

ASX release

20 October 2020

Notice of Annual General Meeting

The 2020 Annual General Meeting ('**AGM**') of Pioneer Credit Limited (ASX: PNC) ('**Pioneer**' or the '**Company**') will be held at 10 a.m. (AWST) on Thursday 19 November 2020.

The AGM will be conducted as a hybrid meeting and shareholders can either attend the meeting in person or participate by logging in online, as per the instructions set out in the Notice of AGM.

Attached are the following documents:-

1. Letter from the Chairman of Pioneer to shareholders;
2. Notice of AGM; and
3. Proxy Form.

Authorised by:
Sue Symmons
Company Secretary

Investor and media enquiries:

Keith John
Managing Director
Pioneer Credit Limited
M: 0438 877 767

Nyomi Horgan
Citadel-MAGNUS
P: 0412 415 573

About Pioneer

Pioneer Credit is an ASX-listed company (ASX: PNC) providing high quality, flexible, financial services support to help everyday Australians out of financial difficulty. Pioneer Credit has the trust of long-term vendor partners to do the right thing and respectfully support customers to achieve their financial independence.

Pioneer Credit has established a solid foundation to pursue further growth by leveraging its outstanding industry relationships, compliance record and customer-focused culture.

www.pioneercredit.com.au

20 October 2020

Dear Shareholder,

Pioneer Credit Limited (ASX: PNC) ('Company') is holding its Annual General Meeting (**AGM**) on **Thursday 19 November 2020 at 10 a.m.**

Pioneer has recently emerged from a challenging 18 months with a capital structure to support growth, bringing an end to a difficult chapter for our shareholders. The Board and Executive thank you for your patience and reassure you that at every turn we were heavily engaged on a range of activities to protect shareholder interests. This included running an extensive refinancing and change of control process in parallel with negotiating and operating lengthy Standstill Arrangements with our senior financiers.

This AGM is significant in the Company's history as it draws a line under the challenges of the past period and sets the scene for a recovery of our share price. Your Board strongly encourages you to support its recommendations and vote in favour of resolutions presented in the Notice of Meeting.

Pioneer is a growth business in a growth sector, with real opportunities ahead. We now have a funding solution to enable Pioneer to aggressively compete in the purchasing of debt portfolios. Our core business, investment discipline and inclusive and empowering culture remains solid and resilient. The Company's operating performance is trending up and with the benefit of the new capital and the stability it brings, we expect consistent performance improvement.

Strong support from shareholders at this AGM will send a positive signal to the market, confirming the strength of Pioneer's underlying operations, and provide momentum for the cohesive Board and bolstered executive team to drive the Company forward.

The AGM will be conducted as a hybrid meeting and you can either attend the meeting in person or participate by logging in online.

In accordance with subsection 5(f) of the *Corporations (Coronavirus Economic Response) Determination (No. 1) 2020*, the Company will not be dispatching physical copies of the Notice of AGM to shareholders. Instead, a copy of the Notice of AGM and Virtual Meeting Online Guide can be viewed and downloaded online at the following link:-

<https://pioneercredit.com.au/corporate/asx-announcements>

A copy of the Company's FY20 Annual Report can also be found at the above link.

T: 1300 720 823
www.pioneercredit.com.au

Pioneer Credit Limited
ABN: 44 103 003 505
Level 6, 108 St Georges Terrace, Perth WA 6000
PO Box 5673, Perth WA 6831

A personalised Proxy Form is enclosed and we encourage all shareholders to consider the items of business and provide your vote in the time prescribed.

Attendance in Person

The meeting will be held at:-

Conference Room, Lobby, Brookfield Place Tower 2, 123 St Georges Terrace, Perth WA.

In light of the global COVID-19 pandemic, the Company is required to ensure compliance with social distancing requirements and will seek to comply with any applicable requirements and limitations that are in force at the time of the meeting.

Attendance via online platform

Shareholders may also participate in the AGM virtually via the online platform at <https://agmlive.link/PNC20>. We recommend logging in at least 15 minutes prior to the scheduled start time. Please ensure you register using the instructions below:

1. Enter <https://agmlive.link/PNC20> into a supported web browser on your computer or online device;
2. Shareholders will need their Shareholder Reference Number (SRN), Holder Identification Number (HIN) or Employee Number, which is printed at the top of the personalised Proxy Form; and
3. Proxyholders will need their proxy code which Link Market Services will provide via email prior to the meeting.

Further information on how to participate virtually is set out in the full Notice of AGM and the Virtual Meeting Online Guide, both of which are available at: <https://pioneercredit.com.au/corporate/asx-announcements>.

I look forward to welcoming you to the AGM, to reflect on the past year and, more importantly, look to the future. The Board and Executive of Pioneer are eager to deliver on our promise of pursuing new growth, maintaining unparalleled customer service and being the top challenger brand in the industry.

Yours sincerely

A handwritten signature in black ink, appearing to read "Michael Smith".

Michael Smith
Chairman





Pioneer Credit Limited
ACN 103 003 505

Notice of Annual General Meeting

Time: 10 am (AWST)
Date: 19 November 2020
Place: Conference Room
Lobby
Brookfield Place Tower 2
123 St Georges Terrace
Perth WA 6000

And by live webcast at <https://agmlive.link/PNC20>

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote they should seek advice from their professional advisors prior to voting. Should you wish to discuss the matters in this Notice of Meeting please contact the Company Secretary on +61 8 9323 5020.

Notice of Annual General Meeting

TIME AND PLACE OF MEETING

Notice is given that the 2020 Annual General Meeting ('AGM') of Pioneer Credit Limited (ACN 103 003 505) ('Pioneer' or the 'Company') will be held on Thursday 19 November 2020 at 10 am (AWST) at Conference Room, Lobby, Brookfield Place Tower 2, 123 St Georges Terrace, Perth WA as a hybrid meeting.

The Explanatory Statement accompanying this Notice of Meeting provides additional information on matters to be considered at the AGM. Terms used in this Notice of Meeting will, unless the context otherwise requires, have the same meaning given to them in the glossary contained in the Explanatory Statement. The Explanatory Statement and proxy form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the AGM are those who are registered Shareholders at **4 pm AWST on Tuesday 17 November 2020**.

The AGM will be held in person at the address above and will also be made accessible to Shareholders via a live webcast, which will include a facility for Shareholders to ask questions in relation to the business of the AGM. You can participate by logging in online at <https://agmlive.link/PNC20>.

It is recommended that Shareholders log in to the online platform at least 15 minutes prior to the scheduled start time for the AGM by navigating to <https://agmlive.link/PNC20> on a supported web browser on your computer or online device.

To log in to the AGM, you will need your Shareholder Reference Number (SRN), Holder Identification Number (HIN) or Employee Number, as shown on your Proxy Form, and your postcode.

Proxyholders will need a proxy code to log in. This will be provided by the share registry, Link Market Services, via email within 24 hours prior to the AGM.

Shareholders attending the AGM virtually will be able to ask questions and vote during the AGM. All Resolutions will be conducted by poll. More information regarding virtual attendance at the AGM (including how to vote, comment and ask questions virtually during the AGM) is available in the Virtual Meeting Online Guide.

