



Aurizon Holdings Limited  
ABN 14 146 335 622

ASX Market Announcements  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

#### **BY ELECTRONIC LODGEMENT**

8 September 2017

#### **Notice of Annual General Meeting, Proxy Form & Annual Report**

Please find **attached** a copy of the 2017 Notice of Annual General Meeting, accompanying Chairman's letter and Proxy Form (Notice) being sent to shareholders today for the Aurizon Holdings Limited (AZJ) Annual General Meeting which is to be held on Wednesday 18 October 2017 at 2pm (Brisbane time) in the Ballroom Le Grand 3 at the Sofitel Brisbane Central (the Sofitel), 249 Turbot Street, Brisbane Queensland.

A printed copy of the 2017 Annual Report is also being mailed today to all AZJ shareholders who have elected to receive a printed copy.

A copy of the 2017 Annual Report was previously lodged with the ASX and along with the Notice is also available on the Company's website [aurizon.com.au](http://aurizon.com.au)

Regards

A handwritten signature in black ink, appearing to read "D. Smith", with a horizontal line underneath the first part of the signature.

**Dominic D Smith**  
Company Secretary



7 September 2017

Dear Shareholders

On behalf of the Board of Aurizon Holdings Limited (**Aurizon**), I am pleased to invite you to attend the Aurizon Annual General Meeting (**AGM**) on Wednesday 18 October 2017, in Ballroom Le Grand 3 at Sofitel Brisbane Central (the **Sofitel**), 249 Turbot Street, Brisbane QLD Australia 4000.

The meeting is scheduled to start at 2:00pm (Brisbane time).

Enclosed is the Notice of Meeting setting out the business of the AGM. For further details on the resolutions proposed at the AGM please refer to the Explanatory Notes. I urge all shareholders to read this material carefully before voting on the proposed resolutions.

If you are not able to attend the AGM I encourage you to appoint a proxy to attend and vote on your behalf. You may appoint a proxy by:

- using the share registry's website at [investorvote.com.au](http://investorvote.com.au); or
- completing the enclosed proxy form.

In order to be valid, online proxies and proxy forms must be received no later than **2:00pm (Brisbane time) Monday 16 October 2017**.

If you plan to attend the AGM, please bring the enclosed proxy form to assist us in registering your attendance.

Shareholders are invited to join the Board for light refreshments at the conclusion of the AGM.

On behalf of all the Directors of Aurizon, we look forward to seeing you at the AGM.

Yours Sincerely

**Tim Poole**  
Chairman & Independent Non-Executive Director  
Aurizon Holdings Limited



## Notice of 2017 Annual General Meeting

---

Notice is given that Aurizon Holdings Limited (the **Company**) will hold its Annual General Meeting (**AGM**) at 2:00pm (Brisbane time) on Wednesday 18 October 2017, in Ballroom Le Grand 3 at Sofitel Brisbane Central (the **Sofitel**), 249 Turbot Street, Brisbane QLD Australia 4000, for the purpose of transacting the business set out in this Notice of Meeting (**Notice**).

If you are unable to attend the AGM you are encouraged to complete and return the proxy form accompanying this Notice.

You can lodge your completed proxy form with the Company's Share Registry, Computershare by:

- mailing it to Computershare using the reply paid envelope;
- posting it to GPO Box 242, Melbourne VIC 3001 Australia;
- lodging it online at Computershare's website [investorvote.com.au](http://investorvote.com.au) and logging in using the control number found on the front of the accompanying proxy form, or scanning the QR code on the front of the accompanying proxy form with your mobile device and inserting your postcode;
- faxing it to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia); or
- Intermediary Online subscribers (Institutions/Custodians) may lodge their proxy instruction online by visiting: [intermediaryonline.com](http://intermediaryonline.com).

The completed proxy form must be received by Computershare no later than 2:00pm (Brisbane time) on Monday 16 October 2017.

**If you appoint a proxy the Company encourages you to direct your proxy how to vote on each item, by marking the appropriate box on the proxy form.**

---

## Business

### 1. Financial Statements and Reports

To receive and consider the Financial Statements, Directors' Report and independent Auditor's Report of the Company and its controlled entities for the financial year ended 30 June 2017.

**Note:** *There is no vote on this item.*

### 2. Re-election of a Director

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

"That Mr John Cooper, who retires by rotation and being eligible, be re-elected as a Director of the Company."

### 3. Grant of Performance Rights to the Managing Director & CEO

To consider and, if thought fit, to pass the following as separate ordinary resolutions:

(a) "That approval be given for all purposes under the Corporations Act 2001 (Cth) (**Corporations Act**) and the ASX Listing Rules, including ASX Listing Rule 10.14, to issue to the Managing Director & CEO, Mr Andrew Harding, 463,636 Performance Rights, pursuant to the Company's Long Term Incentive Award (2016 Award) on the terms summarised in the Explanatory Notes to this Notice."

(b) "That approval be given for all purposes under the Corporations Act and the ASX Listing Rules, including ASX Listing Rule 10.14, to issue to the Managing Director & CEO, Mr Andrew Harding, 295,938 Performance Rights, pursuant to the Company's Long Term Incentive Award (2017 Award - 3 year) on the terms summarised in the Explanatory Notes to this Notice."

(c) "That approval be given for all purposes under the Corporations Act and the ASX Listing Rules, including ASX Listing Rule 10.14, to issue to the Managing Director & CEO, Mr Andrew Harding, 295,938 Performance Rights, pursuant to the Company's Long Term Incentive Award (2017 Award - 4 year) on the terms summarised in the Explanatory Notes to this Notice."

### 4. Approval of Potential Termination Benefits

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

"That, in accordance with the terms of section 200B and 200E of the Corporations Act, approval is given for the provision of benefits under the Company's Long Term Incentive Plan where all of the following conditions are met:

- a) the person receiving the benefit is currently or, in the future, an employee of the Company or a related body corporate;
- b) the person holds a managerial or executive office;
- c) the benefit is paid or provided on the person ceasing to hold a managerial or executive office; and
- d) the benefit is paid or provided on the terms set out in the Explanatory Notes."

### 5. Remuneration Report

To consider and, if thought fit, to pass the following as a non-binding ordinary resolution:

"That the Remuneration Report for the financial year ended 30 June 2017, be adopted."

**Note:** *This resolution is advisory only and does not bind the Directors or the Company.*

**Additional Information**

The Explanatory Notes set out on pages 3 to 9 of this Notice provide more information on each of the items of business.

Items 3 (a), (b) and (c), 4 and 5 set out above are each subject to a voting exclusion, details of which are set out in the Voting Notes on pages 10 and 11 of this Notice.

**By order of the Board**

A handwritten signature in black ink, appearing to read 'D. Smith', with a horizontal line extending to the right.

