 2020 to the Test Date during which leave was taken) may occur, subject to the Board's discretion, in circumstances where Mr Bekier takes parental leave or extended unpaid leave.

F. Directors who have received securities under the LTI

Mr Bekier is the only Director who has received securities under the LTI.

Details of performance rights previously granted to Mr Bekier with shareholder approval are set out below. Mr Bekier was not required to pay any amount on the grant or upon vesting of these performance rights.

Grant Date	Effective Allocation Date	Number of Performance Rights	Date of Shareholder Approval
21 December 2012	19 September 2012	227,272	25 October 2012
23 December 2013	1 October 2013	196,850	8 November 2013
25 November 2014	26 September 2014	352,112	31 October 2014
12 November 2015	21 September 2015	253,456	4 November 2015
15 November 2016	5 October 2016	548,204	28 October 2016
19 January 2018	2 October 2017	627,706	26 October 2017
3 April 2019	3 October 2018	668,203	1 November 2018
13 November 2019	25 September 2019	691,216	24 October 2019

G. Directors who are eligible to participate in the LTI

Mr Bekier is presently the only Director entitled to participate in the LTI.

H. No loan scheme

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

I. Other material terms of the LTI

In the event of a variation of the Company's capital (such as a subdivision, consolidation, reduction, rights issue, bonus issue or other further issue of shares), prior to the vesting of the New Performance Rights, the number of New Performance Rights may be adjusted in the manner determined by the Board, and to the extent required, in accordance with the ASX Listing Rules. The exercise of the Board's discretion is to be informed by the principle that participants do not enjoy a windfall gain and do not suffer a material detriment as a result of any corporate action.

Unvested performance rights may be clawed back where there has been a material misrepresentation of the financial outcomes on which the award had been assessed and/or Mr Bekier's actions have been found to be fraudulent, dishonest or in breach of the Company's Code of Conduct.

J. Further information

Further information regarding the LTI and the long-term incentive component of Mr Bekier's remuneration is set out in the Company's Remuneration Report for the year ended 30 June 2020 on page 22 to 27.

Details of any securities issued under the LTI will be published in the Remuneration Report relating to the period in which they were issued, along with a statement that approval for the issue of the securities was obtained under ASX Listing Rule 10.14.

Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the LTI after the resolution is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

Recommendation

The Board (other than Mr Bekier, given that he has a personal interest in the resolution and therefore abstains from making a recommendation) recommends that shareholders vote in favour of the resolution in relation to Item 6.

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

Item 7 – Amendments to Constitution

The Company is currently governed by its existing Constitution which was adopted on listing of the Company in 2011 and was last amended in 2017 after shareholder approval was obtained at the Company's Annual General Meeting held on 26 October 2017.

Pursuant to section 136(2) of the Corporations Act, it is proposed to amend the Company's Constitution by special resolution of shareholders.

The Company has recently undertaken a review of the Constitution and proposes a number of amendments consistent with the Corporations Act and the ASX Listing Rules and which seek to achieve efficient and flexible administration of the Company and to enable greater participation by, and engagement with, shareholders at general meetings.

Overview of proposed amendments to the Constitution

An overview of the key changes proposed to the made to the Constitution are detailed in the table below. A copy of the amended Constitution showing all proposed changes is available from the Company's website at <https://www.starentertainmentgroup.com.au/annual-general-meetings>.

Unless a contrary intention appears, capitalised terms in the table below have the meaning given in the Constitution, this Explanatory Memorandum or the Company's 2020 Notice of Annual General Meeting.

