

# Constitution of Australia & International Holdings Limited

## ACN 009 706 414

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# Table of contents

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<b>1</b>	<b>General -----</b>	<b>1</b>
1.1	Name of Company	1
1.2	Liability of members	1
1.3	Replaceable Rules	1
<b>2</b>	<b>Definitions and interpretation-----</b>	<b>1</b>
2.1	Definitions	1
<b>3</b>	<b>Shares -----</b>	<b>3</b>
3.1	Issue of shares and options	3
3.2	Power to pay commission and brokerage	4
3.3	Directors may participate	4
3.4	Surrender of shares	4
3.5	Joint holders	4
3.6	Non-recognition of equitable interests, etc.	5
3.7	Restricted Securities	5
3.8	Issue of redeemable preference shares	5
3.9	Variation of rights	5
3.10	Issue of new preference shares	5
<b>4</b>	<b>Certificates -----</b>	<b>5</b>
4.1	Issue of certificates	5
4.2	The Company need not issue certificates	6
4.3	Computerised trading	6
4.4	Cancellation of certificates	6
<b>5</b>	<b>Calls -----</b>	<b>7</b>
5.1	Power to make calls	7
5.2	Obligation for Calls	7
5.3	When a Call is made	7
5.4	Interest on the late payment of calls	7
5.5	Instalments	7
5.6	Payment in advance of calls	7
5.7	Non-receipt of notice of call	7
<b>6</b>	<b>Forfeiture and lien-----</b>	<b>8</b>
6.1	Notice requiring payment of sums payable	8
6.2	Time and place for payment	8
6.3	Forfeiture on non-compliance with notice	8

6.4	Notice of forfeiture	8
6.5	Disposal of forfeited shares	8
6.6	Annulment of forfeiture	8
6.7	Liability notwithstanding forfeiture	8
6.8	Company's lien or charge	9
6.9	Sale of shares to enforce lien	9
6.10	Title of shares forfeited or sold to enforce lien	9
<b>7</b>	<b>Payments by the Company -----</b>	<b>10</b>
7.1	Payments by the Company	10
7.2	Rights of the Company	10
7.3	No prejudice to the Company	11
<b>8</b>	<b>Transfer and transmission of Securities -----</b>	<b>11</b>
8.1	Instrument of transfer	11
8.2	Registration procedure	11
8.3	Completion of registration	11
8.4	Closing Register	12
8.5	Right to refuse registration	12
8.6	Transmission by death	12
8.7	Transmission by operation of law	12
<b>9</b>	<b>General meetings -----</b>	<b>12</b>
9.1	General meetings	12
9.2	Notice of general meeting	13
<b>10</b>	<b>Proceedings of meetings -----</b>	<b>13</b>
10.1	Business of general meetings	13
10.2	Quorum	14
10.3	Adjournment in absence of quorum	14
10.4	Chairman	14
10.5	Acting Chairman	15
10.6	General conduct of meeting	15
10.7	Adjournment	15
10.8	Voting	15
10.9	Declaration of vote on a show of hands	15
10.10	When poll may be demanded	16
10.11	Taking a poll	16
10.12	Continuation of business	16
<b>11</b>	<b>Special meetings -----</b>	<b>16</b>
<b>12</b>	<b>Votes of Shareholders -----</b>	<b>16</b>

12.1	Voting rights	16
12.2	Voting rights of personal representatives	17
12.3	Appointment of proxies	17
12.4	Voting by corporation	18
12.5	Validity of vote	18
12.6	Form and execution of instrument of proxy	18
12.7	Board to issue forms of proxy	18
12.8	Attorneys of Shareholders	19
12.9	Rights of Shareholder indebted to Company in respect of other shares	19
12.10	Written approval to resolutions	19
<b>13</b>	<b>Directors-----</b>	<b>19</b>
13.1	Number and appointment of Directors	19
13.2	Power to appoint Directors	20
13.3	Remuneration of Directors	20
13.4	Remuneration of Directors for extra services	20
13.5	Travelling and other expenses	20
13.6	Retirement benefits	20
13.7	Directors may contract with Company	20
13.8	Director may hold other office	21
13.9	Exercise of voting power in other corporations	21
13.10	Directors may lend to the Company	21
<b>14</b>	<b>Alternate Directors -----</b>	<b>21</b>
14.1	Director may appoint alternate Director	21
14.2	Conditions of office of alternate Director	22
<b>15</b>	<b>Vacation of office of Director -----</b>	<b>22</b>
15.1	Vacation of office by Director	22
15.2	Directors who are employees of the Company	23
<b>16</b>	<b>Election of Directors-----</b>	<b>23</b>
16.1	Retirement of Directors	23
16.2	Who must retire?	23
16.3	Nomination of Directors	23
<b>17</b>	<b>Managing Director-----</b>	<b>24</b>
17.1	Appointment of a Managing Director	24
17.2	Managing Director not to be subject to retirement by rotation	24
<b>18</b>	<b>Proceedings of Directors-----</b>	<b>24</b>
18.1	Procedures relating to Directors' meetings	24
18.2	Meetings by telephone or other means of communication	24

18.3	Votes at meetings	24
18.4	Convening of meetings	25
18.5	Chairman	25
18.6	Powers of meetings	25
18.7	Delegation of powers to Committees	25
18.8	Proceedings of Committees	25
18.9	Validity of acts	25
18.10	Resolution in writing	25
<b>19</b>	<b>Powers of the Board-----</b>	<b>26</b>
19.1	General powers of the Board	26
19.2	Power to borrow and guarantee	26
19.3	Power to give security	26
19.4	Power to make calls	26
19.5	Power to issue Securities	26
19.6	Personal liability of officer	27
19.7	Disposal of main undertaking	27
<b>20</b>	<b>Branch Register-----</b>	<b>27</b>
<b>21</b>	<b>The Seal-----</b>	<b>27</b>
21.1	Execution of cheques and bills	27
21.2	Company Seal is optional	27
21.3	Affixing the Seal	27
21.4	Execution of documents without a Seal	27
21.5	Other ways of executing documents	28
<b>22</b>	<b>Minutes-----</b>	<b>28</b>
22.1	Contents of minutes	28
22.2	Signing of minutes	28
<b>23</b>	<b>Dividends-----</b>	<b>28</b>
23.1	Payment of dividend	28
23.2	Dividend plans	28
23.3	Employee share plan	29
23.4	Interim dividends	29
23.5	Dividends out of profits	29
23.6	Reserves	29
23.7	Distribution otherwise than in cash	30
23.8	Power to capitalise profits	30
23.9	Appropriation and application of amounts to be capitalised	30
23.10	Transfer of shares	30

23.11	Retention of dividends	30
23.12	How dividends are payable	31
23.13	Unclaimed dividends	31
<b>24</b>	<b>Notices-----</b>	<b>31</b>
24.1	Service of notices	31
24.2	When notice deemed to be served	31
24.3	Shareholder not known at Registered Address	31
24.4	Signature to notice	32
24.5	Reckoning of period of notice	32
24.6	Notice to transferor binds transferee	32
24.7	Service on deceased Shareholders	32
24.8	Persons entitled to notice of general meeting	32
<b>25</b>	<b>Winding up -----</b>	<b>32</b>
25.1	Distribution in specie	32
25.2	Variation of rights of contributories	33
25.3	Liability to calls	33
<b>26</b>	<b>Indemnity and insurance -----</b>	<b>33</b>
26.1	Indemnity in favour of Directors, Secretary and Executive Officers	33
26.2	Indemnity for legal costs	33
26.3	Indemnity for employees	34
26.4	Indemnity for legal costs of employees	34
26.5	Proceedings	34
26.6	Insurance for the benefit of Directors, Secretary and Executive Officers	34
26.7	Insurance for other Officers	35
26.8	When insurance may not be provided by the Company	35
26.9	Definitions for rule 26	35
<b>27</b>	<b>Partial takeovers-----</b>	<b>36</b>
27.1	Definitions for rule 27	36
27.2	Approval of partial takeovers bids	36
<b>28</b>	<b>Listing Rules -----</b>	<b>37</b>
28.1	Company not admitted to Official List of NSX	37
28.2	Company admitted to Official List of NSX	38

# A company limited by shares

Constitution of Australia & International Holdings Limited  
ACN 009 706 414

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## 1 General

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### 1.1 Name of Company

The name of the Company is Australia & International Holdings Limited ACN 009 706 414.

### 1.2 Liability of members

The liability of Shareholders is limited.

### 1.3 Replaceable Rules

The Replaceable Rules do not apply to the Company.

## 2 Definitions and interpretation

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### 2.1 Definitions

In this document:

Term	Definition
<b>Approved Exchange</b>	means, where applicable, the stock exchange of which the Company is a member from time to time being NSX, ASX or any other recognised stock exchange operated by a holder of an Australian Market Licence.
<b>Approving Resolution</b>	for the purposes of rule 27, has the meaning set out in rule 27.1.
<b>ASIC</b>	means the Australian Securities and Investments Commission.
<b>ASTC Regulated Transfer</b>	has the same meaning as in the ASTC Settlement Rules.
<b>ASTC Settlement Rules</b>	means the Australian Settlement and Transfer Corporation Pty Limited Settlement Rules, being the operating rules of the Settlement Facility for the purposes of the Corporations Act.
<b>ASX</b>	means ASX Limited ACN 008 624 691.
<b>Australian Market Licence</b>	has the meaning given to that term in section 761A Corporations Act.
<b>Board</b>	means the board of directors of the Company.
<b>Business Day</b>	means a business day as defined in the Listing Rules.
<b>Call</b>	includes any instalment of a call and any amount due on allotment of any share.
<b>Chairman</b>	includes an acting Chairman under rule 10.

<b>Term</b>	<b>Definition</b>
<b>Committee</b>	means a Committee to which powers have been delegated by the Board pursuant to rule 18.7.
<b>Company</b>	means Australia & International Holdings Limited.
<b>Corporations Act</b>	means <i>Corporations Act 2001</i> (Cth).
<b>Director</b>	means a person appointed or elected from time to time to the office of Director of the Company in accordance with these rules and includes any alternate Director duly appointed as a Director.
<b>Executive Officer</b>	for the purposes of rule 26, has the meaning set out in rule 26.9.
<b>Liability</b>	for the purposes of rule 26, has the meaning set out in rule 26.9.
<b>Listing Rules</b>	means the official listing rules and requirements of the Approved Exchange.
<b>Managing Director</b>	means the person appointed to that position pursuant to rule 17.1.
<b>NSX</b>	means National Stock Exchange of Australia Limited ACN 000 902 063.
<b>Office</b>	means the registered office of the Company.
<b>Officer</b>	for the purposes of rule 26, has the meaning set out in rule 26.9.
<b>Official List</b>	has the meaning specified in the Listing Rules.
<b>Proportional Takeover Bid</b>	for the purposes of rule 27, has the meaning set out in rule 27.1.
<b>Register</b>	means the register of shareholders of the Company and includes a branch register of shareholders established pursuant to rule 20.
<b>Registered Address</b>	means the address of a shareholder specified on a transfer or any other address of which the shareholder notifies the Company as a place at which the shareholder will accept service of notices.
<b>Relevant Day</b>	for the purposes of rule 27, has the meaning set out in rule 27.1.
<b>Restricted Security</b>	has the meaning set out in the Listing Rules.
<b>Retiring Director</b>	means a Director who is required to retire under rule 16.1 and a Director who ceases to hold office under rule 16.2.
<b>Seal</b>	means the common seal, if any, of the Company.
<b>Secretary</b>	means a person appointed as secretary of the Company and includes any person appointed to perform the duties of secretary.
<b>Securities</b>	includes shares, rights to shares, options to acquire shares and other securities with rights of conversion to equity.
<b>Security Holder</b>	means a holder of Securities of the Company in accordance with the Corporations Act.
<b>Settlement Facility</b>	has the meaning specified in the ASTC Settlement Rules;
<b>Shareholder</b>	means a shareholder of the Company in accordance with the Corporations Act.
<b>Shareholders Present</b>	means Shareholders present at a general meeting of the Company in person or by duly appointed representative, proxy or attorney.



