



K2 ASSET MANAGEMENT
HOLDINGS LTD

The Manager, Announcements
Companies Office
ASX Limited
SYDNEY NSW 2000
By E-lodgment

21 October 2008

Dear Madam

**K2 Asset Management Holdings Ltd (KAM)
Notice of Annual General Meeting**

In accordance with ASX Listing Rule 3.17, I attach the notice of annual general meeting and proxy form for K2 Asset Management Holdings Ltd, which will be sent to shareholders today.

Yours sincerely

Ruth McClelland
Company Secretary



K2 ASSET MANAGEMENT
HOLDINGS LTD

21 October 2008

Dear shareholder

I invite you to attend the annual general meeting of K2 Asset Management Holdings Ltd, which will take place at 9.00am on 24 November 2008, at level 32, 101 Collins Street, Melbourne.

The notice of meeting which sets out the items of business is enclosed. A proxy form is also enclosed, for shareholders who are unable to attend the meeting.

I look forward to welcoming you at the meeting.

Yours sincerely

Campbell W Neal
Chairman



K2 ASSET MANAGEMENT
HOLDINGS LTD

NOTICE OF ANNUAL GENERAL MEETING

K2 ASSET MANAGEMENT HOLDINGS LTD ("**Company**") gives notice that the Annual General Meeting of the Company will be held at Level 32, 101 Collins Street, Melbourne, Victoria on Monday 24 November 2008 at 9.00am.

CHAIRMAN AND CEO'S ADDRESS

ORDINARY BUSINESS

1. RECEIPT OF FINANCIAL REPORTS

To receive and consider the financial report of the Company and the reports of the directors and auditor for the year ended 30 June 2008.

2. ADOPTION OF REMUNERATION REPORT

To receive and adopt the remuneration report for the year ended 30 June 2008.

3. RE-ELECTION OF DIRECTOR

To re-elect, in accordance with article 3.6 of the Company's constitution, Mr Mark S Newman who retires by rotation and, being eligible, offers himself for re-election.

SPECIAL BUSINESS

4. APPROVAL OF SHARE ISSUE TO ENTITY RELATED TO MS HOLLIE A WIGHT

In accordance with ASX Listing Rule 10.14, to approve the issue of 925,062 ordinary shares under the Company's historical incentive plan to DHC Investments Pty Ltd, a company controlled by Ms Hollie Wight (executive director and Chief Financial Officer of the Company), for the sum of \$81,676.14 or approximately 8.83 cents per share.

For further information, please refer to the general information and explanatory notes which form part of this notice of meeting.

By order of the Board

Ruth McClelland
Company Secretary
21 October 2008

GENERAL INFORMATION FOR SHAREHOLDERS

Shareholders entitled to vote

The directors have determined that, for the purpose of voting at the meeting, shareholders are those persons who are the registered holders of shares at 9.00am on Saturday 22 November 2008.

Appointment of proxies

If you are entitled to vote at the meeting, you have the right to appoint a proxy to attend and vote in your place. To appoint a proxy you should use the attached form. The proxy need not be a shareholder of the Company. You may appoint up to two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

Proxy forms should be delivered to the Company's share registry, Registries Limited:

- by hand to level 7, 207 Kent Street, Sydney NSW 2000;
- by post to GPO Box 3993, Sydney NSW 2001; or
- by facsimile to (02) 9279 0664;

Proxy forms must be received by the registry no later than 9.00am on 22 November 2008.

Bodies Corporate

If a body corporate wishes to vote, it may complete a proxy form, or appoint an individual to represent it at the meeting. An "appointment of corporate representative" form can be obtained at www.registries.com.au or by calling the share registry on (02) 9290 9600. Unless the appointment states otherwise, the representative may exercise all of the powers that the body could exercise at a meeting or in voting on a resolution.

Unless a standing appointment has already been given to the Company, corporate representatives should bring evidence of their appointment to the meeting, including any authority under which the appointment is signed. A representative of a company cannot vote at the meeting without a certificate of appointment.