**Dominic D Smith**  
Company Secretary  
Brisbane, 7 September 2017



# Explanatory Notes

The following Explanatory Notes (**notes**) have been prepared for the information of shareholders in relation to the business to be conducted at the Company's 2017 AGM.

The purpose of these notes is to provide shareholders with information they reasonably require to decide how to vote upon the resolutions. The Board recommends that shareholders read these notes before determining whether or not to support a resolution.

## Item 1: Financial Statements and Reports

The Financial Statements, Directors' Report and Auditor's Report for the Company for the year ended 30 June 2017 will be tabled at the AGM.

There is no requirement for shareholders to approve these reports. The Chairman of the AGM will, however, allow a reasonable opportunity for shareholders to ask questions on the reports and management of the Company at the AGM.

Shareholders will also be given a reasonable opportunity to ask a representative of the Company's auditor, PricewaterhouseCoopers (**PwC**), questions relevant to the conduct of the audit and the preparation and content of the Auditor's Report.

The Financial Statements, Directors' Report and Auditor's Report are also contained in the 2017 Annual Report (**Annual Report**) available on the Company's website [aurizon.com.au](http://aurizon.com.au).

## Item 2: Re-election of a Director

The Company's Constitution requires that an election of Directors must take place each year.

Mr John Cooper has been a Director of the Company since 19 April 2012 and, being eligible, offers himself for re-election.

The Board considers that individually and collectively the Company's Directors need to bring a level of skill, capability and experience that enables the Board to discharge its responsibilities effectively.

The Board's policy on Board composition is to ensure that at all times and through succession planning there will be an appropriate mix of skills and experience so as to provide, on an ongoing basis, the necessary breadth and depth of knowledge which is required to meet the Company's responsibilities and objectives.

The Board is satisfied that Mr John Cooper whom is standing for re-election is independent.

A formal review of the performance of all Directors who held office during the year ended 30 June 2017, including Mr John Cooper standing for re-election, was undertaken. The review processes are described in the Corporate Governance Statement on page 39 of the Annual Report. Based on the review the Board recommends to shareholders that Mr John Cooper be re-elected.

Biographical details, skills and experience of Mr John Cooper is set out on page 5 of the Annual Report and is summarised below:

### Mr John Cooper

BSc (Building) (Hons), FIE Aust, FAICD, FAIM

Mr John Cooper has 35 years' experience in the construction and engineering sector in Australia and overseas. Mr Cooper is currently Chairman of Sydney Motorway Corporation and a Non-Executive Director of Windlab Limited. Mr Cooper's previous positions include

CEO and Managing Director of CMPS&F, a design engineering and project management organisation, and a management role with the Sydney Olympic Organising Committee. Mr Cooper has served on the International Board of Murray and Roberts Pty Ltd, the Board of NRW Holdings Limited, as Deputy Chairman of Clough Engineering Limited and Chairman of Southern Cross Electrical Engineering Pty Ltd.

### Board Recommendation:

**The Board (with Mr John Cooper abstaining), recommends that shareholders vote in favour of the re-election of Mr John Cooper as a Director of the Company.**

The Chairman of the AGM intends to vote all available proxies in favour of the re-election of Mr John Cooper.

## Item 3 (a): Grant of Performance Rights to the Managing Director & CEO (2016 Award)

In accordance with ASX Listing Rule 10.14, shareholder approval is being sought for the proposed grant of 463,636 Performance Rights (pursuant to the Company's Long Term Incentive Award (2016 Award), to be tested over a three year period commencing in financial year 2017) to the Company's Managing Director & CEO (**MD & CEO**), Mr Andrew Harding. These Performance Rights were initially awarded to Mr Harding on his appointment as MD & CEO on 1 December 2016, but with the grant conditional on shareholder approval at the Company's 2017 AGM.

The number of Performance Rights equates in value to 120% of Mr Harding's fixed annual remuneration divided by the volume weighted average share price of the Company's shares traded between 29 August 2016 and 2 September 2016 (being, \$4.40 per share). The award of Performance Rights to Mr Harding under the Company's Long Term Incentive Plan (**Plan**) is on the terms set-out below.

Approval is being sought to allow the Company flexibility to either issue new shares or to purchase shares on-market for allocation to Mr Harding upon vesting of the Performance Rights.

### Long Term Incentive Plan – terms and conditions

Information on the general operation of the Plan is set out in the Remuneration Report on pages 23 to 36 of the Annual Report (**Remuneration Report**).

Performance Rights will be granted at no cost to Mr Harding and no amount is payable upon vesting of the Performance Rights. Performance Rights will be granted under and subject to the rules of the Plan. Performance Rights do not carry any dividend or voting rights prior to vesting.

Each Performance Right entitles Mr Harding to one fully paid ordinary share in the capital of the Company, subject to the satisfaction of performance conditions described below. Shares allocated on vesting of Performance Rights will rank equally with current shares on issue in the same class.

If the Board determines that the performance conditions are satisfied the Performance Rights will be automatically exercised. On vesting and exercise of the Performance Rights, new shares may be issued or existing shares may be acquired on-market and allocated to Mr Harding.

If shareholder approval is obtained the Performance Rights will be granted shortly after the AGM and in any event, no later than 12 months after the AGM or any adjournment of the AGM.



# Explanatory Notes

## Performance conditions

The Performance Rights proposed to be granted to Mr Harding will be subject to three performance hurdles.

Performance Rights will only vest on the satisfaction of the relevant performance hurdles measured over the three year period following the award FY2017-FY2019 (performance period).

### TSR Performance

35% of the proposed grant will be assessed with reference to total shareholder return (TSR) over the performance period relative to a peer group of companies (i.e. specified companies currently in the ASX 100). Broadly, TSR is the growth in share price plus dividends notionally reinvested in shares.

The level of performance required for each level of vesting and the percentage vesting associated with each level of performance in relation to the TSR performance hurdle of the award are set out in the table below:

Relative TSR growth hurdle	
Performance outcome (FY2017 - FY2019)	% of TSR Performance Rights to vest
Below the 50th percentile	No vesting of TSR Performance Rights will occur
At the 50th percentile	30% of the TSR Performance Rights will vest
At the 62.5th percentile	75% of the TSR Performance Rights will vest
Between the 50th and the 62.5th percentiles, and the 62.5th and the 75th percentiles	Vests pro-rata on a straight-line basis
At or above the 75th percentile of the peer group	100% of the TSR Performance Rights will vest

### Return on invested capital (ROIC) Performance

Another 50% of the proposed grant will require the achievement of:

ROIC growth hurdle	
Performance outcome (FY2017 - FY2019)	% of ROIC Performance Rights to vest
Average ROIC below 10.5%	No vesting of the ROIC Performance Rights will occur
Average ROIC of 10.5%	50% of the ROIC Performance Rights will vest
Average ROIC between 10.5% and 11.5%	Vests pro-rata on a straight-line basis
Average ROIC above 11.5%	100% of the ROIC Performance Rights will vest

## Operating Ratio Performance

15% of the proposed grant will require a reduction in the operating ratio (OR) of the Company to 68.5% by the end of the performance period (measured for the financial year 2019).