## **2.2 Interpretation**

In this document:

- (a) a singular word includes the plural and vice versa;
- (b) a word which suggests one gender includes the other gender;
- (c) a reference to a clause, schedule, annexure or party is a reference to a clause of, and a schedule, annexure or party to, this document and references to this document include any schedules or annexures;
- (d) a reference to a party to this document or any other document or agreement includes the party's successors, permitted substitutes and permitted assigns;
- (e) if a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (f) a reference to a document or agreement (including a reference to this document) is to that document or agreement as amended, supplemented, varied or replaced;
- (g) a reference to this document includes the agreement recorded by this document;
- (h) a reference to legislation or to a provision of legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
- (i) if any day on or by which a person must do something under this document is not a Business Day, then the person must do it on or by the next Business Day;
- (j) a reference to a person includes a corporation, trust, partnership, unincorporated body, government and local authority or agency, or other entity whether or not it comprises a separate legal entity; and
- (k) a reference to 'month' means calendar month.
- (l) a reference to the Listing Rules is to the Listing Rules as are in force from time to time in relation to the Company after taking into account any waiver or exemption which is in force either generally or in relation to the Company;
- (m) the headings do not affect the construction of these rules; and
- (n) an expression used in a particular part, division, schedule or regulation of the Corporations Act that is given a special meaning has, in any of these rules that deals with a matter dealt with by that part, division, schedule or regulation, unless the contrary intention appears, the same meaning as in that part, division, schedule or regulation.

## **3 Shares**

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### **3.1 Issue of shares and options**

Without prejudice to any special rights conferred on the holders of any shares, and subject to the Listing Rules, any share in the capital of the Company may be issued with preferred, deferred or other special rights, obligations or restrictions, whether in regard to dividends, voting, return of share capital, payment of calls or otherwise, as the Board may from time to time determine.

Except as provided by contract or these rules to the contrary, all unissued shares are under the control of the Board which may grant options on the shares, issue option certificates in respect of the shares, allot or otherwise dispose of the shares on the terms and conditions and for the consideration it thinks fit. The Company must maintain a register of options in accordance with the Corporations Act.

### **3.2 Power to pay commission and brokerage**

The Company may pay a commission to any person in consideration of the person subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in the Company, or procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any shares in the Company. The commission may be paid or satisfied in cash or in shares, debentures or debenture stock of the Company or otherwise. The Company may in addition to or instead of commission pay any brokerage permitted by law.

### **3.3 Directors may participate**

Any Director or any person who is an associate of a Director for the purposes of the Listing Rules may participate in any issue by the Company of Securities unless the Director is precluded from participating by the Listing Rules.

### **3.4 Surrender of shares**

In its discretion, the Board may accept a surrender of shares by way of compromise of any question as to whether or not those shares have been validly issued or in any other case where the surrender is within the powers of the Company. Any shares surrendered may be sold or re-issued in the same manner as forfeited shares.

### **3.5 Joint holders**

Where two or more persons are registered as the holders of any shares, they are deemed to hold the shares as joint tenants with benefits of survivorship subject to the following provisions:

- (a) **(number of holders)** the Company is not bound to register more than three persons as the holders of the shares (except in the case of trustees, executors or administrators of a deceased Shareholder);
- (b) **(liability for payments)** the joint holders of the shares are liable severally as well as jointly in respect of all payments which ought to be made in respect of the shares;
- (c) **(death of joint holder)** on the death of any one of the joint holders, the survivor is the only person recognised by the Company as having any title to the shares but the Board may require evidence of death;
- (d) **(power to give receipt)** any one of the joint holders may give a receipt for any dividend, bonus or return of capital payable to the joint holders;
- (e) **(notices and certificates)** only the person whose name stands first in the Register as one of the joint holders of the shares is entitled, if the Company is required by the Corporations Act or the Listing Rules to issue certificates for shares, to delivery of a certificate relating to the shares or to receive notices from the Company and any notice given to that person is deemed notice to all the joint holders; and
- (f) **(votes of joint holders)** any one of the joint holders may vote at any meeting of the Company either personally or by duly authorised representative, proxy or attorney, in respect of the shares as if that joint holder was solely entitled to the shares, and if more

than one of the joint holders are present at any meeting personally or by duly authorised representative, proxy or attorney, the joint holder who is present whose name stands first in the Register in respect of the shares is entitled alone to vote in respect of the shares.

### **3.6 Non-recognition of equitable interests, etc.**

Except as otherwise provided in these rules, the Company is entitled to treat the registered holder of any share as the absolute owner of the share and is not, except as ordered by a Court or as required by statute, bound to recognise (even when having notice thereof) any equitable or other claim to or interest in the share or the part of any other person.

### **3.7 Restricted Securities**

- (a) Restricted Securities may not be disposed of during the escrow period except as permitted by the Listing Rules or the Approved Exchange.
- (b) If the Company at any time has on issue any Restricted Securities, the Company must, except as permitted by the Listing Rules or the Approved Exchange, refuse to acknowledge, deal with, accept or register any sale, assignment or transfer of any of such Restricted Securities which is or might be in breach of the Listing Rules or any escrow agreement entered into by the Company under the Listing Rules in relation thereto.
- (c) In the event of a breach of the Listing Rules or of any escrow agreement entered into by the Company under the Listing Rules in relation to Restricted Securities, the member holding the shares in question, notwithstanding any rights attached to such shares, ceases to be entitled to any dividend or distribution and to any voting rights in respect of those shares for so long as the breach subsists.

### **3.8 Issue of redeemable preference shares**

Subject to the Corporations Act, any preference shares may be issued on the terms that they are, or at the option of the Company, are liable, to be redeemed and otherwise on such terms and in such manner as the Board determines before the issue.

### **3.9 Variation of rights**

The rights attached to any class of shares (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, and subject to the Listing Rules, be varied with the consent in writing of members with at least 75% of the votes in the class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

### **3.10 Issue of new preference shares**

The rights conferred upon the holders of the shares of any class issued with preferred or other rights are, unless otherwise expressly provided by the terms of issue of the shares of that class, deemed not to be varied by the creation or issue of further shares ranking equally with the first-mentioned shares.

## **4 Certificates**

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### **4.1 Issue of certificates**

While the Company is admitted to the Official List of the Approved Exchange the following applies:

- (a) subject to rule 3.5(e), where the Company is required by the Corporations Act or the Listing Rules to issue certificates for shares, every Shareholder is entitled, without payment, to one certificate for the shares registered in that Shareholder's name or to several certificates in reasonable denominations, each for a part of the shares;
- (b) the Company may send any certificate to a Shareholder by prepaid post addressed to the Shareholder at that Shareholder's Registered Address or as is otherwise directed by the Shareholder and every certificate so sent is to be at the risk of the Shareholder entitled thereto;
- (c) if the Board wishes to issue certificates for shares, or where the Company is required by the Corporations Act to issue certificates for shares, share certificates are to be issued under the Seal or by authority of the Board (whether or not in accordance with rule 21.4) in any form prescribed by the Board permitted under the Corporations Act and are to be signed in any manner determined by the Board;
- (d) if a certificate is worn out or defaced, upon production of the certificate to the Company, the Board may order it to be cancelled and may issue a new certificate; and
- (e) if a certificate is lost, stolen or destroyed, upon the giving of such indemnity (if any) and any evidence that the certificate has been lost, stolen or destroyed which the Board may require and upon the payment of any fee the Board may from time to time determine, a new certificate may be issued instead of the lost, stolen or destroyed certificate and a certificate issued to replace a certificate which has been lost, stolen or destroyed may be endorsed as having been issued instead of a lost, stolen or destroyed certificate.

#### **4.2 The Company need not issue certificates**

Notwithstanding any other provision in these rules, when the Company is admitted to the Official List of the Approved Exchange the Board may determine not to issue a certificate for any security or may determine to cancel such a certificate without issuing any certificate in its place, if that determination is not contrary to the Corporations Act or the Listing Rules or the ASTC Settlement Rules or is required by Listing Rules or the ASTC Settlement Rules.

#### **4.3 Computerised trading**

- (a) The Board may do anything it considers necessary or desirable and which is permitted under the Corporations Act, the Listing Rules and the ASTC Settlement Rules to facilitate the involvement by the Company in any computerised or electronic system established or recognised by the Corporations Act or the Listing Rules for the purposes of facilitating dealings in Securities.
- (b) If the Company is involved in a system of the kind described in rule 4.3(a), the Company must comply with and give effect to the Listing Rules and the ASTC Settlement Rules applying in relation to that system.

#### **4.4 Cancellation of certificates**

Where the Board of the Company has pursuant to rule 4.2 determined not to issue certificates for Securities or to cancel existing certificates, a Security Holder has the right to receive such statements of the holdings of the Security Holder as are required to be distributed to a Security Holder under the Corporations Act, the Listing Rules or the ASTC Settlement Rules.

## **5 Calls**

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### **5.1 Power to make calls**

Subject to the terms upon which any shares may have been issued, the Board may make calls from time to time upon the Shareholders in respect of all moneys unpaid on their shares. Each Shareholder is liable to pay the amount of each Call in the manner, at the time and at the place specified by the Board. Calls may be made payable by instalments.

### **5.2 Obligation for Calls**

The Company may make arrangements on the issue of shares for a difference between the holders of those shares in the amount of Calls to be paid and the time of payment of the Calls.

### **5.3 When a Call is made**

A Call is deemed to have been made at the time when the resolution of the Board authorising the Call was passed. Subject to the Listing Rules, the call may be revoked or postponed at the discretion of the Board at any time prior to the date on which payment in respect of the call is due.

### **5.4 Interest on the late payment of calls**

If any sum payable in respect of a call is not paid on or before the date for payment, the Shareholder from whom the sum is due is to pay interest on the unpaid amount from the due date to the date of payment at the rate the Board from time to time determines. The Board may waive the whole or part of any interest paid or payable under this rule.

### **5.5 Instalments**

Subject to any notice requirements under the Listing Rules, if, by the terms of an issue of shares, any amount is payable in respect of any shares by instalments, every instalment is payable as if it is a call duly made by the Board of which due notice had been given, and, subject thereto, all provisions of these rules with respect to the payment of calls and of interest or to the forfeiture of shares for non-payment of calls or with respect to liens or charges apply to the instalment and to the shares in respect of which it is payable.

### **5.6 Payment in advance of calls**

If the Board thinks fit it may receive from any Shareholder all or any part of the moneys unpaid on all or any of the shares held by that Shareholder beyond the sums actually called up and then due and payable either as a loan repayable or as a payment in advance of calls. The Company may pay interest on the moneys advanced at the rate and on the terms agreed by the Board and the Shareholder paying the sum in advance.

### **5.7 Non-receipt of notice of call**

Notice of any call must be in writing including such information as the Corporations Act and Listing Rules may require, but the non-receipt of a notice of any call by, or the accidental omission to give notice of any call to, any Shareholder does not invalidate the call.



## **6 Forfeiture and lien**

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### **6.1 Notice requiring payment of sums payable**

Subject to the Listing Rules, if any Shareholder fails to pay any sum payable on or in respect of any shares, either for allotment money, calls or instalments, on or before the day for payment, the Board may, at any time after the day specified for payment whilst any part of the sum remains unpaid, serve a notice on the Shareholder requiring that Shareholder to pay the sum together with interest accrued and all expenses incurred by the Company by reason of the non-payment.

