

# HAMILTON SECURITIES LIMITED

ABN 59 138 270 201

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the fourth annual general meeting of Hamilton Securities Limited will be held at: 10A Trelawney Street, Woollahra, New South Wales on 30 November 2013 at 11:15am.

### BUSINESS

#### 1. Amendment of Company's Constitution

Class "B" shareholders to consider and if thought fit, pass the following resolution as a special resolution:

*That, subject to the resolution of the meeting of Class "A" shareholders approving amendments to the Company's constitution (Class "A" Resolution) and subject to Resolution 2 being carried, the constitution of the Company be amended in line with the amendments set out in the Explanatory Notes to this Notice of Meeting.*

#### 2. Approval of Acquisition of a Relevant Interest

For the purposes of Item 7 of s611 of the Corporations Act 2001 (**Corporations Act**), all Class "B" ordinary shareholders apart from Fred Woollard and his Associates, to consider and if thought fit, pass the following resolution as an ordinary resolution:

*That, subject to Resolution 1 being carried, Samuel Terry Asset Management and Fred Woollard be authorised and approved to acquire a relevant voting interest in the Company that would otherwise be prohibited by s606 of the Corporations Act to be effected by amendments to the constitution which have the effect of granting Class "A" ordinary shares the same voting rights as Class "B" ordinary shares and removing the division between Class "A" ordinary shares and Class "B" ordinary shares.*

#### 3. Adoption of Remuneration Report

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

*That the Remuneration Report for the year ended 30 June 2013 be adopted.*

#### 4. Re-election of Directors

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

- (a) *That Fred Woollard, who retires by rotation in accordance with the provisions of the constitution and, being eligible, is re-elected as a director.*
- (b) *That Giles Craig, who retires by rotation in accordance with the provision of the constitution and, being eligible, is re-elected as a director.*

#### 5. Financial Statements and Reports

To consider the Directors' Report, Financial Statements and Independent Audit Report for the year ended 30 June 2013.

# NOTICE OF ANNUAL GENERAL MEETING

## 6. General Business

To transact any other business which may be properly brought forward.

The company has determined that, for the purpose of voting at the meeting, shares will be taken to be held by those persons recorded on the Company's register on 28 November 2013 at 11:15am.



Steven Pritchard  
Director  
25 October 2013

# EXPLANATORY NOTES – BUSINESS OF THE MEETING

## 1. Voting Exclusion Statement

Under Section IIA Listing Rule 6.46 and in accordance with s250R of the Corporations Act 2001 (**Corporations Act**), the Company will disregard any votes cast:

- (a) on Resolution 1(e) by Fred Woollard and his Associate, Samuel Terry Asset Management; and
  - (b) on Resolution 3 by a member of the key management personnel of the Company details of whose remuneration are included in the Remuneration Report and any closely related party of such a member,
- (each an **Excluded Person**).

However, an Excluded Person may cast a vote on the relevant Resolution if the vote is not cast on behalf of an Excluded Person and either:

- (c) the Excluded Person is appointed as proxy by writing that specifies how the proxy is entitled to vote on the proposed resolution; or
- (d) in the case of Resolution 3 (Adoption of Remuneration Report), the vote is by the Chairman of the meeting as proxy for a person who is entitled to vote and the proxy:
  - (i) does not specify the way the proxy is to vote on Resolution 3; and
  - (ii) expressly authorises the Chairman to exercise the proxy even though Resolution 3 is connected directly or indirectly with the remuneration of a member of the key management personnel of the Company.

Associate is defined in section 9 of the Corporations Act and has the meanings given in sections 11, 12 and 15 of the Corporations Act.

## 2. Amendments to the Company's Constitution

The Company currently has three classes of security quoted on the National Stock Exchange of Australia (**NSX**), which comprise the following shares on issue:

- (a) 2,118,274 Class "A" non-voting ordinary shares;
- (b) 502,000 Class "B" voting ordinary shares; and
- (c) 1,632,565 Class "B" 30 November 2019 Options outstanding.

The Company wishes to simplify its share structure by giving Class "A" ordinary shares voting rights consistent with the existing voting rights of Class "B" ordinary shares. This will have the effect that there will no longer be any division between Class "A" ordinary shares and Class "B" ordinary shares. This constitutes a variation of the rights attaching to Class "A" ordinary shares and therefore requires the approval of Class "A" ordinary shareholders.

