
Orchid Capital Limited

ABN 30 073 099 171

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY STATEMENT

PROXY FORM

TIME: 11.00 am (WST)

DATE: Wednesday, 30 November 2011

PLACE: Suite 6
32 Hines Road
O'Connor WA 6163

This Notice of Annual General Meeting is an important document and requires your immediate attention. Please read it carefully. If you are in doubt as to what you should do, please consult your professional adviser.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders of Orchid Capital Ltd which this Notice of Annual General Meeting relates to will be held at 11.00 am (WST) on 30 November 2011 at:

Suite 6
32 Hines Road
O'Connor WA 6163

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the proxy form enclosed and either:

- (a) post or deliver the proxy form by hand to the Company's place of business at Suite 6, 32 Hines Road, O'Connor, Western Australia 6163; or
- (b) send the proxy form by facsimile to the Company on facsimile number +61 8 9338 8699

so that it is received no later than 11.00am (WST) on 28 November 2011

Proxy forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Orchid Capital Ltd will be held at Suite 6, 32 Hines Road, O'Connor, Western Australia 6163 at 11.00 am (WST) on 30 November 2011.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at the close of business on 28 November 2011.

AGENDA

BUSINESS

The Explanatory Statement which accompanies and forms part of this Notice describes the matters to be considered at the Meeting.

ORDINARY BUSINESS

Reports and Accounts

To receive and consider the financial statements of the Company for the year ended 30 June 2011 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

1. RESOLUTION 1 – REMUNERATION REPORT

To consider and if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That for the purposes of section 250R(2) of the Corporations Act, and for all other purposes, the Company adopt the Remuneration Report."

Short Explanation: The Corporations Act provides that a resolution that the remuneration report be adopted must be put to vote at a listed company's annual general meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTORS

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, Clive McKee, being a Director of the Company who retires by rotation in accordance with clause 13.2 of the Constitution and, being eligible, offers himself for re-election, is re-elected as a Director of the Company."

Short Explanation: Clause 13.2 of the Constitution requires that at the Annual General

Meeting one third of the Directors for the time being shall retire from office. A retiring Director is eligible for re-election.

DATED: 17 OCTOBER 2011

BY ORDER OF THE BOARD

**MR RICHARD LAMBE
COMPANY SECRETARY
ORCHID CAPITAL LTD**

Voting Exclusion Note:

Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting.

1. RESOLUTION 1– REMUNERATION REPORT

The Remuneration Report is set out in the Director's Report in the Company's 2011 Annual Report. It is also available on the Company's website at www.orchidcapital.net.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report be put to the vote of the Company at the Annual General Meeting. However, Shareholders should note that the vote on Resolution 1 is advisory only and is not binding on the Company or its Directors.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

The Directors recommend that Shareholders vote in favour of Resolution 1.

2. RESOLUTION 2 – RE-ELECTION OF CLIVE MCKEE

Clause 13.2 of the Constitution of the Company provides that at each annual general meeting one third of the Directors (other than alternate Directors and the Managing Director), or if their number is not a multiple of three, then the number nearest to but not more than one third of the directors must retire from office. A retiring director is eligible for re-election.

Mr Clive McKee retires in accordance with that clause and being eligible for re-election, offers himself for re-election at the Meeting.

Appointed 27 July 1999. Mr McKee has extensive experience in global asset management and corporate finance through his previous positions with securities and fund management companies such as Yamaichi Securities, Societe General, Australia and New Zealand Banking Group Limited, Westminster Fund Management GMBH, Pacific Fund Management Asia, Pacific Rim Investment Corporation Limited and formerly Chairman of Magna Pacific (Australia) Holdings Limited. Directorships in listed companies over the past three years are BKM Management Limited and Magna Pacific (Australia) Holdings Limited.

The Directors recommend that Shareholders vote in favour of Resolution 2.

3. ENQUIRIES

Shareholders are required to contact the Company Secretary on +61 8 9338 8670 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

Board means the board of directors of the Company.

Company means Orchid Capital Ltd (ABN 30 073 099 171).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors mean the directors of the Company.

Explanatory Statement means the explanatory statement to the Notice.

Meeting means the meeting convened by the Notice.

Notice means the notice of annual general meeting accompanying this Explanatory Statement.

Options means an option to acquire a Share in the Company pursuant to the Entitlement Issue.

Share means a share in the Company.

Shareholder means a shareholder in the Company.

ORCHID CAPITAL LTD
ABN 30 073 099 171

Instructions for Completing 'Appointment of Proxy' Form

1. A member entitled to attend and vote at a Meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.
3. Corporate shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a proxy form will not prevent individual shareholders from attending the meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the meeting.
5. Where a proxy form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.
6. To vote by proxy, please complete and sign the proxy form enclosed:
 - (a) Post or deliver the proxy form by hand to the Company's place of business at Suite 6, 32 Hines Road, O'Connor, Western Australia 6163; or
 - (b) Send the proxy form by facsimile to the Company on facsimile number +61 8 9338 8699.

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