### **6.2 Time and place for payment**

The notice referred to in rule 6.1 is to name a day on or before which the sum, interest and expenses (if any) are to be paid and the place where payment is to be made. The notice is also to state that, in the event of non-payment at or before the time and at the place specified, the shares in respect of which the sum is payable will be liable to be forfeited.

### **6.3 Forfeiture on non-compliance with notice**

If there is non-compliance with the requirements of any notice given pursuant to rule 6.1, any shares in respect of which notice has been given may, at any time after the day specified in the notice for payment whilst any part of allotment moneys, calls, instalments, interest and expenses (if any) remains unpaid, be forfeited by a resolution of the Board to that effect. The forfeiture is to include all dividends, interest and other moneys payable by the Company in respect of the forfeited shares and not actually paid before the forfeiture.

### **6.4 Notice of forfeiture**

When any share is forfeited, notice of the resolution of the Board is to be given to the Shareholder in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture and the date of forfeiture is to be made in the Register. Failure to give notice or make the entry as required by this rule does not invalidate the forfeiture.

### **6.5 Disposal of forfeited shares**

Any forfeited share is deemed to be the property of the Company and, subject to the Listing Rules, the Board may sell or otherwise dispose of or deal with the share in any manner it thinks fit and with or without any money paid on the share by any former holder being credited as paid up.

### **6.6 Annulment of forfeiture**

The Board may, at any time before any forfeited share is sold or otherwise disposed of, annul the forfeiture of the share upon any condition it thinks fit.

### **6.7 Liability notwithstanding forfeiture**

Any Shareholder whose shares have been forfeited is, notwithstanding the forfeiture, liable to pay and is obliged forthwith to pay to the Company all sums of money, interest and expenses owing upon or in respect of the forfeited shares at the time of forfeiture, together with expenses and interest from that time until payment at the rate the Board from time to time determines. The Board may enforce the payment or waive the whole or part of any sum paid or payable under this rule as it thinks fit.

## **6.8 Company's lien or charge**

The Company has a first and paramount lien or charge for unpaid calls, instalments, reasonable interest due in relation to any calls or instalments and any amounts the Company is called upon by law to pay (and has paid) in respect of the shares of a Shareholder upon shares registered in the name of the Shareholder in respect of which the calls, instalments and interest are due and unpaid or in respect of which the amounts are paid and upon the proceeds of sale of the shares. The lien or charge extends to all dividends from time to time declared in respect of the shares provided that, if the Company registers a transfer of any shares upon which it has a lien or charge without giving the transferee notice of any claim it may have at that time, the shares are freed and discharged from the lien or charge of the Company in respect of that claim.

## **6.9 Sale of shares to enforce lien**

The Company may do all such things as may be necessary or appropriate for it to do under the ASTC Settlement Rules or the Listing Rules to effect a transfer or to protect any lien, charge or other right to which it may be entitled under any law or these rules.

## **6.10 Title of shares forfeited or sold to enforce lien**

- (a) In a sale or a re-allotment of forfeited shares or in the sale of shares to enforce a lien or charge, an entry in the Board's minute book that the shares have been forfeited, sold or re-allotted in accordance with these rules is sufficient evidence of that fact as against all persons entitled to the shares immediately before the forfeiture, sale or re-allotment of the shares. The Company may receive the purchase money or consideration (if any) given for the shares on any sale or re-allotment.
- (b) In a re-allotment, a certificate signed by a Director or the Secretary to the effect that the shares have been forfeited and the receipt of the Company for the price of the shares constitutes a good title to them.
- (c) In a sale, the Company may appoint a person to execute or effect a transfer in favour of the person to whom the shares are sold.
- (d) Upon the issue of the receipt or the execution of the transfer the person to whom the shares have been re-allotted or sold is to be registered as the holder of the shares, discharged from all calls or other money due in respect of the shares prior to the re-allotment or purchase and the person is not bound to see to the regularity of the proceedings or to the application of the purchase money or consideration; nor is the person's title to the shares affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale or re-allotment.
- (e) The net proceeds of any sale or re-allotment are to be applied first in payment of all costs of or in relation to the enforcement of the lien or charge or the forfeiture (as the case may be) and of the sale or re-allotment, next in satisfaction of the amount in respect of which the lien exists as is then payable to the Company (including interest) and the residue (if any) paid to, or at the direction of, the person registered as the holder of the shares immediately prior to the sale or re-allotment or to the person's executors, administrators or assigns upon the production of any evidence as to title required by the Board.
- (f) If a certificate for the shares is not produced to the Company, the Board may, where the Company is required by the Corporations Act or the Listing Rules to issue certificates for shares, issue a new certificate distinguishing it from the certificate (if any) which was not produced.

## **7 Payments by the Company**

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### **7.1 Payments by the Company**

If any law of any place imposes or purports to impose any immediate or future or possible liability on the Company to make any payment or empowers any government or taxing authority or government official to require the Company to make any payment in respect of any Securities held either jointly or solely by any holder or in respect of any transfer of those Securities or in respect of any interest, dividends, bonuses or other moneys due or payable or accruing due or which may become due or payable to the holder by the Company on or in respect of any Securities or for or on account or in respect of any holder of Securities, whether in consequence of:

- (a) the death of the holder;
- (b) the non-payment of any income tax or other tax by the holder;
- (c) the non-payment of any estate, probate, succession, death, stamp or other duty by the holder or the trustee, executor or administrator of that holder or by or out of the holder's estate;
- (d) any assessment of income tax against the Company in respect of interest or dividends paid or payable to the holder; or
- (e) any other act or thing,

the Company may exercise any of the rights set out in rule 7.2.

### **7.2 Rights of the Company**

In each of the situations described in rules 7.1(a) to (e), the Company:

- (a) is to be fully indemnified from all liability by the holder or the holder's trustee, executor or administrator and by any person who becomes registered as the holder of the Securities on the distribution of the deceased holder's estate;
- (b) has a lien or charge upon the Securities for all moneys paid by the Company in respect of the Securities under or in consequence of any law;
- (c) has a lien upon all dividends payable in respect of the Securities registered in the Register as held either jointly or solely by the holder for all moneys paid by the Company in respect of the Securities under or in consequence of any law, together with interest at a rate the Board may determine from time to time from the date of payment to the date of repayment, and may deduct or set off against any dividends payable any moneys paid by the Company together with interest;
- (d) may recover as a debt due from the holder or the holder's trustee, executor or administrator or any person who becomes registered as the holder of the Securities on the distribution of the deceased holder's estate, any moneys paid by the Company under or in consequence of any law which exceed any dividend, bonus or other money then due or payable by the Company to the holder together with interest at a rate the Board may determine from time to time from the date of payment to the date of repayment; and
- (e) may, if any money is paid by the Company under any law but subject to the Listing Rules, refuse to register a transfer of any Securities by the holder or the holder's trustee, executor or administrator until the money and interest is set off or deducted or, in case



the money and interest exceeds the amount of any dividend then due or payable by the Company to the holder, until the excess is paid to the Company.

### **7.3 No prejudice to the Company**

Nothing in rules 7.1 or 7.2 prejudices or affects any right or remedy which any law confers on the Company, and, as between the Company and each holder, each holder's trustee, executor, administrator and estate, any right or remedy which the law confers on the Company, is enforceable by the Company.

## **8 Transfer and transmission of Securities**

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### **8.1 Instrument of transfer**

Subject to these rules, a Security Holder may transfer all or any of the Security Holder's Securities:

- (a) in any manner required or permitted by the Listing Rules or the ASTC Settlement Rules applying in relation to any computerised or electronic system established or recognised by the Listing Rules or the Corporations Act for the purpose of facilitating dealings in Securities, including a transfer that may be effected pursuant to the ASTC Settlement Rules or other electronic transfer process; and
- (b) by any instrument in writing in any usual or common form or in any other form that the Board approves.

### **8.2 Registration procedure**

Where an instrument of transfer referred to in rule 8.1 is to be used by a Security Holder to transfer Securities the following provisions apply:

- (a) it must be executed by or on behalf of both the transferor and the transferee unless it is a sufficient transfer of marketable Securities within the meaning of the Corporations Act;
- (b) the instrument of transfer must be left for registration at the share registry of the Company, accompanied by the certificate for the Securities to which it relates (if any) and such information as the Board properly requires to show the right of the transferor to make the transfer, and in that event, the Company must, subject to the powers vested in the Board by these rules, register the transferee as a Security Holder;
- (c) the Company must register all registrable transfer forms, split certificates, renunciations and transfers, issue certificates and transmission receipts and mark or note transfer forms without charge except in the case the Company issues a certificate for Securities where the issue of a certificate is to replace a lost or destroyed certificate; and
- (d) on registration of a transfer of Securities, the Company must cancel the old certificate (if any).

### **8.3 Completion of registration**

- (a) Except in the case of a proper ASTC Regulated Transfer, a transferor of Securities remains the holder of the Securities transferred until the transfer (if any) is registered and the name of the transferee is entered in the Register in respect of the Securities. The right to any dividends declared on any shares subject to a transfer will be determined by reference to the record date for the purposes of that dividend and the date of registration of the transfer.

- (b) The Company must comply with such obligations as may be imposed on it by the Listing Rules and ASTC Settlement Rules in connection with any transfer of Securities.

#### **8.4 Closing Register**

Subject to the provisions of the Corporations Act, the Listing Rules and the ASTC Settlement Rules, the Register may be closed at any time the Board thinks fit.

#### **8.5 Right to refuse registration**

Notwithstanding any other provisions contained in these rules, the Company may in the Board's absolute discretion and without assigning any reason therefor, refuse to register or prevent or interfere with the registration of a transfer of Securities in the Company while it is not admitted to the Official List of the Approved Exchange, and when it is admitted to the Official List of the Approved Exchange the Company may only refuse to register or prevent or interfere with the registration of a transfer of Securities in the Company where permitted or required by any of the Listing Rules or ASTC Settlement Rules.

#### **8.6 Transmission by death**

The trustee, executor or administrator of a deceased Shareholder (who is not one of several joint holders) is the only person recognised by the Company as having any title to Securities registered in the name of the deceased Shareholder provided that the Board may, subject to compliance by the transferee with these rules, register any transfer signed by a Shareholder prior to the Shareholder's death notwithstanding that the Company has notice of the Shareholder's death.

#### **8.7 Transmission by operation of law**

A person who establishes to the satisfaction of the Board that the right to any Securities has devolved on the person by will or by operation of law may be registered as a Shareholder in respect of the Securities or may (subject to the provisions in these rules relating to transfers) transfer the Securities provided that the Board has the same right to refuse to register the person as if the person was the transferee named in an ordinary transfer presented for registration.

### **9 General meetings**

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#### **9.1 General meetings**

- (a) General meetings of the Company may be called by the Board and held in the manner determined by the Board. Except as permitted by the Corporations Act, no other person may convene a general meeting of the Company. By resolution of the Board, any general meeting (other than a general meeting which has been requisitioned or called by Shareholders or by a single Director if permitted by the Corporations Act) may be cancelled or postponed prior to the date on which it is to be held.
- (b) The Chairman of a general meeting may refuse admission to, or require to leave and remain out of, the meeting any person:
  - (i) in possession of a pictorial-recording or sound-recording device;
  - (ii) in possession of a placard or banner;
  - (iii) in possession of an object considered by the Chairman to be dangerous, offensive or liable to cause disruption;

- (iv) who refuses to produce or to permit examination of any object, or the contents of any object or container, in the person's possession;
- (v) who behaves or threatens to behave in a dangerous, offensive or disruptive manner; or
- (vi) who is not:
  - (A) a Shareholder or a proxy, attorney or representative of a Shareholder;
  - (B) a Director; or
  - (C) an auditor of the Company.
- (c) A person, whether or not a Shareholder, who is requested by the Board or the Chairman to attend a general meeting, is entitled to be present.