Annual Report

Shareholders who have elected to receive a paper copy of the annual report - which includes the financial report, directors' report, auditor's report and remuneration report - will find it enclosed with this notice. The report is also

available from the shareholder information page at www.k2am.com.au.

EXPLANATORY NOTES ON ITEMS OF BUSINESS

The purpose of this explanatory statement is to provide shareholders with information concerning the resolutions proposed in the notice of annual general meeting.

1. RECEIPT OF FINANCIAL REPORTS

This item will not be voted on.

The Company's financial report and the reports of the directors and auditor for the year ended 30 June 2008 are placed before the meeting giving shareholders the opportunity to discuss these documents and to ask questions.

The Company's auditor will also be available to take questions about the preparation and conduct of the audit and the content of the audit report.

Shareholders may also submit written questions in relation to the preparation and conduct of the audit and contents of the auditor's report to the Company's auditor. These should be sent to the Company at Level 32, 101 Collins Street, Melbourne, Victoria, 3000, or sent by fax to (03) 9602 5586, no later than close of business on Monday, 17 November 2008.

A list of those relevant questions will be available at the annual general meeting and as many questions as possible will be answered at the meeting. Individual replies will not be sent.

2. ADOPTION OF REMUNERATION REPORT

The Company's remuneration report, found at pages 7 to 9 of the annual report, is placed before the meeting and the shareholders may vote to adopt or not adopt the remuneration report. The vote on this resolution is advisory only and does not bind the directors of the Company.

The chair intends to vote undirected proxies in favour of this resolution, and the board unanimously recommends that shareholders vote in favour of this resolution.

3. RE-ELECTION OF DIRECTOR

In accordance with article 3.6 of the Company's constitution, at every annual general meeting one-third of the directors (other than the managing director who is exempt under article 3.6), or, if their number is not a multiple of three, then the number nearest to, but not less than, one-third must retire from office. In accordance with these provisions, Mr Mark S Newman, Executive Director, retires and offers himself for re-election.

Mr Mark Newman, with Mr Campbell Neal, founded K2 Asset Management Pty Ltd (now K2 Asset Management Ltd) in 1999 and has acted as executive director and chief investment officer of that company since then. When K2 Asset Management Holdings Ltd was established in 2007 as the parent company of K2 Asset Management Ltd, Mr Newman was appointed as a director of that entity also.

Prior to the establishment of K2 Mr Newman acted as a director of HSBC Asset Management Hong Kong and then a senior fund manager with the Abu Dhabi Investment Authority. He is an experienced company director and executive and the board, with Mr Newman abstaining, unanimously recommends that shareholders vote in favour of his re-election.

The chair intends to vote undirected proxies in favour of this resolution.

4. APPROVAL OF SHARE ISSUE TO ENTITY RELATED TO MS HOLLIE A WIGHT

Historical Incentive Plan

As set out in the Company's prospectus dated 24 October 2007, since 2000 K2 Asset Management Ltd has had in place a long-term incentive scheme under which high-performing employees were issued with special rights to buy shares in the company at a pre-determined price. These rights vested over a four year period with one-third converting on the second, third and fourth anniversaries of the grant date. Rights were only available for conversion if the employee remained at the company and could be revoked at the directors' discretion.

These rights were converted into rights to buy shares in the Company and there now remain 11,299,013 shares not yet issued under the plan. Provided the relevant employees remain at K2 and choose to accept the shares and pay the applicable exercise price, the performance rights will convert into shares in October/November 2008, 2009, 2010 and 2011.

This plan will continue to operate until all performance rights granted prior to the prospectus have expired or converted. No new grants will be made under this plan.

Share Issues to a Director Require Approval

Ms Hollie Wight, or in this case a company she controls – DHC Investments Pty Ltd, is to be issued with a total of 2,317,994 ordinary shares in the Company under the historical incentive plan. In accordance with the plan, these shares are to be issued over four years in October/November 2008, 2009, 2010 and 2011. The first batch of 925,062 ordinary shares is the subject of this resolution.

