



CONSTITUTION
OF
MOUNT ROMMEL MINING LIMITED
A.C.N. 005 583 031

Adopted by resolution
At the meeting of members
20 June 2009

MOUNT ROMMEL MINING LTD : CONSTITUTION

Table of Contents

1. DEFINITIONS	1
2. INTERPRETATION	4
3. SHARES	4
3.1. Issue of shares	4
3.2. Board's power to issue shares	4
3.3. Surrender of shares	5
3.4. Joint holders	5
3.4.1. Number of holders	5
3.4.2. Liability for payments	5
3.4.3. Death of joint holder	5
3.4.4. Power to give receipt	5
3.4.5. Notices and certificates	5
3.4.6. Votes of joint holders	5
3.5. Variation of rights	5
3.6. Commission and brokerage	6
3.7. Non-recognition of equitable or other interests	6
3.8. Uncertificated Holdings and Electronic Transfer	6
3.9. Share Certificates	7
3.10. Restricted Securities	8
3.11. Small Holdings	8
4. LIEN	9
4.1. Lien on share	17
4.2. Sale under lien	19
4.3. Transfer on sale under lien	19
4.4. Proceeds of sale	19
5. CALLS	19
5.1. Power to make calls	19
5.2. Obligation for calls	20
5.3. When a call is made	20
5.4. Interest on the late payment of calls	20
5.5. Instalments	20
5.6. Prepayment of calls	20
6. FORFEITURE	20
6.1. Notice requiring payment of sums payable	20
6.2. Time and place for payment	20
6.3. Forfeiture on non-compliance with notice	21
6.4. Notice of forfeiture	21
6.5. Disposal of forfeited shares	21
6.6. Annulment of forfeiture	21
6.7. Liability despite forfeiture	21
6.8. Company's lien or charge	21
6.9. Sale of shares to enforce lien	21
6.10. Title to shares forfeited or sold to enforce lien	21
7. TRANSFER AND TRANSMISSION OF SHARES	22
7.1. Forms of Instrument of transfer	22
7.2. Registration procedure	22
7.3. Market Transfer	23
7.4. Board may refuse to register	23
7.5. When transfer effective	23
7.6. Closing Register	23
7.7. Other Securities	24
7.8. Transmission of Shares on death of holder	24
7.9. Right to registration on death or bankruptcy	24
7.10. Effect of transmission	24
7.11. Market Transfers not affected	25

8.	GENERAL MEETINGS.....	25
8.1.	Annual General Meeting	25
8.2.	General meetings	25
8.3.	Notice of General Meeting	25
8.4.	Special business of General Meeting.....	26
8.5.	Requisitioned Meeting.....	26
8.6.	Objections of requisitioned meeting.....	26
8.7.	Expenses of requisitioned meeting	26
8.8.	Postponement or cancellation of meeting	26
8.9.	Notice to Exchange (or as appropriate, the Home Exchange)	26
9.	Proceedings at General Meetings	27
9.1.	Representation of Member	27
9.2.	Quorum.....	27
9.3.	Failure to achieve quorum	27
9.4.	Appointment and powers of Chairman of General Meeting.....	27
9.5.	Adjournment of General Meeting.....	28
9.6.	Voting at General Meeting	28
9.7.	Questions decided by majority	29
9.8.	Poll	29
9.9.	Equality of Votes	29
9.10.	Entitlement to vote.....	29
9.11.	Joint Shareholder's Vote.....	30
9.12.	Vote of shareholder of unsound mind.....	30
9.13.	Effect of unpaid call.....	30
9.14.	Objection to voting qualification	30
9.15.	Appointment of proxy.....	30
9.16.	Deposit of proxy and other instruments.....	31
9.17.	Validity of vote in certain circumstances.....	31
9.18.	Director entitled to notice of meeting	31
10.	THE DIRECTORS	31
10.1.	Number and Appointment of Directors	31
10.2.	Election of Directors.....	32
10.3.	Qualifications of Directors	32
10.4.	Casual Vacancy	32
10.5.	Removal of Director	32
10.6.	Remuneration of Directors	33
10.7.	Directors' interests.....	33
10.8.	Related Body Corporate Contacts.....	34
10.9.	Vacation of office of Director.....	34
11.	POWERS AND DUTIES OF DIRECTORS	34
11.1.	Directors to manage Company	34
11.2.	Appointment of attorney	35
11.3.	Minutes	36
11.4.	Execution of Company cheques etc.....	36
11.5.	Retirement Benefits for Directors.....	36
11.6.	Securities to Directors.....	36
12.	PROCEEDINGS OF DIRECTORS.....	37
12.1.	Director's meetings.....	37
12.2.	Questions decided by majority	37
12.3.	Alternate Directors.....	37
12.4.	Quorum for Directors' meetings.....	38
12.5.	Remaining Directors may act	38
12.6.	Chairman of Directors	38
12.7.	Directors' committees.....	38
12.8.	Written resolution by Directors	39
12.9.	Defective Appointment.....	39
12.10.	Directors may hold other Offices.....	39
12.11.	Directors may hold shares, etc	40
12.12.	Directors not accountable for benefits	40
12.13.	Voting, Affixation of Seal	40

12.14.	Exchange to be Advised	40
12.15.	Meeting to be Effectual	40
12.16.	Procedure at Meetings	40
12.17.	Minutes	41
12.18.	Definition.....	41
12.19.	Appointment of Managing Director	41
12.20.	Remuneration.....	41
12.21.	Powers	41
12.22.	Rotation	41
13.	SECRETARY.....	41
13.1.	Appointment of Secretary	41
13.2.	Suspension and removal of Secretary	42
13.3.	Powers and Duties of Secretary	42
13.4.	Secretary to attend meetings	42
14.	COMMON SEAL AND OFFICIAL SEAL	42
14.1.	Custody of Common Seal.....	42
14.2.	Use of the Common Seal	42
14.3.	Execution of Documents without a Common Seal	42
15.	INSPECTION OF RECORDS.....	42
15.1.	Inspection by Members.....	42
16.	DIVIDENDS AND RESERVES.....	42
16.1.	Declaration of Dividend	42
16.2.	Directors may authorise Interim Dividend	42
16.3.	No Interest on Dividends	42
16.4.	Reserve and profits carried forward.....	43
16.5.	Calculation and Apportionment of Dividends	43
16.6.	Deduction from Dividends.....	43
16.7.	Distribution of Specific Assets	43
16.8.	Payment by cheque and receipts from joint holders	43
16.9.	Bonus Share Plan.....	44
16.10.	Dividend Plans.....	44
16.11.	Unclaimed Dividends	45
17.	CAPITALISATION OF PROFITS.....	45
18.	NOTICES.....	45
18.1.	Service of Notices.....	45
18.2.	Persons entitled to notice of General Meeting	46
18.3.	Change of Address.....	46
18.4.	Incorrect Address.....	46
19.	AUDIT AND ACCOUNTS	46
19.1.	Company to keep accounts	46
19.2.	Company to audit accounts.....	46
20.	WINDING UP.....	46
20.1.	Distribution of Assets	46
20.2.	Order for Winding Up	47
21.	INDEMNITY	47
22.	OVERSEAS MEMBERS	47
23.	LISTING RULES	47

**CONSTITUTION
OF
MOUNT ROMMEL MINING LIMITED
ACN 005 583 031**

PRELIMINARY

The name of the Company is Mount Rommel Mining Limited.

The Company is a public company limited by shares.

The replaceable rules in the Corporations Act do not apply to the Company.

1. DEFINITIONS

In this Constitution unless the context requires otherwise:

- 1.1. **"ASX"** means Australian Stock Exchange Limited;
- 1.2. **"ASTC"** means ASX Settlement and Transfer Corporation Pty. Ltd. as the operator of an approved clearing and settlement facility under the Corporations Act.
- 1.3. **"ASTC Settlement Rules"** means the operating rules of ASTC which apply while the company is an issuer of CHES Approved Securities, each as amended or replaced from time to time;
- 1.4. **"Auditor"** means the Auditor or Auditors for the time being of the Company
- 1.5. **"Board"** means the Directors for the time being of the Company or those of them who are present at a meeting at which there is a quorum.
- 1.6. **"Business Day"** means a day other than a Saturday, a Sunday, New Years Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day which the Exchange shall declare and publish to be a day which is not a Business Day.
- 1.7. **"Chairman"** means the Chairman of the Board or other person occupying the position of Chairman under Rule 9.4.
- 1.8. **"CHES"** means the Clearing House Electronic Sub-Register System established and operated by the Exchange including but not limited to:
 - 1.8.1. the clearing and settlement of transaction in CHES approved securities;
 - 1.8.2. the transfer of securities; and
 - 1.8.3. the registration of transfers.
- 1.9. **"CHES approved securities"** means securities of a company for which CHES approval has been given in accordance with the ASTC Settlement Rules;
- 1.10. **"CHES sub register"** means that part of a company's register for a class of the company's CHES approved securities that is administered by ASTC and that records uncertificated holdings of securities in that class;
- 1.11. **"Committee"** means a Committee to which powers have been delegated by the Board under Rule 12.7.

- 1.12. **"Company"** means Mount Rommel Mining Limited (ACN 005 583 031).
- 1.13. **"Constitution"** means this Constitution as amended.
- 1.14. **"Corporations Act"** means the Corporations Act 2001(Cth).
- 1.15. **"Deputy Chairman"** means the Director elected to the office of deputy chairman under Rule 12.6.
- 1.16. **"Director"** means a person appointed to the office of Director of the Company in accordance with this Constitution and where appropriate includes an alternate Director.
- 1.17. **"Exchange"** means Stock Exchange of Newcastle Limited or in the event that the Company shall become admitted to Australian Stock Exchange Limited shall mean Australian Stock Exchange Limited;
- 1.18. **"Home Exchange"** means, if the Company becomes admitted to ASX, the State branch of ASX nominated by ASX as the Home Exchange for the Company;
- 1.19. **"Listed"** means, in relation to the Company, the Company being and remaining admitted to the official list of the Exchange;
- 1.20. **"Listing Rules"** means the Listing Rules of the Exchange and any other rules of the Exchange which are applicable while the Company is admitted to the Official List of the Exchange, each as amended or replaced from time to time, except to the extent of any express written waiver by the Exchange.
- 1.21. **"Listed Securities"** means any shares, share options, stock, debentures, debenture stock or other securities for the time being issued by the Company and officially quoted by the Exchange.
- 1.22. **"Market Transfer"** means:
 - 1.22.1. a transfer of shares in the Company where the transfer is pursuant to or connected with a transaction entered into on the stock market operated by the Exchange and for the avoidance of doubt includes a proper ASTC transfer; or
 - 1.22.2. an allotment of shares in the Company as a result of the exercise of any rights, options or convertible notes where such rights, options or notes and traded on a market operated by the Exchange.
- 1.23. **"Marketable Parcel"** means in relation to:
 - 1.23.1. Equity Securities and redeemable preference shares with a fixed and certain date for redemption, but not rights to subscribe for Equity Securities and options over unissued Equity Securities, a parcel of securities of not less than \$500 based on:
 - 1.23.1.1. the closing price on the NETS (or SEATS, if applicable) as if the Equity Securities are quoted; or
 - 1.23.1.2. the price paid on issue, if the Equity Securities are unquoted; and
 - 1.23.2. rights to subscribe for Equity Securities, a parcel of rights which, if taken up in full, would result in a parcel of Equity Securities which would be not less than \$500 based on:
 - 1.23.2.1. the closing price on NETS (or SEATS, if applicable) of the Equity Securities at the time of purchase of the rights, if the Equity Securities are quoted; or
 - 1.23.2.2. the total application moneys payable in relation to the exercise of the rights, if the Equity Securities are unquoted;

- 1.23.3. options over unissued Equity Securities, a parcel of options which, if exercised in full, would result in a parcel of Equity Securities which would be not less than \$500 based on:
 - 1.23.3.1. the closing price on NETS (or SEATS, if applicable) of the Equity Securities at the time of purchase of the options, if the Equity Securities are quoted; or
 - 1.23.3.2. the total moneys payable on the exercise of the options, if the Equity Securities are unquoted; and
- 1.23.4. Loan Securities other than redeemable preference shares with a fixed and certain date for redemption, 1 security with a face value of not less than \$100.
- 1.24. **"Member"** means a person for the time being entered in the Register as a member of the Company.
- 1.25. **"NETS"** means the Newcastle Electronic Trading System, a computer system and associated network operated by NSX in providing a market for trading in securities
- 1.26. **"Office"** means the registered office of the Company.
- 1.27. **"Person"** and words importing persons include partnerships, associations and corporations, unincorporated and incorporated by Ordinance, Act of Parliament or registration as well as individuals.
- 1.28. **"Prescribed information"** means information as to whether the shares are held beneficially by the holder of the shares and, if not, who has beneficial interest in the shares, whether the holder of the shares or any person who has a beneficial interest in the shares is in a position to exercise control of another licence (giving particulars of any such position) and any other information which the Directors consider is necessary or desirable for determining the eligibility of that person or any other person to hold or continue to hold shares in the Company having regard to the provisions of the Corporations Act.
- 1.29. **"proper ASTC transfer"** has the same meaning as that term has under the Corporations Act.
- 1.30. **"Register"** means the register of shareholders of the Company.
- 1.31. **"registered address"** means the address of a shareholder specified on the Register or any other address of which the shareholder notifies the Company as a place at which the shareholder is willing to accept service of notices.
- 1.32. **"Restricted Securities"** has the meaning ascribed to it by the Listing Rules.
- 1.33. **"Retiring Director"** means a Director who is required to retire under Rule 10.1.3;
- 1.34. **"Rules"** means these Rules, as amended.
- 1.35. **"Seal"** means the common seal of the Company.
- 1.36. **"SEATS"** has the same meaning as set out in the ASTC Settlement Rules and is the Stock Exchange Automated Trading System, a computer system and associated network operated by ASX in providing a market for trading in securities;
- 1.37. **"Secretary"** means a person appointed as, or to perform the duties of, a Secretary of the Company.
- 1.38. **"securities"** includes shares, rights to shares, options to acquire shares and other securities with rights of conversion to equity and debentures, debenture stock, notes and other obligations of the Company.