CONDUCT OF THE MEETING

Please be courteous and respectful to all persons attending the AGM. Please keep questions to a reasonable length to allow as many people as possible to participate, contain questions to matters raised at the AGM and don't repeat questions already answered. Please do not photograph or otherwise record the AGM.

ITEMS OF BUSINESS

Financial Report

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

Resolution 1 - Remuneration Report

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

"That the Company's Remuneration Report for the financial year ended 30 June 2020 (as set out in the Directors' Report), be adopted."

Note – The vote on Resolution 1 is advisory only and does not bind the Directors or the Company. This resolution is subject to voting exclusions, which are set out in the Explanatory Statement.

Resolution 2 - Re-Election of Ann Robinson as a Director

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

"That Ann Robinson, who retires as a Director in accordance with clause 6.1(f)(i)(A) of the Company's Constitution, and having offered herself for re-election and being eligible, is re-elected as a Director of the Company."

Resolution 3 - Ratification of prior issue of First Tranche Warrants

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

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of 9,509,737 Warrants (**First Tranche Warrants**) on 25 September 2020, on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."*

Note – This resolution is subject to voting exclusions, which are set out in the Explanatory Statement.

Resolution 4 - Approval of issue of Second Tranche Warrants

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

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 6,157,552 Warrants (**Second Tranche Warrants**) on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

Note – This resolution is subject to voting exclusions, which are set out in the Explanatory Statement.

Resolution 5 - Approval of issue of Second Tranche Warrants to Midbridge Investments Pty Ltd (an associate of Mr Keith John)

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

“That, pursuant to and in accordance with ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 83,337 Second Tranche Warrants to Midbridge Investments Pty Ltd, an associate of Mr Keith John, on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Note – This resolution is subject to voting exclusions, which are set out in the Explanatory Statement.

Resolution 6 - Approval of the Pioneer Equity Incentive Plan

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

“That, for the purpose of Exception 13 of Listing Rule 7.2 and for all other purposes, Shareholders approve any issue of securities under the Pioneer Equity Incentive Plan on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Note – This resolution is subject to voting exclusions, which are set out in the Explanatory Statement.

Resolution 7 - Approval of issue of Options to Mr Keith John

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

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the grant to Mr Keith John, Managing Director, (or his nominee) of 8,000,000 options under the Pioneer Equity Incentive Plan and on the terms described in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Note – This resolution is subject to voting exclusions, which are set out in the Explanatory Statement.

CONDITIONAL ITEM OF BUSINESS

Resolution 8 - Spill Resolution

If less than 25% of the votes cast on Resolution 1 are voted against the adoption of the Remuneration Report, the Chair will withdraw Resolution 8.

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

“That, subject to and conditional upon at least 25% of the eligible votes cast on Resolution 1 (Remuneration Report) being cast against the adoption of the Remuneration Report:

- (i) an extraordinary general meeting of the Company (Spill Meeting) be held within 90 days of the passing of this resolution;*
- (ii) all Directors who were Directors when the resolution to approve the Directors’ Report for the financial year ending 30 June 2020 was passed, other than the Managing Director, cease to hold office immediately before the end of the Spill Meeting; and*

(iii) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting in accordance with paragraph (ii) above be put to the vote at the Spill Meeting.”

Note - If you do not want the spill meeting to take place, vote “**AGAINST**” this Resolution 8. If you want the spill meeting to take place, vote “**FOR**” this Resolution 8. This resolution is subject to voting exclusions, which are set out in the Explanatory Statement.

Sue Symmons

Company Secretary

Date: 16 October 2020

IMPORTANT INFORMATION

Hybrid Meeting

The AGM will be held as a hybrid meeting, and will take place at 10 am on Thursday 19 November 2020. Shareholders may join the AGM in person or via link at <https://agmlive.link/PNC20>.

Shareholders are encouraged to participate in the AGM:

- by attending the meeting in person;
- joining the meeting in real time via our online platform at <https://agmlive.link/PNC20>;
- by asking questions of the Company in advance of the AGM by emailing questions to the Company Secretary at investor_relations@pioneercredit.com.au or by asking questions through the online platform during the AGM. To allow time to collate questions and prepare answers, questions should be received by the Company Secretary by **5 pm (AWST) on Thursday 12 November 2020**; and
- by voting on the resolutions to be considered at the AGM either by lodging a Form of Proxy before the AGM or, to the extent allowed by the Company, by voting during the virtual meeting in accordance with any process and regulation approved by the Company.

Connectivity and other technical issues may arise during the AGM. The Chair has discretion as to whether and how the meeting should proceed in the event that any such issues arise. In exercising this discretion, the Chair will have regard to the extent to which participation in the meeting is affected.

Where the Chair considers it appropriate, the Chair may continue to conduct the AGM, including conducting polls and voting in accordance with valid proxy instructions. For this reason, Shareholders are encouraged to lodge a proxy as soon as practicable and **by no later than 10 am (AWST) on Tuesday 17 November 2020**.

Voting Eligibility

The business of the AGM affects your shareholding and your vote is important. The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to attend and vote at the AGM are those who are registered Shareholders at 4 pm (AWST) on Tuesday 17 November 2020.

If more than one joint holder of Shares is present at the AGM (whether personally, by proxy or by attorney or representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

Voting by Proxy

To appoint proxies, a proxy form must be signed by the shareholder or their duly appointed attorney. If the shareholder is a corporation, the proxy form must be signed in accordance with the Corporations Act or under the hand of its duly appointed attorney or authorised officer.

If you are a shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the AGM.

A proxy need not be a shareholder of the Company. A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

To be effective, the proxy must be received at the Share Registry of the Company **by no later than 10 am (AWST) on Tuesday 17 November 2020**, being 48 hours before the AGM.

Proxies must be received before that time by one of the following methods:

By Post: Pioneer Credit Limited
c/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia

By Facsimile: +61 2 9287 0309

By Hand: Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138

Online: By lodging a proxy online by using the online lodgement facility as detailed in the enclosed Proxy Form.

Completed proxy forms must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

Voting by Attorney

If voting by Attorney, a proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company, in the manner set out above, **by no later than 10 am (AWST) on Tuesday 17 November 2020.**

Corporate Representatives

A body corporate who is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the AGM. The appointment of the representative must comply with the requirements of section 250D of the Corporations Act.

The representative should bring to the AGM a properly executed letter or other document confirming its authority to act as the company's representative. You can download and complete the "Appointment of Corporate Representation" form from Pioneer's share registry's website (www.linkmarketservices.com.au).

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the Company's AGM to be held at 10 am (AWST) on Thursday 19 November 2020.

The purpose of this Explanatory Statement is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the Resolutions. The Directors recommend that Shareholders carefully read this Explanatory Statement before determining whether or not to support the Resolutions.

All Resolutions are ordinary resolutions requiring a simple majority of votes cast in favour by Shareholders entitled to vote on the resolution. All Resolutions will be put to a poll.

The Chair of the AGM intends to vote all undirected proxies (where he has been appropriately authorised) in favour of each of Resolutions 1 to 7 and against Resolution 8.

1. Financial Report

The Financial Report, Directors' Report and Auditor's Report for the year ended 30 June 2020 will be put before the AGM. No resolution is required for this matter.

Together, the Financial Report, Directors' Report and the Auditor's Report constitute the Company's 2020 Annual Report. The Annual Report has been made available to Shareholders and is published on Pioneer's website ([Annual Report](#)).