## **9.2 Notice of general meeting**

- (a) When the Company is admitted to the Official List of the Approved Exchange, not less than 28 days' notice of a general meeting, or such other period prescribed by the Corporations Act, must be given by the Board in the form and in the manner the Board thinks fit including notice of any general meeting at which the Board proposes or these rules require that an election of Directors be held.
- (b) When the Company is not admitted to the Official List of the Approved Exchange, not less than 21 days' notice of a general meeting, or such other period prescribed by the Corporations Act, must be given by the Board in the form and in the manner the Board thinks fit, including notice of any general meeting at which the Board proposes or these rules require that an election of Directors be held.
- (c) Notice of meetings must be given to the Shareholders, the Directors, the Approved Exchange (when the Company is admitted to the Official List of the Approved Exchange) and to such persons as are entitled to receive notice under these rules, the Corporations Act or the Listing Rules. The non-receipt of a notice of any general meeting by, or the accidental omission to give notice to, any person entitled to notice does not invalidate any resolution passed at that meeting.
- (d) If the meeting is to be held at two or more places the notice is to set out details of the technology that will be used to facilitate such a meeting and any other matters required to be stated by the Corporations Act in relation to the use of such technology.

## **10 Proceedings of meetings**

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### **10.1 Business of general meetings**

- (a) The business of an annual general meeting is to receive and consider the financial and any other reports required by the Corporations Act to be laid before each annual general meeting, to elect Directors in the place of those retiring under these rules, when relevant to appoint an auditor, and to transact any other business which, under these rules, is required to be transacted at any annual general meeting. All other business transacted at an annual general meeting and all business transacted at other general meetings is deemed to be special. Except with the approval of the Board, with the permission of the Chairman or pursuant to the Corporations Act, no person may move at any meeting either:

- (i) in regard to any special business of which notice has been given under rule 9.2, any resolution or any amendment of a resolution; or
  - (ii) any other resolution which does not constitute part of special business of which notice has been given under rule 9.2.
- (b) The auditors and their representative are entitled to attend and be heard on any part of the business of a meeting which concerns the auditors. The auditors or their representative, if present at the meeting, may be questioned by the Shareholders, as a whole, about the audit.

## **10.2 Quorum**

Two Shareholders Present constitute a quorum for a general meeting. No business may be transacted at any meeting except the election of a Chairman and the adjournment of the meeting unless the requisite quorum is present at the commencement of the business.

## **10.3 Adjournment in absence of quorum**

If within 15 minutes after the time specified for a general meeting a quorum is not present, the meeting, if convened upon a requisition by Shareholders or called by Shareholders, is to be dissolved, and in any other case it is to be adjourned to the same day in the next week (or, where that day is not a Business Day, the Business Day next following that day) at the same time and place and if, at the adjourned meeting, a quorum is not present within 30 minutes after the time specified for holding the meeting, the meeting is to be dissolved.

## **10.4 Chairman**

- (a) The Chairman of the Board is entitled to take the chair at every general meeting.
- (b) If at any general meeting:
  - (i) the Chairman of the Board is not present at the specified time for holding the meeting; or
  - (ii) the Chairman of the Board is present but is unwilling to act as Chairman of the meeting,

the deputy Chairman of the Board is entitled to take the chair at the meeting.
- (c) If at any general meeting:
  - (i) there is no Chairman of the Board or deputy Chairman of the Board;
  - (ii) the Chairman of the Board and deputy Chairman of the Board are not present at the specified time for holding the meeting; or
  - (iii) the Chairman of the Board and the deputy Chairman of the Board are present but each is unwilling to act as Chairman of the meeting,

the Directors present may choose another Director as Chairman of the meeting and if no Director is present or if each of the Directors present are unwilling to act as Chairman of the meeting, a Shareholder chosen by the Shareholders Present is entitled to take the chair at the meeting.

## **10.5 Acting Chairman**

If during any general meeting the Chairman acting pursuant to rule 10.4 is unwilling to act as chairman for any part of the proceedings, the Chairman may withdraw as Chairman during the relevant part of the proceedings and may nominate any person who immediately before the general meeting was a Director or who has been nominated for election as a Director at the meeting to be acting Chairman of the meeting during the relevant part of the proceedings. Upon the conclusion of the relevant part of the proceedings the acting Chairman is to withdraw and the Chairman is to resume acting as Chairman of the meeting.

## **10.6 General conduct of meeting**

Except as provided by the Corporations Act, the general conduct of each general meeting of the Company and the procedures to be adopted at the meeting are as determined by the Chairman. The Chairman may at any time the Chairman considers it necessary or desirable for the proper and orderly conduct of the meeting demand the cessation of debate or discussion on any business, question, motion or resolution being considered by the meeting and require the business, question, motion or resolution to be put to a vote of the Shareholders Present. The Chairman may require the adoption of any procedure which is in the Chairman's opinion necessary or desirable for the proper and orderly casting or recording of votes at any general meeting of the Company, whether on a show of hands or on a poll.

## **10.7 Adjournment**

The Chairman may at any time during the course of the meeting adjourn from time to time and place to place the meeting or any business, motion, question or resolution being considered or remaining to be considered by the meeting or any debate or discussion and may adjourn any business, motion, question, resolution, debate or discussion either to a later time at the same meeting or to an adjourned meeting. If the Chairman exercises a right of adjournment of a meeting pursuant to this rule, the Chairman has the sole discretion to decide whether to seek the approval of the Shareholders Present to the adjournment and, unless the Chairman exercises that discretion, no vote may be taken by the Shareholders Present in respect of the adjournment. No business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

## **10.8 Voting**

- (a) Each question submitted to a general meeting is to be decided in the first instance by a show of hands of the Shareholders Present and entitled to vote. In the case of an equality of votes, the Chairman, both on a show of hands and at a poll, has no casting vote in addition to the vote or votes to which the Chairman may be entitled as a Shareholder or as a proxy, attorney or duly appointed representative of a Shareholder.
- (b) On a show of hands, where the Chairman has two or more appointments that specify different ways to vote on a resolution, the Chairman must not vote as a proxy.

## **10.9 Declaration of vote on a show of hands**

At any meeting, unless a poll is demanded, a declaration by the Chairman that a resolution has been passed or lost, having regard to the majority required, and an entry to that effect in the book to be kept of the proceedings of the Company signed by the Chairman of that or the next succeeding meeting, is conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against the resolution. A poll may be demanded:

- (a) before a vote is taken;



- (b) before the voting results on a show of hands are declared; or
- (c) immediately after the voting results on a show of hands are declared.

#### **10.10 When poll may be demanded**

No poll may be demanded on the election of a Chairman of a meeting. Otherwise, a poll may be demanded by:

- (a) the Chairman;
- (b) at least five Shareholders Present entitled to vote on the resolution; or
- (c) by a Shareholder or Shareholders Present with at least 5% of the votes that may be cast on the resolution on a poll.

#### **10.11 Taking a poll**

If a poll is demanded as provided in rule 10.10, it is to be taken in the manner and at the time and place as the Chairman directs, and the result of the poll is deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn. In the case of any dispute as to the admission or rejection of a vote, the Chairman's determination in respect of the dispute made in good faith is final.

#### **10.12 Continuation of business**

A demand for a poll does not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded. A poll demanded on any question of adjournment is to be taken at the meeting immediately and without adjournment.

### **11 Special meetings**

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All the provisions of these rules as to general meetings apply to any special meeting of any class of Shareholders which may be held pursuant to the operation of these rules or the Corporations Act.

### **12 Votes of Shareholders**

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#### **12.1 Voting rights**

Subject to the restrictions on voting from time to time affecting any class of shares and subject to rules 3.5(f), 12.4 and 12.8:

- (a) on a show of hands, each Shareholder present has one vote;
- (b) where a Shareholder has appointed two persons as proxies for that Shareholder, neither proxy may vote on a show of hands;
- (c) where a person is entitled to vote by virtue of rule 12.3 in more than one capacity, that person is entitled only to one vote on a show of hands; and
- (d) if the person appointed as proxy has two or more appointments that specify different ways to vote on a resolution, the proxy must not vote on a show of hands; and

- (e) on a poll, each Shareholder present:
  - (i) has one vote for each fully paid share held; and
  - (ii) has for each share which is not fully paid a fraction of a vote equivalent to the proportion which the amount paid up, but not credited as paid up, on that share bears to the total of the amounts paid and payable (excluding amounts credited) on that share.

## **12.2 Voting rights of personal representatives**

Any person entitled under rules 8.6 or 8.7 to transfer any shares may vote at a general meeting in the same manner as if the person were the registered holder of the shares provided that at least 48 hours before the time of holding the meeting at which the person proposes to vote the person has satisfied the Board of the person's right to transfer the shares, unless the Board has previously admitted the person's right to vote at the meeting in respect of the shares.

## **12.3 Appointment of proxies**

- (a) Any Shareholder entitled to vote at a general meeting may appoint a proxy. Any Shareholder who is entitled to cast two or more votes at a general meeting may appoint not more than two proxies to vote at a general meeting on that Shareholder's behalf and may, but need not, direct the proxy or proxies how to vote in relation to each or any resolution.
- (b) The Company must record in the minutes of a general meeting, in respect of each resolution in the notice of meeting, the total number of proxy votes exercisable by all proxies validly appointed.
- (c) If the resolution is decided on a show of hands the Company must record the total number of proxy votes in respect of which the appointment specified that:
  - (i) the proxy is to vote for the resolution;
  - (ii) the proxy is to vote against the resolution;
  - (iii) the proxy is to abstain on the resolution; or
  - (iv) the proxy is to vote at the proxy's discretion.
- (d) If the resolution is decided on a poll the Company must record the information specified in rule 12.3(c) and the total number of votes cast on the poll:
  - (i) in favour of the resolution;
  - (ii) against the resolution; or
  - (iii) abstaining on the resolution.
- (e) A proxy need not be a Shareholder in the Company.
- (f) Where a Shareholder appoints two proxies and each proxy is not appointed to represent a specified proportion of the Shareholder's voting rights, then each proxy may exercise half of the Shareholder's voting rights.

- (g) The instrument appointing a proxy (and the power of attorney, if any, under which it is signed or proof of the power of attorney to the satisfaction of the Board) must be deposited duly stamped (if necessary) at the Office, faxed to the Office or deposited, faxed or sent by electronic mail to any other place specified in the notice of meeting at least 48 hours (or a lesser period as the Board may determine and stipulate in the notice of meeting) before the time for holding the meeting or adjourned meeting or poll at which the person named in the instrument proposes to vote.
- (h) No instrument appointing a proxy is, except as provided in this rule, valid after the expiration of 12 months after the date of its execution. Any Shareholder may deposit at the Office an instrument duly stamped (if necessary) appointing a proxy and the appointment is valid for all or any stipulated meetings of the Company.

#### **12.4 Voting by corporation**

Any corporation, being a Shareholder and entitled to vote, may by resolution of its directors or other governing body or by an instrument of proxy authorise any person, though not a Shareholder of the Company, or any person occupying a particular office from time to time, to act as its representative at meetings, and such representative is, in accordance with their authority and until their authority is revoked by the corporation which they represent, entitled to exercise the same powers on behalf of the corporation which they represent as that corporation could exercise if it were a natural person who was a Shareholder.

#### **12.5 Validity of vote**

A vote given in accordance with the terms of an instrument of proxy or power of attorney is valid notwithstanding the previous death or unsoundness of mind of the principal or revocation of the instrument of proxy or power of attorney or transfer of the shares in respect of which the vote is given, provided no notice in writing of the death, unsoundness of mind, revocation or transfer has been received at the Office before the meeting or any adjourned meeting. A proxy is not revoked by the principal attending and taking part in the meeting, unless the principal actually votes at the meeting on the resolution for which the proxy is proposed to be used.

