Preferred Capital Limited
ACN 101 938 176
Darling Park, Tower 1
Ground Floor, 201 Sussex Street
Sydney NSW 2000

NOTICE OF ANNUAL GENERAL MEETING

PREFERRED CAPITAL LIMITED

ACN 101 938 176

Notice is hereby given that the Annual General Meeting of Preferred Capital Limited (the "Company") will be held on Wednesday 4 November 2015 at Level 19 of Darling Park Tower 1, 201 Sussex Street, Sydney NSW commencing at 10:00 am to conduct the following business:

Agenda for AGM

Item 1. Discussion of Financial Statements

To receive and consider the Financial Report for the Company for the year ended 30 June 2015, Directors' Report and the Auditor's Report on the Financial Report.

Item 2. Remuneration Report

To adopt the Remuneration Report for the year ended 30 June 2015.

Determination of Shareholders' Right to Vote

For the purposes of the meeting, those ordinary shareholders holding shares at 10:00 am on Monday 2 November 2015 will be voting members for the meeting. PERLS III holders are entitled to speak and ask questions at an annual general meeting but they are not entitled to vote.

Appointment of proxy – ordinary shareholders only

If you are an ordinary shareholder and are unable to attend and vote at the Annual General Meeting on 4 November 2015, you are entitled to appoint a proxy to attend and vote on your behalf. A proxy need not be a shareholder and may be an individual or body corporate.

If you are an ordinary shareholder entitled to cast two or more votes, you may appoint up to two proxies and may specify the proportion of voting rights or the number of votes each proxy is entitled to exercise.

The proxy appointment must be received by the Company Secretary at the Company's registered office at Ground Floor, Tower 1, 201 Sussex Street, Sydney NSW 2000 or by facsimile to (02) 9118 7192 by 10:00 am (Sydney time) Monday 2 November 2015 (being 48 hours before the meeting).

By order of the Board

A. Clarke

Angela Clarke
Company Secretary
11 September 2015

Explanatory Memorandum

Agenda Item 2:

Remuneration Report

The Annual Financial Report (the "Report") for the year ended 30 June 2015 contains a Remuneration Report (refer page 4 of the Report). The Remuneration Report has been prepared in accordance with the requirements of the Corporations Act 2001 (Cth) ("Corporations Act") and the accounting standards and sets out the remuneration arrangements applying to the Directors who are also the Key Management Personnel of the Company.

The Corporations Act requires the agenda for an Annual General Meeting to include a resolution for the adoption of the Remuneration Report. The vote on the resolution is advisory only and is not binding on the Directors or the Company.