- 1.39. **"shareholders present"** means shareholders present at a general meeting of the Company in person or by duly appointed representative, proxy or attorney.
- 1.40. **"Voting interests"** means the right of a Member to exercise a vote at any meeting of the company under this Constitution or any law.
- 1.41. **"writing"** and **"written"** includes printing, typing, lithography, facsimile and other modes of reproducing words in a visible form.

2. **INTERPRETATION**

- 2.1. Unless the context otherwise requires:-
 - 2.1.1. a word or phrase which is given a meaning by the Corporations Act has the same meaning in this Constitution;
 - 2.1.2. words in the singular include the plural and vice versa; and
 - 2.1.3. a reference to the Corporations Act or any other statute or regulation, means the Corporations Act, statute or regulation as amended, modified or substituted.
 - 2.1.4. where the phrase "permitted by the Listing Rules" or similar phrase is used in this Constitution that expression under this Constitution shall be deemed to include any act, omission or transaction which is subject to a waiver of the Listing Rules by the Exchange.
 - 2.1.5. a reference to the Listing Rules is to have effect if, and only if, at the relevant time, the Company has been admitted to and remains on the Official List of the Exchange and is otherwise to be disregarded.
- 2.2. The headings do not affect the construction of this Constitution.
- 2.3. The Replaceable Rules contained in the Corporations Act do not apply to the Company.

3. **SHARES**

3.1. **Issue of shares**

- 3.1.1. The Company shall have only one class of ordinary securities unless otherwise allowed under the Listing Rules.
- 3.1.2. Without affecting any special rights conferred on the holders of any shares, 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 determine but subject to the limitations specified in the Listing Rules.

3.2. **Board's power to issue shares**

- 3.2.1. Except as provided by contract or this Constitution to the contrary, all unissued shares are under the control of the Board which may grant options on the shares, issue or otherwise dispose of the shares on the terms and conditions and for the consideration it thinks fit. An issue of shares of the same class as an existing class of shares is not to be considered to constitute a variation of the rights of the holders of shares in the existing class. Any Director or any person who is an associate of a Director may participate in any issue by the Company of securities.
- 3.2.2. Subject to the Listing Rules the Directors have the right to grant to any person options or other securities with rights of conversion to shares or pre-emptive rights to any shares for any consideration and for any stock.

3.2.3. The Directors have the right to settle the manner in which fractions of a share, however arising, are to be dealt with.

3.2.4. The Directors may not, without the prior approval of a resolution of the Company in general meeting, allot any shares in the Company to any person where the allotment would have the effect of transferring a controlling interest in the Company.

3.3. 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.

3.4. Joint holders

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

3.4.1. 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 personal representatives of a deceased shareholder);

3.4.2. 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;

3.4.3. 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 and the estate of the deceased joint holder is not released from any liability in respect of the shares;

3.4.4. 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;

3.4.5. 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 determines 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 considered to be notice to all the joint holders; and

3.4.6. 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. If more than one of the joint holders are present personally or by duly authorised representative, proxy or attorney, only the vote of the joint holder whose name appears first in the Register counts.

3.5. Variation of rights

3.5.1 If at any time the share capital is divided into different classes of shares, the rights attached to any class may

(unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, be varied or abrogated in any way with the consent in writing of the holders of three-quarters of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. Any variation under this Rule shall be subject to Sections 246B to 246E of the Corporations Act.

3.5.2 The provisions of this Constitution relating to general meetings apply so far as they are capable of application and with the necessary changes to every separate meeting of the holders of a class of shares except that:

3.5.2.1 for the purposes of a separate meeting to consider variation of rights, a quorum is constituted by that number of persons who, between them, hold or represent one-third of the issued shares of the class;

3.5.2.2 the Secretary shall cause display prior to commencement of the meeting evidence of the numbers constituting a quorum

3.5.2.3 prior to the commencement of the meeting the Chairman shall ensure that the necessary quorum is present.

3.5.3 The rights conferred on the holders of the shares of any class are not deemed to be varied by the creation or issue of further shares ranking equally with the first-mentioned shares unless otherwise:

3.5.3.1 expressly provided by the terms of issue of the first-mentioned shares; or

3.5.3.2 required by the Corporations Act.

3.6. Commission and brokerage

The Company may exercise the power to pay brokerage or commission conferred by the Corporations Act. The rate or the amount of the brokerage or commission paid or agreed to be paid must be disclosed in the manner required by the Corporations Act. The brokerage or commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or other securities or partly by the payment of cash and partly by the allotment of fully or partly paid shares or other securities. The Company shall comply with the requirements of the Corporations Act and the Listing Rules in the payment of such brokerage or commission.

3.7. Non-recognition of equitable or other interests

Except as otherwise provided in this Constitution or as required by law, the Company is entitled to treat the registered holder of any share as the absolute owner of the share and is not bound to recognise (even when having notice) any equitable or other claim to or interest in the share on the part of any other person.

3.8. Uncertificated Holdings and Electronic Transfer

3.8.1. Notwithstanding any other provision in this Constitution, the Directors may determine not to issue a share certificate or option certificate 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.

- 3.8.2. The Directors may do anything they consider necessary or desirable and which is permitted under the Corporations Act and the Listing Rules to facilitate the participation by the Company in CHES developed by the Exchange or in any computerised or electronic system established or recognised by the Corporations Act of the Listing Rules for the purposes of facilitating dealings in shares or securities. Where the securities of the Company are CHES approved securities the Company shall comply with the ASTC Settlement Rules.
- 3.8.3. Where the Directors of the Company have, pursuant to Rule 3.8.1 determined not to issue share certificates or to cancel existing share certificates a Member shall have the right to receive such statements of the holdings of the Member as are required to be distributed to a Member under the Corporations Act and the Listing Rules.
- 3.8.4. This Rule 3.8 applies with necessary alteration, to options and other securities to the extent required by the Corporations Act, the Listing Rules or the ASTC Settlement Rules.

3.9. Share Certificates

- 3.9.1. Subject to Rules 3.7 to 3.8, if the Directors determine to issue a certificate for shares held by a Member the following provisions apply:
 - 3.9.1.1. A person whose name is entered as a Member in the Register or as an option holder in the register of options is entitled without payment to receive a certificate in respect of the shares or options registered in the persons name issued in accordance with the Corporations Act but, in respect of shares or options held jointly by several persons, the Company is not bound to issue more than one certificate;
 - 3.9.1.2. Delivery of a certificate for a share may be effected by delivering it personally to the holder or by posting it in a prepaid envelope addressed to the holder at the address shown in the Register or by delivering or posting the certificate in accordance with the written instructions of the holder. Delivery of a certificate for a share to one of several joint holders is sufficient delivery to all such holders;
 - 3.9.1.3. Where satisfactory evidence has been received by the Company that the certificate for shares previously issued has been stolen, lost or destroyed and has not been pledged, charged, sold or otherwise disposed of, and the holder has undertaken in writing to the Company to return any such certificate to the Company if it is found or received by the holder, then the Company must issue a replacement certificate in accordance with the Corporations Act.

- 3.9.1.4. Where a certificate for shares previously issued has been worn out or defaced and has been surrendered to the Company for cancellation and has been cancelled the person whose name is entered as the Member in respect of those shares in the Register is entitled to receive a replacement certificate in accordance with the Corporations Act and the Listing Rules.
- 3.9.1.5. The Directors may determine the number of shares to be issued in any one certificate; and
- 3.9.1.6. Every certificate for shares must be issued in accordance with the Corporations Act and the Listing Rules.

3.10. Restricted Securities

The Company shall comply in all respects with the requirements of the Listing Rules with respect to Restricted Securities and, without limiting the generality of the foregoing:

- 3.10.1. Restricted Securities cannot be disposed of during the escrow period except as permitted by the Listing Rules or the Exchange;
- 3.10.2. the Company will refuse to acknowledge a disposal (including registering a transfer) of Restricted Securities during the escrow period except as permitted by the Listing Rules or the Exchange;
- 3.10.3. during a breach of the Listing Rules or a breach of a restriction agreement, relating to Restricted Securities, the holder of the restricted Securities is not entitled to any dividend or distribution, or voting rights, in respect of the restricted Securities.

3.11. Small Holdings

- 3.11.1. The Company shall not sell the securities of a security holder who holds more than marketable parcel.
- 3.11.2. The Company may once yearly sell the securities of a shareholder who holds less than a marketable parcel as long as:
 - 3.11.2.1. the Company notifies the security holder in writing of its intention;
 - 3.11.2.2. the security holder is given at least six weeks from the date the notice is sent in which to tell the Company that the holder wishes to retain the holding;
 - 3.11.2.3. if the security holder tells the Company under Rule 3.11.2.2. above that the holder wishes to retain the holding, then entity will not sell it;
 - 3.11.2.4. the power to sell lapses following the announcement of a takeover. This procedure may be started again after the close of the offers made under the takeover;
 - 3.11.2.5. the Company or the purchaser pays the costs of the sale;
 - 3.11.2.6. the proceeds of the sale are not sent until the Company has received any certificate relating to the securities (or is satisfied that they certificate has been lost or destroyed).

3A. PREFERENCE SHARES

1. The issue price of each Preference share shall be one thousand dollars (\$1,000.00);
2. the Preference Shares shall carry the right to a cumulative dividend of 1.5% per annum calculated on the issue price thereof which shall only be payable out of profits from the Company's share of production from mining operations which may be conducted on MIN 5492;
3. The dividend entitlement with respect to a Preference Share shall be computed from the date of allotment of the Preference Share to the date of its redemption and, where a dividend has been declared, shall be paid on each anniversary of its issue;
4. The dividend payable on a Preference Share shall rank for payment in priority to all dividends on ordinary shares for the time being issued in the capital of the Company;
5. The holder of a Preference Share shall, in a winding up, be entitled to rank in priority to all other shares for the time being issued in the capital of the Company for repayment of the capital paid up or credited as paid up on the Preference Share on the same terms on which the Preference Share may be cancelled by the Company but shall have no further right to participate in the profits or assets of the Company, whether surplus or otherwise. For the purpose of clarity, each Preference Share shall for all purposes be deemed to be paid up to that value which is the amount which would be paid by the Company on its redemption or buy-back if bought back or redeemed in accordance with these terms and conditions.
6. The holder of a Preference Share shall have the same rights as the holder of an ordinary share to receive notices of general meetings, reports, balance sheets and profit and loss statements and to attend and vote at any general meeting of the Company but shall have no participating entitlement or right to rights or options referred to in paragraphs (c) and (d) of the definition of "Equity Securities" in the Listing Rules of National Stock Exchange of Australia Limited;
7. The Company shall be entitled to create further new preference shares which may rank equally with the Preference Shares;
8. The subscription moneys from the Preference Shares ("Subscription Moneys") shall be retained in a separate bank account to be opened by the Company and entitled "Mount Rommel Mining Limited - Account No.2" which Subscription Moneys shall be held on the terms and conditions of these terms of issue and applied and expended solely in accordance with the Use of Funds statements set out in the Offer Information Statement proposed to be issued by the Company ("the OIS") in relation to the offer of the Preference Shares to the Company's members for the purpose of implementing the Glenfine Project as may be described with such variations to such use of funds as is required to proceed with the Glenfine Project as described in the OIS and as is approved by resolution of the Directors of the Company.
9. Subject to the provisions of the Act and to the provisions of these terms of issue, the Company may, in accordance with the provisions of Section 254K of the Act, redeem the Preference Shares on the terms set out herein from profits that would otherwise be available for dividends or out of the proceeds of a fresh issue of shares made for the purposes of the redemption. Notwithstanding anything herein contained the Preference Shares shall be redeemable no later than 31 December 2010.