#### **12.6 Form and execution of instrument of proxy**

- (a) An instrument appointing a proxy is required to be in writing signed by the appointor or the attorney of the appointor or, if the appointor is a corporation, under its common seal or signed by a duly authorised officer and in the form which the Board may from time to time prescribe to accept. The instrument of proxy is deemed to include the right to demand or join in demanding a poll and (except to the extent to which the proxy is specifically directed to vote for or against any proposal) the power to act generally at the meeting for the person giving the proxy.
- (b) An instrument appointing a proxy, unless the contrary is stated, is valid for any adjournment of the meeting, as well as for the meeting to which it relates. Any duly signed proxy which is incomplete may be completed by the Secretary on authority from the Board and the Board may authorise completion of the proxy by the insertion of the name of any member of the Board as the person in whose favour the proxy is given.

#### **12.7 Board to issue forms of proxy**

The Board may issue with any notice of general meeting of Shareholders or any class of Shareholders forms of proxy for use by the Shareholders. Each form must make provision for the Shareholder to write in the name of the person or persons to be appointed as proxy and may provide that, if the Shareholder does not so write in one or more names, the proxy must be one or more persons named on the form. The form may include the names of any of the Directors or



of any other persons as suggested proxies. The forms are to be worded so that a proxy may be directed to vote either for or against each or any of the resolutions to be proposed.

## **12.8 Attorneys of Shareholders**

Any Shareholder may, by duly executed power of attorney, appoint an attorney to act on the Shareholder's behalf at all or certain specified meetings of the Company. Before the attorney is entitled to act under the power of attorney, the power of attorney or proof of the power of attorney to the satisfaction of the Board must be produced for inspection at the Office or any other place the Board may determine from time to time together, in each case, with evidence of the due execution of the power of attorney as required by the Board. The attorney may be authorised to appoint a proxy for the Shareholder granting the power of attorney.

## **12.9 Rights of Shareholder indebted to Company in respect of other shares**

Subject to any restrictions from time to time affecting the right of any Shareholder or class of Shareholders to attend any meeting, a Shareholder holding a share in respect of which for the time being no call is due and payable to the Company is entitled to be present at any general meeting and to vote and be reckoned in a quorum notwithstanding that any call is then due and payable to the Company by the Shareholder in respect of any other share held by the Shareholder provided that, upon a poll, a Shareholder is only entitled to vote in respect of shares held by the Shareholder upon which, at the time when the poll is taken, no call is due and payable to the Company.

## **12.10 Written approval to resolutions**

- (a) Subject to any contrary provision in the Corporations Act, any resolution which is required to be passed or approved at a general meeting of Shareholders or any class of Shareholders is deemed to have been so passed or approved if a written instrument containing the resolution is approved or consented to as evidenced by the execution of such instrument by all Shareholders or, as applicable, any class of Shareholders, and such resolution is deemed to have been passed or approved on the date when the last Shareholder signs that instrument.
- (b) Separate copies of an instrument may be used for signing purposes if the wording of the resolution contained in the instrument is the same in all copies.
- (c) A facsimile transmission or other document produced by mechanical or electronic means under the name of a Shareholder with the Shareholder's authority is deemed to be a written instrument executed by the Shareholder.

# **13 Directors**

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## **13.1 Number and appointment of Directors**

- (a) The Directors in office at the time of adoption of this Constitution shall continue to hold office subject to this Constitution.
- (b) The number of Directors (not including alternate Directors) is required to be the number, not being less than three nor more than ten, which the Board may from time to time determine provided that the Board may not reduce the number below the number of Directors in office at the time of the reduction.
- (c) All Directors are required to be natural persons.

### **13.2 Power to appoint Directors**

The Board has the power at any time to appoint any person as a Director, either to fill a casual vacancy or as an addition to the Board but so that the number of Directors does not exceed the maximum number determined pursuant to rule 13.1(b). Any Director appointed under this rule may hold office only until the next annual general meeting of the Company and is then eligible for election at that meeting but is not to be taken into account in determining the number of Directors who are to retire by rotation at the meeting.

### **13.3 Remuneration of Directors**

- (a) Subject to rule 13.1(b), the Directors are to be paid out of the funds of the Company as remuneration for their services as Directors, such sum accruing from day to day as the Company in general meeting determines to be divided among them in such proportion and manner as they agree or in default of agreement equally.
- (b) Subject to rule 17.1, the Directors' remuneration for their services as Directors is by fixed sum and not a commission on or percentage of profits or operating revenue and may not be increased except at a general meeting where particulars of the proposed increase have been given to the Shareholders in the notice convening the meeting.

### **13.4 Remuneration of Directors for extra services**

Any Director who devotes special attention to the business of the Company, or who otherwise performs services which in the opinion of the Board are outside the scope of the ordinary duties of a Director, or who at the request of the Board engages in any journey on the business of the Company, may be paid extra remuneration as determined by the Board.

### **13.5 Travelling and other expenses**

Every Director is, in addition to any other remuneration provided for in these rules, entitled to be paid from Company funds all reasonable travel, accommodation and other expenses incurred by the Directors in attending meetings of the Company or of the Board or of any Committees or while engaged on the business of the Company.

### **13.6 Retirement benefits**

Any Director may be paid a retirement benefit, as determined by the Board, in accordance with the Corporations Act and the Listing Rules. The Board is authorised to make arrangements with any Director with respect to the payment of retirement benefits in accordance with this rule.

### **13.7 Directors may contract with Company**

- (a) A Director is not disqualified by the office of Director from contracting or entering into any arrangement with the Company or any other person either as vendor, purchaser or otherwise and no contract or arrangement entered into with the Company or any other person by a Director or any contract or arrangement entered into by or on behalf of the Company or any other person in which a Director is in any way interested may be avoided for that reason. A Director is not liable to account to the Company for any profit realised by any contract or arrangement, by reason of holding the office of Director or of the fiduciary relationship established by the office.
- (b) No Director may as a Director vote in respect of any contract or arrangement in which the Director has directly or indirectly any material personal interest if to do so would be contrary to the Corporations Act and if the Director does vote his vote may not be counted nor shall the Director be counted in the quorum present at the meeting but

either or both of these prohibitions may at any time be relaxed or suspended to any extent by ordinary resolution passed at a general meeting, if permitted by the Corporations Act.

- (c) To the extent and in the manner required by the Listing Rules, the Company must inform the Approved Exchange of any material contract or arrangement involving a Director's interests.
- (d) A Director who is interested in any contract or arrangement may, notwithstanding the interest, attest the affixing of the Seal to, or otherwise executing any document evidencing or otherwise connected with the contract or arrangement.

### **13.8 Director may hold other office**

- (a) A Director may hold any other office or position under the Company (except that of auditor) in conjunction with the office of Director, on terms and at a remuneration in addition to remuneration (if any) as a Director, as the Board approves.
- (b) A Director may be or become a director of or hold any other office or position under any corporation promoted by the Company, or in which it may be interested, whether as a vendor or Shareholder or otherwise, or with any other corporation or organisation, and the Director is not accountable for any benefits received as a director or Shareholder of or holder of any other office or position under that corporation or organisation.

### **13.9 Exercise of voting power in other corporations**

The Board may exercise the voting power conferred by the shares in any corporation held or owned by the Company as the Board thinks fit (including the exercise of the voting power in favour of any resolution appointing the Directors or any of them directors of that corporation or voting or providing for the payment of remuneration to the directors of that corporation) and a Director of the Company may vote in favour of the exercise of those voting rights notwithstanding that the Director is, or may be about to be appointed, a director of that other corporation and may be interested in the exercise of those voting rights.

### **13.10 Directors may lend to the Company**

Any Director may lend money to the Company at interest with or without security or may, for a commission or profit, guarantee the repayment of any money borrowed by the Company and underwrite or guarantee the subscription of shares or Securities of the Company or of any corporation in which the Company may be interested without being disqualified in respect of the office of Director and without being liable to account to the Company for the commission or profit.

## **14 Alternate Directors**

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### **14.1 Director may appoint alternate Director**

- (a) Subject to these rules, each Director has power from time to time to appoint any person to act as an alternate Director in the Director's place, whether for a stated period or periods or until the happening of a specified event or from time to time, whenever by absence or illness or otherwise the Director is unable to attend to duties as a Director.
- (b) The Director must first seek and obtain the consent of the Board to the appointment, which consent is not to be unreasonably withheld nor delayed. The appointment is to be in writing and signed by the Director and a copy of the appointment is to be given by the appointing Director to the Company by forwarding or delivering it to the Office.

- (c) The appointment takes effect immediately upon receipt of the appointment at the Office.

## **14.2 Conditions of office of alternate Director**

The following provisions apply to an alternate Director:

- (a) the alternate Director may be removed or suspended from office upon receipt at the Office of written notice, letter, facsimile transmission or other form of visible communication from the Director by whom the alternate Director was appointed to the Company;
- (b) the alternate Director is entitled to receive notice of meetings of the Board and to attend and vote at the meetings if the Director by whom the alternate Director was appointed is not present;
- (c) the alternate Director is entitled to exercise all the powers (except the power to appoint an alternate Director) and perform all duties of a Director, in so far as the Director by whom the alternate Director was appointed had not exercised or performed them;
- (d) the alternate Director is not, unless the Board otherwise determines (without prejudice to the right to reimbursement for expenses pursuant to rule 13.5) entitled to receive any remuneration as a Director from the Company, and any remuneration (not including remuneration authorised by the Board or reimbursement for expenses) paid to the alternate Director by the Company is to be deducted from the remuneration of the Director by whom the alternate Director was appointed;
- (e) the office of the alternate Director is vacated upon the vacation of office by the Director, or by written resignation being given to the Company by the Director, by whom the alternate Director was appointed;
- (f) the alternate Director is not to be taken into account in determining the number of Directors or rotation of Directors; and
- (g) the alternate Director is, while acting as a Director, responsible to the Company for the alternate Director's own acts and defaults and is not to be deemed to be the agent of the Director by whom the alternate Director was appointed.

## **15 Vacation of office of Director**

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### **15.1 Vacation of office by Director**

- (a) The office of a Director is vacated:
  - (i) upon the Director becoming an insolvent under administration, suspending payment generally to creditors or compounding with or assigning the Director's estate for the benefit of creditors;
  - (ii) upon the Director becoming a person of unsound mind or a person who is a patient under laws relating to mental health or whose estate is administered under laws relating to mental health;
  - (iii) upon the Director being absent from three consecutive meetings of the Board without leave of absence from the Board where the Board has not, within 14 days of having been served by the Secretary with a notice giving particulars of the absence, resolved that leave of absence be granted;

- (iv) upon the Director resigning office by notice in writing to the Company;
  - (v) upon the Director being removed from office pursuant to the Corporations Act; or
  - (vi) upon the Director being prohibited from being a Director by reason of the operation of the Corporations Act.
- (b) A Director who vacates office under this rule is not to be taken into account in determining the number of Directors who are to retire by rotation at any annual general meeting.

## **15.2 Directors who are employees of the Company**

The office of a Director who is an employee of the Company and/or any of its subsidiaries becomes vacant upon the Director ceasing to be employed (so that they are no longer employed by the Company or any subsidiary of the Company) but the person concerned is eligible for reappointment or re-election as a Director of the Company.

# **16 Election of Directors**

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## **16.1 Retirement of Directors**

Without prejudice to rules 13.2 and 15.1, at every annual general meeting, one third of the Directors (other than any Managing Director) 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. A Director (other than a Director who is a Managing Director) must retire from office at the conclusion of the third annual general meeting after which the Director was elected or re-elected. A Retiring Director retains office until the dissolution or adjournment of the meeting at which the Retiring Director retires.