The Chair will give Shareholders a reasonable opportunity to ask the Auditor questions relevant to the:

- conduct of the audit;
- preparation and content of the Auditor's Report;
- accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- independence of the Auditor in relation to the conduct of the audit.

The Chair will also give the Auditor a reasonable opportunity to answer written questions submitted by Shareholders that are relevant to the content of the Auditor's Report or the conduct of the audit. A list of questions, if any, submitted by Shareholders will be made

available at the start of the AGM and any written answer tabled by the Auditor at the AGM will be made available as soon as practicable after the AGM.

2. Resolution 1 - Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Board is presenting the Remuneration Report to Shareholders for their consideration and adoption by an advisory vote. Although it is an advisory vote which does not bind the Company or the Directors, the Board will take the outcome of the vote and shareholder comments into account when determining future remuneration arrangements.

The Remuneration Report is contained in the Annual Report and is available on Pioneer's website ([Annual Report](#)).

The Company experienced its first strike on its Remuneration Report at the 2019 AGM on 25 November 2019. Should a vote of at least 25% against Resolution 1 (Remuneration Report) be recorded at this AGM, Resolution 8 (Spill Resolution) will be put to the AGM to hold another meeting of Shareholders at which all of the Directors (other than the Managing Director) will be put up for re-election.

If the Spill Resolution passes with more than 50% of the eligible votes cast, then the Company must hold a spill meeting within 90 days at which all Directors (other than the Managing Director) who were in office when the Company's 2020 Directors' Report was approved will retire and may resubmit themselves for re-election. See section 7 of this Explanatory Statement for further information regarding Resolution 8.

The Board recognises it has now emerged from an extremely challenging and demanding 18 months where the retention of key, quality executives and senior managers has been paramount to the Company's survival. Going forward, it seeks to continue to provide that remuneration is directly linked to the Company's performance, aligned with shareholder outcomes and drives the achievement of Pioneer's business strategy.

Pioneer's remuneration strategy is predicated on providing appropriate remuneration to attract and retain executives and staff who attain high performance and deliver long term value. Its remuneration strategy in relation to Non-Executive Directors is based on attracting experienced and qualified directors with appropriate insight into corporate governance issues. Shareholders will have the opportunity to ask questions and comment on the Remuneration Report.

Voting Exclusions

The Company will disregard any votes cast on Resolution 1:

- » by or on behalf of a member of the KMP whose remuneration is disclosed in the Remuneration Report for the financial year ended 30 June 2020 or their closely related party (as defined in the Corporations Act); or
- » as a proxy by a member of the KMP at the date of the AGM, or that KMP's closely related party,

unless the vote is cast as a proxy for a person entitled to vote on the resolution:

- » in accordance with their directions on how to vote as set out in the proxy appointment; or
- » by the Chair pursuant to an express authorisation in the proxy appointment.

The Board abstains, in the interests of good corporate governance, from making a recommendation on the adoption of the Remuneration Report (Resolution 1).

3. Resolution 2 - Re-Election of Ann Robinson

The Company's Constitution requires one-third of the Directors (excluding the Managing Director and any Director being elected for a casual vacancy) to retire from office at each meeting (rounded down). A Director retiring from office under the Constitution, is eligible for re-election.

In accordance with clause 6.1(f)(i)(A) of the Company's Constitution, Ms Ann Robinson retires from office as a director, and being eligible offers herself for re-election as a Director of Pioneer.

Ms Robinson joined the Board of Pioneer in February 2018. Her experience includes management consulting to clients in Australia and internationally, guiding clients through strategic reviews and performance improvement projects across a variety of industries.

Ms Robinson also has extensive experience in mergers and acquisitions and post-merger integration from her roles at Wesfarmers Limited as an executive in the business development team and a member of the executive leadership team at Wesfarmers Chemicals Energy & Fertilisers.

Ann is a non-executive director of Lionel Samson Sadleir Group and a member of the Curtin University Audit, Risk and Compliance Committee and Rottnest Island Authority Board. Ann

holds a Bachelor of Arts from UWA, Bachelor of Psychology from Murdoch University and Graduate Diploma in Applied Finance & Investment from FINSIA.

In accordance with the Company's Board Charter, the Nomination Committee met and recommended to the Board that Ms Robinson be re-elected.

The Board (with Ms Robinson abstaining) unanimously recommends that Shareholders vote in favour of the re-election of Ms Ann Robinson (Resolution 2).

4. Resolutions 3, 4 and 5 - Ratification and approval of Warrants

Background to Warrants

On 16 September 2020, the Group entered into a new \$189,000,000 syndicated facility agreement ('SFA') with a syndicate of members arranged by Nomura Australia Limited ('Syndicate Members') to effect the refinancing of Pioneer's previous senior debt facility and to provide funding for future growth. Financial close under the SFA occurred on 23 September 2020 ('Financial Close').

The key terms of the SFA were set out in the Company's ASX investor presentation dated 24 September 2020, and include:

- a \$169,000,000 term facility;
- a \$20,000,000 purchasing facility, for up to 50% of the value of portfolio debt purchases; and
- up to 15,750,626 zero cost detachable Warrants issued to Syndicate Members, ensuring long term alignment of these incoming financiers with the interests of Shareholders.

The Warrants have a nil exercise price, are detachable and expire 4 years after Financial Close. The Warrants are issued in two tranches to Syndicate Members as follows:

- 9,509,737 First Tranche Warrants, issued on 25 September 2020; and
- 6,240,889 Second Tranche Warrants, to be issued as soon as practicable after the AGM, subject to Shareholder approval.

The issue of the Warrants to the Syndicate Members is an essential component of the expected internal rate of return of the Syndicate Members in participating in the SFA. If the IRR of a Syndicate Member is less than 14.5% at the time of repayment, the Company will be

required to pay an IRR top-up fee. Importantly, the value of the Warrants (or the Shares issued on exercise of the Warrants) will be included when calculating a Syndicate Member's IRR.

Refer to Schedule 1 of this Notice for the material terms of the Warrants and the deed poll under which they are issued.

First Tranche Warrants

The First Tranche Warrants were issued to Syndicate Members utilising the Company's existing 15% placement capacity under Listing Rule 7.1. Resolution 3 seeks shareholder ratification of the prior issue of the First Tranche Warrants in accordance with Listing Rule 7.1.

Listing Rule 7.1 restricts listed companies as to the number of equity securities that they can issue or agree to issue without Shareholder approval. Generally, a listed company cannot, in any 12 month period, issue a number of equity securities which is more than 15% of their fully paid ordinary shares on issue without Shareholder approval (15% capacity), unless an exception applies.

Listing Rule 7.4 provides that where an entity in a general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with Shareholder approval under Listing Rule 7.1, thereby "refreshing" the Company's capacity under Listing Rule 7.1.

By ratifying the Company's previous issue of First Tranche Warrants, the Company will retain the flexibility to issue equity securities in the future within the limits of Listing Rules 7.1 up to its 15% capacity without needing to seek further Shareholder approval.