The level of performance required for each level of vesting and the percentage vesting associated with each level of performance in relation to the OR performance hurdle of the award are set out in the table below:

OR improvement hurdle	
Performance outcome (at 30/06/2019)	% of OR Performance Rights to vest
OR more than 70%	No vesting of OR Performance Rights will occur
OR 70%	50% of the OR Performance Rights will vest
OR between 68.5% and 70%	Vests pro-rata on a straight-line basis
OR 68.5% or less	100% of the OR Performance Rights will vest

Generally, Mr Harding must be employed with the Company as at the date of vesting to achieve the proposed award.

### Cessation of employment

Where Mr Harding ceases employment with the Company (other than for cause), the Board may determine (at its discretion) that all or a portion of the Performance Rights may be retained by Mr Harding as unvested equity under the Plan until they either vest or lapse in accordance with their terms, or they may vest on a pro rata basis based on the Company's performance during the period from the grant to the termination date. The Company has agreed this discretion will be exercised in favour of Mr Harding where he ceases employment for "good reason" under his employment agreement.

The Board may also, in its discretion, decide to accelerate the vesting of some or all of the Performance Rights held by Mr Harding in specified circumstances including death, total and permanent disablement or cessation of employment for other reasons (as determined by the Board).

### Other information

In relation to the Plan:

- Mr Harding is the only Director currently entitled to participate in the Plan. Mr Lance Hockridge, the former MD & CEO of the Company, was previously granted 374,280 Performance Rights at no cost to Mr Hockridge in accordance with the terms of, and following the last approval of shareholders obtained in respect of, the Plan (2015 Award).
- There is no loan scheme operating in relation to the Performance Rights.
- Mr Harding is prohibited from hedging the share price exposure in respect of the Performance Rights during the performance period applicable to those rights.





# Explanatory Notes

- Mr Harding was initially awarded 463,636 Performance Rights under the Long Term Incentive Award for 2016 on his appointment as MD & CEO on 1 December 2016. These Performance Rights were awarded conditional upon shareholder approval at the Company's 2017 AGM. Subject to shareholder approval, the Performance Rights will be granted at no cost to Mr Harding and no amount will be payable upon vesting of those Performance Rights.
- Further detail on the operation of the Plan can be found in the Remuneration Report.

The resolution seeks shareholder approval of a share-linked incentive payment to Mr Harding.

## Voting exclusion statement

A voting exclusion applies to this resolution. Please refer to the Voting Notes section for further detail.

## Board Recommendation:

**The Board (with Mr Harding abstaining), considers the grant of Performance Rights to the Managing Director & CEO appropriate in all the circumstances and recommends that shareholders vote in favour of the grant as set out in Item 3 (a) of this Notice.**

The Chairman of the AGM intends to vote all available proxies in favour of Item 3 (a).

## Item 3 (b): Grant of Performance Rights to the Managing Director & CEO (2017 Award - 3 Year)

In accordance with ASX Listing Rule 10.14, shareholder approval is being sought for the proposed grant of 295,938 Performance Rights (pursuant to the Company's Long Term Incentive Award (2017 Award - 3 Year), to be tested over a three year period commencing in financial year 2018) to the Company's MD & CEO, Mr Andrew Harding.

The number of Performance Rights equates in value to 90% of Mr Harding's fixed annual remuneration which is reflective of 75% of his maximum vesting opportunity divided by the volume weighted average share price of the Company's shares traded between 14 August 2017 and 18 August 2017 (being, \$5.17 per share). The award of Performance Rights to Mr Harding under the Plan is on the terms set-out below.

Approval is being sought to allow the Company flexibility to either issue new shares or to purchase shares on-market for allocation to Mr Harding upon vesting of the Performance Rights.

## 2017 Awards Rationale

From the 2017 Award, the Directors have determined that the performance hurdles applicable to a grant of Performance Rights pursuant to the Plan will be measured over an extended performance period, increasing from a three-year to a four-year performance period.

In order to manage the transition to the proposed extended four-year performance period on a value-neutral basis to the MD & CEO, Mr Harding, and on a cost-neutral basis to the Company, it is proposed that, subject to shareholder approval, two grants of Performance Rights be made to the Company's MD & CEO in FY2018, being a 2017 Award with a three-year performance period and a 2017 Award with a four-year performance period.

Each separate proposed grant of Performance Rights in FY2018 will not exceed 75% of Mr Harding's maximum potential award under the Plan.

## Long Term Incentive Plan – terms and conditions

Information on the general operation of the Plan is set out in the Remuneration Report on pages 23 to 36 of the Annual Report.

Performance Rights will be granted at no cost to Mr Harding and no amount is payable upon vesting of the Performance Rights. Performance Rights will be granted under and subject to the rules of the Plan. Performance Rights do not carry any dividend or voting rights prior to vesting.

Each Performance Right entitles Mr Harding to one fully paid ordinary share in the capital of the Company, subject to the satisfaction of performance conditions described below. Shares allocated on vesting of Performance Rights will rank equally with current shares on issue in the same class.

If the Board determines that the performance conditions are satisfied the Performance Rights will be automatically exercised. On vesting and exercise of the Performance Rights new shares may be issued or existing shares may be acquired on-market and allocated to Mr Harding.

If shareholder approval is obtained it is intended that the Performance Rights will be granted shortly after the AGM and in any event, no later than 12 months after the AGM or any adjournment of the AGM.

## Performance conditions

The Performance Rights under the 2017 Award – 3 year to be granted to Mr Harding will be subject to two performance hurdles. Performance Rights will only vest on the satisfaction of the relevant performance hurdles measured over the three year period following the award FY2018-FY2020 (**performance period**).

## TSR Performance

50% of the grant will be assessed with reference to TSR over the performance period relative to a peer group of companies (i.e. specified companies currently in the ASX 100).

Broadly, TSR is the growth in share price plus dividends notionally reinvested in shares.

