



Australian United Retailers Ltd.
ABN 93 077 879 782

AFOU

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



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Dear Member,

I have pleasure in inviting you to attend the Australian United Retailers Limited 2018 Annual General Meeting (AGM) and enclose the Notice of Meeting which sets out the business to be conducted.

The AGM will be held at the Company's Head Office located at Level 1, 1601 Malvern Road Glen Iris Victoria 3146 on Tuesday 23 October 2018 at 10.00am (AEDT).

The AGM is an opportunity for members to hear Directors' comments, ask questions about Company performance and receive the Financial Report for the year ended 30 June 2018.

An important item of business this year is related to the re-election of Directors. There are three candidates standing for re-election to the Board this year.

The Annual Report is available to members in electronic form on the Australian United Retailers Limited's Extranet at <http://extranet.foodworks.com.au>. A hard copy can be arranged on request.

If you are unable to attend the AGM, I encourage you to complete the enclosed Proxy Form accompanying the Notice of Meeting so that your votes can be represented. The completed form must be received by 10.00am on Sunday 21 October 2018.

Given that the technical deadline to receive your Proxy Form falls on a Sunday, please send your Proxy Form as early as possible to minimise any chance of delays or administrative confusion.

If you are planning to attend the meeting in person, please bring this letter to assist with registration.

We also encourage members who have internet access to update their current securityholder information (particularly e-mail address and banking details) at www.computershare.com.au/easyupdate.AFOU. The Easy Update service is fast, secure and will ensure company information is received on a timely basis.

When accessing the secure Easy Update website you will need your SRN/HIN which is located at the top of this letter. For security reasons, please keep this information confidential.

I look forward to catching up with many of our members at the AGM. Your continuing support is greatly appreciated.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Neil Osborne', followed by a long horizontal line extending to the right.

Neil Osborne
Chairman
Australian United Retailers Limited

Australian United Retailers Limited
ACN 077 879 782 ABN 93 077 879 782
Level 1, 1601 Malvern Road, Glen Iris, Vic. 3146 T: 9809 8600 F: 9809 8699 W: www.foodworks.com.au



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Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000



Proxy Form

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For your vote to be effective it must be received by 10.00 AM (AEDT) Sunday 21 October 2018

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View the annual report or update your securityholding, 24 hours a day, 7 days a week:

www.investorcentre.com

- Access the annual report
- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN: I9999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

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Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



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Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Australian United Retailers Limited hereby appoint

the Chairman of the Meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Australian United Retailers Limited to be held at Level 1, 1601 Malvern Road, Glen Iris, Vic on Tuesday, 23 October 2018 at 10.00 AM (AEDT) and at any adjournment or postponement of that meeting.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Item 2 Re-election of Fred Fairthorne as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3 Re-election of David Williamson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4 Re-election of Rod McPhee as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / /

AFOU

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Computershare +

AUSTRALIAN UNITED RETAILERS LIMITED

ACN 077 879 782

Incorporated in Victoria

Registered office:

Level 1, 1601 Malvern Road, Glen Iris, Vic, 3146

NOTICE OF 2018 ANNUAL GENERAL MEETING

Notice is hereby given that:

The 2018 Annual General Meeting (**AGM**) of members of Australian United Retailers Limited ACN 077 879 782 (**Company**) will be held at Level 1, 1601 Malvern Road, Glen Iris, Vic on Tuesday, 23 October 2018 at 10.00 AM (**AEDT**).

BUSINESS

Accounts and Reports

Item 1 - To consider the financial statements

To receive and consider the Financial Report of the Company and its controlled entities for the year ended 30 June 2018 and the related Directors' Report, Directors' Declaration and Auditors' Report.

Shareholders will be asked to consider, and if thought fit, pass the resolutions below as ordinary resolutions.

Election of Directors

Item 2 – Re-election of Fred Fairthorne as a Director

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

"That in accordance with the Company's Constitution, Mr Fred Fairthorne retires by rotation and being eligible is re-elected as a Director of the Company."

Item 3 – Re-election of David Williamson as a Director

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

"That in accordance with the Company's Constitution, Mr David Williamson retires by rotation and being eligible is re-elected as a Director of the Company."

Item 4 – Re-election of Rod McPhee as a Director

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

"That in accordance with the Company's Constitution, Mr Rod McPhee retires and being eligible is re-elected as a Director of the Company."

By Order of the Board

Paul Petrone
Company Secretary

Dated 27 September 2018

AUSTRALIAN UNITED RETAILERS LIMITED

ACN 077 879 782

EXPLANATORY MEMORANDUM FOR SHAREHOLDERS

Introduction

This Explanatory Memorandum provides information for shareholders in respect of Items 1 to 3 to be considered at the AGM.