For the purpose of Listing Rule 14.1A, the following is noted:

- if Resolution 3 is passed, the issue of the First Tranche Warrants will be excluded when calculating the Company's placement capacity under Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the issue of the First Tranche Warrants; and
- if Resolution 3 is not passed, the First Tranche Warrants will not be taken to have been approved by Shareholders for the purpose of Listing Rule 7.1 and the Company's ability to issue new securities without Shareholder approval will be restricted until either the issue of the First Tranche Warrants is ratified at a subsequent meeting or 12 months elapse from the date of issue the First Tranche Warrants.

Second Tranche Warrants

The Second Tranche Warrants are proposed to be issued to complete the issue of Warrants to all Syndicate Members under the SFA. Resolution 4 seeks Shareholder approval for the issue of 6,157,552 Second Tranche Warrants to Syndicate Members (excluding Mr Keith John, Managing Director of Pioneer). Resolution 5 seeks Shareholder approval for the issue of 83,337 Second Tranche Warrants to Midbridge Investments Pty Ltd (an associate of Mr Keith John, Managing Director of Pioneer).

The issue of the Second Tranche Warrants under Resolution 4 is subject to Shareholder approval under Listing Rule 7.1 as the Company's 15% capacity was exhausted by the issue of the First Tranche Warrants. The agreement to issue the Second Tranche Warrants is captured by Exception 17 of Listing Rule 7.2 and is therefore excluded from the Company's placement capacity under Listing Rule 7.1.

A summary of Listing Rule 7.1 is set out above under the heading 'First Tranche Warrants'.

For the purpose of Listing Rule 14.1A, the following is noted:

- if Resolution 4 is passed, 6,157,552 Second Tranche Warrants will be issued to Syndicate Members under the Company's SFA on the terms and conditions set out in this Explanatory Statement. No funds will be raised by the issue of the Second Tranche Warrants; and
- if Resolution 4 is not passed, under the terms of the Warrants, a further general meeting is required to be called within 120 days from Financial Close (being 23 September 2020). If Shareholder approval is not obtained at this further general meeting and the Second Tranche Warrants have not been issued by 380 days after Financial Close ('**Warrant Deadline**'), Pioneer must pay the relevant Syndicate Members a warrant fee calculated based on the formula:

$$\text{Warrant Fee} = 1.25 \times A \times B$$

A is 6,240,889 less such number of Second Tranche Warrants which have been issued by the Warrant Deadline (if any)

B is the VWAP of the fully paid ordinary Shares of Pioneer traded on the ASX over the 30 trading days prior to the Warrant Deadline.

An eligible Syndicate Member's entitlement to a portion of the total Warrant Fee is determined by reference to the proportion which their commitment under the SFA bears to the total commitments under the SFA of all Syndicate Members that did not receive any Second Tranche Warrants. As with the issue of the Warrants, the payment of the Warrant Fee is included (if payable) in the calculation of any IRR fee payable to a Syndicate Member.

As the Company relied on Exception 17 of Listing Rule 7.2 when agreeing to issue the Second Tranche Warrants subject to Shareholder approval, the Company must not issue the Second Tranche Warrants without such approval.

Issue of Second Tranche Warrants to Midbridge Investments Pty Ltd (an associate of Mr Keith John)

In support of the Company's recent refinancing, and at the request of certain Syndicate Members, Mr John, through Midbridge Investments Pty Ltd, participated in the refinancing by making a \$1,000,000 investment on a 'last out' basis. See the Company's ASX investor presentation dated 24 September 2020.

Mr John did not receive any First Tranche Warrants as the issue of the First Tranche Warrants was not subject to Shareholder approval. Mr John will not receive any of the Second Tranche Warrants to be issued under Resolution 4.

Listing Rule 10.11 requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in Listing Rule 10.12 applies.

As the issue of the Second Tranche Warrants under Resolution 5 involves the issue of securities to a related party of the Company, the issue does not relate to remuneration and none of the relevant exceptions apply, Shareholder approval pursuant to Listing Rule 10.11 is required. If Shareholders approve the issue of the 83,337 Second Tranche Warrants to Mr Keith John under Resolution 5, separate approval for that issue is not required under Listing Rule 7.1 because it falls under Exception 14 of Listing Rule 7.2.

For the purpose of Listing Rule 14.1A, the following is noted:

- if Resolution 5 is passed, Midbridge Investments Pty Ltd (an associate of Mr John) will be issued 83,337 Second Tranche Warrants on the terms and conditions set out in this Explanatory Statement as soon as practicable after the AGM; and

- if Resolution 5 is not passed, then Mr John will not be issued the Second Tranche Warrants and the Company will be required to seek shareholder approval again at a further general meeting within 120 days from Financial Close of SFA (being 23 September 2020). If Shareholder approval is not obtained at this further general meeting and the Second Tranche Warrants have not been issued to Mr John by the Warrant Deadline, the Company must pay Mr John his portion of the Warrant Fee as calculated in accordance with the formula set out above under the heading 'Second Tranche Warrants' and also in Schedule 1 to this Notice.

Information Required by the ASX Listing Rules

The following information is provided to Shareholders in relation to Resolution 3 and Resolution 4 for the purposes of Listing Rules 7.3 and 7.5:

- (a) The First Tranche Warrants have been issued to Syndicate Members in consideration of their participation in the Company's refinancing. The 6,157,552 Second Tranche Warrants proposed to be issued under Resolution 4 will be issued to Syndicate Members under the Company's SFA (excluding Mr Keith John) in consideration of their participation in the Company's refinancing. No funds have or will be raised by the issue of Warrants.
- (b) 9,509,737 First Tranche Warrants were issued on 25 September 2020. It is proposed that a total of 6,240,889 Second Tranche Warrants will be issued as soon as practicable after the AGM and in any event, no later than 3 months after the date of the AGM, subject to Shareholder approval.
- (c) The Warrants are/are being issued to Syndicate Members in consideration of their participation under the SFA. The Warrants are/are being issued at Nil consideration at Nil exercise price.
- (d) Refer to Schedule 1 of this Notice for the material terms of the Warrants and the deed poll under which they are issued.

Further to the above, the following information is provided to Shareholders in relation to Resolution 5 for the purposes of Listing Rule 10.13:

- (a) Subject to Shareholder approval, Midbridge Investments Pty Ltd (an associate of Mr Keith John, Managing Director of Pioneer) is to receive 83,337 Second Tranche Warrants as soon as practicable after the AGM, and in any event no later than 1 month

- after the date of the AGM, in consideration for its participation in the Company's refinancing.
- (b) Each Warrant is issued at Nil consideration and is for Nil exercise price for one fully paid Share in the Company.
 - (c) Refer to Schedule 1 of this Notice for the material terms of the Warrants and the deed poll under which they are issued.
 - (d) Shareholder approval is being sought as Midbridge Investments Pty Ltd is an associate of a related party of the Company, Mr Keith John. The issue is not intended to remunerate or incentivise Mr John and relates solely to participation in the SFA by one of his associates.
 - (e) If Resolution 5 is not passed, a further general meeting of the Company will be called within 120 days from Financial Close. If Shareholder approval is not obtained at this further general meeting and the Second Tranche Warrants have not been issued to Mr John by 380 days after Financial Close, Pioneer must pay Mr John his portion of the Warrant Fee as calculated in accordance with the formula set out above under the heading 'Second Tranche Warrants' and also in Schedule 1 to this Notice.