## **16.2 Who must retire?**

The Directors to retire pursuant to rule 16.1 are the Directors or Director longest in office since last being elected. As between Directors who were elected on the same day the Directors to retire are (in default of agreement between them) determined by ballot. The length of time a Director has been in office is calculated from the Director's last election or appointment. A Retiring Director is eligible for re-election.

## **16.3 Nomination of Directors**

No person (other than a Retiring Director) is eligible for election to the office of Director at any general meeting unless the person or some Shareholder intending to nominate the person has given notice in writing signed by the nominee giving consent to the nomination and signifying either candidature for the office or the intention of the Shareholder to nominate the nominee. To be valid, the notice is required to be left at the Office not less than the period permitted by the Listing Rules, before the meeting unless the nominee has been recommended by the Board for election, in which case the notice is required to be left at the Office at least five business days before the meeting.



## **17 Managing Director**

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### **17.1 Appointment of a Managing Director**

The Board may from time to time appoint one of the Board to be Managing Director (who may bear that title or any other title determined by the Board) for a period ending on the happening of events (if any) stipulated by the Board, at a remuneration which may be by way of salary or commission on or participation in profits or by any or all of these methods (but not by a commission on or percentage of operating revenue) and otherwise on terms as determined by the Board from time to time. The Board may confer upon a Managing Director any of the powers exercisable under these rules by the Board as it thinks fit and upon any conditions it thinks expedient but the conferring of powers by the Board upon a Managing Director does not exclude the exercise of those powers by the Board.

### **17.2 Managing Director not to be subject to retirement by rotation**

A Managing Director is not subject to retirement as a Director by rotation while continuing to hold the office of Director and is not to be taken into account in determining the rotation or retirement of Directors or the number of Directors to retire, but is subject to the same provisions as to resignation and removal as the other Directors of the Company. A Managing Director ceases to be a Managing Director if the Managing Director ceases to hold office as a Director.

## **18 Proceedings of Directors**

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### **18.1 Procedures relating to Directors' meetings**

- (a) The Board may meet together, upon each Director being given reasonable notice, for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit.
- (b) Three Directors form a quorum until otherwise determined by the Board.
- (c) Notice is deemed to have been given to a Director and all Directors are hereby deemed to have consented to the method of giving notice if notice is sent by mail, personal delivery, facsimile transmission or by electronic mail to the usual place of residence, fax number or electronic address of the Director (if any, fax number or electronic address is notified to the Company) or at any other address given to the Secretary by the Director from time to time, subject to the right of the Director to withdraw their consent within a reasonable period before a meeting.

### **18.2 Meetings by telephone or other means of communication**

The Directors may meet either in person or by telephone or by other means of communication consented to by all Directors subject to the right of a Director to withdraw their consent within a reasonable period before a meeting. All persons participating in the meeting must be able to hear and be heard by all other participants. A meeting conducted by telephone or other means of communication is deemed to be held at the place agreed upon by the Directors attending the meeting, provided that at least one of the Directors present at the meeting is at that place for the duration of the meeting.

### **18.3 Votes at meetings**

Questions arising at any meeting of the Board are decided by a majority of votes. In the case of an equality of votes, the Chairman of the meeting has a casting vote in addition to the Chairman's deliberative vote.

#### **18.4 Convening of meetings**

The Chairman or the Board may at any time convene a meeting of the Board and the Secretary must do so if directed by any one Director.

#### **18.5 Chairman**

The Board may elect a Chairman and a deputy Chairman of its meetings and determine the period for which each is to hold office. If no Chairman or deputy Chairman is elected or if at any meeting the Chairman and the deputy Chairman are not present at the time specified for holding the meeting (or, if being present, the relevant Directors refuse to act as Chairman or deputy Chairman), the Directors present may choose one of their number to be Chairman of the meeting.

#### **18.6 Powers of meetings**

A meeting of the Board or any adjournment of a meeting at which a quorum is present is competent to exercise any of the authorities, powers and discretions for the time being vested in or exercisable by the Board.

#### **18.7 Delegation of powers to Committees**

The Board may, subject to the constraints imposed by law, delegate any of its powers to Committees consisting of one or more Directors or any other person or persons as the Board thinks fit. Any Committee formed or person or persons appointed to the Committee must, in the exercise of the powers delegated, conform to any regulations that may from time to time be imposed by the Board. A delegate of the Board may be authorised to sub-delegate any of the powers for the time being vested in the delegate.

#### **18.8 Proceedings of Committees**

The meetings and proceedings of any Committee are to be governed by the provisions of these rules for regulating the meetings and proceedings of the Board so far as they are applicable and are not superseded by any regulations made by the Board under rule 18.7.

#### **18.9 Validity of acts**

- (a) All acts done at any meeting of the Board or by a Committee or by any person acting as a Director are, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any of the Directors or the Committee or the person acting as a Director or that any of them were disqualified, as valid as if every person had been duly appointed and was qualified and continued to be a Director or a member of the Committee (as the case may be).
- (b) If the number of Directors is reduced below the minimum number fixed pursuant to these rules, the continuing Directors may act for the purpose of increasing the number of Directors to that number or of calling a general meeting of the Company but for no other purpose.

#### **18.10 Resolution in writing**

- (a) A resolution in writing of which notice has been given to all Directors and which is signed by all of the Directors entitled to vote on the resolution is as valid and effectual as if it had been passed at a meeting of the Board duly called and constituted and may consist of several documents in the same form each signed by one or more of the Directors.

- (b) For the purposes of this rule, the references to **Directors** include any alternate Director for the time being present in Australia who is appointed by a Director not for the time being present in Australia but does not include any other alternate Director.
- (c) A facsimile transmission or other document produced by mechanical or electronic means under the name of a Director with the Director's authority is deemed to be a document in writing signed by the Director.

## **19 Powers of the Board**

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### **19.1 General powers of the Board**

The management and control of the business and affairs of the Company is vested in the Board, which (in addition to the powers and authorities conferred upon them by these rules) may exercise all powers and do all things as are within the power of the Company and are not by these rules or by the Corporations Act directed or required to be exercised or done by the Company in general meeting.

### **19.2 Power to borrow and guarantee**

Without limiting the generality of rule 19.1, the Board may exercise all the powers of the Company to raise or borrow money, may guarantee the debts or obligations of any person and may enter into any other financing arrangement, in each case in the manner and on the terms it thinks fit.

### **19.3 Power to give security**

Without limiting the generality of rule 19.1, the Board may charge any property or business of the Company or any of its uncalled capital and may issue debentures or give any other security for a debt, liability or obligation of the Company or of any other person, in each case, in the manner and on the terms it thinks fit.

### **19.4 Power to make calls**

Without limiting the generality of rule 19.1, if any uncalled capital of the Company is included in or charged by any debenture, mortgage or other security, the Board may, by instrument under the Seal, or other appropriate instrument, authorise the person in whose favour the debenture, mortgage or other security is executed or any other person in trust for him to make calls on the Shareholders in respect of that uncalled capital and to sue in the name of the Company or otherwise for the recovery of moneys becoming due in respect of calls made and to give valid receipts for those moneys, and the authority subsists during the continuance of the debenture, mortgage or other security, notwithstanding any change in the Directors, and is assignable if so expressed.

### **19.5 Power to issue Securities**

Any bonds, debentures or other Securities may be issued with or without the right of or obligation on the holder thereof to exchange the same in whole or in part of shares in the Company at a certain or uncertain time or with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise and generally with such rights and options and upon such conditions in all respects as the Board thinks fit.



## **19.6 Personal liability of officer**

If the Board or any member thereof or any officer of the Company becomes personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the persons or person so becoming liable as aforesaid from any loss in respect of such liability.

## **19.7 Disposal of main undertaking**

While the Company is admitted to the Official List of the Approved Exchange, any sale or disposal of the Company's main undertaking is conditional upon approval or ratification by the Company in general meeting. No person who may benefit (other than as a holder of Securities issued by the Company) from the sale or disposal, and no associate of such person, may vote on any resolution to approve or ratify the sale or disposal.

## **20 Branch Register**

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The Company may cause to be kept a branch Register of Shareholders in accordance with, and as permitted by the Corporations Act.

## **21 The Seal**

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### **21.1 Execution of cheques and bills**

All cheques, bills of exchange and promissory notes are to be signed, drawn, made, accepted or endorsed (as the case may be) for and on behalf of the Company by two Directors, or by one Director and the Secretary or some other officer authorised by the Board, or in such other manner as the Board may from time to time determine.

### **21.2 Company Seal is optional**

The Company may have a Seal.

### **21.3 Affixing the Seal**

If the Company has a Seal, the Board is to provide for its safety and it should only be used by the authority of the Board. Every instrument to which the Seal is affixed is to be signed by a Director and countersigned by the Secretary or by a second Director or by another person appointed by the Board for the purpose. The Board may determine either generally or in any particular case that a signature may be affixed by a mechanical means specified in the determination.

### **21.4 Execution of documents without a Seal**

The Company may execute a document, including a deed, by having the document signed by:

- (a) two Directors;
- (b) a Director and the Secretary, and

if the Company executes a deed, the document is to be expressed to be executed as a deed and be executed in accordance with the appropriate procedures set out in rule 21.3 or this rule.

## **21.5 Other ways of executing documents**

Notwithstanding the provisions of rules 21.3 and 21.4, any document including a deed, may also be executed by the Company in any other manner permitted by law.

## **22 Minutes**

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### **22.1 Contents of minutes**

The Board must ensure that minutes are duly recorded in any manner it thinks fit:

- (a) of the names of the Directors present at each meeting of the Board and of any Committees; and
- (b) of all resolutions and proceedings of general meetings of the Company and of meetings of the Board and any Committees.

### **22.2 Signing of minutes**

The minutes of any meeting of the Board or of any Committee or of the Company, if purporting to be signed by the Chairman of the meeting or by the Chairman of the next succeeding meeting, are prima facie evidence of the matters stated in the minutes.

## **23 Dividends**

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### **23.1 Payment of dividend**

The Board may from time to time determine that a dividend is payable to the Shareholders. The dividend is (subject to the rights of, or any restrictions on, the holders of shares created or raised under any special arrangement as to dividend) payable on all shares pro rata to the total amount for the time being paid, but not credited as paid, in respect of the shares as a proportion of the total of the amounts then paid and payable thereon, excluding amounts credited, and may be paid at a rate per annum in respect of a specified period provided that (for the purposes of this rule) no amount paid on a share in advance of calls is to be treated as paid on that share.

### **23.2 Dividend plans**

- (a) The Board may establish and maintain one or more dividend plans (including the establishment of rules) pursuant to which Shareholders may elect with respect to some or all of their shares (subject to the rules of the relevant plan):
  - (i) to reinvest in whole or in part dividends paid or payable or which may become payable by the Company to the Shareholder in cash by subscribing for shares in the capital of the Company;
  - (ii) to receive a dividend from the Company by way of the allotment of shares paid up from such account or reserves from which shares may be issued under the Corporations Act;
  - (iii) that dividends from the Company not be paid and that instead a payment or distribution other than a dividend be made by the Company;
  - (iv) that cash dividends from the Company not be paid and that instead a cash dividend be received from a related corporation nominated by the Board;

- (v) to participate in a dividend plan, including but not limited to a plan pursuant to which Shareholders may elect to receive a dividend from the Company or any related corporation which is less in amount but franked to a greater extent than the ordinary cash dividend that would be payable by the Company or any related body corporate or to receive a dividend from the Company or any related body corporate which is greater in amount but franked to a lesser extent than the ordinary cash dividend that would be payable by the Company or any related body corporate.
- (b) Pursuant to a dividend plan established in accordance with rule 23.2(a), any Shareholder may elect for a specified period or for a period to be determined by specified notice (in either case determined by the Board and prescribed in the rules of the plan) that all or some of the ordinary shares held by that Shareholder and designated by the Shareholder in accordance with the rules of the plan will participate in the dividend plan. During that period the designated shares will be entitled to participate in the dividend plan subject to the rules of the dividend plan.
- (c) In the event of any inconsistency between any dividend plan established in accordance with rule 23.2(a) or rules of any dividend plan and these rules these rules prevail.
- (d) The Board is authorised to do all things which they consider to be desirable or necessary for the purpose of implementing every dividend plan established in accordance with rule 23.2(a).
- (e) The Board is authorised to vary the rules of any dividend plan established in accordance with rule 23.2(a) at their discretion and to suspend or terminate any dividend plan at their discretion. Any dividend plan may also be suspended, terminated or varied by resolution of a general meeting of the Company.