Item 1 - Tabling of Accounts

The Director's Report of the 2018 Annual Report is available for viewing at <http://extranet.foodworks.com.au>.

Members will be given a reasonable opportunity at the meeting to ask questions and make comments on the annual Financial Report, the Directors' Report, the Auditor's Report and on the business, operations and management of the Company.

There is no vote on this item.

Items 2 – 4: Re-election of Directors

The Directors of the Company to retire by rotation in accordance with the Company's Constitution are Mr Fred Fairthorne and Mr David Williamson.

Fred and David, each being eligible for re-election in accordance with the Company's Constitution, have nominated for re-election.

Mr Rod McPhee having been appointed to the Board in February 2018, is seeking re-election as a Director of the Board in accordance with the Company's Constitution.

The Board of Directors of the Company desire to reduce the size of the Board over time and have adopted the policy to abstain from making recommendations in respect of resolutions to re-elect Directors.

Item 2 – Re-election of Fred Fairthorne as a Director

Fred Fairthorne was appointed to AURL as a director in September 2009. Fred is a member of the Audit & Risk Committee of the Board.

Fred has provided the information set out below for inclusion in this Explanatory Memorandum.

Fred Fairthorne



Fred was appointed as a Director of the Company in September 2009 and he is a member of the Audit and Risk Committee.

Fred has been closely involved in the operation and management of supermarkets for many years. His family has been involved in supermarket operations since 1961, consequently Fred has been personally involved from an early age. He was a founding shareholder of Action Supermarkets in WA in 1977. Subsequently he co-founded Newmart Supermarkets in 1988.

Fred currently has a strong presence in supermarket retailing and is currently involved in the ownership and operation of several facilities in the Perth area. He has been an AUR retailer in the Farmer Jack's brand for over 10 years.

Fred is an innovator in supermarket retailing and is currently working on new store formats and layouts, including lowering equipment capital costs and operating costs.

Farmer Jack's stores trade effectively next to major chain competitors. Farmer Jack's continues to expand with two stores of over 3000 m² being added to the group in the last couple of years.

Fred therefore brings to the Board a depth of relevant and diverse retailing experience at both operational and management levels.

Fred comments:

I am dedicated to AUR's success and I understand for this to happen our retailers must succeed. I will continue to do my best to ensure:

1. AUR gives it's retailers the best possible support.
2. We work to get the landed cost of product into our stores as low as possible.
3. Shareholders receive a return on their investment in AUR.

With your continuing support I look forward to continuing working with our Board, Staff and Retailers for further positive results.

AUSTRALIAN UNITED RETAILERS LIMITED

ACN 077 879 782

Item 3 – Re-election of David Williamson as a Director

David Williamson was appointed to AURL as a director in November 2010. David is currently Deputy Chairman of the Board of the Company and the Chairman of the Remuneration and Nomination Committee of the Board.

David has provided the information set out below for inclusion in this Explanatory Memorandum.

David Williamson



I am very proud to say I have been part of a family who has been serving my local community as owners of an Independent Retail Business, for over 40 years. I have grown up in this industry and as such feel I have invaluable experience and knowledge which continues to help my family grow and adapt our business in accordance with consumer demands and trends. We have had to be very innovative and creative with both our store layouts and marketing and we are constantly striving to change both our approach and facilities, to best accommodate our customer's needs. Our Gisborne store was one of the original FoodWorks Supermarket Group stores and I believe this longstanding association with FoodWorks, as well as my years in the industry, enables me to be a valuable contributor to the Board.

In 2006, my wife and I purchased our Gisborne store, excited by the prospect of carrying on our family's legacy. We also own and operate Sunbury FoodWorks, while my father and family own and operate the Riddell's Creek FoodWorks. Branching out from our home base in Gisborne, where my family, has shown great loyalty and support, has brought with it new challenges. Through these experiences I have learnt and continue to learn, many new and valuable skills and lessons about being a manager and owner. Over the last four years, I have gained further insight into another component of our industry, having established our own small wholesale business to further support and supply independent retailers.

I believe the knowledge, skills and experience I have gained throughout my longstanding involvement and management of a number of supermarkets of varying sizes, will enable me to represent all FoodWorks' owners with a keen awareness of the issues they face, their needs and ways in which we as an organisation can best support them to develop and build their stores.