Voting Exclusions (Resolutions 3, 4 and 5)

A vote must not be cast in favour of Resolution 3 (and the Company will disregard any such vote) by or on behalf of a Syndicate Member who was issued First Tranche Warrants or any associate of that party.

A vote must not be cast in favour of Resolution 4 (and the Company will disregard any such vote) by or on behalf of a party who is proposed to participate in, or who will obtain a material benefit as a result of (except a benefit solely by reason of being a Shareholder), the proposed issue of the Second Tranche Warrants pursuant to Resolution 4, or any associate of that party.

A vote must not be cast in favour of Resolution 5 (and the Company will disregard any such vote) by or on behalf of Midbridge Investments Pty Ltd or any associate of that party, including Mr Keith John.

However, a vote may be cast in favour of Resolution 3, Resolution 4 and/or Resolution 5 (and the Company will not disregard any such vote) if it is cast by:

- » a person as proxy or attorney for a person who is entitled to vote on the relevant resolution, in accordance with directions given to the proxy or attorney to vote on the relevant resolution in that way; or

- » the chairperson of the meeting as proxy or attorney for a person who is entitled to vote on the relevant resolution, in accordance with a direction given to the chairperson to vote on the relevant resolution as the chairperson decides; 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 holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the relevant resolution; and
 - the holder votes on the relevant resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

The Independent Directors unanimously recommend that Shareholders vote in favour of Resolution 4 and Resolution 5.

5. Resolution 6 - Approval of Pioneer Equity Incentive Plan

Objectives of Pioneer Equity Incentive Plan

The Board believes that an appropriately designed equity incentive plan is an important component of the Company's remuneration arrangements. Equity incentive plans are a key tool to allow the Company to attract and retain directors and employees and ensure the interests of those directors and employees are aligned with those of Shareholders in creating long-term shareholder value.

The Board has carefully considered the Pioneer Equity Incentive Plan to ensure it achieves these outcomes.

The Pioneer Equity Incentive Plan can be found on the Company's website at [Equity Incentive Plan](#).

Listing Rule 7.2, Exception 13

In general terms, under ASX Listing Rule 7.1, the Company must not issue or agree to issue equity securities in excess of its 15% placement capacity within a 12 month period without the approval of its Shareholders, subject to certain exceptions. One of these exceptions to Listing

Rule 7.1 (Exception 13 of Listing Rule 7.2) is for an equity incentive plan that has been approved in the last 3 years.

Given that the Pioneer Equity Incentive Plan was last approved by Shareholders on 27 October 2017, the 3 year approval period ends in 2020. For that reason, the Board seeks Shareholder approval to refresh the approval of the Pioneer Equity Incentive Plan to ensure that employee incentives granted by Pioneer are not to be counted towards its 15% placement capacity under Listing Rule 7.1.

Resolution 6 seeks Shareholder approval so that the Company can issue securities under the Pioneer Equity Incentive Plan to eligible participants without affecting its ability to issue securities using the Company's 15% placement capacity under Listing Rule 7.1.

The Board believes this will provide the Company with the flexibility necessary to raise additional capital under its 15% placement capacity as and when appropriate and provide long term incentives to its current and future staff.

If Resolution 6 is not passed, the Company's ability to adequately incentivise its employees and attract and retain talent will be prejudiced as any securities proposed to be issued to current or future employees would need to be issued under the Company's Listing Rule 7.1 placement capacity (which is currently diluted due to the First Tranche Warrants) or with Shareholder approval.

For the purpose of Listing Rule 14.1A, the following is noted:

- if Resolution 6 is passed, the Company will be able to rely on Exception 13 of Listing Rule 7.2 when issuing securities to eligible participants under the Pioneer Equity Incentive Plan; and
- if Resolution 6 is not passed, the Company will not be able to rely on Exception 13 of Listing Rule 7.2 when issuing securities to eligible participants under the Pioneer Equity Incentive Plan. While the Company will be able to proceed with the issue of securities to eligible participants, any issues of securities will reduce, to the extent of such issue, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for the relevant period following such issues.

Information Required by Exception 13(b) of Listing Rule 7.2

The following information is provided to Shareholders for the purposes of Exception 13(b) of Listing Rule 7.2:

- (a) A summary of the key terms of the Pioneer Equity Incentive Plan is set out in Schedule 2 of this Notice. The Pioneer Equity Incentive Plan can be found on the Company's website at [Equity Incentive Plan](#).
- (b) 5,030,000 Rights have been issued under the Pioneer Equity Incentive Plan since 27 October 2017, the date on which the Pioneer Equity Incentive Plan was last approved by Shareholders. In accordance with the Pioneer Equity Incentive Plan, the Rights are subject to various Performance Conditions, Vesting Conditions and Disposal Restrictions and may not all vest into Shares. The Shares may be issued to the Eligible Person or acquired on-market. The Company has not previously issued shares on the vesting of Rights, rather it has acquired any required shares on market from cash reserves, to avoid equity dilution.
- (c) The maximum number of securities proposed to be issued under the Pioneer Equity Incentive Plan within the three year period from the date of the AGM is 4,000,000 (which currently represents 5% of the Company's issued share capital) plus the Options to be issued under Resolution 7 below. This is not intended to be a prediction of the actual number of securities to be issued by the Company and is merely a ceiling for the purposes of Exception 13 of Listing Rule 7.2.

Voting Exclusions

A vote must not be cast in favour of Resolution 6 (and the Company will disregard any such vote) by any person who is eligible to participate in the Pioneer Equity Incentive Plan or an associate of that person. However, a vote may be cast in favour (and the Company will not disregard any such vote) if it is cast by:

- » a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- » the chairperson of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chairperson to vote on the resolution as the chairperson decides; 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 holder 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 directions given by the beneficiary to the holder to vote in that way.

The Independent Directors unanimously recommend that Shareholders vote in favour of Resolution 6.

6. Resolution 7 - Approval of issue of Options to Mr Keith John

Background

The Board acknowledges that it has been an extremely challenging and demanding 18 months for the Company and its executives. Throughout this lengthy period executives have endured an extraordinary workload and have worked tirelessly to achieve the best possible outcome for all security holders.

Through the commitment and dedication of the Managing Director, Pioneer has refinanced its senior debt facilities under the SFA, bringing an end to a difficult chapter. It is now well positioned for growth. With that in mind, the Independent Directors have considered the Managing Director's, Mr Keith John, remuneration package to ensure his strong alignment with shareholder value creation and sustainable growth.

Having consideration for:

- the Managing Director's performance over the previous 12 months;
- the Managing Director's driving force behind the Company's refinancing process, the fact that he is specified as a "Key Man" in the SFA and is therefore critical to the Company's future and compliance with the SFA;
- the personal security he committed to the benefit of other Syndicate Members to realise completion of the SFA (and was independently confirmed as being a requirement to the Company's refinancing completing);
- the history and requirements of the Company going forward; and
- the roles and responsibilities of the Managing Director,

the Independent Directors recommend the issue of 8,000,000 unquoted options to Mr John under the Pioneer Equity Incentive Plan as follows:

- (a) 5 million unquoted options exercisable into fully paid ordinary shares at a strike price of \$0.30, expiring 3 years from the date of approval of this issue by Shareholders; and
 - (b) 3 million unquoted options exercisable into fully paid ordinary shares at a strike price of \$0.30, expiring 3 years from the date of approval of this issue by Shareholders, subject to the following vesting conditions:-
 - (i) the VWAP of the Company's Shares exceeds \$1.00 for a minimum period of 8 consecutive weeks during the exercise period; and
 - (ii) Mr John is employed by the Company at that time,
- (‘Options’).