The level of performance required for each level of vesting and the percentage vesting associated with each level of performance in relation to the TSR performance hurdle of the award are set out in the table below:



# Explanatory Notes

Relative TSR growth hurdle	
Performance outcome (FY2018-FY2020)	% of TSR Performance Rights to vest
Below the 50th percentile	No vesting of TSR Performance Rights will occur
At the 50th percentile	30% of the TSR Performance Rights will vest
At the 62.5th percentile	75% of the TSR Performance Rights will vest
Between the 50th and the 62.5th percentiles, and the 62.5th and the 75th percentiles	Vests pro-rata on a straight-line basis
At or above the 75th percentile of the peer group	100% of the TSR Performance Rights will vest

## Return on invested capital (ROIC) Performance

Another 50% of the grant will require the achievement of:

ROIC growth hurdle	
Performance outcome (FY2018-FY2020)	% of ROIC Performance Rights to vest
Average ROIC below 10.5%	No vesting of the ROIC Performance Rights will occur
Average ROIC of 10.5%	50% of the ROIC Performance Rights will vest
Average ROIC between 10.5% and 11.5%	Vests pro-rata on a straight-line basis
Average ROIC above 11.5%	100% of the ROIC Performance Rights will vest

Generally, Mr Harding must be employed with the Company as at the date of vesting to achieve the proposed award.

## Cessation of employment

Where Mr Harding ceases employment with the Company (other than for cause), the Board may determine (at its discretion) that all or a portion of the Performance Rights may be retained by Mr Harding as unvested equity under the Plan until they either vest or lapse in accordance with their terms, or they may vest on a pro rata basis based on the Company's performance during the period from the grant to the termination date. The Company has agreed this discretion will be exercised in favour of Mr Harding where he ceases employment for "good reason" under his employment agreement.

The Board may also, in its discretion, decide to accelerate the vesting of some or all of the Performance Rights held by Mr Harding in specified circumstances including death, total and permanent disablement or cessation of employment for other reasons (as determined by the Board).

## Other information

In relation to the Plan:

- Mr Harding is the only Director currently entitled to participate in the Plan. Mr Lance Hockridge, the former MD & CEO of the Company, was previously granted 374,280 Performance Rights at no cost to Mr Hockridge in accordance with the terms of, and following the last approval of shareholders obtained in respect of, the Plan (2015 Award).
- There is no loan scheme operating in relation to the Performance Rights.
- Mr Harding is prohibited from hedging the share price exposure in respect of the Performance Rights during the performance period applicable to those rights.
- Mr Harding was initially awarded 463,636 Performance Rights under the Long Term Incentive Award for 2016 on his appointment as MD & CEO on 1 December 2016, subject to shareholder approval pursuant to Item 3 (a) of this Notice. Subject to shareholder approval, these Performance Rights will be granted at no cost to Mr Harding and no amount will be payable upon vesting of those Performance Rights.
- Further detail on the operation of the Plan can be found in the Remuneration Report.

The resolution seeks shareholder approval of a share-linked incentive payment to Mr Harding as set out in Item 3 (b) of this Notice.

## Voting exclusion statement

A voting exclusion applies to this resolution. Please refer to the Voting Notes section for further detail.

## Board Recommendation:

**The Board (with Mr Harding abstaining), considers the grant of Performance Rights to the Managing Director & CEO appropriate in all the circumstances and recommends that shareholders vote in favour of the grant as set out in Item 3 (b) of this Notice.**

The Chairman of the AGM intends to vote all available proxies in favour of Item 3 (b).

## Item 3 (c): Grant of Performance Rights to the Managing Director & CEO (2017 Award - 4 Year)

In accordance with ASX Listing Rule 10.14, shareholder approval is being sought for the proposed grant of 295,938 Performance Rights (pursuant to the Company's Long Term Incentive Award (2017 Award - 4 Year), to be tested over a four year period commencing in financial year 2018) to the Company's MD & CEO, Mr Andrew Harding.

The number of Performance Rights equates in value to 90% of Mr Harding's fixed annual remuneration which is reflective of 75% of his maximum vesting opportunity divided by the volume weighted average share price of the Company's shares traded between 14 August 2017 and 18 August 2017 (being, \$5.17 per share). The award of Performance Rights to Mr Harding under the Plan is on the terms set-out below.

Approval is being sought to allow the Company flexibility to either issue new shares or to purchase shares on-market for allocation to Mr Harding upon vesting of the Performance Rights.





# Explanatory Notes

## 2017 Awards Rationale

From the 2017 Award, the Directors have determined that the performance hurdles applicable to a grant of Performance Rights pursuant to the Plan will be measured over an extended performance period, increasing from a three-year to a four-year performance period.

In order to manage the transition to the proposed extended four-year performance period on a value-neutral basis to the MD & CEO, Mr Harding, and on a cost-neutral basis to the Company, it is proposed that, subject to shareholder approval, two grants of Performance Rights be made to the Company's MD & CEO in FY2018, being a 2017 Award with a three-year performance period and a 2017 Award with a four-year performance period.

Each separate proposed grant of Performance Rights in FY2018 will not exceed 75% of Mr Harding's maximum potential award under the Plan.

## Long Term Incentive Plan – terms and conditions

Information on the general operation of the Plan is set out in the Remuneration Report on pages 23 to 36 of the Annual Report.

Performance Rights will be granted at no cost to Mr Harding and no amount is payable upon vesting of the Performance Rights. Performance Rights will be granted under and subject to the rules of the Plan. Performance Rights do not carry any dividend or voting rights prior to vesting.

Each Performance Right entitles Mr Harding to one fully paid ordinary share in the capital of the Company, subject to the satisfaction of performance conditions described below. Shares allocated on vesting of Performance Rights will rank equally with current shares on issue in the same class.

If the Board determines that the performance conditions are satisfied the Performance Rights will be automatically exercised. On vesting and exercise of the Performance Rights new shares may be issued or existing shares may be acquired on-market and allocated to Mr Harding.

If shareholder approval is obtained it is intended that the Performance Rights will be granted shortly after the AGM and in any event, no later than 12 months after the AGM or any adjournment of the AGM.

## Performance conditions

The Performance Rights under the 2017 Award - 4 year to be granted to Mr Harding will be subject to two performance hurdles. Performance Rights will only vest on the satisfaction of the relevant performance hurdles measured over the four year period following the award FY2018-FY2021 (**performance period**).

## TSR Performance

50% of the grant will be assessed with reference to TSR over the performance period relative to a peer group of companies (i.e. specified companies currently in the ASX 100).

Broadly, TSR is the growth in share price plus dividends notionally reinvested in shares.

The level of performance required for each level of vesting and the percentage vesting associated with each level of performance in relation to the TSR performance hurdle of the award are set out in the table below:

Relative TSR growth hurdle	
Performance outcome (FY2018-FY2021)	% of TSR Performance Rights to vest
Below the 50th percentile	No vesting of TSR Performance Rights will occur
At the 50th percentile	30% of the TSR Performance Rights will vest
At the 62.5th percentile	75% of the TSR Performance Rights will vest
Between the 50th and the 62.5th percentiles, and the 62.5th and the 75th percentiles	Vests pro-rata on a straight-line basis
At or above the 75th percentile of the peer group	100% of the TSR Performance Rights will vest

## Return on invested capital (ROIC) Performance

Another 50% of the grant will require the achievement of:

ROIC growth hurdle	
Performance outcome (FY2018-FY2021)	% of ROIC Performance Rights to vest
Average ROIC below 10.5%	No vesting of the ROIC Performance Rights will occur
Average ROIC of 10.5%	50% of the ROIC Performance Rights will vest
Average ROIC between 10.5% and 11.5%	Vests pro-rata on a straight-line basis
Average ROIC above 11.5%	100% of the ROIC Performance Rights will vest

Generally, Mr Harding must be employed with the Company as at the date of vesting to achieve the proposed award.