With over 20 years of involvement with FoodWorks as a Director and Store Owner, as well as 7 years of experience as a board member, past Chairman of the Supply Chain committee, and current Deputy Chairman of the board as well as Chairman of the Remuneration and Nomination committee, I am certain I would be a valuable contributor. I know I offer the AURL board, our shareholders and retailers a dedicated and committed representative, who has an invested interest in seeing our company continue to develop and succeed.

My passion and enthusiasm for my stores, our industry and the FoodWorks organisation is unquestionable and I would relish the opportunity to serve as a board member. I thank you for your consideration.

Item 4 – Re-election of Rod McPhee as a Director

Rod was appointed a Director of the Company on 21 February 2018 and is a member of the Remuneration and Nomination Committee of the Board.

Rod has provided the information set out below for inclusion in this Explanatory memorandum.

Rod McPhee



Rod brings to the board over 40 years of experience in retail and as board member in various organisations

He has extensive experience in Retail Store Management, Resource Management (including Finance, Inventory, Property and Staff), Supply Chain, Quality Assurance and Client Engagement.

Rod was a Director of Action Holdings and Foodchain Holdings (a division of Foodland Associated Ltd) and held the position of General Manager (Retail & Property) of Action Supermarkets for over 30 years. He played an integral role in growing Action Supermarkets (located in Western Australia and Queensland) from an annual turnover of \$133.4 million to an annual turnover \$1.23 billion.

Rod was also a part owner, Director and Chief Executive Officer at Progressive IGA, a Western Australian Supermarket chain

During his time in the retail supermarket industry, Rod has developed extensive knowledge in acquiring and rebranding supermarkets, redeveloping existing shopping centres to enable an increased return on investment, and developing new supermarkets.

“With over 30 years in the supermarket and shopping centre industry in Western Australia, Queensland and Northern New South Wales, my challenge is to work with the Board and the Foodworks team to create a model that can successfully compete against the other National retailers and to successfully lower the price of product to our stores.

I would also like to reduce the cost of fit outs of new stores and revamps of the existing stores so increase the bottom line for the AUR retailers.

If elected I will continue to work with the team to take AUR to a new level.”

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ACN 077 879 782

IMPORTANT NOTICES

Only Class "A" Redeemable Preference Shareholders are entitled to vote at the AGM.

Voting Entitlements

For the purposes of determining voting entitlements for the AGM, shares will be taken as held by those registered in the Share Register at 5.00 pm on 22 October 2018.

Proxy Voting

A member is entitled to appoint a proxy to attend and vote on their behalf.

A Class "A" Redeemable Preference Shareholder who is entitled to cast 2 or more votes at the AGM, may appoint up to 2 proxies. To appoint 2 proxies, the appointment must specify the proportion of the voting rights which each proxy is entitled to represent. The proxy or proxies appointed by a Class "A" Redeemable Preference Shareholder must be appointed to represent the whole of that member's voting rights in respect of shares held by that member.

If you wish to appoint the Chairman of the meeting as your proxy, mark the appropriate box on the proxy form. Your proxy may be an individual or a body corporate and need not be a member of the Company.

Proxy Vote to be Effective

For the appointment of a proxy to be effective, the Proxy Form, together with any authority under which the Proxy Form was executed or a certified copy of that authority, must be:

- deposited at the Company's Registered Office, Level 1, 1601 Malvern Road, Glen Iris, Victoria 3146; or
- returned in the enclosed envelope to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Vic 8060; or
- faxed to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia); or
- submitted to www.intermediaryonline.com, for Intermediary Online subscribers only (Custodians),

at least 48 hours before the meeting.

Proxyholders

Prior to the commencement of the meeting, proxyholders will be issued with details of the voting instructions (if any) that relate to their appointment. If a proxyholder has received directed voting instructions, the proxyholder will be deemed to have voted in accordance with those instructions if the proxy participates in the voting procedure.

Directed Proxy Votes

If you appoint someone other than the Chairman of the meeting as your proxy and give them voting instructions and a poll is duly demanded in relation to the

AUSTRALIAN UNITED RETAILERS LIMITED

ACN 077 879 782

resolution, the Chairman of the meeting must cast those proxy votes on your behalf if your nominated proxy does not do so.

Undirected Proxy Votes

Unless otherwise precluded from voting (refer to the section above headed "Persons Precluded from Voting"), if a proxyholder has not received voting instructions (an undirected proxy) the proxyholder will be entitled to vote either for or against (or abstain) in respect of each resolution.

Corporate representative

If a representative of a corporate member is to attend the meeting pursuant to section 250D of the Corporations Act, a certificate of appointment of the representative must be produced prior to admission to the meeting. A form of the certificate may be obtained from the Company's Share Registry or at www.computershare.com.