### **23.3 Employee share plan**

Subject to the Listing Rules, the Board may, in addition to its powers under rule 23.8, resolve to apply the whole or a portion of any sum, standing to the credit of any reserve or other account in paying up in full unissued shares of the Company to be issued to the holders of shares, options or other Securities of the Company in accordance with, or to give effect to, the terms of any plan for the issue of shares, rights to shares or options to acquire shares to or for the benefit of employees which has been approved by the Company by special resolution in general meeting.

### **23.4 Interim dividends**

The Board may from time to time pay to the Shareholders on account of the next forthcoming dividend any interim dividend as in its judgment the position of the Company justifies.

### **23.5 Dividends out of profits**

No dividend is payable except out of the profits of the Company, and no dividend or other moneys payable on or in respect of a share carries interest as against the Company. The declaration of the Board as to the amount of the profits of the Company is conclusive.

### **23.6 Reserves**

The Board may, in priority to any dividend, set aside out of the profits of the Company any sums as it thinks proper as a reserve, which at the discretion of the Board may be applicable for any purpose to which the profits of the Company may be properly applied, and pending application may be employed in the business of the Company or be invested in any investments the Board may from time to time think fit. Any income derived from or accretions to such shares, Securities

or other investments may either be carried to the credit of the reserve fund or reserve funds represented by such shares, Securities or other investments or be dealt with as profits arising from the business of the Company.

### **23.7 Distribution otherwise than in cash**

When declaring a dividend the Board may:

- (a) direct payment of the dividend wholly or in part by the distribution of specific assets or documents of title and in particular of paid up shares, debentures or debenture stock of the Company or any other company; and
- (b) (if the Company in general meeting has approved the adoption of a dividend plan), determine and announce that each Shareholder entitled to participate in the dividend may elect that the payment of the dividend be satisfied in respect of all, or a number of shares less than all of the shares held by the Shareholder by the allotment of paid up shares in accordance with the dividend plan.

### **23.8 Power to capitalise profits**

Subject to the Listing Rules, the Board may resolve that the whole or any portion of any sum forming part of the undivided profits of the Company or standing to the credit of any reserve or other account and which is available for distribution, be capitalised and distributed to Shareholders in the same proportions in which they would be entitled to receive it if distributed by way of dividend or in accordance with either the terms of issue of any shares or the terms of any plan for the issue of Securities for the benefit of officers or employees. All or any part of the sum is to be applied on the behalf of Shareholders either in paying up the amounts for the time being unpaid on any issued shares held by them, or in paying up in full unissued shares or other Securities the Company (of an aggregate amount equal to the amount capitalised) which are to be issued to them accordingly, or partly in one way or partly in the other.

### **23.9 Appropriation and application of amounts to be capitalised**

The Board may specify the manner in which any fractional entitlements and any difficulties relating to distribution are to be dealt with and, without limiting the generality of the foregoing, may specify that fractions are to be disregarded or that any fractional entitlements are to be increased to the next whole number or that payments in cash in lieu of fractional entitlements be made. The Board may make all necessary appropriations and applications of the amount to be capitalised pursuant to rule 23.8 and all necessary allotments and issues of fully paid shares or debentures. Where required, the Board may appoint a person to sign a contract on behalf of the Shareholders entitled upon a capitalisation to any shares or debentures, which provides for the issue to them, credited as fully paid of any further shares or debentures or for the payment by the Company on their behalf of the amounts or any part of the amounts remaining unpaid on their existing shares by the application of their respective proportions of the sum resolved to be capitalised.

### **23.10 Transfer of shares**

A transfer of shares registered after the transfer books close for dividend purposes, but before a dividend is payable, does not pass the right to any dividend fixed for payment before the books are closed.

### **23.11 Retention of dividends**

The Board may retain the dividends payable on shares which any person is under rules 8.6 or 8.7 entitled to transfer until the person becomes registered as a Shareholder in respect of the shares

or duly transfers them. The Board may also retain any dividends on or in respect of which (or on or in respect of the shares upon which any such dividend is payable) the Company has a lien or charge under rule 6.8 and may apply the same in or towards satisfaction of the calls, instalments or sums owing in respect of which the lien or charge exists.

### **23.12 How dividends are payable**

Payment of any dividend may be made in any manner and by any means as determined by the Board. Without prejudice to any other method of payment which the Board may adopt any dividend may be paid by cheque or warrant made payable to the Shareholder entitled to the dividend or in the case of joint holders to the Shareholder whose name stands first in the Register in respect of the joint holding. Payment in any dividend may be made by sending the cheque, warrant or other means of payment to the Shareholder entitled to the dividend through the post to the Shareholder's Registered Address, and upon posting every payment of any dividend is at the risk of the Shareholder.

### **23.13 Unclaimed dividends**

All unclaimed dividends may be invested or otherwise made use of by the Board for the benefit of the Company until claimed or otherwise disposed of according to law.

## **24 Notices**

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### **24.1 Service of notices**

A notice may be given by the Company to any Shareholder, or in the case of joint holders to the Shareholder whose name stands first in the Register, personally, by leaving it at the Shareholder's Registered Address or by sending it by prepaid post or to the Shareholder's Registered Address or by sending it to the facsimile transmission address or electronic address nominated by the Shareholder (if any). All notices to persons whose Registered Address is not in Australia are to be sent by pre-paid post by airmail, by fax or in some other way that ensures they will be received quickly.

### **24.2 When notice deemed to be served**

Any notice sent by post is deemed to have been served at the expiration of 48 hours after the envelope containing the notice is posted and, in proving service, it is sufficient to prove that the envelope containing the notice was properly addressed and posted. Any notice served on a Shareholder personally or left at the Shareholder's Registered Address is deemed to have been served when delivered. Any notice served on a Shareholder by facsimile transmission is deemed to have been served when the transmission is sent. A facsimile is deemed to be duly sent when the Company's facsimile system generates a message confirming successful transmission of the total number of pages of the notice to the addressee. Any notice served on a Shareholder by electronic means is deemed to have been served when the electronic message is sent.

### **24.3 Shareholder not known at Registered Address**

Where a Shareholder does not have a Registered Address or where the Company has bona fide reason to believe that a Shareholder is not known at the Shareholder's Registered Address, all future notices are deemed to be given to the Shareholder if the notice is exhibited in the Office for a period of 48 hours (and is deemed to be duly served at the commencement of that period) unless and until the Shareholder informs the Company of a registered place of address.



#### **24.4 Signature to notice**

The signature to any notice to be given by the Company may be written or printed.

#### **24.5 Reckoning of period of notice**

Where a given number of days' notice or notice extending over any other period is required to be given the day of service is not to be reckoned in the number of days or other period.

#### **24.6 Notice to transferor binds transferee**

Every person who, by operation of law, transfer or any other means becomes entitled to be registered as the holder of any shares is bound by every notice which, prior to the person's name and address being entered in the Register in respect of those shares, was duly given to the person from whom the person derives title to those shares.

#### **24.7 Service on deceased Shareholders**

A notice delivered or sent by post to the Registered Address of a Shareholder pursuant to these rules is (notwithstanding that the Shareholder is then dead and whether or not the Company has notice of the Shareholder's death) deemed to have been duly served in respect of any registered shares, whether held solely or jointly with other persons by the Shareholder, until some other person is registered in the Shareholder's place as the holder or joint holder and the service is for all purposes deemed to be sufficient service of the notice or document on the Shareholder's heirs, executors or administrators and all persons (if any) jointly interested with the Shareholder in the shares.

#### **24.8 Persons entitled to notice of general meeting**

- (a) Notice of every general meeting is to be given to:
  - (i) each member individually who is entitled to vote at general meetings of the Company;
  - (ii) each Director;
  - (iii) each person entitled to a share in consequence of the death or bankruptcy of a member who, but for his death or bankruptcy, would be entitled to receive notice of the meeting;
  - (iv) the auditor for the time being of the Company; and
  - (v) the Approved Exchange.
- (b) No other person is entitled to receive notices of general meetings unless they are required to receive a notice under the Corporations Act or the Listing Rules.

### **25 Winding up**

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#### **25.1 Distribution in specie**

If the Company is wound up, whether voluntarily or otherwise, the liquidator may divide among all or any of the contributories as the liquidator thinks fit in specie or in kind any part of the assets of the Company, and may vest any part of the assets of the Company in trustees upon any trusts for the benefit of all or any of the contributories as the liquidator thinks fit.

## **25.2 Variation of rights of contributories**

If thought expedient, any division may be otherwise than in accordance with the legal rights of the contributories and, in particular, any class may be given preferential or special rights or may be excluded altogether or in part, but in case any division otherwise than in accordance with the legal rights of the contributories is determined, any contributory who would be prejudiced by the division has a right to dissent and ancillary rights as if the determination were a special resolution passed pursuant to the Corporations Act relating to the sale or transfer of the Company's assets by a liquidator in a voluntary winding up.

## **25.3 Liability to calls**

If any shares to be divided in accordance with rule 25.1 involve a liability to calls or otherwise, any person entitled under the division to any of the shares may by notice in writing within ten Business Days after the passing of the special resolution, direct the liquidator to sell the person's proportion and pay the person the net proceeds and the liquidator is required, if practicable, to act accordingly.

# **26 Indemnity and insurance**

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## **26.1 Indemnity in favour of Directors, Secretary and Executive Officers**

Subject to the Corporations Act and rule 26.2, the Company must indemnify each Director, Secretary and Executive Officer to the maximum extent permitted by law, against any Liability incurred by them by virtue of their holding office as, and acting in the capacity of, Director, Secretary or Executive Officer of the Company, other than:

- (a) a Liability owed to the Company or a related body corporate of the Company;
- (b) a Liability for a pecuniary penalty order under section 1317G Corporations Act or a compensation order under section 1317H Corporations Act;
- (c) a Liability owed to a person other than the Company that did not arise out of conduct in good faith.

## **26.2 Indemnity for legal costs**

The Company must indemnify each Director, Secretary and Executive Officer to the maximum extent permitted by law, against any Liability for legal costs incurred by them in respect of a Liability incurred by them by virtue of their holding office as, and acting in the capacity of, Director, Secretary or Executive Officer of the Company other than for legal costs incurred:

- (a) in defending or resisting proceedings, in which the Director, Secretary or Executive Officer is found to have a Liability for which they could not be indemnified under rule 26.1;
- (b) in defending or resisting criminal proceedings in which the Director, Secretary or Executive Officer is found guilty;
- (c) in defending or resisting proceedings brought by the ASIC or a liquidator for a court order if the grounds for making the order are found by the court to have been established (but rule 26.2(c) does not apply to costs incurred in responding to actions taken by the ASIC or a liquidator as part of an investigation before commencing proceedings for the court order); or
- (d) in connection with proceedings for relief to the Director, Secretary or Executive Officer under the Corporations Act in which the court denies the relief.

### **26.3 Indemnity for employees**

Subject to the Corporations Act and rule 26.4, the Company may indemnify an employee, who is not a Director, Secretary or Executive Officer of the Company, to the maximum extent permitted by law, against any Liability incurred by them by virtue of their holding office as, and acting in the capacity of, an Officer of the Company, other than:

- (a) a Liability owed to the Company or a related body corporate of the Company;
- (b) a Liability for a pecuniary penalty order under section 1317G Corporations Act or a compensation order under section 1317H Corporations Act; or
- (c) a Liability owed to a person other than the Company that did not arise out of conduct in good faith.