10. Where Mount Rommel has not obtained Mining Approval by the Mining Approval Date, then, to the extent to which the Preference Shares are unable to be redeemed because the provisions of Section 254K of the Act cannot be satisfied: the Company shall issue the Preference Shareholders ordinary shares in the capital of the Company as set out (a) below and the Preference Shares shall be bought back by Mount Rommel as set out in (b) below:
 - (a) To the extent to which the Subscription Moneys have been so expended by the Mining Approval Date without the Company obtaining Mining Approval, the Company shall issue and allot ordinary shares to the Preference Shareholders for no further consideration other than the initial subscription for the Preference Shares on the bases that:
 - (i) the number of ordinary shares to be so issued and allotted in respect of each Preference Share shall be that number of ordinary shares, disregarding fractional entitlements to ordinary shares, as could be subscribed for at an issue price of \$0.10 per ordinary share by application of an amount equal to the amount of the Subscription Moneys so expended in relation to that Preference Share on the basis that, as between all holders of the Preference Shares, the amount of the Subscription Moneys deemed so expended will be the same for each Preference Share so as to ensure equality of treatment of all Preference Shares and Preference shareholders;
 - (ii) in respect of all dividends accrued but unpaid, such dividends shall be satisfied by the issue and allotment of additional ordinary shares in the capital of the Company at an issue price of \$0.10 per share;
 - (b) to the extent that the Subscription Moneys have not been so expended, the consideration payable on buy-back shall be satisfied by the payment to the Preference Shareholder of an amount equivalent to unexpended Subscription Moneys in relation to such Preference Share which amount shall be paid on buy-back from moneys retained in the Mount Rommel Mining Limited - Account No.2.
11. Where the Company has obtained Mining Approval by the Mining Approval Date and has commenced mining operations at Glenfine then;
 - (a) subject to the operation of Section 254K of the Act, the Company has an obligation to redeem each Preference Share by no later than 31 December 2010 on the basis that the holder of a Preference Share has a right to receive direct from the Company on redemption of that Preference Share up to two (2) ounces of gold from the Company's net share of production of gold from the Glenfine Project after the Company has met its share of Project Operating Costs on the basis that, to the extent that the net production of such gold to which the Company is entitled after meeting its share of such Project Operating Costs is less than that required to redeem all the Preference Shares on the terms set out herein, then the amount of gold payable by Mount Rommel to redeem each Preference Share will reduce proportionately so that each Preference Share is redeemed on the same terms and each Preference Shareholder is treated equally; or,
 - (b) where the Preference shares are unable to be redeemed because the provisions of Section 254K of the Act, then the Preference Shares may be bought back by the Company on the same terms as they would have been redeemed if permitted by sub-paragraph 11(a) above. Such buy-back may be by way of selective buy-back in which case the Preference Shares shall be bought back on the same terms as they would be redeemed as set out in 11(a) above. Where the members of the Company fail to pass resolutions permitting buy-back on such terms as a selective

buy-back in accordance with the Act and the requirements of Regulatory Guide 110 as issued by the Australian Securities & Investment Commission then the buyback shall be undertaken as an on market buy-back in accordance with the 10/12 rule set out in the Act. In the event that the buy-back is by an on market buy-back then the amount paid on buy-back will be that amount which would have been the value of the gold which would have been determined as payable on redemption of the Preference Shares under 11(a) above. In such instance the Preference Shareholder may, prior to the date for completion of the buy-back advise the Company in writing that the Preference Shareholder elects to receive the actual gold in satisfaction of the Company's debt to the Preference Shareholder arising from the buy-back process in which case, the delivery up of such gold shall take place at the registered office of the Company not later than five (5) Business after the date of the sale of the Preference Shares by way of buy-back. For the purpose of clarification, each buy-back shall be a separate transaction but each Preference Shareholder shall offer all of that Preference Shareholder's Preference Shares for sale by way of buy-back in one lot at one time and not by way of separate offers of sale of Preference Shares.

- (c) Mount Rommel shall, notwithstanding the obligation to redeem or buy-back the Preference Shares as set out in sub-paragraph 11(a) above, have the right to redeem or buy-back the preference Shares at such earlier date as it may, in its absolute discretion, determine subject always to the over-riding operation of the provisions of the Act.
- (d) In accordance with the Act, any selective buy-back or on market buy back shall remain open for acceptance by the Preference Shareholder for a period of not less than 45 days from the date of its being made or entered into. If a Preference Shareholder shall fail to accept an offer of buy-back from the Company within that time period then any director of the Company may accept such offer as the lawful attorney on behalf of such Preference Shareholder and the Company shall pay or distribute the net proceeds of buy-back to the Secretary of the Company to be held on trust for the Preference Shareholder on the basis that if such proceeds are not claimed within 2 years from the date of buy-back any gold representing the proceeds of the buy-back shall be sold and all of proceeds of the buy-back held on account of that Preference Shareholder (after deduction of all costs of sale of any gold and payment of any tax required to be deducted therefrom) shall be dealt with in accordance with the provisions of the unclaimed moneys legislation in force in Victoria. No director or officer of the Company shall be liable for any diminution in value of any proceeds of buy-back whether occasioned by reduction in the price of gold or otherwise. Any increase in value of the proceeds of the buy-back shall be to the account of the Preference shareholder. Where the Secretary of the Company holds any proceeds of buy-back on the terms hereof, such proceeds shall be held at the risk of the Preference Shareholder entitled thereto and neither the Company nor any such director or officer shall be liable on account of any loss thereof or damage thereto and the Preference Shareholder hereby releases each and every such person from and against any liability therefore arising out of any negligent act matter or thing done or omitted to be done in relation thereto.
- (e) no right of buy-back shall arise under these terms and conditions until, in the case of an on market buy-back, the Company announces the buy-back, or in the case of a selective buy-back, the members of the Company approve the selective buy-back on the terms set out herein and thereafter, either the Company or the Preference Shareholder gives Notice of Buy-Back in the form required hereunder or to the effect thereof.

- (f) if the Company gives a Notice of Buy-Back, it shall give the Notice of Buy-back to all Preference Shareholders at the same time and make an announcement to that effect to NSX.
 - (g) if the Company receives a valid Notice of Buy-Back from any Preference Shareholder then it shall, subject to the further provisions hereof, forthwith give a Notice of Buy-back to all other Preference Shareholders and make an announcement to that effect to NSX;
 - (h) Subject to the over-riding requirement that the Preference Shares shall be redeemable no later than 31 December 2010, the Company shall not otherwise give a Notice of Redemption or a Notice of Buy-back to any Preference Shareholder prior to completion of mining operations at Glenfine until or unless the Company is able to provide an amount of 2 ounces of gold on redemption or buy-back or the equivalent monetary value thereof.
 - (i) Where the company completes mining operations at Glenfine and the Company's recovery of gold from the Company's net share of production of gold from the Glenfine Project after the Company has met its share of Project Operating Costs is insufficient to provide an amount of 2 ounces of gold in redemption or buy-back of each Preference Share, then the Company shall provide each Preference Shareholder with an Audit Certificate showing the amount of gold (or the value thereof) to be distributed or paid on redemption or buy-back at the same time as it issues any Notice of Redemption or Notice of buy-back or makes any buy-back announcement and that Audit Certificate shall be binding on the Company and the Preference Shareholder save in the case of manifest error apparent on the face of the record.
 - (j) the Audit Certificate referred to in sub-paragraph 11(i) above shall be prepared by the Company's auditors at the cost of the Company on the basis that, in preparation thereof, the auditor owes a duty of care to each of the Preference Shareholders.
12. Where a Preference Shareholder does not wish to receive physical gold on redemption or buyback of any Preference Share that Preference Shareholder may request the Company to sell all such gold to which that Preference Shareholder is entitled and to pay the amount of the net proceeds of sale thereof to that Preference Shareholder in full satisfaction of that Preference Shareholder's rights on buyback or redemption.
 13. Where the Company proposes to redeem a Preference Share the Company shall give written notice ("Notice of Redemption") to the holder of the Preference Share that the Company will redeem the Preference Share on the date ("redemption date") specified in the Notice of Redemption (which date shall not be later than 45 days after the date the Notice of Redemption is given). Such Notice of Redemption shall be given at such time that redemption takes place no later than 31 December 2010.
 14. Where the Company proposes to buyback a Preference Share in accordance with the authority of a resolution passed by the members in general meeting the Company shall give written notice ("Notice of Buyback") to the holder of the Preference Share that the Company proposes to buyback the Preference Share on the date ("buyback date") specified in the Notice of Buyback (which date shall not be later than 45 days after the date the Notice of Buyback is given). On the giving of the Notice of Buyback a contract shall come into existence between the Company and the Preference Shareholder pursuant to which the Company shall buyback the Preference Share on the terms set out herein. If the Company shall fail to give the Preference Shareholder a Notice of Buyback

within that 45 day period then the Preference Shareholder may give the Company a like Notice of Buyback requiring the Company to buyback the Preference Share and on the Preference Shareholder giving such notice to the Company a contract for the buyback of the Preference Share shall likewise come into existence and the Company shall then buyback the Preference Share at the expiration of 45 days from the date of giving of such Notice of Buyback to the Company. Such Notice of buy-back shall be given at such time that buy-back takes place no later than 31 December 2010.

15. Redemption or buyback (as applicable) shall be effected on the redemption date or the buyback date at the registered office of the Company, or at such other location determined by the Company, by the Company paying or delivering up to the holder of the Preference Share that amount of gold to which the Preference Shareholder has become entitled pursuant hereto as at the date of such redemption or buyback.
16. The Company may in the Notice of Redemption or Notice of Buyback (as applicable) as a condition of paying the money payable on redemption or buyback require delivery to it on or before the redemption date or the buyback date (as applicable), any certificate or Holding Statement issued with respect to the Preference Share.

The form of Notice of Redemption from the Company shall be in or to the following effect:

TO:

("the Preference Shareholder")

Whereas pursuant to the terms of the issue of the Preference Shares Mount Rommel Mining Limited ("the Company") has the right to give Notice of Redemption to you as a Preference Shareholder NOW TAKE NOTICE THAT the Company hereby pursuant to the powers contained in the terms of issue of the Preference Shares hereby gives notice of exercise of its right to redeem all of the Preference Shares held by you as the Preference Shareholder under SRN/HIN [Insert relevant SRN or HIN].

DATED this day of 200#

.....

Director/Secretary for and on behalf of the Company

The form of Notice of Buyback shall be in or to the following effect:

IF GIVEN BY THE COMPANY

TO:

("the Preference Shareholder")

Whereas pursuant to the terms of the issue of the Preference Shares Mount Rommel Mining Limited ("the Company") has the right to buy-back the Preference Shares held by

you: NOW TAKE NOTICE THAT the Company hereby pursuant to the powers contained in the terms of issue hereby gives notice of exercise of its right to buy-back all of the Preference Shares held by you as the Preference Shareholder under SRN/HIN [Insert relevant SRN or HIN].

DATED this day of 200#

.....

Director/Secretary for and on behalf of the Company

IF GIVEN BY THE PREFERENCE SHAREHOLDER

TO:

Mount Rommel Mining Limited

Suite 304

22 St Kilda Road

St Kilda Victoria 3182

("the Company")

Whereas pursuant to the terms of the issue of the Preference Shares the undersigned Preference Shareholder being the holder of Preference Shares held under SRN/HIN [Insert relevant SRN or HIN] has the right to require the Company to buy-back the Preference Shares held by you: NOW TAKE NOTICE THAT pursuant to the powers contained in the terms of issue the said Preference Shareholder hereby gives notice of exercise of its right to require the Company to buy-back all of the said Preference Shares.

DATED this day of 200#

.....

Preference Shareholder*

* This Notice must be signed by the Preference Shareholder(s) personally or by a duly appointed Attorney. If signed by an Attorney the relevant Power of Attorney must be submitted with this Notice of Buyback unless already noted by the Company. If there are joint holders, each must sign. Where the Preference Shareholder is a corporation this Notice of Buyback must be executed in like manner as a proxy is required to be executed in accordance with the provisions of the Corporations Act 2001 and the constitution of the Company.

17. In the event of any reconstruction of the issued ordinary capital of the Company the Preference Shares shall be reconstructed in the same proportion as the issued ordinary

capital of the Company is reconstructed and, in any event, in a manner which will not result in any additional benefits being conferred on the holders of the Preference Shares which are not conferred on ordinary shareholders.

18. For the purpose of these terms and conditions of issue:

“the Act” means the Corporations Act 2001 as in force from time to time in Victoria and all regulations made thereunder;

“Glenfine Project” shall mean the proposed operations to be carried on by the Company at Glenfine in Victoria within the confines of MIN 5492 to recover gold and other minerals from tailing sands remaining from prior mining which operations shall be the subject of work plans and authorities under the Mineral Resources (Sustainable Development) Act 1990 (the “MRD Act”);

“MRD Act” means the Mineral Resources (Sustainable Development) Act 1990 of the state of Victoria and all regulations and subordinate legislation made thereunder.

“Project Operating Costs” shall mean all costs reasonably and necessarily incurred in carrying on mining operations at Glenfine including, but not limited to:

(a) **Rentals and Royalties**

All rentals, rates, royalties, renewal and extension fees payable in respect of MIN 5492 and Project Operations.