Topic	Summary of proposed amendment(s)
General Meetings (various)	<p>A number of amendments are proposed to be made to facilitate the holding of general meetings by the Company, including as set out below.</p> <ul style="list-style-type: none">• The Constitution is proposed to be amended to:<ul style="list-style-type: none">○ specifically provide for a meeting to be held at 2 or more venues using any technology that gives shareholders as a whole a reasonable opportunity to participate;○ ensure that persons participating using technology are counted for the purposes of determining a quorum;○ clarify that a shareholder placing a Direct Vote is not taken into account for the purposes of determining a quorum; and○ deal with the scenario where technical difficulties occur before or during the relevant meeting, to enable the chair of the meeting to adjourn the meeting to allow the technical difficulty to be rectified or, if a quorum remains present and able to participate, continue the meeting. <p>These amendments are intended to enable greater participation by, and engagement with, shareholders.</p> <ul style="list-style-type: none">• The Constitution is also proposed to be amended to include additional provisions regarding proxy, attorney and representative appointments, including specific options available to the Company where an instrument appointing a proxy, attorney or representative is received and it is not properly executed or authenticated, or is incomplete or unclear. <p>These amendments are designed to provide the Company with greater flexibility and increased efficiency in dealing with proxy documents.</p> <ul style="list-style-type: none">• It is proposed that the Constitution be amended to specify that the content of a notice of a meeting called by the Directors is to be decided by the Directors as the Directors think fit, but must state the general nature of the business to be conducted at the meeting and any other matters required by the Corporations Act, the ASX Listing Rules or the Constitution. Further, unless the person objects to the holding of the meeting at the start of the relevant meeting or, in the case of a particular matter not referred to in the notice of the meeting, when the matter is first presented (as applicable), a person who attends the relevant meeting waives any objection they may have to any failure by the Company to give notice or the giving of a defective notice, or the consideration of a particular matter which is not within the business referred to in the notice of the relevant meeting.

	<ul style="list-style-type: none"> • The chair of a general meeting is also proposed to be given greater flexibility with respect to the conduct of general meetings as part of the proposed amendments to the Constitution, including to: <ul style="list-style-type: none"> ○ arrange another or a second venue (without giving notice or putting the matter to a vote) where there is insufficient room at the meeting venue; ○ refuse to allow any amendments to be moved in respect of any resolution set out in the notice of the relevant meeting or any business to be transacted unless the general nature of the business is stated in the notice of the relevant meeting; ○ withdraw from consideration any resolution set out in the notice of the relevant meeting (other than a resolution which has been requisitioned by shareholders or required by law); and ○ subject to the Corporations Act, terminate discussion or debate on any matter whenever the chair considers it necessary or desirable for the proper conduct of the relevant meeting.
<p>Directors and Directors' Meetings (various)</p>	<ul style="list-style-type: none"> • It is proposed that the Constitution be amended to provide that the period for nominations for election as a Director will be extended from at least 35 business days prior to the relevant meeting to at least 45 business days but no more than 90 business days prior to the meeting, in order to better align the Constitution with market practice and to facilitate adequate time for the Company to comply with its notice requirements and to print and distribute the relevant materials to shareholders after a nomination is received. • The provisions dealing with Director remuneration are proposed to be expanded to align with the ASX Listing Rules by clarifying that the amount of remuneration payable to Directors (as determined by the Company in general meeting) does not include remuneration in the form of share, option or other equity plans approved separately by the Company in general meeting. Amendments are also proposed to be made to clarify that the Company may make contributions to a superannuation fund for the purpose of obtaining superannuation benefits for a Director and that the amount of remuneration payable to Directors is inclusive of superannuation. • Further, it is proposed that amendments be made to the provisions dealing with meetings of Directors to provide greater flexibility and efficiency to the way the Board operates – including by allowing the use of technology and for written resolutions of the Board to be passed by fax, email or other electronic means, and to deal with the scenario where technical difficulties occur before or during any relevant meeting of the Board which is being held using technology. • The Constitution is also proposed to be amended to broaden the Directors' delegation powers and to clarify that the Directors' powers of delegation set out in the Constitution are conferred in substitution for, and to the exclusion of, the power conferred in section 198D of the Corporations Act.
<p>Dividends (Articles 67 & 71(b))</p>	<ul style="list-style-type: none"> • The Constitution will be amended to make clear that the Directors may revoke, rescind or alter any determination or declaration to pay a Dividend at any time before the Dividend is paid. • The Constitution is also proposed to be amended to clarify that where a Dividend or other distribution has been paid by the Company and: <ul style="list-style-type: none"> ○ any cheque is not presented for payment within 3 months; or ○ any direct credit is unsuccessful as a result of incorrect payment details being provided by or on behalf of a shareholder, (as applicable), then the monies will be taken to be an unclaimed Dividend or distribution and may be invested or otherwise used by the Board for the benefit of the Company until claimed or disposed of according to law.

