



# Bell IXL Investments Limited

ACN 113 669 908  
ABN 80 113 669 908

## NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an extraordinary general meeting of the shareholders of Bell IXL Investments Limited (ACN 113 669 908) will be held at Level 2, 651 Doncaster Road, Doncaster, Victoria 3108 at 9:30 AM on Thursday 23 May 2013 for the purpose of transacting the following business.

### BUSINESS

#### 1. Withdrawal of listing on NSX

To consider and, if thought fit, to pass the following resolution as a special resolution:

"That, subject to the passing of each of the other resolutions proposed in this notice and subject to the holders of the limited voting ordinary shares of the company authorising the directors of the company to withdraw the listing of the company on the National Stock Exchange, and for the purposes of rule 2.25 of the Listing Rules of the National Stock Exchange of Australia Limited, the directors of the company are authorised to withdraw the listing of the company on the National Stock Exchange."

NB: For this resolution to be passed, at least 75% of the votes cast must be in favour.

#### 2. Change of company type

To consider and, if thought fit, to pass the following resolution as a special resolution:

"That, subject to the passing of each of the other resolutions proposed in this notice and for the purposes of section 162 of the Corporations Act 2001, the company type be changed from a public company limited by shares to a proprietary company limited by shares and that the name of the company be amended from Bell IXL Investments Limited to Bell IXL Investments Pty. Ltd."

NB: For this resolution to be passed, at least 75% of the votes cast must be in favour.

#### 3. Adoption of new constitution

To consider and, if thought fit, to pass the following resolution as a special resolution:

"That, subject to the passing of each of the other resolutions proposed in this notice and for the purposes of section 136 of the Corporations Act 2001, with effect from the date on which ASIC alters the registration details of the company to a proprietary company, the regulations contained in the printed document produced to the meeting and signed by the chairperson for identification purposes are hereby approved and adopted as the Constitution of the company in substitution for and to the exclusion of the existing Constitution of the company."

NB: For this resolution to be passed, at least 75% of the votes cast must be in favour.

By order of the board.

  
**RAMON JIMENEZ**  
Company Secretary

23 April 2013

### VOTING ENTITLEMENTS

The directors have determined that the persons eligible to vote at the meeting are those who are registered as shareholders of the company at the time that is 48 hours prior to the time of the meeting. Holders of limited voting ordinary shares are only entitled to vote on those proposals (if any) that directly affect the rights attached to the limited voting ordinary shares.

### VOTING EXCLUSION STATEMENT

Holders of limited voting ordinary shares are not entitled to vote on resolution 1. The company will disregard any votes cast on resolution 1 by a holder of limited voting ordinary shares except where the holder of limited voting ordinary shares is also the holder of ordinary shares and is casting a vote only in respect of the ordinary shares held by the holder or the vote is cast by a person as a proxy for a person who is entitled to vote and it is cast in accordance with the directions on the proxy form.

A separate meeting will be held so that holders of limited voting ordinary shares can vote on the delisting of the company as required by NSX Listing Rule 2.25. Holders of limited voting ordinary shares will be entitled to vote on resolutions 2 and 3 as those resolutions may affect the rights attached to the limited voting ordinary shares.

## **MANNER OF VOTING**

The Constitution of the company provides that an individual shareholder may vote at a general meeting of the company either in person, by proxy or through an attorney. In the case of a shareholder that is a company the shareholder may vote by proxy, through an attorney or by a corporate representative appointed pursuant to section 250D of the *Corporations Act 2001*.

### **VOTING BY ATTORNEY OR CORPORATE REPRESENTATIVE**

If a shareholder intends to vote through an attorney or a corporate representative then an original or certified copy of the document evidencing the appointment of the attorney or corporate representative must be lodged with the company prior to the commencement of the meeting.

### **VOTING BY PROXY**

1. A shareholder entitled to attend and vote at the meeting may appoint a person or company as proxy to attend and vote at the meeting on behalf of the shareholder.
2. A proxy form is provided with this notice of meeting.
3. A proxy need not be a shareholder of the company.
4. A shareholder entitled to cast two or more votes at the meeting may appoint two proxies and can specify the proportion or number of votes that each proxy is entitled to exercise failing which each proxy may exercise half of the voting rights of the shareholder.
5. Proxy forms must be received by the company at least 48 hours prior to the time of the meeting and may be submitted:

*By delivery:* to the registered office of the company at Level 2, 651-653 Doncaster Road, Doncaster, Victoria 3108; or

*By post:* addressed to the company at PO Box 111, Doncaster, Victoria 3108; or

*By fax:* sent to (03) 9840 0088.

6. A proxy form should be signed in accordance with the following instructions:

*Single holding:* The shareholder or a duly appointed attorney of the shareholder must sign the proxy form in the space provided.

*Joint holding:* All of the shareholders or their duly appointed attorneys must sign the proxy form in the spaces provided.

*Companies:* Any two directors or a director and company secretary must sign the form in the spaces provided. In the case where the company has only one director who is also the only company secretary then that person may sign the form. Similarly where the company has only one director but no company secretary then the sole director may sign the form. The titles set out above and below the signature boxes should be amended as required. A company seal can be used on the proxy form but is optional. A proxy form can also be signed on behalf of a company by a duly appointed attorney of the company or by a corporate representative appointed pursuant to section 250D of the *Corporations Act 2001*.