(b) **Labour**

All;

(i) salaries and wages of employees directly engaged in the conduct of the Project Operations including salaries or wages paid to employees such as geologists, or engineers and other employees who are temporarily assigned to and directly engaged in the conduct of the Project Operations but only pro rata to their time directly engaged.

(ii) Holiday, vacation, sickness and disability benefits, and other customary allowances applicable to the salaries and wages chargeable under clause including any taxes liable or due to be paid in respect of such customary allowances.

(iii) Expenditures or contributions made pursuant to assessments imposed by governmental authority which are applicable to any such labour costs.

(c) **Employee Benefits**

The Company's actual cost of plans for employees' group life insurance, hospitalisation, superannuation, pension, retirement, bonus and other benefit plans of a like nature, to the extent directly applicable to the Company's labour costs entitled to be charged under this clause.

(d) **Consumable Materials**

Consumable material purchased or furnished by the Company for use on the Project Area. So far as it is reasonable, practical and consistent with efficient and economical operations, only such material shall be purchased for or transferred to the Glenfine Project as required for immediate use and the accumulation of surplus stocks shall be avoided. For avoidance of doubt this includes all plastic or other liners and associated materials used in site preparation in anticipation of mining operations.

(e) **Transportation**

Transportation of employees and material necessary for the conduct of the Glenfine Project;

All costs of:

- (i) contract services and utilities procured from outside sources.
- (ii) procuring contract, accounting, auditing and other outside professional services by the Company for logistic and administrative support of Project Operations.

(f) **Damages/Losses to Project Property and Equipment**

All:

- (i) normal maintenance costs of plant and equipment used in Project Operations;
- (ii) replacement or repair costs resulting from damages or losses incurred by fire, explosion, flood, storm or any other causes not controllable by the Manager through the exercise of reasonable diligence: save to the extent that such costs are recovered from any insurer under a policy of insurance.

(g) **Legal Costs, Litigation, Judgments and Claims**

All:

- (i) legal costs and expenses including those of litigation, or legal services necessary or expedient for the protection of the Project Property, together with all judgments obtained against the Participants or any of them and any agreed settlement insofar as the same relate to the Project Account or the subject matter of the Agreement.
- (ii) actual expenses incurred by any Participant or Participants in securing evidence for the purpose of defending or prosecuting any action or claim or negotiating any settlement relating to the Project Account or the subject matter of the Agreement.

(h) **Taxes**

All taxes (except income tax) rates, levies and assessment of every kind and nature levied, assessed or imposed upon or in connection with the Project Property or any part thereof, the production therefrom or the operation thereof, which shall have been paid for the benefit of the Participants.

(i) **Insurance**

All Premiums paid for insurances taken out in relation to the Glenfine Project together with all expenditures incurred and paid in settlement of any and all losses, claims, damages, judgments and other expenses, including legal services, not recovered from the insurer.

(j) **Other Expenditure**

Any other expenditures which are not of a capital nature and which are not covered or dealt with in the foregoing provisions of this clause which are reasonably incurred by the Manager for the necessary and proper conduct of the Project Operations;

but excluding all;

- (k) capital costs of plant and equipment used in mining operations;
- (l) depreciation and amortisation;
- (m) other non cash costs of any kind.

“Mining Approval” shall occur when the Company has obtained:

- (a) all necessary permits and authorities to permit it to commence to treat the tailings sands situate on MIN 5492 at Glenfine in accordance with a work plan approved under the MRD Act;
- (b) all other permits and approvals requisite for that purpose.

“Mining Approval Date” shall be the date on which the Company obtains Mining Approval.

“mining” shall have the same meaning as in the MRD Act.

“Project Operations” means all acts matters and things done from 1 May 2009 until completion of mining and satisfaction of all rehabilitation requirements at Glenfine in relation to the carrying on of mining within the area of MIN 5492.”

4. LIEN

4.1. Lien on share

- 4.1.1. The Company has a first and paramount lien on every share (other than a fully paid share or a share issued under an employee incentive scheme) for all money (whether presently payable or not) called or payable at a fixed time in respect of that share and such lien extends to all dividends, rights and other distributions from time to time declared paid or made in respect of that share. Such lien extends to cover reasonable interest (not exceeding 10% per annum) and expenses incurred because such monies are not paid.
- 4.1.2. The Company also has a first and paramount lien on all shares (other than fully paid shares) registered in the name

of a Member for all money presently payable by that Member to the Company and all money which the Company may be called on by law to pay in respect of the shares of that Member.

4.1.3. Whenever any law for the time being of any country, state or place imposes 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 share registered in the name of any Member (whether solely or jointly with others) or in respect of any dividends or other moneys paid or due or payable to that Member by the Company on or in respect of any of those shares, the Company, in that case:

4.1.3.1. is fully indemnified by that Member or that Member's executor or administrator from all that liability;

4.1.3.2. has lien on the shares registered in the name of that Member for all money paid or payable by the Company in respect of those shares under or in consequence of any such law together with interest at the rate, not exceeding 20% per annum, determined by the directors from the date of payment to the date of repayment;

4.1.3.3. has a lien on all dividends, payable in respect of the shares registered in the name of that Member for all moneys paid by the Company in respect of those shares or in respect of such dividends under or in consequence of any such law together with interest at the rate, not exceeding 20% per annum, determined by the Directors from the date of payment to the date of repayment and may deduct or set off against any of those dividends or other moneys any of those moneys paid by the Company together with interest;

4.1.3.4. may recover as a debt due from such Member or that Member's executor or administrator wherever constituted or situated any moneys paid by the Company under such law; and

4.1.3.5. may if any such money is paid by the Company under any such law refuse to register a transfer of any shares other than by a Market Transfer by any such Member or that Member's executor or administrator until such money and interest have been set off or deducted as aforesaid or have been otherwise paid to the Company.

4.1.3.6. Nothing in this Constitution prejudices or affects the enforcement by the Company of any right or remedy which any such law may confer on the Company and as between the Company and every such Member, that

Member's executors, administrator and estate wherever constituted or situated.

- 4.1.4. The Company may do all such things as may be necessary or appropriate for it to do under the ASTC Settlement Rules to protect any lien, charge or other right to which it may be entitled under any law or this Constitution.
- 4.1.5. The Directors may at any time exempt a share wholly or in part from the provisions of Rules 4.1.1 to 4.1.3.
- 4.1.6. The Company's lien on a share is extinguished if a transfer of the share is registered without the Company giving notice of the claim to the transferee.

4.2. Sale under lien

- 4.2.1. Subject to Rules 4.2.2 and 4.3.1, the Company may sell, in such manner as the Directors think fit, any share on which the Company has a lien as if the share were forfeited.
- 4.2.2. A share on which the Company has a lien may not be sold by the Company unless:
 - 4.2.2.1. a sum, in respect of which the lien exists, is presently payable; and
 - 4.2.2.2. the Company has, not less than 14 days before the date of sale, given to the registered holder for the time being of the share or the person entitled to the share by reason of the death or bankruptcy of the registered holder, a notice in writing setting out, and demanding payment of, such part of the amount in respect of which the lien exists as is presently payable.

4.3. Transfer on sale under lien

- 4.3.1. For the purposes of giving effect to a sale mentioned in Rule 4.2.1 the Company may receive the consideration (if any) given for the share so sold any may (if required) execute a transfer of the share sold in favour of the person to whom the share is sold or where the transfer of shares is to be effected as a Market Transfer, the Company may do all such things as may be necessary or appropriate for it to do to effect the transfer.
- 4.3.2. The title of the transferee to the share is not affected by any irregularity or invalidity in connection with the sale of the share.

4.4. Proceeds of sale

The proceeds of a sale mentioned in Rule 4.2.1 must be applied by the Company in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue (if any) must (subject to any like lien for sums not presently payable that existed on the share before the sale) be paid to the person entitled to the share at the date of the sale.

5. CALLS

5.1. Power to make calls

Subject to the terms on which any shares have been issued and to compliance with the requirements of the Corporations Act and the Listing Rules, the Board may make calls on the shareholders in respect of money 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. The joint holders of a share are jointly and severally liable to pay all calls in respect of the share.

5.3. When a call is made

A call is taken to have been made at the time when the resolution of the Board authorising the call was passed. 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. 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.

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 determines. The Board may waive the whole or part of any interest paid or payable under this Rule.

5.5. Instalments

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 all provisions of this Constitution 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. Prepayment of calls

5.6.1. The Directors may accept from a Member the whole or a part of the amount unpaid on a share although no part of that amount has been called.

5.6.2. the directors may authorise payment by the Company or interest on the whole or any part of an amount so accepted, until the amount becomes payable, at such rate, not exceeding the prescribed rate, as is agreed on between the Directors and the Member paying the sum.

5.6.3. For the purposes of Rule 5.6.2, the prescribed rate of interest is:

5.6.3.1. if the Company has, by resolution, fixed a rate – the rate so fixed; and

5.6.3.2. in any other case – 10% per annum.

6. FORFEITURE**6.1. Notice requiring payment of sums payable**

If any shareholder fails to pay any sum payable in respect of any shares, either for issue money, calls or instalments, on or before the day for payment, the Board may serve a notice on the shareholder setting out details of shares to be forfeited, total issue price, amount called unpaid and amount uncalled and requiring that shareholder to pay the sum together with interest accrued and all expenses incurred by the Company by reason of the non-payment. The notice may be served at any time whilst any part of the sum remains unpaid.

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 and state that, if payment is not made

by the time and at the place specified, the shares in respect of which the sum is payable are liable to be forfeited.

6.3. Forfeiture on non-compliance with notice

If there is non-compliance with the requirements of any notice given under Rule 6.1, any shares in respect of which notice has been given may be forfeited by a resolution of the Company passed at any time after the day specified in the notice for payment. The forfeiture is to include all dividends, interest and other money payable by the Company in respect of the forfeited shares and not paid before the forfeiture.

6.4. Notice of forfeiture

When any share is forfeited, notice of the resolution of the Board must be given to the shareholder in whose name the share was registered immediately prior to the forfeiture, and an entry of the forfeiture and the date of forfeiture must 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 considered to be the property of the Company and 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

At any time before any forfeited share is sold or otherwise disposed of the Board may annul the forfeiture of the share on any condition it thinks fit.

6.7. Liability despite forfeiture

Any shareholder whose shares have been forfeited is, despite the forfeiture, liable to pay and must immediately pay to the Company all sums of money, interest and expenses owing on 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 determines. The Company 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 shall comply with the Listing Rules with respect to a lien or charge on forfeited shares.

6.9. Sale of shares to enforce lien

For the purpose of enforcing a lien or charge, the Board may sell the shares which are subject to the lien or charge in any manner it thinks fit and with or without giving any notice to the shareholder in whose name the shares are registered.

6.10. Title to shares forfeited or sold to enforce lien

6.10.1. In a sale or a re-issue 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 this Constitution is sufficient evidence of that fact as against all persons entitled to the shares immediately before the forfeiture, sale or re-issue of the shares. The Company may receive the purchase money or consideration (if any) given for the shares on any sale or re-issue.

6.10.2. In a re-issue, 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.

- 6.10.3. In a sale, the Company may appoint a person to execute a transfer in favour of the person to whom the shares are sold.
- 6.10.4. On 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-issue 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 and the person's title to the shares is not affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale or re-issue.
- 6.10.5. The net proceeds of any sale or re-issue are to be applied first in payment of all costs in relation to the enforcement of the lien or charge or the forfeiture and of the sale or re-issue, next in satisfaction of the amount in respect of which the lien or charge exists as is then payable to the Company (including interest) or the amount in respect of the forfeited shares 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-issue or to the person's executors, administrators or assigns on the production of any evidence as to title required by the Board.

7. TRANSFER AND TRANSMISSION OF SHARES

7.1. Forms of Instrument of transfer

Subject to this Constitution, a Member may transfer all or any of the Member's shares by:-

- 7.1.1. by a Market Transfer in accordance with any computerised or electronic system established or recognised by the Listing Rules or the Corporations Act for the purpose of facilitating dealings in shares, including a transfer that may be effected pursuant to the ASTC Settlement Rules or some other computerised or electronic transfer process; and
- 7.1.2. an instrument which is:-
 - 7.1.2.1. in writing in any usual or common form or in any other form that the Directors approve;
 - 7.1.2.2. a sufficient instrument or transfer of marketable securities under Section 1071B of the Corporations Act;
 - 7.1.2.3. in a form approved by the Exchange, or
 - 7.1.2.4. in any other usual or common form.

7.2. Registration procedure

7.2.1. Where an instrument of transfer referred to in Rule 7.1.2 is to be used by a Member to transfer shares the following provisions apply:-

- 7.2.1.1. 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.