Off-market Transfers (Article 23(d))	<p>It is proposed that the Constitution be amended to provide that, subject to the ASX Listing Rules, the Company or the Company's Share Registry may charge a reasonable fee for the registration of paper-based transfers in registrable form.</p> <p>The purpose of this amendment is to enable the Company's Share Registry to charge a reasonable fee for the registration of off-market transfers because of the need to undertake additional security measures and perform identity validation checks to detect fraudulent activity specific to off-market transfers, which are necessary for the protection of shareholders.</p>
Restricted Securities (Articles 26(d) & (e))	<p>In accordance with the requirements of ASX Listing Rule 15.12 it is proposed that the Constitution be amended to provide that:</p> <ul style="list-style-type: none"> • if Restricted Securities are in the same class as quoted securities, the holder will be deemed to have agreed that the Restricted Securities will be kept on the Company's issuer sponsored sub-register and are to have a holding lock applied for the relevant Escrow Period applicable to those Restricted Securities under the ASX Listing Rules; and • during the Escrow Period applicable to those Restricted Securities under the ASX Listing Rules, the holder of the Restricted Securities is not entitled to participate in any return of capital on those Restricted Securities during the Escrow Period except as permitted by the ASX Listing Rules or the ASX.
Reserves (Article 66)	<p>The provisions in the Constitution relating to the reserves of the Company are proposed to be amended to remove the existing limitation that reserves be set aside only out of the profits of the Company to reflect changes to the Corporations Act which removed the requirement for Dividends to be paid out of profits.</p>
Consequential and other amendments (various)	<ul style="list-style-type: none"> • A number of additional minor changes are proposed to be made to the Constitution, including various consequential amendments in order to give effect to the changes summarised above, to reflect current law and practice, and to correct minor inconsistencies, syntax, formatting errors or cross-references. • The Constitution is also proposed to be amended to clarify that all notices, certificates, statements, demands, appointments, directions and other documents referred to in the Constitution must be in writing.

Recommendation

The Board unanimously recommends that shareholders vote in favour of the special resolution in relation to Item 7.

The Chairman of the Meeting intends to vote all available proxies in favour of the special resolution.

Item 8 – Renewal of Proportional Takeover Provisions in Constitution

Under the Constitution and section 648G of the Corporations Act, the proportional takeover provisions in Rule 79 (**Proportional Takeover Approval**) of the Constitution automatically lapse after three years.

The proportional takeover provisions were first adopted on listing of the Company in 2011 and were last renewed at the Company's Annual General Meeting held on 26 October 2017.

A proportional takeover offer is a takeover offer where the offer made to each shareholder is only for a proportion of that shareholder's shares, and not for the shareholder's entire shareholding.

Rule 79 was designed to assist shareholders to receive proper value for their shares if a proportional takeover bid is made for the Company. Accordingly, the Directors consider that it is in the best interests of shareholders to renew the proportional takeover provisions in the Constitution.

If shareholders approve the renewal of the proportional takeover provisions on the same terms as previously contained in Rule 79 of the Constitution, by passing the special resolution in relation to Item 8 in accordance with Part 6.5 of the Corporations Act, the proportional takeover provisions will operate for a period of three years from the date of the Meeting (that is, until 22 October 2023, if the resolution is passed at the Meeting and the Meeting is not postponed or adjourned).

The proposed proportional takeover provisions are set out below and are the same as those approved by shareholders at the 2017 Annual General Meeting.

“79. Proportional Takeover Approval

- (a) *Subject to the Corporations Act and the Listing Rules, the registration of any transfer of shares giving effect to a takeover contract under a proportional takeover bid in respect of shares in a class of shares in the company is prohibited unless and until a resolution to approve the takeover bid is passed in accordance with this rule 79.*
- (b) *Subject to rule 79(c), the only persons entitled to vote on a resolution to approve a proportional takeover bid are those persons who, as at the end of the day on which the first offer under the takeover bid was made, held shares included in the bid class in respect of which the offer was made. Each person entitled to vote has one vote for each share in the relevant class held by the person at that time.*
- (c) *Neither the bidder under the takeover bid nor any associate of the bidder is entitled to vote on the resolution.*
- (d) *The resolution is to be considered at a meeting convened and conducted by the company of the persons entitled to vote on the resolution. The provisions of this Constitution relating to general meetings apply to the meeting with any modifications the Board decides are required in the circumstances.*
- (e) *The resolution is taken to have been passed only if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%.”*

Legislative Requirements

The Corporations Act requires that the following information be provided to shareholders when they are considering the inclusion or renewal of a proportional takeover provision in the Constitution. The following information comprises the statement required under section 648G(5) of the Corporations Act.

Effect of the provision

If a takeover offer is made under a proportional takeover bid for a class of the Company's securities, the Directors must ensure that a resolution to approve the takeover bid (**Approval Resolution**) is voted on by the shareholders of the class of shares being bid, not less than 14 days before the last day of the bid period (**Deadline**).