In accordance with clause 11.1 of the Company's constitution, a special resolution will be put to Class "A" non-voting ordinary shareholders at a separate meeting of Class "A" ordinary shareholders to consider and if thought fit pass the following resolution as a special resolution (**Class "A" Resolution**):

*That, subject to Resolution 1 and Resolution 2 of the Annual General Meeting of the Company being carried, the constitution will be amended in line with the amendments set out in the Explanatory Notes to the Notice of Meeting.*

Subject to the resolution above being carried at the meeting of Class “A” ordinary shareholders, at the AGM, Class “B” ordinary shareholders will be asked to consider, and if thought fit, pass the following as a special resolution (**Resolution 1**):

*That subject to the resolution of the meeting of Class “A” ordinary shareholders approving amendments to the Company’s constitution (Class “A” Resolution) being carried and subject to Resolution 2 being carried, the constitution will be amended in line with the amendments set out in the Explanatory Notes to the Notice of Meeting.*

The constitutional amendments will involve amendments to clauses 2.2 – 2.4 of the constitution of the Company to reflect that there will be no division between Class “A” ordinary shares and Class “B” ordinary shares as follows:

- (i) *Clause 2.2 be amended by deleting clause 2.2(a) and deleting “(b)”;* and
- (ii) *Clauses 2.3 and 2.4 be amended by deleting both clauses in their entirety.*

Class “A” Resolution and Resolution 1 will have the effect of granting the Class “A” ordinary shares voting rights consistent with the existing rights of Class “B” ordinary shares so that the rights of Class “A” ordinary shares and Class “B” ordinary shares are equal. The Company will no longer designate ordinary shares as either Class “A” ordinary shares or Class “B” ordinary shares as each share in the Company will be an ordinary share with equal rights.

Class “B” 30 November 2019 Options will continue to be able to be exercised until 30 November 2019. However, upon exercising an option, option holders will convert their options to ordinary shares, as there will be only one class of ordinary shares.

Resolution 1 above requires 75% of all votes cast on the resolution to be cast in favour of the resolution.

The quorum for Resolution 1 is the holders present personally or by proxy, attorney or representative and entitled to vote in respect of at least 5% of the issued shares of the relevant class.

### **Approval of Acquisition of a Relevant Interest**

The Company notes that Samuel Terry Asset Management Pty Ltd (**STAM**) currently owns 605,500 Class “A” non-voting ordinary shares, which represents 28.58% of all Class “A” ordinary shares in the Company. Fred Woollard, a director of the Company is also a director of STAM. Fred currently holds 685 of Class “A” non-voting ordinary shares in the Company. The granting of voting rights to Class “A” ordinary shares will result in the acquisition by STAM of a relevant interest in the Company.

However, currently Fred and STAM combined hold 44.38% of total voting Class “B” ordinary shares. Upon the granting of voting rights to Class “A” ordinary shares consistent with the existing rights of Class “B” ordinary shares, and the removal of the division between Class “A” ordinary shares and Class “B” ordinary shares, Fred and STAM’s interest in ordinary shares in the Company will decrease to 31.64% of the voting interests in the Company.

STAM and Fred are prohibited by s606 of the Corporations Act from acquiring a relevant interest in the Company unless the relevant interest is acquired under one of the exceptions in s611 of the Corporations Act. One of these exceptions is approval by the members at a general meeting of the Company in which no votes are cast in favour of the resolution by Fred Woollard and his Associates in accordance with Item 7 of s611.

Accordingly, Fred Woollard and his Associates will not vote on resolution 2 set out below.

For the purposes of Item 7 of s611 of the Corporations Act, at the AGM, all Class “B” ordinary shareholders apart from Fred Woollard and his Associates, will be asked to consider and if thought fit, pass the following resolution as an ordinary resolution (**Resolution 2**):

*That Samuel Terry Asset Management be authorised and approved to acquire a relevant voting interest in the Company that would otherwise be prohibited by s606 of the Corporations Act to be effected by amendments to the constitution to grant Class "A" ordinary shares the same rights as Class "B" ordinary shares and remove the division between Class "A" ordinary shares and Class "B" ordinary shares.*

Resolution 2 is an ordinary resolution which requires at least 50% of all votes cast on the resolution to be cast in favour of the resolution.

The quorum for Resolution 2 will be three (3) members present personally or by proxy, attorney or representative.