- 7.2.1.2. The instrument of transfer must be left for registration at the share registry of the Company, accompanied by the certificate for the shares to which it relates (if any) and such information as the Directors properly require 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 Directors by this Constitution, register the transferee as a shareholder.
 - 7.2.1.3. 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 certificates for shares where the issue of a certificate is to replace a lost or destroyed.
 - 7.2.1.4. On registration of a transfer of shares, the Company must cancel the old certificate (if any).
- 7.2.2. A transferor of shares remains the holder of the shares transferred until the transfer (if any) is registered and the name of the transferee is entered in the Register in respect of the shares. 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.
- 7.3. Market Transfer**
In the case of a Market Transfer the Company must comply with such obligations as may be imposed on it by the Listing Rules and where appropriate the ASTC Settlement Rules in connection with any transfer of shares.
- 7.4. Board may refuse to register**
 - 7.4.1. The Directors may decline to register any transfer of securities (other than a Market Transfer) where:
 - 7.4.1.1. the Listing Rules or ASTC Settlement Rules permit the Company to do so; or
 - 7.4.1.2. the Listing rules or SCH Business Rules require the Company to do so.
 - 7.4.2. If in the exercise of their rights under Rule 7.4.1 the Directors refuse to register a transfer of a security, they must give written notice in accordance with the Listing Rules of the refusal to the transferee and the broker lodging the transfer (if any). Failure to give such notice will not invalidate the decision of the Directors.
 - 7.4.3. Notwithstanding any other provisions contained in this Constitution, the Company may not prevent, delay or interfere with the registration of a Market Transfer where to do so would be contrary to the provisions of any of the Listing Rules or the ASTC Settlement Rules.
- 7.5. When transfer effective**
The transferor is deemed to remain the holder of the securities transferred until the name of the transferee is entered in the Register.
- 7.6. Closing Register**

7.6.1. The Register may be closed at any time the Board thinks fit and the Board may specify a time by reference to which the entitlement of persons to vote at any general meeting of the Company is to be determined. The Company must retain every instrument of transfer it receives pursuant to the terms of this Rule 7 for registration for such period as the Directors determine.

7.6.2. Where the Directors refuse registration of a transfer under this Constitution, the transfer must be returned to the person who deposited it, if demand is made within 12 months of the giving of notice of refusal to register unless there has been an allegation of fraud concerning the transfer or the transaction to which it relates.

7.7. Other Securities

The provisions of this Rule 7 shall apply with necessary alterations to any other Listed Securities for the time being issued by the Company.

7.8. Transmission of Shares on death of holder

In the case of the death of a Member, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where the deceased was a sole holder, are the only persons recognised by the Company as having any title to the deceased's interest in the shares, but this Rule does not release the estate of a deceased joint holder from any liability in respect of a share that had been jointly held by the deceased with other persons.

7.9. Right to registration on death or bankruptcy

7.9.1. Subject to the Bankruptcy Act 1966, a person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, on such information being produced as is properly required by the Directors, either elect to be registered as holder of the share or nominate another person to be registered as the transferee of the share. Where the surviving joint holder becomes entitled to a share in consequence of the death of a Member the Directors must, on satisfactory evidence of that death being produced to them, direct the Register to be altered accordingly.

7.9.2. If the person becoming entitled elects to be registered as holder of the share under Rule 7.9.1 the person must deliver or send to the company a notice in writing signed by the person in such form as the Directors approve, stating that the person so elects.

7.9.3. If the person becoming entitled nominates another person to be registered as a transferee of the share under Rule 7.9.1 the person must do all things necessary or appropriate to effect the transfer.

7.9.4. All the limitations, restrictions and provisions of this Constitution, the Listing Rules, the ASTC Settlement Rules or the Corporations Act relating to the right to transfer, and the registration of transfer of, shares are applicable to any such notice or transfer as if the death or bankruptcy of the Member had not occurred and the actions and procedures taken to effect the transfer were actions taken by that Member.

7.10. Effect of transmission

7.10.1. If the registered holder of a share dies or becomes bankrupt, the personal representative or the trustee of the estate of the registered holder, as the case may be, is, on the production of such information as is properly required by the Directors, entitled to the same dividends and other advantages, and to the same rights (whether in relation to meetings of the Company, or to voting or otherwise), as the registered holder would have been if the registered holder had not died or become bankrupt.

7.10.2. If 2 or more persons are jointly entitled to any share in consequence of the death of the registered holder, they are, for the purpose of this Constitution, deemed to be joint holders of the share.

7.11. Market Transfers not affected

In the case of a Market Transfer the provisions of this Rules 7.8 to 7.10 are subject to any such obligation as may be imposed on the Company or the person entitled to the shares on the death or bankruptcy of the Member by the Listing Rules, the ASTC Settlement Rules or any law.

8. GENERAL MEETINGS

8.1. Annual General Meeting

Annual General Meetings of the Company are to be held in accordance with the Corporations Act and the Listing Rules.

8.2. General meetings

The Directors may convene a general meeting of the Company whenever they think fit provided that if there are no Directors holding office the Secretary shall convene a general meeting for the purpose of electing Directors.

8.3. Notice of General Meeting

8.3.1. Subject to the Listing Rules and to the provisions of the Corporations Act relating to special resolutions and agreements for shorter notice, at least 28 days notice (exclusive of the day on which the notice is served or deemed to be served and of the day for which notice is given) specifying the place, day and the hour of the meeting (and, in the case of special business, the general nature of that business), must be given to such persons as are entitled to receive notices from the Company. For the purposes of receipt of proxy appointments the notice must include a proxy form in the form specified in the Listing Rules.

8.3.2. A Notice convening a general meeting must:

- 8.3.2.1. set out the place, date and time for the meeting (and, if the meeting is to be held in two or more places, the technology that will be used to facilitate this);
- 8.3.2.2. state the general nature of the meeting's business; and
- 8.3.2.3. if a special resolution is to be proposed at the meeting – set out an intention to propose the special resolution and state the resolution; and
- 8.3.2.4. if a member is entitled to appoint a proxy – contain a statement setting out the following information:

- 8.3.2.4.1. that the Member has a right to appoint a proxy;
- 8.3.2.4.2. whether or not the proxy needs to be a Member of the company
- 8.3.2.4.3. that a Member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

8.3.3. The non-receipt of notice of a general meeting by, or the accidental omission to give notice of a general meeting to, a person entitled to receive notice does not invalidate any resolution passed at the general meeting.

8.4. Special business of General Meeting

All business that is transacted at a General Meeting is special, except at an annual general meeting, the declaration of a dividend, the consideration of the accounts and the reports of the Directors and the Auditor, the appointment of the Auditor and the election of Directors.

8.5. Requisitioned Meeting

A general meeting shall also be convened on requisition of Members as is provided for by the Corporations Act or in default maybe convened by such requisitionists as are empowered to do so by the Corporations Act.

8.6. Objections of requisitioned meeting

The requisition for a general meeting must state any resolution to be proposed at the meeting and must be signed by the requisitionists and deposited at the Registered Office, and may consist of several documents if the wording of the request is identical in each copy each signed by one or more of the requisitionists.

8.7. Expenses of requisitioned meeting

Any reasonable expenses incurred by the requisitionists by reason of the failure of the Directors to convene a general meeting must be paid to the requisitionists by the Company and any sum so paid may be recovered by the Company in the manner provided in Section 249E(5) of the Corporations Act.

8.8. Postponement or cancellation of meeting

The Directors may postpone or cancel any general meeting whenever they think fit (other than a meeting convened as the result of a requisition under Rule 8.5).

8.9. Notice to Exchange (or as appropriate, the Home Exchange

The Company shall notify the Exchange (or Home Exchange, as applicable):-

- 8.9.1 of any general meeting at which Directors are to be elected, at least 20 Business Days before the earliest intended date for the general meeting and that notice shall state that nominations for election to the office of Director are to be received not later than five Business Days after the date that the notice to the Exchange bears, or any extended time as the Directors shall determine;
- 8.9.2 of any general meeting (other than a meeting to pass a special resolution) at last 10 Business Days before such meeting is held; and
- 8.9.3 of any general meeting convened to pass a special resolution, at least 15 Business Days before such meeting is held.

9. Proceedings at General Meetings

9.1. Representation of Member

- 9.1.1. Any Member may be represented at any meeting of the Company by a proxy or attorney.
- 9.1.2. If a body corporate is a Member it may also, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative either at a particular general meeting or at all general meetings of the Company or of any class of Members;
- 9.1.3. A person authorised under Rule 9.1.2 is, in accordance with that authority and until it is revoked by the body corporate, entitled to exercise the same powers on behalf of the body corporate as the body corporate could exercise if it were a natural person who was a Member.
- 9.1.4. Unless the contrary intention appears, a reference to a Member in the succeeding provisions of this Rule 9 means a Member, a proxy or attorney of a Member or a person appointed under Rule 9.1.2 to represent a body corporate which is a Member.

9.2. Quorum

No business may be transaction at any General Meeting unless a quorum is present comprising three Members (or one Member if the Company has only one Member) present in person or by proxy, attorney or representative appointment under Rule 9.1.2 and entitled to vote at the meeting. If a quorum is present at the beginning of a meeting it is deemed present throughout the meeting unless the chairman of the meeting otherwise declares, on the chairman's own motion or at the instance of a member, proxy, attorney or representative appointed under Rule 9.1.2.

9.3. Failure to achieve quorum

- 9.3.1. If a meeting is convened on the requisition of Members and a quorum is not present within half an hour from the time appointed for the meeting, the meeting must be dissolved.
- 9.3.2. If a meeting is convened in any other case and a quorum is not present within half an hour from the time appointed for the meeting:-
 - 9.3.2.1. the meeting must be adjourned to such day, time and place as the Directors determine or if no determination is made by them to the same day in the next week at the same time and place; and
 - 9.3.2.2. if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting:
 - 9.3.2.2.1. Two Members present in person or by proxy, attorney or representative appointed under Rule 9.1.2 constitute a quorum; or
 - 9.3.2.2.2. where two such persons are not present – the meeting must be dissolved.

9.4. Appointment and powers of Chairman of General Meeting

- 9.4.1. If the Directors have elected one of their number as Chairman of their Meetings, that person must preside as Chairman at every General Meeting.
- 9.4.2. If a General Meeting is held and:
 - 9.4.2.1. a Chairman has not been elected as provided by Rule 9.4.1 or
 - 9.4.2.2. the Chairman is not present within 15 minutes after the time appointed for the holding of the meeting or is unable or unwilling to act,
 then the deputy Chairman elected under Rule 12.6 (if any) must act as Chairman of the meeting. If there is no such person or that person is absent or unable or unwilling to act, the Directors present must elect one of their number to be Chairman of the meeting, or, if no Director is present or if all Directors present decline to take the chair, the Members present must elect one of their number as Chairman of the meeting.
- 9.4.3. The Chairman is responsible for the general conduct of a general meeting and may make rulings and in addition to any general power to adjourn may adjourn the meeting without putting the question to the vote if such action is required to ensure the orderly conduct of the meeting.
- 9.5. Adjournment of General Meeting**
 - 9.5.1. The Chairman may, with the consent of any meeting at which a quorum is present, and must if so directed by the meeting, adjourn the meeting from day to day, time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
 - 9.5.2. When a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of an original meeting.
 - 9.5.3. Except as provided by Rule 9.5.2, it is not necessary to give any notice of an adjournment or of the business to be transacted at any adjourned meeting.
- 9.6. Voting at General Meeting**
 - 9.6.1. At any general meeting a resolution put to the vote of the meeting must be decided on a show of hands unless a poll is demanded:
 - 9.6.1.1. by the Chairman;
 - 9.6.1.2. by not less than five Members having the right to vote at the meeting; or
 - 9.6.1.3. by a Member or Members present who are together entitled to not less than 5% of the total voting rights of all the Members having the right to vote as the resolution at the meeting.
 - 9.6.1.4. A Poll may be demanded:
 - 9.6.1.5. before a vote is taken;
 - 9.6.1.6. before the voting results on a show of hands are declared ; or
 - 9.6.1.7. immediately after the voting results on a show of hands are declared.

- 9.6.2 Unless a poll is properly demanded, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company, is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution provided that the declaration reflects the show of hands and the votes of the proxies received.
- 9.6.3 Before a vote is taken the Chairman must inform the meeting whether any proxy votes have been received and how the proxy votes are to be cast.

9.7. Questions decided by majority

Subject to the requirements of the Corporations Act in relation to special resolutions, a resolution is taken to be carried if the proportion that the number of votes cast in favour of the resolution exceeds one half of the total number of votes cast on the resolution.

9.8. Poll

- 9.8.1. If a poll is properly demanded, it must be taken in such manner and (subject to Rule 9.8.2) either at once or after an interval or adjournment or otherwise as the Chairman directs, and the result of the poll is the resolution of the meeting at which the poll was demanded.
- 9.8.2. A poll demanded on the election of a Chairman or on a question of adjournment must be taken immediately.
- 9.8.3. The demand for a poll may be withdrawn.

9.9. Equality of Votes

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, in addition to the vote or votes (if any) to which the chairman may be entitled as a Member, proxy, representative or attorney, has a casting vote. The chairman has discretion both as to the use of the casting vote and as to the way it is used.