## Cessation of employment

Where Mr Harding ceases employment with the Company (other than for cause), the Board may determine (at its discretion) that all or a portion of the Performance Rights may be retained by Mr Harding as unvested equity under the Plan until they either vest or lapse in accordance with their terms, or they may vest on a pro rata basis based on the Company's performance during the period from the grant to the termination date. The Company has agreed this discretion will be exercised in favour of Mr Harding where he ceases employment for "good reason" under his employment agreement.

The Board may also, in its discretion, decide to accelerate the vesting of some or all of the Performance Rights held by Mr Harding in specified circumstances including death, total and permanent disablement or cessation of employment for other reasons (as determined by the Board).



# Explanatory Notes

## Other information

In relation to the Plan:

- Mr Harding is the only Director currently entitled to participate in the Plan. Mr Lance Hockridge, the former MD & CEO of the Company, was previously granted 374,280 Performance Rights at no cost to Mr Hockridge in accordance with the terms of, and following the last approval of shareholders obtained in respect of, the Plan (2015 Award).
- There is no loan scheme operating in relation to the Performance Rights.
- Mr Harding is prohibited from hedging the share price exposure in respect of the Performance Rights during the performance period applicable to those rights.
- Mr Harding was initially awarded 463,636 Performance Rights under the Long Term Incentive Award for 2016 on his appointment as MD & CEO on 1 December 2016, subject to shareholder approval pursuant to Item 3 (a) of this Notice. Subject to shareholder approval, those Performance Rights will be granted at no cost to Mr Harding and no amount will be payable upon vesting of those Performance Rights.
- Further detail on the operation of the Plan can be found in the Remuneration Report.

The resolution seeks shareholder approval of a share-linked incentive payment to Mr Harding as set out in Item 3 (c) of this Notice.

## Voting exclusion statement

A voting exclusion applies to this resolution. Please refer to the Voting Notes section for further detail.

## Board Recommendation:

**The Board (with Mr Harding abstaining), considers the grant of Performance Rights to the Managing Director & CEO appropriate in all the circumstances and recommends that shareholders vote in favour of the grant as set out in Item 3 (c) of this Notice.**

The Chairman of the AGM intends to vote all available proxies in favour of Item 3 (c).

## Item 4: Approval of Potential Termination Benefits

Shareholders are being asked to approve the ability for the Board to be able to exercise certain discretions under the Plan in relation to the treatment of unvested performance rights or options that may have been granted under that Plan.

As discussed below, the exercise of these discretions will constitute a "benefit" for the purposes of the termination benefits provisions of the Corporations Act and the Board may be prevented from exercising its discretions under the Plan Rules in relation to those persons who hold a "managerial or executive office" (as defined in the Corporations Act), unless shareholder approval is obtained.

## Background

In 2014, shareholders approved the granting of potential termination benefits to persons holding managerial or executive office under certain circumstances and in accordance with the terms of sections 200B and 200E of the Corporations Act. The approval was granted for a three year period with expiry being the 2017 AGM.

Shareholders are now requested to refresh the approval for a further three years.

Information relating to the general operation of the Plan is outlined in the Remuneration Report.

Under the Plan Rules, the Board has a discretion to determine where a participant ceases employment with the Company (other than for cause), that all or a portion of the performance rights or options held by the participant may either be retained by the participant as unvested equity under the Plan until they either vest or lapse in accordance with their terms, or may be vested on a pro rata basis on the basis of the Company's performance during the period from the grant to the termination date. The Board does not intend to exercise its discretion to vest any performance rights or options in a case that an individual ceases employment as a result of resignation, absent any extenuating circumstances (including for "good reason" in the case of Mr Harding).

The Board does not have the discretion to vest any unvested performance rights and/or options a participant holds if the participant has been dismissed for fraudulent or dishonest behaviour. In those circumstances, the participant's unvested performance rights will lapse.

## Why is shareholder approval needed?

The Corporations Act restricts the benefits which can be given to those persons who hold a "managerial or executive office" (as defined in the Corporations Act) on cessation of their employment with the Company and its related bodies corporate.

Under section 200B of the Corporations Act, a company may only give a person a "benefit" in connection with their ceasing to hold a "managerial or executive office" in the Company or a related body corporate, if it is approved by shareholders or an exemption applies.

## What is the Company seeking approval for?

The Company is seeking shareholder approval for all purposes (including for the purposes of sections 200B and 200E of the Corporations Act), to any "termination benefits" that may be provided to a participant under the Plan Rules, in addition to any other termination benefits that may be provided to that person without the need for shareholder approval under the Corporations Act.

Approval is being sought in respect of any current or future participant who holds:

- a "managerial or executive office" in the Company or a related body corporate at the time of their leaving or at any time in the three years prior to their leaving; and
- performance rights and/or options under the Plan at the time of their leaving,

but only if those performance rights/options are granted, or if the Board exercises its discretion under the Plan Rules, during the period commencing on the day of the 2017 AGM and ending at the close of business on the date of the 2020 AGM (whether or not any restrictions or conditions on those rights/options have ceased to apply during that timeframe).

Because of some investor concerns about providing open-ended approvals, the approval being sought is restricted to this period of time. Provided the Board is of the view that the termination benefits as described are still appropriate, the Board may seek a new approval at the Company's 2020 AGM.



# Explanatory Notes

That is, Item 4 is limited so that it only applies in respect of performance rights/options granted in that period to, or if the board exercises certain discretions under the Plan in that period in favour of, participants who from time to time hold a "managerial or executive office" (as defined in the Corporations Act).

If shareholder approval is obtained and then if the Board exercises its discretion to vest a pro rata portion of an affected participant's unvested performance rights/options (or to provide that the participant's performance rights/options do not lapse but will continue and be tested in the ordinary course), the value of the benefit will be disregarded when calculating the relevant participant's cap for the purposes of subsection 200F(2)(b) or subsection 200G(1)(c) of the Corporations Act.

Non-Executive Directors are not entitled to participate in the Plan and so this approval will not apply to them. The MD & CEO, Mr Andrew Harding, is eligible to participate in the Plan and so this approval will apply to him.