Ms Wight joined K2 Asset Management Ltd in 2000 and was appointed a director in April 2005. She was granted the performance rights in October 2005 by a unanimous agreement of shareholders, on condition that she remained employed by and continued to provide exceptional service to the company. Ms Wight's role at K2, in addition to being executive director and Chief Financial Officer, encompasses supervision of the administrative aspects of the Company's investment management, and general office management and accordingly she is a key part of the K2 group's operations. The board considered in 2005 and still considers that the proposed issue of shares to Ms Wight's company was and is an appropriately designed equity-based incentive, having regard to Ms Wight's responsibilities and commitment to the Company and the Company's need to ensure retention of key employees.

Because Ms Wight is a director of the Company, this share issue requires shareholder approval under ASX Listing Rule 10.14. For the purposes of ASX Listing Rule 10.15, the following information is provided.

- Ms Hollie Wight is a director and shareholder of DHC Investments Pty Ltd.
- The number of shares to be acquired is 925,062 ordinary shares in the Company.
- The price for the shares will be \$81,676.14 or approximately 8.83 cents per share. This price is not based on the current market price, but on the amount stated in the historical incentive plan.
- No director or director's associate has received securities under the historical incentive plan since the Company was listed in November 2007.

- Ms Wight is the only Company director granted performance rights under the historical incentive plan. No director's associate have been granted performance rights under the historical incentive plan.
- The Company has made no loan in relation to the acquisition.
- If approved, these shares will be issued on 25 November 2008.

Voting Exclusion Statement

The Company will disregard any votes cast on this resolution by the directors of the Company and any associate of those persons.

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 if it is cast by a 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.

Because the directors are excluded from voting, they can make no recommendation to shareholders on how to vote on this resolution.

The chair intends to vote undirected proxies in favour of this resolution, where permitted to do so by the relevant proxy form.

INSTRUCTIONS FOR COMPLETING PROXY FORM

1. Your pre-printed name and address is as it appears on the share register of the Company. If you are issuer sponsored and this information is incorrect, make the correction on the form, sign it and return it to us. Securityholders sponsored by a broker on the CHESS subregister should advise their broker of any changes. Please note, you cannot change ownership of your securities using this form.
2. 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.
3. A shareholder of the Company entitled to attend and vote is entitled to appoint up to two proxies. If you wish to appoint a second proxy to exercise a proportion of your votes, please contact Registries Limited for a second proxy form, or complete a photocopy of this form, and return both forms in the same envelope. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes, disregarding fractions. If more than one proxy attends the meeting, neither will be entitled to vote on a show of hands.
4. A proxy need not be a shareholder of the Company, and the proxy may be an individual or a body corporate. If you appoint another member as your proxy, that person will only have one vote on a show of hands and does not have to vote on a show of hands in accordance with your directions.
5. If you mark the "Abstain" box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.
6. If a representative of a company shareholder is to attend the meeting, a properly executed original (or certified copy) of the appropriate "Certificate of Appointment of Corporate Representative" should be produced for admission to the meeting, unless a standing appointment has already been provided. The form of appointment can be obtained at www.registries.com.au.
7. If a representative of a shareholder is to attend the meeting as an attorney under a power of attorney, a properly executed original (or original certified copy) of an appropriate power of attorney should be produced for admission to the meeting.

8. Signing Instructions

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

- Individual:** Where the holding is in one individual's name, the holder must sign.
- Joint Holding:** Where the holding is in more than one individual's name, all of the shareholders should sign.
- Power of Attorney:** If you are signing under a power of attorney, you must lodge an original or certified copy of the appropriate power of attorney with your completed proxy form.
- 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 sign alone.
- Otherwise this form must be signed by a director jointly with either another director or a company secretary. Please indicate the office held by signing in the appropriate place.

9. Lodgement of a Proxy

This proxy form (and any power of attorney under which it is signed) must be received at the address below not later than 9.00am on Saturday, 22nd November 2008 (48 hours before the commencement of the meeting). Any proxy form received after that time will not be valid for the scheduled meeting.

Hand deliveries

**Registries Limited
Level 7
207 Kent Street
Sydney NSW 2000**

Postal address:

**Registries Limited
GPO Box 3993
Sydney NSW 2001**

Fax number:

(02) 9279 0664