9.10. Entitlement to vote

- 9.10.1. Subject to any rights or restrictions for the time being attached to any class or classes of shares at the general meetings of Members or class of Members:-
- 9.10.1.1. each Member entitled to vote may vote in person or by proxy, attorney or representative;
- 9.10.1.2. on a show of hands, every person present who is a Member or a proxy, attorney or representative or a member has one vote;
- 9.10.1.3. on a poll, every person who is a Member or a proxy, attorney or representative of a Member shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid shares, shall have a fraction of a vote for each partly paid share. The fraction must be equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited). In

this Rule, amounts paid in advance of a call are ignored when calculating the proportion.

- 9.10.2. If a Member is present at any meeting of the Company and any one or more proxy, attorney or representative for such a Member is also present, or if more than one proxy, attorney or representative for a Member is present at any meeting of the Company then no such proxy, attorney or representative is entitled to vote on a show of hands and on a poll the vote of each one is of no effect unless each such person is appointed to represent a specified proportion of the Member's voting rights, not exceeding in the aggregate 100%.

9.11. Joint Shareholder's Vote

In the case of the joint holders of a share in the Company the vote of the senior who tenders a vote, whether in person or by proxy, attorney or representative, must be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority is determined by the order in which the names stand in the Register.

9.12. Vote of shareholder of unsound mind

If a Member is of unsound mind or is a person whose person or estate is liable to be dealt with in any way under the law relating to mental health then the Member's committee or trustee or such other person as properly has the management of the Member's estate may exercise any rights or the Member in relation to a general meeting as if the committee, trustee or other person were a Member.

9.13. Effect of unpaid call

A Member is not entitled to vote at a general meeting in respect of those shares on which calls are outstanding.

9.14. Objection to voting qualification

- 9.14.1. An objection may only be raised to the qualification of a voter at the meeting or adjourned meeting at which the vote objected to is given or tendered.
- 9.14.2. Any such objection must be referred to the chairman of the meeting, whose decision is final.
- 9.14.3. A vote not disallowed under such an objection is valid for all purposes.

9.15. Appointment of proxy

- 9.15.1 A Member of a Company who is entitled to attend and cast a vote at a meeting of the Company's members may appoint a person as the member's proxy to attend and vote for the member at the meeting.
- 9.15.2 The appointment may specify the proportion or number of votes that the proxy may exercise.
- 9.15.3 A Member who is entitled to cast 2 or more votes at the meeting, may appoint 2 proxies. If the Member appoints 2 proxies and the appointment does not specify the proportion or number of the Member's votes each proxy may exercise, each proxy may exercise half of the votes.
- 9.15.4 Fractions of votes resulting from the application of paragraphs 9.15.2 and 9.15.3. are to be disregarded.
- 9.15.5 An instrument appointing a proxy must be in writing under the hand of the appointor or of the appointor's attorney duly authorised in writing. A proxy need not be a member.
- 9.15.6 An instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular

resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.

9.15.7 An instrument appointing a proxy is deemed to confer authority to demand or join in demanding a poll.

9.15.8 An instrument appointing a proxy must:-

9.15.8.1 be in the form approved by the Directors from time to time and which complies with the Corporations Act; and

9.15.8.2 comply with the Listing Rules.

9.15.9 The Directors must issue with the notice of a meeting a form of proxy in blank as to the first proxy but may include the name of any suggested alternative or other proxy.

9.16. Deposit of proxy and other instruments

An instrument appointing a proxy may not be treated as valid unless the instrument, and the power of attorney or other authority (if any) under which the instrument is signed or a copy or facsimile which appears on its face to be an authentic copy of that power or authority certified as a true copy by statutory declaration is or are received by the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, at the Registered Office or share registry of the Company or at such other place as is specified for that purpose in the notice convening the meeting.

9.17. Validity of vote in certain circumstances

A vote given in accordance with the terms of an instrument of proxy or of the power of attorney is valid notwithstanding the previous death or unsoundness of mind of the principal, the revocation of the instrument (or of the authority under which the instrument was executed) or of the power, the transfer of the share in respect of which the instrument of power is given, if no intimation in writing of the death, unsoundness of mind, revocation or transfer has been received by the Company at its Registered Office or share registry before the commencement of the meeting or adjourned meeting at which the instrument is used or the power is exercised.

9.18. Director entitled to notice of meeting

A Director is entitled to receive notice of and to attend all general meetings and all separate general meetings of the holders of any class of shares in the Company and is entitled to speak at those meetings.

10. THE DIRECTORS

10.1. Number and Appointment of Directors

10.1.1. The number of Directors must not be less than 3 nor more than 10 or such lesser number as the Directors determine provided that the number so determined must not be less than the number of Directors when the determination takes effect.

10.1.2. The Company in general meeting may, by resolution, increase or reduce the number of Directors and may also determine in what rotation the increase or reduced number is to go out of office.

10.1.3. Subject to Rule 12.22 at the Annual General Meeting in every year one-third of the Directors for the time being, or, if their number is not 3 nor a multiple of 3, then the number nearest one-third, and any other Director not in such one-

third who has held office for 3 years or more (except the Managing Director), must retire from office.

10.1.4. A retiring Director is eligible for re-election.

10.1.5. The Directors to retire at any annual general meeting must be those who have been longest in the office since their last election, but, as between persons who became Directors on the same day, those to retire must (unless they otherwise agree among themselves) be determined by lot.

10.1.6. No Director except the Managing Director shall hold office for a period in excess of 3 years or until the third annual general meeting following his appointment whichever is the longer without submitting himself for re-election.

10.2. Election of Directors

10.2.1. No person other than a Director seeking re-election shall be eligible for election to the office of Director at any general meeting unless the person or some Shareholder intending to propose him has not later than 5 Business Days after the date shown on the notice to the Home Exchange referred to in Rule 8.9, left at the Registered Office a notice in writing duly signed by the nominee giving his consent to the nomination and signifying his candidature for the office or the intention of such Shareholder to propose him. Notice of each and every candidate for election as a Director shall be given to each Shareholder with or as part of the notice of the Meeting at which the election is to take place. The Company shall observe the requirements of Section 201E of the Corporations Act with respect to the election of the Directors.

10.2.2. Where the number of nominations for election as a Director exceeds the number of Directors who have resigned or are to resign at the general meeting, the order in which the nominations are to be voted on shall be determined by drawing lots and once the relevant vacancies have been filled, no further nomination shall be voted on.

10.3. Qualifications of Directors

A Director is not required to hold any share in the Company.

10.4. Casual Vacancy

10.4.1. The Company in general meeting may, by resolution, and the Directors may, at any time, appoint any person to be a Director, whether to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the number determined in accordance with Rules 10.1.1 and 10.1.2.

10.4.2. Any Director appointed under Rule 10.4.1 holds office until the next annual general meeting of the Company and is then eligible for re-election but is not to be taken into account in determining the Directors who are to retire by rotation at that meeting.

10.5. Removal of Director

10.5.1. The Company in general meeting may by resolution (of which notice is given in accordance with the Corporations Act) remove any Director from office and may by resolution appoint another person in that Director's stead.

- 10.5.2. Any Director appointed under Rule 10.5.1 is to be treated, for the purposes of determining the time at which that Director or any other Director is to retire, as if that Director had become a Director on the date on which the Director in whose place that Director was appointed was last elected a Director.

10.6. Remuneration of Directors

- 10.6.1. The Directors shall be paid out of the funds of the Company, by way of remuneration for their services as Directors, a sum, to be divided among themselves and in default of agreement then equally, as may be fixed or increased pursuant to a resolution passed at a general meeting of the Company where notice thereof shall have been given to Members in the notice convening the meeting. No non-executive Director shall be paid as part or whole of his remuneration a commission on or a percentage of profits or a commission on or a percentage of operating revenue, and no Executive Director shall be paid as whole or part of his remuneration a commission on or percentage of operating revenue.
- 10.6.2. The Director's remuneration is deemed to accrue from day to day.
- 10.6.3. If a Director, being willing, is called on to perform extra services or to make any special exertions in going or residing abroad or otherwise for the Company, the Company may remunerate the Director by payment of a fixed sum determined by the Directors and that remuneration may be either in addition to or in substitution for that Director's share in the remuneration provided for in Rule 10.6.1.
- 10.6.4. The Directors may also be paid travelling and other expenses properly incurred by them in attending, participating in and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or otherwise in connection with the business of the Company.

10.7. Directors' interests

- 10.7.1. Subject to Rule 10.7.2 no Director is disqualified by his office from contracting with the Company whether as vendor purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided or prejudiced on that account, nor shall any Director be liable to account to the Company for any profit arising from any such contract or agreement by reason only of such Director holding that office or of the fiduciary relationship thereby established.
- 10.7.2. A Director who has a material interest in a matter that relates to the affairs of the Company must give to the other Directors notice of the interest unless such interest falls within the exception of Section 191(2) of the Corporations Act. The nature of this interest must be disclosed by the Director at a Director's meeting as soon as practicable after the relevant facts have come to his knowledge and such

Director must comply with the requirements of Sections 191, 192 and 195 of the Corporations Act.

- 10.7.3. Subject to the requirements of Sections 191 and 192 of the Corporations Act, a standing notice that a Director has an interest in any matter shall be a sufficient disclosure under this Rule as regards the interest of the Director in any transactions relating to the matter and after such standing notice it shall not be necessary for such Director to give a special notice relating to any particular transaction relating to that matter.

10.8. Related Body Corporate Contacts

Subject to the requirements of Chapter 2E and of Section 191 of the Corporations Act a Director shall not be deemed to be interested or to have been at any time interested in any contract or arrangement by reason only that in a case where the contract has been or will be made with, for the benefit of, or on behalf of the Related Body Corporate, he is a director in that Related Body Corporate.

10.9. Vacation of office of Director

In addition to the circumstances in which the office of a Director becomes vacant under the Corporations Act, the office of a Director becomes vacant if the Director:-

- 10.9.1. becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;
- 10.9.2. resigns from the office by notice in writing to the Company;
- 10.9.3. is absent without the consent of the remaining Directors from meetings of the Directors held during a period of 6 months;
- 10.9.4. is removed from office under Rule 10.5;
- 10.9.5. ceases to be a Director by virtue of Section 206A or any other provision of the Corporations Act;
- 10.9.6. becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- 10.9.7. becomes prohibited from being a Director by reason of any order made under the Corporations Act.

11. POWERS AND DUTIES OF DIRECTORS

11.1. Directors to manage Company

- 11.1.1. Subject to the Corporations Act the Listing Rules and to any other provisions of this Constitution, the business of the Company is managed by the Directors, who may exercise all such powers of the Company in general meeting.
- 11.1.2. Without limiting the generality of Rule 11.1.1, the Directors may at any time:-
 - 11.1.2.1. exercise all the powers of the Company to borrow or raise money, to charge any property or business of the Company or all or any of its uncalled capital and to issue debentures or give any other security for a debt, liability or obligation of the Company or of any other person;
 - 11.1.2.2. sell or otherwise dispose of the whole or any part of the assets, undertakings and other properties of the Company or any that may be

hereafter acquired on such terms and conditions as they may deem advisable, but:-

- 11.1.2.2.1. the Company shall comply with the Listing Rules;
- 11.1.2.2.2. any sale or disposal of the Company's main undertaking shall only be made subject to the prior approval or ratification of the sale or disposal by the Company in general meeting; and
- 11.1.2.2.3. on the sale or disposition of the Company's main undertaking or on the liquidation of the Company, no commission or fee shall be paid to any Director or Directors or to any liquidator of the Company unless it shall have been ratified by the Company in general meeting, with prior notification of the amount of such proposed payments having been given to all Members at least 10 days prior to the meeting at which any such payment is to be considered; and
- 11.1.2.3. take any action necessary or desirable to enable the Company to comply with the Listing Rules.
- 11.1.3. The Directors may raise or secure the payment or repayment of moneys or any debt, liability or obligation in such manner and on such terms and conditions in all respects as they may determine and in particular by the issue of debentures, debenture stock (perpetual or otherwise), bonds, notes or other securities or debt instruments the payment of which may be charged on all or any part of the property of the Company (both present and future) including its uncalled capital for the time being.
- 11.1.4. Debentures, debenture stock, bonds, notes or other securities or debt instruments may be made assignable free from any equities between the Company and the person to whom the same may be issued.
- 11.1.5. Any debentures, debenture stock, bonds, notes or other securities or debt instruments may be issued at the discretion of the Directors at a discount, premium or otherwise and 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.

11.2. Appointment of attorney

- 11.2.1. The Directors may, by power of attorney, appoint any person or persons to be the attorney or attorneys of the Company for such purposes, with such powers, authorities

and discretions (being powers, authorities and discretions vest in or exercisable by the Directors), for such period and subject to such conditions as they think fit.

- 11.2.2. Any such power of attorney may contain such provisions for the protection and convenience of persons dealing with the attorney as the Directors think fit and may also authorise the attorney to delegate all or any of the powers, authorities and discretions vested in the attorney.