In order to fully exercise the Options and receive the Shares, Mr John must pay a total exercise price of \$2,400,000 to the Company.

The Independent Directors believe that the above incentives provide strong alignment of purpose to shareholder interests and the sustainable growth of the Company.

Listing Rule 10.14

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- 10.14.1. a director of the company;
- 10.14.2. an associate of a director of the company; or
- 10.14.3. a person whose relationship with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Options to Mr John falls within Listing Rule 10.14.1 above and therefore requires the approval of the Company's Shareholders under Listing Rule 10.14. Resolution 7 seeks the required Shareholder approval to the issue of the Options under and for the purposes of Listing Rule 10.14.

For the purpose of Listing Rule 14.1A, the following is noted:

- if Resolution 7 is passed, Mr John (or his nominee) will be issued 8,000,000 Options under the Pioneer Equity Incentive Plan and on the terms described in this Explanatory Statement as soon as practicable following the AGM and in any event no later than 3 years after the date of the AGM and
- if Resolution 7 is not passed, the Options will not be issued to Mr John and the Board will reconsider how to appropriately remunerate Mr John, giving due consideration to its prior offer to him

Having considered the Company's circumstances, Mr John's position as Managing Director of the Company, the Independent Directors have formed the view that Shareholder approval under section 208 of the Corporations Act is not required for the proposed issue of the Options to Mr John, as the Options are being issued to Mr John as part of his remuneration for services provided to the Company in circumstances where the benefit constitutes remuneration which would be reasonable given the Company's, and the related parties, circumstances, and accordingly the exception in section 211 of the Corporations Act applies.

The Independent Directors sought and received endorsement of this opinion from KPMG.

Information Required by Listing Rule 10.15

The following information is provided to Shareholders for the purposes of Listing Rule 10.15:

- (a) The Options are to be issued to Mr Keith John, Managing Director, or his nominee. Shareholder approval is being sought for the grant of the Options as Mr John is a director of the Company.
- (b) Subject to Shareholder approval, Mr John is to receive 8,000,000 Options. The Options will be issued to Mr John as soon as practicable following the date of the AGM and in any event no later than 3 years after the date of the AGM.
- (c) Mr John's current total remuneration package comprises fixed remuneration of \$789,500 p.a. (inclusive of superannuation and a car bay) and variable remuneration which for the current financial year to date includes an ex-gratia bonus of \$200,000 and any securities issued under the Pioneer Equity Incentive Plan, subject to Shareholder approval.
- (d) Since the Pioneer Equity Incentive Plan was last approved by Shareholders on 27 October 2017, Mr John has been issued (with Shareholder approval) a total of 500,000 Indeterminate Rights. Mr John has not received any Options previously.

- (e) The Options are being issued under the Company's Equity Incentive Plan at a strike price of \$0.30 per Option, subject to the vesting conditions set out above.
- (f) The Company has opted to issue Options as an incentive in order to further Mr John's interests with Shareholders and to preserve the cash resources of the Company. The Company has attributed the Options with an indicative value of \$0.0636 per Option, based on an independent valuation using a combination of binomial and trinomial option methodologies, undertaken by RSM Australia Pty Ltd. The actual value (if any) that Mr Keith will receive from the grant of Options will depend on the extent to which the vesting conditions are achieved and the Pioneer Share price at the time of exercise.
- (g) The Options are proposed to be issued in accordance with the Pioneer Equity Incentive Plan, a summary of the key terms and conditions of which is set out in Schedule 2 of this Notice. The Pioneer Equity Incentive Plan can also be found on the Company's website at [Equity Incentive Plan](#). The material terms of the Options are otherwise as set out in section 6 of the Explanatory Statement and in Schedule 3 of this Notice.
- (h) No loan will be paid to Mr John for the exercise of the Options.
- (i) Details of any Options issued under the Pioneer Equity Incentive Plan will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Options under the Pioneer Equity Incentive Plan after this Resolution 7 is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under that Listing Rule.

Voting Exclusions

A vote must not be cast on Resolution 7 (and the Company will disregard any such vote):

- » as a proxy by a member of the KMP at the date of the AGM, or that KMP's closely related party; or
- » in favour of the resolution by any person referred to in Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Pioneer Equity Incentive Plan or an associate of that person,

unless the vote is cast on the resolution by:

- » a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or

- » the chairperson of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chairperson to vote on the resolution as the chairperson decides; 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 holder 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 directions given by the beneficiary to the holder to vote in that way.

The Independent Directors unanimously recommend that Shareholders vote in favour of Resolution 7.

7. Resolution 8 - Spill Resolution (Conditional item)

Background

As noted above in section 2 of the Explanatory Statement, The Company experienced its first strike on its Remuneration Report at the 2019 AGM on 25 November 2019. Should a vote of at least 25% against Resolution 1 (Remuneration Report) be recorded at this AGM, Resolution 8 (Spill Resolution) will be put to the AGM to hold another meeting of the members of the Company at which all of the Directors (other than the Managing Director) will be put up for re-election.

If the Spill Resolution passes with more than 50% the eligible votes cast, then the Company must hold a spill meeting within 90 days at which all Directors (other than the Managing Director) who were in office when the Company's 2020 Directors' Report was approved will retire and may resubmit themselves for re-election ('**Spill Meeting**').

If you do not want the Spill Meeting to take place, vote "**AGAINST**" Resolution 8. If you want the Spill Meeting to take place, vote "**FOR**" Resolution 8.

In the event a Spill Meeting is required, a separate notice of meeting will be distributed to Shareholders with details about those persons that will seek election as directors of the Company at the Spill Meeting. Even if Ms Ann Robinson is re-elected at the AGM, she will need to stand for re-election at the Spill Meeting (if convened).

The Board considers the following factors to be relevant to a Shareholder's decision on how to vote on Resolution 2 and Resolution 8:

- the Board has taken the 'first strike' against the 2019 Remuneration Report very seriously, including through increased shareholder engagement;
- each of the non-executive Directors listed above has previously been elected as a director with the strong support of Shareholders;
- the current Board has the skills and experience to provide effective oversight to your Company and to represent Shareholders;
- a spill of the Board could significantly undermine the stability of the Board, and the stability of the Company. Holding the Spill Meeting may also create significant disruption and uncertainty for the Company. Furthermore, if the Spill Meeting occurred and the non-executive Directors were not returned to office, it could take considerable time to rebuild a Board with the same skills and experience as the current group of non-executive Directors. Further changes to the Board and uncertainty in the renewal of non-executive Directors resulting from the Spill Meeting is not believed by your Board to be in the best interests of the Company or its Shareholders; and
- convening a Spill Meeting would cause significant disruption, uncertainty and cost to the Company, which the Board does not consider would be in the best interests of the Company or its Shareholders.