In determining whether to exercise its discretion in a particular case, the Board will take into account all relevant circumstances. Particular factors which the Board may consider relevant include the participant's (and Company's) performance against applicable performance hurdles, as well as the participant's individual performance and the overall contribution that they have made during their time with the Company. In determining the portion of a grant which will vest, the Board may have regard to such factors as it considers relevant, which for example, may include the period from the date of grant to the date of cessation and/or the performance against any applicable performance conditions. The Board has agreed to exercise its discretion for Mr Harding where his employment ceases for "good reason" under his employment agreement.

The Board will remain accountable to shareholders for the exercise of this discretion because any termination benefits paid to executive Directors and other Key Management Personnel (**KMP**) will be disclosed in the Company's Remuneration Report.

It can be reasonably anticipated that aspects of the Plan may be amended from time to time in line with market practice and changing governance standards. Where relevant, these changes will be reported in the Company's Remuneration Report. However, it is intended that this approval will remain valid for Board discretions exercised under the Plan and for grants made between now and the 2020 AGM, provided that at the time the discretion is exercised the Plan Rules contain a discretion for the Board to vest all or a pro rata portion of a participant's unvested performance rights and/or options or to allow them to continue on foot on their leaving employment with the Company (other than for cause) and in change of control situations.

## Value of the benefits

The value of the termination benefits that the Board may give under the Plan cannot be determined in advance. This is because various matters will or are likely to affect that value.

Specifically, the value of a particular benefit under the Plan will depend on a number of factors which may include:

- The Company's share price at the time of cessation.

- The circumstances in which termination occurs, including the length of service of the participant and the portion of any relevant performance periods that have expired at the time they leave employment.
- The participant's total fixed remuneration at the time grants are made under the Plan at the time they leave employment.
- The number of unvested performance rights and/or options that the participant holds at the time they leave employment.

## Voting exclusion statement:

A voting exclusion applies to this resolution. Please refer to the Voting Notes section for further detail.

## Board Recommendation:

**The Board (with Mr Harding abstaining) considers that the approval of potential termination benefits as set out above, is appropriate and in the interests of shareholders and accordingly, recommends that shareholders vote in favour.**

The Chairman of the AGM intends to vote all available proxies in favour of Item 4.

## Item 5: Remuneration Report

The Remuneration Report of the Company for the financial year ended 30 June 2017 is set out on pages 23 to 36 of the Annual Report. The Remuneration Report explains the Company's practices in relation to the objectives and structure of remuneration and provides specific details of the remuneration arrangements in place for Executives and Non-Executive Directors, including performance conditions.

The Chairman of the AGM will allow a reasonable opportunity for discussion on the Remuneration Report at the AGM.

Shareholders will be asked to vote on the Remuneration Report. In accordance with the Corporations Act this vote is of an advisory nature only and does not bind the Company or its Directors.

## Voting exclusion statement

A voting exclusion applies to this resolution. Please refer to the Voting Notes section for further detail.

## Board Recommendation:

**The Board unanimously recommends that shareholders vote in favour of adopting the Remuneration Report.**

The Chairman of the AGM intends to vote all available proxies in favour of Item 5.



# Voting Notes

## Voting Entitlement

The Board has determined in accordance with the Company's Constitution, regulation 7.11.37 of the Corporations Regulations 2001 (Cth) and ASX Settlement Operating Rule 5.6.1 that a person's entitlement to vote at the AGM will be taken to be the entitlement for that person as set out in the Register of Members at 7:00pm (AEST) on Monday 16 October 2017. Transactions registered after that time will, accordingly, be disregarded in determining which shareholders are entitled to attend and vote at the AGM.

## Methods of Voting

Shareholders can vote in the following ways:

- By attending the AGM and voting either in person, by attorney or, in the case of corporate shareholders, by corporate representative.
- By appointing a proxy to vote on their behalf using the proxy form enclosed with this Notice or online at Computershare's website: [investorvote.com.au](http://investorvote.com.au) or by scanning the QR code on the front of the accompanying proxy form with your mobile device and inserting your postcode.

## Attending the AGM

If you attend the AGM please bring your personalised proxy form with you. The bar code at the top of the form will help you to register. If you do not bring your form you will still be able to attend the AGM but representatives from Computershare will need to verify your identity. You will be able to register from 1.00pm (Brisbane time) on the day of the AGM.

## Corporate Shareholders

Corporate shareholders who wish to appoint a representative to attend the AGM on their behalf must provide that person with a properly executed letter or other document confirming that they are authorised to act as the company's representative.

The authorisation may be effective either for the AGM only or for all meetings of the Company. Shareholders can download and fill out the 'Appointment of Corporate Representative' form from the Computershare website: [investorcentre.com/azj](http://investorcentre.com/azj).

The form is available by clicking on the 'Downloadable Forms' tab on the information menu.

## Voting by Proxy

If you are entitled to attend and vote at the AGM, you can appoint a proxy to attend and vote on your behalf.

A proxy need not be a shareholder of the Company and may be an individual or a body corporate.

A personalised proxy form is included with this Notice.

If you are entitled to cast two or more votes you may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

If you do not specify a proportion or number each proxy may exercise half of the votes. If you require a second proxy form please contact Computershare Investor Services Pty Limited on 1800 776 476 (within Australia) or +61 3 9938 4376 (outside Australia). If you are an employee call 1800 113 712 (within Australia) or +61 3 9938 4351 (outside Australia).

If you appoint a proxy the Company encourages you to direct your proxy on how to vote by marking the appropriate boxes on the proxy form.

## Lodging Your Proxy Form

You can lodge your completed proxy form by:

- Mailing it to Computershare using the enclosed envelope and posting it to GPO Box 242, Melbourne VIC 3001 Australia.
- Lodging it online at Computershare's website [investorvote.com.au](http://investorvote.com.au) and logging in using the control number found on the front of your accompanying proxy form, or scanning the QR code on the front of the accompanying proxy form with your mobile device and inserting your postcode:

**Note:** You will be taken to have signed your proxy form if you lodge it in accordance with the instructions on the website.

- Faxing it to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia).
- Intermediary Online subscribers (Institutions/Custodians) may lodge their proxy instruction online by visiting [intermediaryonline.com](http://intermediaryonline.com).

Your completed proxy form (and any necessary supporting documentation) must be lodged online or received by Computershare no later than 2.00pm (Brisbane time) on Monday 16 October 2017, being 48 hours before the commencement of the AGM.

If the proxy form is signed by an attorney the original power of attorney under which the proxy form was signed (or a certified copy) must also be received by Computershare by 2:00pm (Brisbane time) on Monday 16 October 2017, unless it has been previously provided to Computershare.

If you appoint a proxy you may still attend the AGM. However, your proxy's rights to speak and vote are suspended while you are present. Accordingly, you will be asked to revoke your proxy if you register at the AGM.