7. Where a proxy form is signed by an attorney or by a corporate representative then the proxy form will only be valid if the proxy form together with an original or certified copy of the document evidencing the appointment of the attorney or corporate representative is received by the company at least 48 hours prior to the meeting.

## **EXPLANATORY NOTES**

The information is provided to assist shareholders in their decision as to how to vote in respect of the resolutions to be put to the meeting. The directors of the company encourage all shareholders to read the notice of meeting and these notes in full before deciding how to vote in respect of the resolutions to be put to the meeting.

A proxy form has been provided to all shareholders that can be used to appoint a representative, known as a proxy, to vote on behalf of the shareholder at the meeting. All shareholders are encouraged to attend the meeting or, if they are unable to attend in person, to complete, sign and return the proxy form to the company.

A shareholder can still attend the meeting in person even if a proxy form has been lodged.

Shareholders with any doubt as to how to vote at the meeting and strongly encouraged to obtain their own independent advice from an accountant, lawyer, stockbroker or other adviser.

## **ITEMS OF BUSINESS**

### **Introduction**

The business to be considered by the meeting consists of three interdependent resolutions that are intended to result in the delisting of the company from the National Stock Exchange and the conversion of the company to a proprietary company. The resolutions are being put to shareholders as part of a plan that will see the affairs of the company managed under an informal "winding up" process with the ultimate goal being to realise the remaining investments of the company at the maximum possible price and then return capital to shareholders. Given that the resolutions are interdependent they will be addressed as a group in these notes.

## History

The company was established in April 2005 to act as a strategic investment company with a focus on acquiring listed investments at a discount and then realising those investments at a profit. In September 2005 the company was admitted to the Official List of the National Stock Exchange of Australia (then called the Newcastle Stock Exchange). The company experienced mixed results from its investment activities with some successes and some failures. In addition the main investment segment targeted by the company, being small to medium sized listed companies, has been adversely affected by the global financial crises and the resultant economic instability and uncertainty.

## Recent Developments

Over the past two years the portfolio of the company was rationalised such that the bulk of the assets of the company were concentrated in two investments, Botswana Metals Limited and Queste Communications Limited. During 2012 the price of ordinary shares and options in Botswana Metals Limited has fallen considerably with a significant effect on the net asset value of the company. After carefully considering the situation the directors decided that fall in asset values was such that the company could not continue in its present form as it would be unlikely to achieve the objectives for which it was formed. It was therefore considered appropriate that operating costs should be minimized, the remaining investments should be realised at the best possible price and the remaining capital should then be returned to shareholders.

## Current Situation

The directors have taken action to reduce the operating expenses of the company and the payment of wages/fees to executive and non-executive directors ceased from 1 July 2012. The remaining investments of the company are of a nature and type where it is not possible to achieve a quick realisation at a satisfactory price. In order to further reduce operating costs pending the realisation of the investments the directors believe it is appropriate for the company to delist from the National Stock Exchange and convert to a proprietary company limited by shares. A number of recurring expenses now payable by the company would no longer be payable, or would be payable at a reduced rate, if the company ceased to be publicly listed.

## Future Action

If the resolutions put to the meeting are approved then the directors intend to commence an informal "winding up" of the company pursuant to which:

- The investments of the company will be realised as quickly as possible for the best possible price.
- The liabilities of the company will be paid.
- Capital will be progressively returned to shareholders as and when it is possible and practical to do so.

## Advantages

The principal advantage to the company from delisting are the likely cost savings and a simplification in the ongoing operation and administration of the company. Any costs saved will result in a larger amount of capital being available to be ultimately returned to shareholders.

## Disadvantages

There are a number of potential disadvantages to shareholders if the company is delisted from the National Stock Exchange and is converted to a proprietary company including:

- Shareholders will no longer be able to trade their shares on the National Stock Exchange. Whilst it will still be possible for shares to be bought and sold by private arrangement there is no guarantee that a shareholder will be able to sell shares.
- The company will no longer be subject to the Listing Rules of the National Stock Exchange and shareholders will cease to have the benefit of the protections contained in those rules including, for example, the continuous disclosure requirements, the restrictions on the issue of further shares without shareholder approval and the requirement to publicly announce the financial reports of the company.
- The company will no longer be subject to the specific requirements of the Corporations Act 2001 that apply only to public companies such as the provisions regulating related party transactions and requiring the lodgment of audited financial reports.

## Other Considerations

There has been a very low level of liquidity in the trading of the shares of the company on the National Stock Exchange with long periods of little or no trading. In addition, the directors believe that it is unlikely that the company will be able to raise further funds through share issues to existing or new shareholders. The company has applied for a waiver of NSX Listing Rule 2.25 so as to permit the company to withdraw its listing notwithstanding that the company gave less than 90 days notice to the NSX of its intention to delist.

## New Constitution

One of the resolutions to be considered by shareholders at the meeting is the adoption of a new Constitution in accordance with the proposed change from a public to a proprietary company. Shareholders are encouraged to read the proposed Constitution in full and copies of both the existing Constitution and the proposed Constitution will be provided to shareholders free of charge on request.

## Recommendation

The directors believe that the benefits of the resolutions outweigh the potential disadvantages and therefore believe that the proposals are in the best interests of shareholders. The directors unanimously recommend that shareholders vote in favour of the resolutions.