Voting Exclusions

The Company will disregard any votes cast on Resolution 8:

- » by or on behalf of a member of the KMP whose remuneration is disclosed in the Remuneration Report for the financial year ended 30 June 2020 or their closely related party; or
- » as a proxy by a member of KMP at the date of the AGM, or that KMP's closely related party,

unless the vote is cast as a proxy for a person entitled to vote on the resolution:

- » in accordance with their directions on how to vote as set out in the proxy appointment; or
- » by the Chair pursuant to an express authorisation in the proxy appointment.

The Directors of the Company strongly recommend that Shareholders vote AGAINST the Resolution 8 (Spill Resolution). The Chair of the meeting intends to vote undirected proxies against Resolution 8.

8. Glossary

\$ or A\$ means Australian dollars;

Annual General Meeting or **AGM** means the meeting of Shareholders convened by the Company to be held as a hybrid meeting in person at Conference Room Lobby, Brookfield Place Tower 2, 123 St Georges Terrace, Perth or via <https://agmlive.link/PNC20> on Thursday 19 November 2020 at 10 am (AWST) for the purpose of considering and voting on the Resolutions;

ASX means the Australian Securities Exchange;

AWST means Australian Western Standard Time;

Corporations Act means *Corporations Act 2001* (Cth);

Directors means the directors of the Company;

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting;

First Tranche Warrants means the 9,509,737 Warrants issued on 25 September 2020;

Independent Director means each of Pioneer's independent non-executive directors, being Andrea Hall, Ann Robinson and Michael Smith;

KMP or **Key Management Personnel** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company;

Notice of Meeting means the notice of meeting provided to Shareholders for the purpose of convening the AGM;

Pioneer Equity Incentive Plan means the Pioneer Credit Limited Equity Incentive Plan, the key terms of which are set out in Schedule 2 of this Notice;

Resolutions means the resolutions set out in the Notice of Meeting to be considered at the AGM;

Second Tranche Warrants means the 6,240,889 Warrants proposed to be issued subject to Resolution 4 and Resolution 5;

Shareholders means the registered holders of ordinary shares in the Company;

VWAP means the volume weighted average price of the Company's ASX listed Shares; and

Warrant means each of the warrants issued by the Company to acquire a fully paid ordinary share in the Company pursuant to the Warrant Deed Poll dated on or about 15 September 2020, the material terms of which are set out in Schedule 1 of this Notice.

Schedule 1 – Material Terms of Warrants

1. Total Warrants to be issued: 15,753,725
2. Warrant Exercise Price: Nil
3. Warrant Expiry Date: 23 September 2024
4. Warrants will not be listed on the ASX.
5. Warrants do not carry any voting rights at a general meeting of the Company.
6. A Warrant holder may novate, assign, charge, encumber or grant security interests over any of its Warrants.
7. Warrants are exercisable at any time provided that the Warrants being exercised equals at least 100,000 Warrants or such lesser number of Warrants if the notice of exercise relates to all of the Warrants held by that Warrant holder.
8. Pioneer must give ASX a written notice in accordance with section 708A(5)(e) of the Corporations Act which complies with the requirements of section 708A(6) of the Corporations Act or, if the Company is unable to issue a notice under for any reason, issue and lodge a Cleansing Prospectus with ASIC in accordance with section 708A(11) of the Corporations Act and then issue the relevant Shares within 10 Business Days after a Notice of Exercise is given.
9. Shares issued as a result of the exercise of the Warrants will be issued as fully paid ordinary shares in the Company and will rank equally in all respects to shares already on issue.
10. If the Second Tranche Warrants have not all been issued under the Warrant Deed by the date that is 380 days after Financial Close (**‘Warrant Deadline’**), Pioneer must, within 30 days after the Warrant Deadline, pay the Agent (for the account of the relevant Financiers) the amount that is equal to ‘W’ based on the formula below:-

$$W = 1.25 \times A \times B$$

Where

- A is 6,240,889 less such number of Second Tranche Warrants which have been issued by the Warrant Deadline (if any)
- B is the VWAP of the fully paid ordinary Shares of Pioneer traded on the ASX over the 30 trading days prior to the Warrant Deadline.

A Syndicate Member's entitlement to a portion of the total Warrant Fee is determined by reference to the proportion which their commitment under the SFA bears to the total commitments under the SFA of all Syndicate Members that did not receive any Second Tranche Warrants.

11. If the capital of the Company is reorganised, the rights of Warrant holders will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation. If prior to the Expiry Time and for so long as any Warrants remain on issue, there occurs:
 - a consolidation or sub-division of capital of the Company, the number of unexercised Warrants must be consolidated or sub-divided (as the case may be) in the same ratio as the capital of the Company is consolidated or subdivided;
 - a pro-rata cancellation of capital of the Company, the number of unexercised Warrants must be reduced in the same ratio as the capital of the Company is cancelled; or
 - a reduction of capital of the Company by way of a cancellation of paid up capital that is lost or not represented by available assets where no securities are cancelled, the number of unexercised Warrants must remain unaltered, in each case, with the intention that any such adjustment will not result in any benefits being conferred on the Warrant holders which are not conferred on holders of issued Shares (in the event of fractional entitlements, rounded up to the nearest whole number).

Schedule 2 – Key terms of the Pioneer Equity Incentive Plan

The material terms of the Pioneer Equity Incentive Plan ('Plan') are as follows:

1. The Board is empowered under the Plan terms and conditions to determine the key terms of any Share, Option or Right allocated under the Plan.

2. *Eligibility*

The Plan is open to eligible employees, namely employees and executive directors of the Company (or a subsidiary of the Company) or any other person whom the Board determines to be eligible to participate in the Plan from time to time (Eligible Employees).

3. *Participation*

Each Eligible Employee who acquires a legal or beneficial interest in a Plan Interest (including the legal personal representative of the person) becomes a 'Participant' in the Plan.

4. *Invitation*

An offer by the Board to acquire a Plan Interest and become a Participant in the Plan will be in such form and subject to such conditions as the Board determines.

5. *Rights of Participants*

Unless Forfeiture Conditions are triggered or the Expiry Date is reached, Plan Interests remain subject to the terms and conditions of the Plan until all applicable Performance Conditions, Vesting Conditions and Disposal Restrictions are achieved.

Where Options or Rights have been granted, upon vesting and exercise (as applicable), Participants will receive either a beneficial entitlement to Plan Shares (i.e. subject to Disposal Restrictions) or a legal and beneficial entitlement to Shares (which are no longer held under the Plan). Plan Shares will rank equally with Shares in respect of dividends and voting entitlements.

Where Rights are granted, depending on the invitation terms specified, the Board may determine in its absolute discretion that a vested Right will be satisfied by the Company making a cash payment to the Participant in lieu of allocating Shares (Indeterminate Rights).

Where Options or Rights have been granted a Participant is not entitled to participate in a new issue of Shares.

A holder of Plan Interests is not entitled to participate in a new issue of Shares or other securities made by the Company to Shareholders merely because he or she holds Options or Rights.

The Company will apply for quotation of the official list of the ASX of the Plan Shares or Shares (as the case may be) or upon the exercise of an Option issued or a vested Right that vests under the Plan. The Company will not seek official quotation by ASX of any Options or Rights.

In the event of a change of control, the Board may give notice to Participants and discretion to deal with the Plan Interests by:

- converting Participants' Rights to Shares whether or not all conditions have been met;
- permitting the exercise of some or all Options whether or not Vesting Conditions have been met; and/or
- removing any Disposal Restrictions attaching the Plan Shares.