11.3. Minutes

- 11.3.1. The Directors must cause minutes to be made:-
- 11.3.1.1. of the names of the Directors present at or involved in all general meetings and all meetings of the Directors; and
 - 11.3.1.2. of all proceedings of general meetings and of meetings of Directors,
 - 11.3.1.3. and cause those minutes to be entered, within one month after the relevant meeting is held, in the minute book.
- 11.3.2. The minutes referred to in Rule 11.3.1 must be signed by the chairman of the meeting at which the proceedings took place or by the chairman of the next succeeding meeting.

11.4. Execution of Company cheques etc.

All cheques, promissory notes, bankers' draft, bills of exchange and other negotiable instruments, and all receipts for money paid to the Company, must be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner and by such persons as the Directors determine from time to time. The procedures for loan advances as part of the course of business of the Company to be valid require the approval of all Directors on each occasion, that approval forming part of the business of a meeting of Directors and be appropriately minuted.

11.5. Retirement Benefits for Directors

The Directors may at any time adopt any scheme or plan which they consider to be in the interest of the Company and which is designed to provide retiring or superannuation benefits for both present and future non-executive Directors, and they may from time to time vary any such scheme or plan. Any scheme or plan may be effected by agreements entered into by the Company with individual Directors, or by the establishment of a separate trust or fund, or in such other manner as the Directors consider proper. The Directors may attach such terms and conditions to any entitlement under any such scheme or plan as they think fit, including without limitation, a minimum period of service by a Director before the accrual of any entitlement and the acceptance by the Directors of a prescribed retiring age. No such scheme or plan shall operate to confer upon any Director or on any of the dependants of any Director any benefits exceeding those permitted by Section 200G of the Corporations Act, except with the approval of the Company in general meeting.

11.6. Securities to Directors

If the Director acting solely in his capacity as a Director of the Company shall become personally liable for the payment of any sum primarily due by the Company, the Directors may create any mortgage, 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 for any loss in respect of such liability.

12. PROCEEDINGS OF DIRECTORS

12.1. Director's meetings

- 12.1.1. The Directors may meet together for the dispatch of business and adjourn and otherwise regulate their meetings as they think fit.
- 12.1.2. A Director may at any time, and the Secretary must, on the request of a Director, convene a meeting of the Directors but not less than 24 hours notice of every such Directors meeting shall be given to each Director either by personal telephone contact or in writing by the convenor thereof. The Directors may by unanimous resolution agree to shorter notice.

12.2. Questions decided by majority

- 12.2.1. Except in the case of loans and advances to other corporations (which must be unanimous) subject to this Constitution and the provisions of Section 195 of the Corporations Act, questions arising at a meeting of Directors are to be decided by a majority of votes of Directors involved and voting and any such decision is for all purposes deemed a decision of the Directors.
- 12.2.2. An alternate Director involved in any meeting of Directors has one vote for each Director for which that person is an Alternate Director and if that person is a Director also has one vote as a Director.
- 12.2.3. In the event of there being an equality of votes, the chairman of the meeting, in addition to the chairman's deliberate vote, has a casting vote except where only two Directors are present and entitled to vote on a question. The Chairman has a discretion both as to whether or not to use the casting vote and as to which way it is used.

12.3. Alternate Directors

- 12.3.1. A Director may, with the approval of the Directors, appoint a person (whether a Member of the Company or not) to be an Alternate director in the Director's place during such period as the Director thinks fit.
- 12.3.2. An Alternate Director is entitled to notice of all meetings of the Directors and, if the appointor is not involved in such a meeting, is entitled to participate and vote in the appointor's stead.
- 12.3.3. An Alternate Director may exercise any powers that the appointor may exercise and, in the exercise of any such power, the Alternate Director is an officer of the Company and is not deemed an agent of the appointor.
- 12.3.4. An Alternate Director is not required to hold any share in the Company.
- 12.3.5. An Alternate Director is, subject in all respects to the conditions attaching to the Directors generally, except that an Alternate Director is not entitled to any remuneration under Rule 10.6 otherwise than from the Alternate Director's appointor.
- 12.3.6. The appointment of an Alternate Director may be terminated at any time by the appointor notwithstanding that the period of the appointment of the Alternate Director has not expired, and terminates in any event if the appointor vacates office as a Director.

- 12.3.7. An appointment, or the termination of an appointment, of an Alternate Director must be effected by a notice in writing signed by the Director who makes or made the appointment and served on the Company.
- 12.3.8. The notice of appointment or termination of appointment of an Alternate Director may be served on the Company by leaving it at the Registered Office or by forwarding it by facsimile transmission to the Registered Office and in the case of a facsimile transmission, the appearance at the end of the message of the name of the Director appointing or terminating the appointment is sufficient evidence that the Director has signed the notice.

12.4. Quorum for Directors' meetings

At a meeting of Directors, the number of Directors whose involvement is necessary to constitute a quorum is 2, or such greater number as is determined by the Directors from time to time. However, if there are not enough directors to form a quorum for a directors meeting because of the provisions of Sub-Section 195(1) of the Corporations Act, one or more of the Directors (including those who have a material personal interest in the matter) may call a general meeting and the general meeting may pass a resolution to deal with the matter. Provided a quorum is present at the place where the meeting is held, other Directors unable to attend in person may participate in the proceedings of the meeting in accordance with Rules 12.15 and 12.16.

12.5. Remaining Directors may act

In the event of a vacancy or vacancies in the office of a Director or offices of Directors, the remaining Director or Directors may act but, if the number of remaining Directors is not sufficient to constitute a quorum at a meeting of Directors, they act only for the purpose of:-

- 12.5.1. increasing the number of Directors to a number sufficient to constitute such a quorum; or
- 12.5.2. convening a general meeting of the Company.

12.6. Chairman of Directors

- 12.6.1. The Directors must elect one of their number as chairman of their meetings and may determine the period for which the person elected as chairman is to hold office. The Directors may also elect one of their number as deputy-chairman of their meetings and may determine the period for which the person elected as deputy-chairman is to hold office.
- 12.6.2. When a Directors' meeting is held and:-
 - 12.6.2.1. a chairman has not been elected as provided by Rule 12.6.1; or
 - 12.6.2.2. the chairman is not present within 10 minutes after the time appointed for the holding of the meeting or is unable or unwilling to act;
 the deputy-chairman (if any) must act as chairman of the meeting.
- 12.6.3. If there is no such person or that person is absent or unable or unwilling to act, the Directors involved must elect one of their number to be chairman of the meeting.

12.7. Directors' committees

- 12.7.1. The Directors may delegate any of their powers, other than powers required by law to be dealt with by the Directors as a Board, to a committee or committees consisting of at

- least one of their number and such other persons as they thinks fit.
- 12.7.2. A committee to which any powers have been so delegated must exercise the powers delegated in accordance with any directions of the Directors and a power so exercised is deemed to have been exercised by the Directors.
 - 12.7.3. The members of such a committee may elect one of their number as chairman of their meetings.
 - 12.7.4. If such a meeting is held and:-
 - 12.7.4.1. a chairman has not been elected as provided by Rule 12.7.3; or
 - 12.7.4.2. the chairman is not present within 10 minutes after the time appointed for the holding of the meeting or is unable or unwilling to act,
 - 12.7.4.3. the members involved may elect one of their number to be chairman of the meeting.
 - 12.7.5. A committee may meet and adjourn as it thinks proper.
 - 12.7.6. Questions arising at a meeting of a committee are to be determined by a majority of votes of the members involved and voting.
 - 12.7.7. In the event of there being as equality of votes, the chairman, in addition to the chairman's deliberative vote, has a casting vote.

12.8. Written resolution by Directors

A resolution in writing signed by all Directors for the time being or their respective alternate Directors (except those Directors (or their alternates) who expressly indicate their abstention in writing to the Company and those who would not be permitted by virtue of Section 195 of the Corporations Act to vote were the resolution to be put to a meeting of the Directors) shall be as valid and effectual as if it had been passed at a Directors' meeting duly convened and held. Any such resolution may consist of several documents in like form but each document must contain a statement that the Directors are in favour of the resolution and the wording of the resolution and the statement of the Directors must be identical, each document signed by one or more Directors. A telex, telegram, facsimile transmission or other document produced by mechanical means and bearing the signature of the Director, printed mechanically and with his authority, shall be deemed to be a document in writing signed by the Director. The Company shall give written notice of the passing of a resolution in terms of this Rule to each Director (or Alternate) as the case may be within 7 days of the making of such resolution.

12.9. Defective Appointment

All acts done by any Directors' meeting or of a Directors' 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 a person to be, or to act as, a Director, or that a person so appointed was disqualified, as valid as if the person had been duly appointed and was qualified to be a Director or to be a member of the committee.

12.10. Directors may hold other Offices

A Director may hold any other office or place of profit in or in relation to the Company (except that of auditor) in conjunction with his office of Director and on such terms as to remuneration or other as the Directors shall approve.

12.11. Directors may hold shares, etc

A Director may be or become a shareholder in or director of or hold any other office or place of profit in or in relation to any other company promoted by the Company or in which the Company may be interested, whether as a vendor, shareholder or otherwise.

12.12. Directors not accountable for benefits

No Director shall be accountable for any benefits received as the holder of any other office or place of profit in or in relation to the Company or any other company referred to in Rule 12.11 or as a shareholder in or director of any such other company.

12.13. Voting, Affixation of Seal

A Director may in all respects act as a Director in relation to any contract or arrangement in which he is interested, including, without limiting the generality of the foregoing, in relation to the execution of the contract or agreement or the use of the Company's common seal, but he may not vote in relation to any contract or proposed contract or arrangement in which he has directly or indirectly a material interest and in that respect he shall comply with the requirements of Sections 191 and 192 of the Corporations Act.

12.14. Exchange to be Advised

The Directors shall advise the Company, which in turn shall advise the Exchange without delay of any material contract involving Director's interests. The advice shall include at least the following information:-

- 12.14.1. the names of the parties to the contract;
- 12.14.2. the name or names of the Director (or Directors) who has (or have) any material interest in the contract;
- 12.14.3. particulars of the contract; and
- 12.14.4. particulars of the relevant Director's (or Directors') interest (or interests) in that contract.

12.15. Meeting to be Effectual

For the purposes of this Constitution, but subject to Rule 12.4, the contemporaneous linking together by instantaneous communication device of a number of consenting Directors not less than the quorum, whether or not any one or more of the Directors is out of Australia, shall be deemed to constitute a Director's meeting and all the provisions of this Constitution as to the Directors' meeting shall apply to such meetings held by instantaneous communication device so long as the following conditions are met:-

- 12.15.1. all the Director for the time being entitled to receive notice of the Directors' meeting (including any alternate for any Director) shall be entitled to notice of a meeting by instantaneous communication device for the purposes of such meeting. Notice of any such Director's meeting shall be given on the instantaneous communication device or in any other manner permitted by this Constitution;
- 12.15.2. each of the Directors taking part in the Directors' meeting by instantaneous communication device must be able to hear each of the Directors taking part at the commencement of the Director's meeting; and
- 12.15.3. at the commencement of the Director's meeting each Director must acknowledge his presence for the purpose of a Director's meeting of the Company to all the other Directors taking part.

12.16. Procedure at Meetings

A Director may not leave a Director's meeting held under Rule 12.15, whether by disconnecting his instantaneous communication device or not, unless he has previously obtained the express consent of the Chairman of the Director's meeting and shall be conclusively presumed to have been present and to have formed part of the quorum at all times during the Directors' meeting by instantaneous communication device unless he has previously obtained the express consent of the Chairman of the Director's meeting to leave the Directors' meeting as aforesaid. However, if the Director would not be permitted by virtue of Section 195 of the Corporations Act to be present or to vote during the consideration of such matter without obtaining the express consent of the Chairman and he shall not be counted for the purpose of determining a quorum during the consideration of that matter.

12.17. Minutes

A minute of the proceedings at a Directors' meeting held under Rule 12.15 shall be sufficient evidence of such proceedings and of the observance of all necessary formalities if certified as a correct minute by the Chairman or the person taking the chair at the Directors' meeting under Rule 12.15.

12.18. Definition

For the purpose of this Constitution "instantaneous device" shall include telephone, television or other audio or audio-visual device which permits instantaneous communication.

12.19. Appointment of Managing Director

The Directors may from time to time appoint one or more of their number to the office/s of Managing Director or Managing Directors of the Company or to the office/s of Executive Director or Executive Directors either for a fixed term or at will, but not for life and, subject to the terms of any agreement entered into in a particular case, may revoke any such appointment. The appointment of a Managing Director or Executive Director so appointed automatically terminates if he ceases for any reason to be a Director.

12.20. Remuneration

Subject to Rule 10.6 a Managing Director or Executive Director shall, subject to the terms of any agreement entered into in a particular case, receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors may determine.

12.21. Powers

The Directors may, upon such terms and conditions and with such restrictions as they think fit confer upon a Managing Director or Executive Director any of the powers exercisable by them. Any powers so conferred may be concurrent with, or be to the exclusion of, the powers of the Directors. The Directors may at any time withdraw or vary any of the powers so conferred on a Managing Director or an Executive Director.