## Voting Exclusion

For all resolutions that are directly or indirectly related to the remuneration of a member of Key Management Personnel (KMP) (as listed in the Remuneration Report and including the Directors) of the Company (being the resolutions in respect of Items 3 (a), (b) and (c), 4 and 5), the Corporations Act restricts KMP and their closely related parties from voting in certain circumstances. A closely related party is defined in the Corporations Act and includes a spouse, dependant and certain other close family members, as well as any companies controlled by a member of KMP.

In addition, a voting restriction applies in respect of Items 3 (a), (b) and (c) under the ASX Listing Rules.

## Items 3 (a), (b) and (c) (Grant of Performance Rights to the Managing Director & CEO pursuant to the Company's Long Term Incentive Award)

With respect to Items 3 (a), (b) and (c), the Company will disregard any votes cast by:

- Mr Andrew Harding (being the only current Director eligible to participate in the Plan); and
- an associate of Mr Harding.





# Voting Notes

However, the Company need not disregard a vote if:

- it is cast by a person as 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 AGM 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.

The Company is required under the Corporations Act to disregard any votes cast in their capacity as a proxy on the proposed resolutions in Items 3 (a), (b) and (c) by a member of KMP or a closely related party of that person, where the appointment as proxy does not specify the way the proxy is to vote on the proposed resolution.

However, this restriction will not apply to the Chairman of the AGM where the appointment expressly authorises the Chairman to exercise the proxy on the proposed resolutions in Items 3 (a), (b) and (c), even though the resolution is connected directly or indirectly with the remuneration of a member of the KMP. The Chairman of the AGM intends to vote undirected proxies in favour of Items 3 (a), (b) and (c).

## Item 4 (Approval of Potential Termination Benefits)

As required under the Corporations Act, no votes on Item 4 may be cast (in any capacity), and the Company will disregard any votes cast, by or on behalf of:

- an eligible employee of the Company holding a managerial or executive office (which includes members of the KMP) who may, as a retiree, receive a benefit approved under Item 4; or
- an associate of those persons,

whether as shareholder or proxyholder. However, this restriction will not prevent such a person casting a vote on the proposed resolution in Item 4, if the person does so as a proxy where the written appointment specifies how the proxy is to vote on the proposed resolution (and the vote is being cast on behalf of a person who would not themselves be precluded from voting on the resolution).

The Company is also required under the Corporations Act to disregard any votes cast in their capacity as a proxy on the proposed resolution in Item 4 by a member of the KMP or a closely related party of that person, where the appointment as proxy does not specify the way the proxy is to vote on the proposed resolution.

However, these restrictions will not apply to the Chairman of the AGM where the appointment expressly authorises the Chairman to exercise the proxy on the proposed resolution in Item 4, even though the resolution is connected directly or indirectly with the remuneration of a member of the KMP. The Chairman of the AGM intends to vote undirected proxies in favour of Item 4.

## Item 5 (Remuneration Report)

The Company is required under the Corporations Act to disregard any votes cast (in any capacity) on the proposed resolution in Item 5 by or on behalf of:

- a member of the KMP (details of whose remuneration are included in the Remuneration Report); and
- a closely related party of those persons (such as close family members or a company the person controls),

whether as shareholder or proxyholder. However, this restriction will not prevent such a person casting a vote on the proposed resolution in Item 5, if the person does so as a proxy where the appointment specifies how the proxy is to

vote on the proposed resolution (and the vote is being cast on behalf of a person who would not themselves be precluded from voting on the resolution).

This restriction will not apply to the Chairman of the AGM where the appointment expressly authorises the Chairman to exercise the proxy on the proposed resolution in Item 5, even though the resolution is connected directly or indirectly with the remuneration of a member of the KMP. The Chairman of the AGM intends to vote undirected proxies in favour of Item 5.

## Undirected and Directed Proxies

If you appoint the Chairman of the AGM or the Directors or Executives identified as KMP (as set out in the Remuneration Report) (or their closely related parties) as your proxy, you should direct your proxy how to vote in respect of Items 3 (a), (b) and (c), 4 and 5, if you want your shares to be voted on these Items.

## Proxy voting by the Chairman of the AGM on Items 3 (a), (b) and (c), 4 and 5

If the Chairman of the AGM is your proxy or is appointed your proxy by default and you do not direct your proxy to vote "for", "against" or "abstain" on Items 3 (a), (b) and (c), 4 and 5 of the proxy form, you are expressly authorising the Chairman of the AGM to vote in favour of Items 3 (a), (b) and (c), 4 and 5 even if that item is connected directly or indirectly with the remuneration of a member of the KMP.

If you leave your proxy form undirected on Items 3 (a), (b) and (c), 4 and 5, no Director (other than the Chairman of the AGM) or other member of KMP (or their closely related parties) will be able to vote your shares on these items. In the case of the Chairman of the AGM, he will be able to vote your proxy on these items and you will be expressly authorising the Chairman of the AGM to do so.

If you appoint a proxy the Company encourages you to clearly instruct your proxy how to vote on each Item by marking the appropriate boxes on the proxy form.

## Poll

Voting on all items will be determined by a poll at the AGM rather than a show of hands.

Shareholders and proxy holders attending the AGM will be provided with poll voting cards. Shareholders not attending the AGM may use the enclosed proxy form.

## Questions from Shareholders

Discussion may take place on all the items of business set out in this Notice, prior to shareholders being asked to vote.

Shareholders will have the opportunity to ask questions (including an opportunity to ask questions of the auditor). In addition, Board members and senior executives will be available in the foyer area after the AGM.

## Webcast

A webcast of the AGM will be available during the AGM on the Company's website: [aurizon.com.au](http://aurizon.com.au). If you attend the AGM in person you may be included in photographs or the webcast recording.

## Results of the AGM

Voting results will be announced on the Australian Securities Exchange (ASX) as soon as practicable after the AGM and will also be made available on the Company's website: [aurizon.com.au](http://aurizon.com.au).

# How to get to the Annual General Meeting

The AGM is to be held in the Ballroom Le Grand 3 at the Sofitel Brisbane Central, 249 Turbot Street, Brisbane QLD Australia 4000. The Sofitel is positioned between Ann and Turbot Streets in the heart of Brisbane city. The Sofitel's main lobby is wheelchair accessible from the main entrance on Turbot Street. Access from the Brisbane Central train station concourse is via escalators located on the Ann Street side of the station. The Ballroom Le Grand 3 is located on level 2 with access via lifts and escalators from the Sofitel's main lobby.