6. *Assignment*

Plan Interests issued under the Plan are not transferable or assignable.

7. *Administration*

The Plan will be administered by the Board which has an absolute discretion to determine appropriate procedures for its administration and resolve questions of fact or interpretation and formulate special terms and conditions (subject to any applicable ASX Listing Rules) in addition to those set out in the Plan.

8. *Termination and Amendment*

The Plan may be terminated or suspended at any time by the Board but any such suspension or termination will not affect nor prejudice rights of any Participant holding Plan Interests at that time. The Plan may be amended at any time by the Board.

Schedule 3 – Key terms of the Options

The material terms of the Options proposed to be issued to the Managing Director of the company under the Pioneer Equity Incentive Plan ('Plan') are as follows:

1. *Grant of Options*

Subject to Shareholder approval, the Managing Director (or his nominee) will be issued 8,000,000 Options to acquire fully paid ordinary shares in the capital of the Company, subject to the Plan, the Vesting Conditions and the payment of the Exercise Price. The Options will be issued as soon as practicable following the date of the AGM.

The Company will not seek official quotation by ASX of the Options.

2. *Vesting Conditions*

The Options to be issued to the Managing Director are comprised of the following:

- (a) 5 million unquoted Options exercisable into fully paid ordinary Shares at an Exercise Price of \$0.30, expiring 3 years from the date of approval of this issue by Shareholders; and
- (b) 3 million unquoted options exercisable into fully paid ordinary Shares at an Exercise Price of \$0.30, expiring 3 years from the date of approval of this issue by Shareholders, subject to the following Vesting Conditions:-
 - (i) the VWAP of the Company's Shares exceeds \$1.00 for a minimum period of 8 consecutive weeks during the exercise period; and
 - (ii) the Managing Director is employed by the Company at that time.

The Board may waive, amend or replace any performance measure in a Performance Condition attaching to the Options if the Board determines that the relevant Performance Condition is no longer appropriate or applicable, provided that the interests of the relevant Participant are not, in the opinion of the Board, materially prejudiced or advantaged relative to the position reasonably anticipated at the time of the grant.

3. *Forfeiture Conditions*

Unless the Board determines otherwise:

- (a) if the Managing Director ceases to be an employee of the Group, all unvested Options that they hold will lapse immediately; and
- (b) if, in the opinion of the Board, the Managing Director acts fraudulently or dishonestly, or is in breach of his obligations to the Company, any unvested Options or vested but unexercised Options that he holds will lapse immediately.

All unexercised Options (whether vested or unvested) will lapse upon the liquidation of the Company.

4. *Exercise of Options*

Subject to the Vesting Conditions, the Managing Director may exercise some or all of his Options at any time on and from the date of issue until 5pm on the 3rd anniversary following Shareholder approval (the Expiry Date). If an Option is not exercised during the Exercise Period, it will lapse immediately.

Unless Forfeiture Conditions are triggered or the Expiry Date is reached, the Options remain subject to the terms and conditions of the Plan until all applicable Performance Conditions, Vesting Conditions and Disposal Restrictions are achieved.

Upon exercise of the Options, the Managing Director will receive a legal and beneficial entitlement to Shares (which are no longer held under the Plan). The Company will apply for quotation of the official list of the ASX of the Shares upon the exercise of an Option.

5. *Pro-rata issues, reconstructions of capital and takeovers*

Where an Option has been granted but not exercised, the Managing Director will not be entitled to participate in a new issue of Shares unless the Option is exercised into Shares before the record date for the relevant issue.

If, prior to the exercise of an Option, the Company makes a bonus issue of Shares to Shareholders, the Options will, when exercised, entitle the Managing Director to one Share plus the number of bonus shares which would have been issued had the Options been exercised. If, prior to the exercise of an Option, the Company makes a pro-rata offer of Shares to Shareholders, and the Option is not exercised prior to the record date in respect of that offer, the exercise price of the Option will be adjusted in accordance with the formula in the Listing Rules. In the event of any reconstruction of the share capital of the Company, the number of Shares that may be acquired by the Managing Director and/or the Exercise Price payable by the Managing Director for the acquisition of the Shares must be reconstructed to the extent necessary to comply with the Listing Rules.

In the event of a change of control, the Board may give notice to the Managing Director and discretion to deal with the Options by permitting the exercise of some or all Options whether or not Vesting Conditions have been met.

6. *Transfer and assignment*

Options issued under the Plan are not transferable or assignable.

7. *Administration*

The Plan will be administered by the Board which has an absolute discretion to determine appropriate procedures for its administration and resolve questions of fact or interpretation and formulate special terms and conditions (subject to any applicable ASX Listing Rules) in addition to those set out in the Plan.

LODGE YOUR VOTE



ONLINE

www.linkmarketservices.com.au



BY MAIL

Pioneer Credit Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138



ALL ENQUIRIES TO

Telephone: 1300 554 474 Overseas: +61 1300 554 474

LODGE A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **10:00am (AWST) on Tuesday, 17 November 2020**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy 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).

HOW TO COMPLETE THIS SHAREHOLDER PROXY 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.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name and email address of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. 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 do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

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 Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy 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; and
- return both forms together.

SIGNING INSTRUCTIONS

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

Individual: where the holding is in one name, the holder 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 lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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 representative of the corporation is to attend the Meeting Virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at vote@linkmarketservices.com.au prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

NAME SURNAME
ADDRESS LINE 1
ADDRESS LINE 2
ADDRESS LINE 3
ADDRESS LINE 4
ADDRESS LINE 5
ADDRESS LINE 6



X99999999999

PROXY FORM

I/We being a member(s) of Pioneer Credit Limited and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

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 and email of the person or body corporate you are appointing as your proxy (an email will be sent to your appointed proxy with details on how to access the virtual meeting)

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (AWST) on Thursday, 19 November 2020 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a hybrid meeting and you can either participate by attending in person at Conference Room, Lobby, Brookfield Place Tower 2, 123 St Georges Terrace, Perth WA or by logging in online at <https://agmlive.link/PNC20> (refer to the Virtual Guide and **Notice of Annual General Meeting and Explanatory Notes**).

Important for Resolutions 1, 6, 7 & 8: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, 6, 7 & 8, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote all available proxies in favour of each of Resolutions 1 to 7 and **AGAINST** Resolution 8.

STEP 2

VOTING DIRECTIONS

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

Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Ann Robinson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Ratification of prior issue of First Tranche Warrants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of issue of Second Tranche Warrants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of issue of Second Tranche Warrants to Midbridge Investments Pty Ltd (an associate of Mr Keith John)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval of the Pioneer Credit Limited Equity Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Approval of issue of Options to Mr Keith John	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Board Recommendation: The Board recommends shareholders vote **AGAINST** resolution 8.

For **Against** Abstain*

8 Conditional item - Spill Resolution

Note – Resolution 8 will only be put to the Annual General Meeting if at least 25% of votes cast on Resolution 1 (Remuneration Report) are “against” that Resolution. If less than 25% of the votes cast on Resolution 1 are against that Resolution, then there will be no second strike and Resolution 8 will not be put to the Annual General Meeting.



* If you mark the Abstain box for a particular Item, you are 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 should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

PNC PRX2003N