The only persons entitled to vote on the Approval Resolution are those persons who, as at the end of the day on which the first offer under the takeover bid was made, held shares included in the bid class in respect of which the offer was made. The bidder under the takeover bid and its associates are not entitled to vote on the Approval Resolution.

Each person entitled to vote has one vote for each share in the relevant class held by the person at that time. The vote on the Approval Resolution is decided on a simple majority. The Approval Resolution will be taken to have been passed if more than 50% of votes are cast in favour of the Approval Resolution, otherwise it is taken to have been rejected.

The Directors will breach the Corporations Act if they fail to ensure the Approval Resolution is voted on. However, if the Approval Resolution is not voted on as at the end of the day before the Deadline, the Approval Resolution is taken to have been passed.

If the Approval Resolution is passed (or taken to have been passed) by shareholders, the transfers resulting from the bid must be registered if they comply with other provisions of the Corporations Act and the Constitution.

If the Approval Resolution is rejected, binding acceptances must be rescinded as soon as practicable after the Deadline, and all unaccepted offers and offers failing to result in binding contracts are taken to have been withdrawn at the end of the Deadline.

The proportional takeover provisions do not apply to full takeover bids.

The renewed Rule 79 will expire three years after its reinsertion into the Constitution, unless renewed by a further special resolution of shareholders.

Reasons for proposing this special resolution

A proportional takeover bid involves an offer for only a proportion of each shareholder's securities. This may allow control of the Company to pass without shareholders having the chance to sell all their securities to the bidder and assist a bidder to take control of the company without payment of an adequate control premium.

Shareholders, other than the bidder and its associates, may be exposed to the risk of being left as holding a minority interest in the Company as well as the loss of potential to receive an adequate control premium for their remaining shares. The proportional takeover provisions lessen these risks because they allow shareholders to decide whether a proportional takeover bid is acceptable in principle, is appropriately priced and should be permitted to proceed.

Knowledge of acquisition proposals

At the date this Notice of Meeting was prepared, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Potential advantages and disadvantages

While the proportional takeover provisions have previously been in force under the Constitution, there have been no full or proportional takeover bids for the Company at any time since it listed in 2011. Therefore, there is no example against which to review the advantages or disadvantages of the provisions for the Directors and the shareholders respectively.

The Directors consider that the proposed renewal of the proportional takeover provisions has no potential advantages or potential disadvantages for Directors because they remain free to make a recommendation on whether a proportional takeover bid should be approved.

The potential advantages of the proposed renewal of the proportional takeover provisions for shareholders are:

- shareholders have the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- the provisions may assist shareholders to avoid being locked in as a minority;
- the bargaining power of shareholders is increased, and may assist in ensuring that any proportional takeover bid is adequately priced; and
- knowing the view of the majority of shareholders may help each individual shareholder assess the likely outcome of the proportional takeover bid and to decide whether to approval or reject that offer.

The potential disadvantages of the proposed renewal of the proportional takeover provisions for shareholders are:

- it may discourage offers of proportional takeover bids for shares in the Company and may depress the share price;
- shareholders may lose an opportunity of selling some of their shares at a premium; and
- the likelihood of a proportional takeover bid being successful may be reduced.

The Directors consider that the potential advantages of the proportional takeover provisions for shareholders outweigh the potential disadvantages. In particular, shareholders as a whole are able to decide whether or not a proportional takeover bid should be permitted to proceed.

Shareholders may act

If the special resolution to renew the proportional takeover provisions in Rule 79 of the Constitution is passed, shareholders who together hold not less than 10% (by number) of the issued securities in a class of securities in the Company to which the provisions apply may, within 21 days after the day on which the special resolution is passed, apply to the Court to have the purported renewal set aside to the extent to which it relates to that class of shareholders.

On an application, the Court may make an order setting aside the purported renewal of the proportional takeover provisions if it is satisfied that it is appropriate in all the circumstances to do so. Otherwise the Court must dismiss the application.

Unless and until an application is finally determined by the making of an order setting aside the purposed renewal of the proportional takeover provisions, the Company is taken for all purposes to have validly renewed the proportional takeover provisions applying to that class of shareholders.

Recommendation

The Board unanimously recommends that shareholders vote in favour of the special resolution in relation to Item 8.

The Chairman of the Meeting intends to vote all available proxies in favour of the special resolution.