## Car

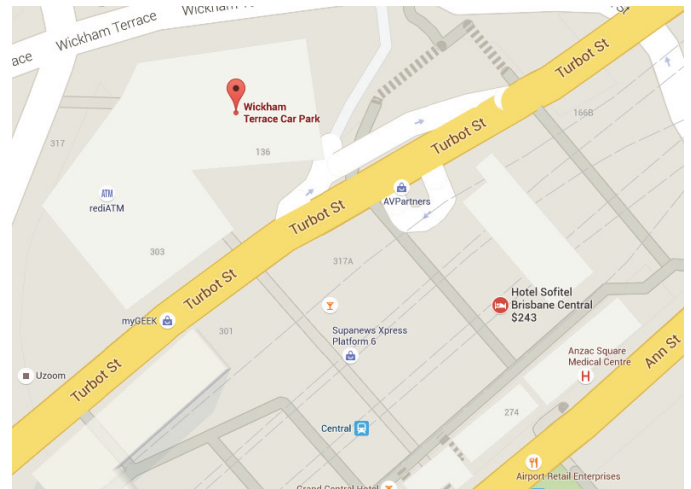
External guest self-parking is available at the Sofitel at a rate, as at the date of this Notice, of \$65.00 for 4+ hours. For more information on parking rates visit:

[sofitelbrisbane.com.au](http://sofitelbrisbane.com.au)

General public parking is available at Wickham Terrace Car Park, a multi-level carpark located between Wickham Terrace and Turbot Street, opposite the Sofitel and Central Station.

Car park facilities include:

- 24-hour access
- casual day parking
- early bird parking
- monthly pass cards
- long-term parking and overnight parking
- pram/child friendly parking bays
- disabled permit parking bays



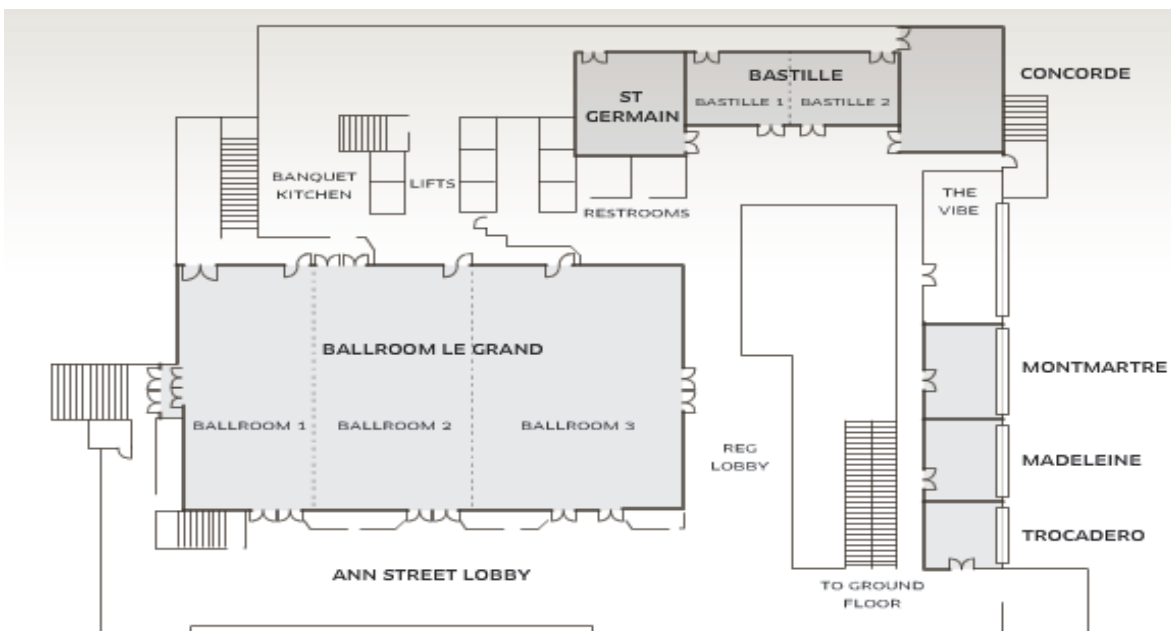
For more information visit [Wickham Terrace Car Park](http://www.wickhamterracecarpark.com.au)

Website: [www.brisbane.qld.gov.au/traffic-transport/parking-permits/car-parks/wickham-terrace-car-park](http://www.brisbane.qld.gov.au/traffic-transport/parking-permits/car-parks/wickham-terrace-car-park).

## Public transport

The Sofitel is conveniently located above Brisbane Central Station and there are a number of bus stops in close proximity. King George Square Bus Station is approximately 7 minutes' walk. For more information visit [translink.com.au](http://translink.com.au).

## Level 2 floorplan







**AURIZON**<sup>®</sup>

**Aurizon Holdings Limited**  
ABN 14 146 335 622

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

**Lodge your vote:**

**Online:**  
[www.investorvote.com.au](http://www.investorvote.com.au)

**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](http://www.intermediaryonline.com)

**For all enquiries call:**  
(within Australia) 1800 776 476  
(outside Australia) +61 3 9938 4376

**Employees call:**  
(within Australia) 1800 113 712  
(outside Australia) +61 3 9938 4351



**Proxy Form**

**XX**



**Vote and view the annual report online**

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



**Your access information that you will need to vote:**

**Control Number: 999999**

**SRN/HIN: I999999999**

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

**For your vote to be effective it must be received by 2:00pm (Brisbane time) on Monday, 16 October 2017**

**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 for Postal Forms**

**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 securityholder is a company that 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/azj](http://www.investorcentre.com/azj) under the information tab, "Downloadable 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.

**GO ONLINE TO VOTE,  
or turn over to complete the form** →

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

**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.



I 9999999999

I ND

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Aurizon Holdings 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 ("Meeting") of Aurizon Holdings Limited ("Company") to be held in the **Ballroom Le Grand 3, at the Sofitel Brisbane Central (the Sofitel), 249 Turbot Street, Brisbane QLD Australia 4000 on Wednesday, 18 October 2017 at 2:00pm (Brisbane time)** and at any adjournment or postponement of that Meeting.

**If the Chairman of the Meeting is your proxy or becomes your proxy by default:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Items 3 (a), (b) & (c), 4 & 5** (except where I/we have indicated a different voting intention below) even though **Items 3 (a), (b) & (c), 4 & 5** are connected directly or indirectly with the remuneration of a member of key management personnel of the Company, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Items 3 (a), (b) & (c), 4 & 5** by marking the appropriate box in step 2 below.

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.**

## 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
2	Re-election of Mr John Cooper as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 (a)	Grant of Performance Rights to the Managing Director & CEO (2016 Award)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 (b)	Grant of Performance Rights to the Managing Director & CEO (2017 Award - 3 Year)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 (c)	Grant of Performance Rights to the Managing Director & CEO (2017 Award - 4 Year)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Approval of Potential Termination Benefits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Before completing your vote and returning by post, please consider using the preferred electronic voting option outlined on the front page of this form.**

## 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 / / \_\_\_\_\_