### **26.4 Indemnity for legal costs of employees**

The Company may indemnify an employee other than a Director, Secretary or Executive Officer to the maximum extent permitted by law, against any Liability for legal costs incurred in respect of a Liability as, or by virtue of their holding office as, and acting in the capacity of, an Officer of the Company other than for legal costs incurred:

- (a) in defending or resisting proceedings, in which the Officer is found to have a Liability for which they could not be indemnified under rule 26.3;
- (b) in defending or resisting criminal proceedings in which the Officer is found guilty;
- (c) in defending or resisting proceedings brought by the ASIC or a liquidator for a court order if the grounds for making the order are found by the court to have been established (but rule 26.4(c) does not apply to costs incurred in responding to actions taken by the ASIC or a liquidator as part of an investigation before commencing proceedings for the court order); or
- (d) in connection with proceedings for relief to the Officer under the Corporations Act in which the court denies the relief.

### **26.5 Proceedings**

For the purposes of rules 26.2 and 26.4, proceedings includes the outcomes of the proceedings and any appeal in relation to the proceedings.

### **26.6 Insurance for the benefit of Directors, Secretary and Executive Officers**

Subject to the Corporations Act, the Company may pay a premium for a contract insuring a person who is or has been a Director, Secretary or Executive Officer of the Company acting in that capacity against:

- (a) costs and expenses in defending any proceedings, whether civil or criminal, whatever their outcome; or
- (b) a Liability arising from negligence or other conduct.



## **26.7 Insurance for other Officers**

Subject to the Corporations Act, the Company may pay a premium for a contract insuring a person who is or has been an employee and also an Officer of the Company, acting in that capacity, but who is not a Director, Secretary or Executive Officer of the Company against:

- (a) costs and expenses in defending any proceedings, whether civil or criminal, whatever their outcome; or
- (b) a Liability arising from negligence or other conduct.

## **26.8 When insurance may not be provided by the Company**

The Company must not pay, nor agree to pay, a premium for a contract insuring a person who is or has been a Director, Secretary or Executive Officer or an employee who is also an Officer of the Company, against a Liability (other than one for legal costs) arising out of:

- (a) conduct involving a wilful breach of duty in relation to the Company; or
- (b) a contravention of section 182 or section 183 Corporations Act.

## **26.9 Definitions for rule 26**

In rule 26:

<b>Term</b>	<b>Definition</b>
<b>Executive Officer</b>	means a person who is concerned, or takes part in, the management of the Company (regardless of the person's designation and whether or not the person is a Director of the Company).
<b>Liability</b>	includes any claim, action, suit, proceeding, investigation, inquiry, damage, loss, cost or expense.

<b>Term</b>	<b>Definition</b>
<b>Officer</b>	means a Director or Secretary of the Company and a person: <ul style="list-style-type: none"> <li>(a) who makes, or participates in making, decisions that affect the whole, or a substantial part, of the business of the Company;</li> <li>(b) who has the capacity to affect significantly the Company's financial standing; or</li> <li>(c) in accordance with whose instructions or wishes the members of the Board is accustomed to act (excluding advice given by the person in the proper performance of functions attaching to the person's professional capacity or their business relationship with the Board or the Company).</li> </ul>

## **27 Partial takeovers**

### **27.1 Definitions for rule 27**

In rule 27:

<b>Term</b>	<b>Definition</b>
<b>Approving Resolution</b>	means a resolution to approve the Proportional Takeover Bid passed under rule 27.
<b>Proportional Takeover Bid</b>	has the meaning given to that term in section 9 Corporations Act.
<b>Relevant Day</b>	in relation to a Proportional Takeover Bid, means the day that is 14 days before the end of the period during which the offers under the Proportional Takeover Bid remain open.

### **27.2 Approval of partial takeovers bids**

- (a) Subject to the Listing Rules, where offers have been made under a Proportional Takeover Bid in respect of shares in a class of shares in the Company, the registration of a transfer giving effect to a takeover contract for the bid is prohibited unless and until a resolution to approve the Proportional Takeover Bid is passed under this rule.
- (b) A person other than the bidder or an associate of the bidder (being a person associated with the bidder within the meaning of division 2 part 1.2 Corporations Act) who, as at the end of the day of which the first offer under the Proportional Takeover Bid was made, held shares in that class is entitled to vote on an Approving Resolution and, for the purpose of voting, is entitled to one vote for each of the shares held in that class.
- (c) An Approving Resolution is to be voted on at a meeting of the persons entitled to vote on the Approving Resolution, convened and conducted by the Company.
- (d) The provisions of these rules that apply in relation to a general meeting of the Company apply in relation to a meeting that is convened to vote on an Approving Resolution as if such a meeting was a general meeting of the Company, with such modifications as the circumstances require.

- (e) An Approving Resolution that has been voted on under this rule, is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than one-half, and otherwise is taken to have been rejected.
- (f) Where offers have been made under a Proportional Takeover Bid the Board must ensure that a resolution to approve the Proportional Takeover Bid is voted on under this rule, before the Relevant Day.
- (g) Where a resolution to approve a Proportional Takeover Bid is voted on under this rule, before the Relevant Day, the Company must, on or before the Relevant Day:
  - (i) give to the bidder; and
  - (ii) serve on each notifiable Securities exchange in relation to the Company, a notice in writing stating that a resolution to approve the Proportional Takeover Bid has been voted on and whether the resolution has been passed, or has been rejected, as the case requires.
- (h) Where, at the end of the day before the Relevant Day no resolution to approve the Proportional Takeover Bid has been voted on under this rule, a resolution to approve the Proportional Takeover Bid is deemed to have been passed.
- (i) Where a resolution under this rule is rejected:
  - (i) notwithstanding section 652A Corporations Act, all offers under the Proportional Takeover Bid that have not, as at the end of the Relevant Day, been accepted, and all offers under the Proportional Takeover Bid that have been accepted and from whose acceptance binding contracts have not resulted, at the end of the Relevant Day, are deemed to be withdrawn at the end of the Relevant Day;
  - (ii) the bidder is, forthwith after the end of the Relevant Day, to return to each person who has accepted any of the accepted offers any documents that were sent by the person to the bidder with the acceptance of the offer;
  - (iii) the bidder is entitled to rescind, and is required, forthwith after the end of the Relevant Day, to rescind, each binding contract resulting from the acceptance of an offer made under the Proportional Takeover Bid; and
  - (iv) a person who has accepted an offer made under the Proportional Takeover Bid is entitled to rescind the contract (if any) resulting from that acceptance.
- (j) This rule ceases to have effect on the third anniversary of the later of the date of adoption or last renewal of this rule.

## 28 Listing Rules

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### 28.1 Company not admitted to Official List of the Approved Exchange

Notwithstanding any of these rules the Company and its Directors and other officers are not required to comply with any rule insofar as it may specifically relate to the Approved Exchange, the Listing Rules or the ASTC Settlement Rules until the Company is admitted to the Official List of the Approved Exchange.

## **28.2 Company admitted to Official List of the Approved Exchange**

If the Company is admitted to the Official List of the Approved Exchange, the following rules apply:

- (a) notwithstanding anything contained in these rules, if the Listing Rules prohibit an act being done, the act must not be done;
- (b) nothing contained in these rules prevents an act being done that the Listing Rules require to be done;
- (c) if the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the Listing Rules require these rules to contain a provision and they do not contain such a provision, these rules are deemed to contain that provision;
- (e) if the Listing Rules require these rules not to contain a provision and they contain such a provision, these rules are deemed not to contain that provision;
- (f) if any provision of these rules is or becomes inconsistent with the Listing Rules, these rules are deemed not to contain that provision to the extent of the inconsistency.

## **29 Buy-back offer**

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### **29.1 Company to make buy-back offer**

The Company must make an offer to members to buy-back shares, at a price per share equal to the Net Asset Value and on such other on terms determined by the Directors, upon the occurrence of either of the following events:

- (a) a person acquiring a Relevant Interest in at least 20% of the Company's issued capital, excluding any Existing Substantial Holder; or
- (b) the Burrell Managed Portfolio Service Agreement being terminated, or otherwise ceasing to operate, as it relates to the Company.

### **29.2 Member to appoint Company or nominee as attorney**

Each member irrevocably appoints the Company or its nominee (**Attorney**) as its attorney to vote on any resolution required by the Corporations Act or otherwise to be passed by members to facilitate the making of a Buy-Back Offer. Each member agrees and acknowledges that this rule 29.2 constitutes a valid and binding irrevocable appointment of attorney for the purpose specified, upon which the Company and Attorney are entitled to rely.

### **29.3 Address for sending notice of meeting**

Each member from time to time irrevocably instructs the Company to send any notice of meeting, relating to any resolution required by the Corporations Act or otherwise to be passed to facilitate the Buy-Back Offer, to the Attorney on behalf of the member to an address specified by the Attorney or, failing specification, the Company's registered office, provided that the notice of meeting must not contain any resolution which does not relate to the Buy-Back Offer.

## 29.4 Limitation on application of rule

For the avoidance of doubt, any Buy-Back Offer the Company is empowered to make pursuant to this rule 29 is an offer only to buy-back shares in the Company and does not:

- (a) authorise or empower the Company to buy-back a member's shares, unless the member accepts the offer in accordance with the terms and conditions on which it is made;
- (b) authorise or empower the Attorney to accept a Buy-Back Offer on behalf of a member; or
- (c) force a member to divest or sell its shares into a buy-back, unless the member accepts the offer in accordance with its terms and conditions.

## 29.5 Buy-Back Offer can be made more than once

The Company may make a Buy-Back Offer each time an event specified in rule 29.1 occurs.

## 29.6 Definitions and interpretation

- (a) For the purpose of this rule 29:

Term	Definition
<b>Burrell Managed Portfolio Service Agreements</b>	means the agreement of that name between the Company and others and Burrell Stockbroking Pty Ltd ACN 088 958 481 dated 26 June 2003 (as amended).
<b>Buy-Back Offer</b>	means an offer to buy back the Company's shares under an Equal Access Scheme.
<b>Equal Access Scheme</b>	means a scheme which satisfies the conditions specified in section 257B(2) Corporations Act.
<b>Existing Substantial Holder</b>	means each of: <ul style="list-style-type: none"><li>(a) CTBFam ACN 063 664 451 as trustee for the CT &amp; JT Burrell Superannuation Fund;</li><li>(b) CTBFam Pty Ltd ACN 063 664 451; and</li><li>(c) Christopher T Burrell.</li></ul>
<b>Net Asset Value</b>	means an amount calculated in accordance with the following formula: $\frac{\text{Assets less Liabilities}}{\text{Total Shares}}$ where: <b>Assets</b> means the total assets of the Company as determined by the Directors. <b>Liabilities</b> means the total liabilities of the Company as determined by the Directors. <b>Total Shares</b> means the total number of shares on issue in the Company as at the date of calculation as determined by the Directors.
<b>Relevant Interest</b>	has the meaning given by sections 608 and 609 Corporations Act.



- (b) In this rule 29, a reference to legislation or to a provision of legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation which is issued under it.

#### **29.7 Application while Listed**

- (a) While the Company is admitted to the Official List of the Approved Exchange, this rule 29 only applies if it is not contrary to the Listing Rules or prohibited by the Approved Exchange.
- (b) For the purpose of rule 29.7(a), this rule 29 will not be taken to be contrary to the Listing Rules or prohibited by the Approved Exchange if, where required, the Approved Exchange grants the Company a waiver from the Listing Rules which has the effect of permitting this rule to operate and be effective.