12.22. Rotation

A Managing Director shall not retire by rotation in accordance with Rule 10.1.3, but if there is more than one Managing Director then the first appointed Managing Director shall not be subject to rotation but the other Managing Director/s and Executive Director/s shall be subject to rotation.

13. SECRETARY

13.1. Appointment of Secretary

There must be at least one Secretary of the Company who may be appointed by the Directors for such term, at such remuneration and on such conditions as they think fit.

13.2. Suspension and removal of Secretary

The Directors have power to suspend or remove a Secretary.

13.3. Powers and Duties of Secretary

The Directors may vest in a Secretary such powers, duties and authorities as they may from time to time determine and a Secretary must exercise all such powers and authorities subject at all times to the control of the Directors.

13.4. Secretary to attend meetings

A Secretary is entitled to participate in all meetings of the Directors and all general meetings of the Company and may be heard on any matter.

14. COMMON SEAL AND OFFICIAL SEAL

14.1. Custody of Common Seal

The Directors may provide for a common seal and must provide for the safe custody of the common seal.

14.2. Use of the Common Seal

The common seal may be used only by the authority of the Directors, or of a committee of the Directors authorised by the Directors to authorise the use of the common seal, and every document to which the common seal is affixed may be witnessed by a Director and another Director or the Secretary or may be witnessed by another person appointed by the Directors to witness that document or a class of documents in which that document is included.

14.3. Execution of Documents without a Common Seal

The Company may execute a document without using a common seal if the document is signed by:-

14.3.1. two Directors; or

14.3.2. a Director and a Secretary;

15. INSPECTION OF RECORDS

15.1. Inspection by Members

Except as otherwise required by the Corporations Act, the Directors may determine whether and to what extent, and at what times and places and under what conditions, the accounting records and other documents of the Company or any of them will be open to the inspection of Members (other than Directors) and a Member (other than a Director) does not have the right to inspect any document of the Company except as provided by law or authorised by the Directors or by the Company in general meeting.

16. DIVIDENDS AND RESERVES

16.1. Declaration of Dividend

Subject to the rights of persons (if any) entitled to shares with special rights to dividend, the Directors may declare a final dividend out of profits in accordance with the Corporations Act and may authorise the payment or crediting by the Company to the Members of such a dividend in proportion to the number of shares held by them.

16.2. Directors may authorise Interim Dividend

The Directors may authorise the payment or crediting by the Company to the Members of such interim dividends as appear to the Directors to be justified by the profits of the Company.

16.3. No Interest on Dividends

Interest may not be paid by the Company in respect of any dividend, whether final or interim.

16.4. Reserve and profits carried forward

- 16.4.1. The Directors may, before declaring any dividend, set aside out of the profits of the Company such sum as they think proper as reserves, to be applied, at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.
- 16.4.2. Pending any such application, the reserves may, at the discretion of the Directors, be used in the business of the Company or be invested in such investments as the Directors think fit.
- 16.4.3. The Directors may carry forward so much of the profits remaining as they consider ought not be distributed as dividends without transferring those profits to a reserve.

16.5. Calculation and Apportionment of Dividends

- 16.5.1. Subject to the rights of persons (if any) entitled to shares with special rights as to dividends all dividends are to be declared and paid according to the amounts paid or credited as paid on the shares in respect of which the dividends is paid.
- 16.5.2. Unless any share is issued on terms providing to the contrary, all dividends are to be apportioned and paid proportionately to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid.
- 16.5.3. An amount paid or credited as paid on a share in advance of a call is not be taken as paid or credited as paid on the share for the purposes of Rules 16.5.1 and 16.5.2.

16.6. Deduction from Dividends

The Directors may deduct from any dividend payable to a Member all sums of money (if any) presently payable by that Member to the Company on account of calls or otherwise in relation to shares in the Company.

16.7. Distribution of Specific Assets

- 16.7.1. The Directors, when paying or declaring a dividend, may direct payment of a dividend wholly or partly by the distribution of specific assets, including fully paid shares in, debentures of or other securities of the, the Company or any other corporation.
- 16.7.2. If a difficulty arises in regard to such a distribution, the Directors may settle the matter as they consider expedient and fix the value for distribution of the specific assets or any part of those assets and may determine that cash payments will be made to any Members on the basis of the value so fixed in order to adjust the rights of all parties, any may vest any such specific assets in trustees as the Directors consider expedient. If a distribution of specific assets to a particular Member or Members is illegal or, in the Director's opinion, impracticable then the Directors may make a cash payment to that Member or Members on the basis of the cash amount of the dividend instead of the distribution of specific assets.

16.8. Payment by cheque and receipts from joint holders

- 16.8.1. Any dividend, interest or other money payable in cash in respect of shares may be paid by cheque sent through the post directed:-

- 16.8.1.1. to the address of the holder as shown in the Register or, in the case of joint holders, to the address shown in the Register as the address of the joint holder first named in the Register; or
 - 16.8.1.2. to such other address as the holder or joint holder in writing directs or direct.
 - 16.8.2. Any one or two or more joint holders may give effectual receipts for any dividends, interest or other money payable in respect of the shares held by them as joint holders.
- 16.9. Bonus Share Plan**
- 16.9.1. The Company may, by ordinary resolution in general meeting, authorise the Directors to implement a Bonus Share Plan on such terms and conditions as are referred to in such resolution and which plan provides for any dividend which the Directors may declare from time to time under Rule 16.1, less any amount which the Company shall, either pursuant to this Constitution or any law, be entitled or obliged to retain, not be payable on shares which are participating shares in the Bonus Share Plan but for those shares to carry instead an entitlement to receive an allotment of additional fully paid ordinary shares to be issued as bonus shares.
 - 16.9.2. Any resolution passed by the Company in general meeting pursuant to Rule 16.9.1 may, at any time, be amended or revoked by the Company by ordinary resolution in general meeting.
- 16.10. Dividend Plans**
- 16.10.1. Notwithstanding any other provisions of this Constitution, but subject to the requirements of the Corporations Act and, if applicable, the Listing Rules, the Directors may in their absolute discretion establish on such terms and conditions as they think fit:-
 - 16.10.1.1. plans (to be called a “dividend reinvestment plan” or an “interest reinvestment plan” as the case may be) for cash dividends paid by the Company in respect of shares issued by the Company and interest paid by the Company on unsecured notes or debenture stock issued by the Company to be reinvested by way of subscription for shares in the Company; and
 - 16.10.1.2. a plan (to be called a “dividend election plan”) permitting holders of shares to the extent that his shares are fully paid up, to have the option to elect to forego his right to shares and to receive instead an issue of shares credited fully paid up to the extent as determined by the Directors.
 - 16.10.2. The Directors may in their absolute discretion, modify, suspend or terminate all or any plans established pursuant to the Rule 16.10.1 from time to time on not less than one (1) months written notice to all Members.
 - 16.10.3. The powers given to the Directors by this Rule 16.10 are additional to the other powers reposed in the Directors by

this Constitution and shall not in any way be limited, restricted or otherwise affected by the Rules 16 and 17.

16.11. Unclaimed Dividends

All dividends declared but unclaimed may be invested by the Directors as they think fit for the benefit of the Company until claimed or until required to be dealt with in accordance with any law relating to unclaimed moneys.

17. CAPITALISATION OF PROFITS

Capitalisation of reserves and profits

17.1. Subject to the Listing Rules the Company may capitalise profits. The capitalisation need not be accompanied by the issue of shares.

17.2. Subject to the Listing Rules if the capitalisation involves the issue of shares the Directors may do all things necessary to give effect to the resolution and, in particular, to the extent necessary to adjust the rights of the Members among themselves, may:-

17.2.1. issue fractional certificates or make cash payment in cases where shares or debentures become issuable in fractions; and

17.2.2. authorise any person to make, on behalf of all or any of the Members entitled to any further shares or debentures on the capitalisation, an agreement with the Company providing for the issue to them, credited as fully paid up, of any such 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, and any such agreement is effective and binding on all the Members concerned.

18. NOTICES

18.1. Service of Notices

18.1.1. A notice may be given by the Company to any Member or other person receiving notice under this Constitution either by serving it on the person personally or by sending it by post or facsimile transmission to the person at their address as shown in the Register or the address or number supplied by the person to the Company for the giving of notices to the person or to the electronic address nominated by that person.

18.1.2. If a notice is sent by post, service of the notice is deemed to be effected by properly addressing, prepaying, and positing a letter containing the notice, and the notice is deemed to have been served three (3) days after the date of its posting.

18.1.3. If a notice is sent by facsimile transmission or other electronic means, service of the notice is deemed to be effected by properly addressing the facsimile transmission and transmitting same and to have been served on the Business Day following its despatch.

18.1.4. A notice may be given by the Company to the joint holders of a share by giving notice to the joint holder first named in the Register in respect of the share.

18.1.5. Every person who by operation of law, transfer or other means whatsoever becomes entitled to any share is absolutely bound by every notice given in accordance with this Constitution to the person for whom that person

derives title prior to registration of that person's title in the Register.

- 18.1.6. All notices sent by post outside Australia may be sent by pre-paid airmail post or facsimile or in another way that ensures this it will be received quickly or by the means provided by Rule 18.1.3

18.2. Persons entitled to notice of General Meeting

- 18.2.1. Notice of every general meeting must be given in a manner authorised by Rule 18.1 and in accordance with the Corporations Act to:-

- 18.2.1.1. every Member;
- 18.2.1.2. every Director or Alternate Director;
- 18.2.1.3. the Auditor;
- 18.2.1.4. the Exchange (if the Company is listed); and every 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.

- 18.2.2. No other person is entitled to receive notices of general meetings

18.3. Change of Address

The Company shall acknowledge receipt of all notifications of change of address by holders of partly paid shares.

18.4. Incorrect Address

Where the Company has bona fide reason to believe that a Member is not known at his registered address, and the Company has subsequently made an enquiry in writing at that address as to the whereabouts of the Members which enquiry either elicits no response or a response indicating that the Member or his present whereabouts are unknown, all future notices will be deemed to be given to such Member if the notice is exhibited in the Registered Office (or, in the case of a member registered on the Branch Register, in a conspicuous place in the place where the Branch Register is kept) for a period of 48 hours (and shall be deemed to be duly served at the commencement of that period) unless and until the Member informs the Company that he has resumed residence at this registered address or notifies the Company of a new address to which the Company may send him notices (which new address shall be deemed his registered address).

19. AUDIT AND ACCOUNTS

19.1. Company to keep accounts

The Directors must cause the Company to keep accounts of the business of the Company in accordance with the requirement of the Corporations Act and the Listing Rules.

19.2. Company to audit accounts

The Directors must cause the accounts of the Company to be audited in accordance with the requirement of the Corporations Act and the Listing Rules.

20. WINDING UP

20.1. Distribution of Assets

- 20.1.1. Subject to Rule 20.2.1, if the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company, divide among the Members in kind the whole or any part of the property of the Company and may for that purpose set such value as the liquidator considers fair

on any property to be so divided and may determine how the division is to be carried out as between the Members of different classes of Members.

- 20.1.2. The liquidator may, with the sanction of a special resolution of the Company, vest the whole or any part of any such property in trustees on such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Member is compelled to accept any shares or other securities in respect of which there is any liability.

20.2. Order for Winding Up

- 20.2.1. Where an order is made for the winding up of the Company or it is resolved by special resolution to wind up the Company, then on a distribution of assets to members, shares classified by the Home Exchange as Restricted Securities at the time of the commencement of the winding up shall rank in priority after all other shares.
- 20.2.2. Subject to the rights of Members (if any) entitled to shares with special rights in a winding up, all monies and property that are to be distributed among Members on a winding up, shall be so distributed in proportion to the shares held by them respectively, irrespective of the amount paid or credited as paid up on the shares.

21. INDEMNITY

Except as may be prohibited by Section 199A and 199B of the Corporations Act every Officer, auditor or agent of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as Officer, auditor or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

22. OVERSEAS MEMBERS

Each Member with a registered address outside Australia acknowledges that, with the approval of the Exchange, the Company may, as contemplated by and in accordance with the Listing Rules, arrange for a nominee to dispose of any of its entitlement to participate in any issue of shares or options by the Company to Members.

23. LISTING RULES

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

- 23.1. Notwithstanding anything contained in this Constitution, if the Listing Rules prohibit an act being done, the act shall not be done.
- 23.2. Nothing contained in this Constitution prevents an act being done that the Listing Rules require to be done;
- 23.3. 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);
- 23.4. If the Listing Rules require this Constitution to contain a provision and it does not contain such a provision, this Constitution is deemed to contain that provision.
- 23.5. If the Listing Rules require this Constitution not to contain a provision and it contains such a provision, this Constitution is deemed not to contain that provision.
- 23.6. If any provision of this Constitution is or becomes inconsistent with the Listing Rules, this Constitution is deemed not to contain that provision to the extent of the inconsistency.

This is the Annexure of pages marked "A" referred to in Notification of Resolution Form 205 signed me and dated the day of November 2005.

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F.L. Hunt