### **3. Adoption of Remuneration Report**

During this item there will be an opportunity for shareholders to comment on and ask questions about the Remuneration Report on page 5 of the Company's annual report.

Note that the vote on this item is advisory only and does not bind the directors or the Company.

Members of the key management personnel of the Company, details of whose remuneration are included in the Remuneration Report, and any closely related parties of such members will not vote on Resolution 3.

### **4. Re-election of Directors**

Mr Fred Woollard was appointed a director on the incorporation of the Company in 2009. He has been a director of another listed entity Kangaroo Island Plantation Timbers Limited since 11 March 2008.

Mr Giles Craig was appointed as a director on the incorporation of the Company in 2009.

More information about the qualifications and experience of Mr Woollard and Mr Craig can be found in the Company's Annual Report.

Resolutions 4(a) and (b) will be ordinary resolutions which require at least 50% of all votes cast on each of the resolutions to be cast in favour of the resolution.

The quorum for Resolutions 4(a) and (b) will be three (3) members present personally or by proxy, attorney or representative.

### **5. Financial Statements and Reports**

During this item there will be an opportunity for shareholders to ask questions and comment on the Directors' Report, Financial Statements and Independent Audit Report for the financial year ended 30 June 2013. No resolution is required to be carried on this item.

## Notes relating to proxies

1. Accompanying this notice is a Proxy Form.
2. A member entitled to attend and vote at the meeting is entitled to appoint no more than two proxies (who need not be members of the company) to attend and vote in the member's place. The proxy need not be a member.
3. Where a member appoints more than one representative, proxy or attorney, the appointees are entitled to vote on a poll but may not vote on a show of hands. A member who appoints two proxies must specify the proportion or number of the member's votes which each proxy is appointed to exercise. A single proxy exercises all the members votes.
4. Where a member is present either in person or by its corporate representative, and a person appointed by that member as proxy is also present at the meeting, the person appointed as proxy may not exercise the rights conferred by that instrument of proxy while the member is present.
5. Due to the voting exclusions that apply to certain items of business, the key management personnel (**KMP**) of the Company and their closely related parties will not be able to vote your proxy on:
  - (d) Resolution 2 (Acquisition of a Relevant Interest); and
  - (e) Resolution 3 (Adoption of Remuneration Report).unless you have directed them how to vote or in the case of the Chairman if you expressly authorise him or her. If you intend to appoint a KMP (including the Chairman) as your proxy, you are encouraged to direct them how to vote on Resolutions 2 and 3 by marking either "For", "Against" or "Abstain" on the Proxy Form for each of those items of business.
6. If you appoint the Chairman of the meeting as your proxy (including by default), and you do not direct your proxy how to vote on Resolution 3 (Adoption of Remuneration Report) on the Proxy Form, you will be expressly authorising the Chairman of the meeting to exercise your proxy on Resolution 3 even though Resolution 3 is connected directly or indirectly with the remuneration of a member of the KMP for the Company, which includes the Chairman.
7. A member may also appoint an attorney to act on their behalf at the meeting. A copy of the power of attorney must be delivered in person, by mail or by facsimile to the company's registered office no later than 48 hours before the meeting.
8. A member that is a body corporate may authorise a person to act as its representative at the meeting in accordance with s250D of the Corporations Act.
9. Proxy forms may be delivered in person, by mail or by facsimile to the company's registered office. Proxy forms must be completed, signed and received no later than 48 hours before the meeting.
10. The company's registered office details are as follows.

Hamilton Securities Limited  
10 Murray Street  
Hamilton NSW 2303

Telephone +61 2 4920 2877  
Facsimile +61 2 4920 2878

PO Box 413  
Hamilton NSW 2303

# HAMILTON SECURITIES LIMITED

ABN 59 138 270 201

Registered Office: 10 Murray Street, Hamilton, NSW 2303

Telephone 02 4920 2877 Facsimile 02 4920 2878

## PROXY FORM

I/We

of

being a member of Hamilton  
Securities Limited hereby  
appoint

of

or in his/her absence

of

or in his/her absence, or if no person is specified, the Chairman of the Meeting, as my/our general/special proxy to act and vote on my/our behalf at the Annual General Meeting of the company to be held 30 November 2013 or at any adjournment of that meeting.

Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 3 (except where I/we have indicated a different voting intention) even though Resolution 3 is connected directly or indirectly with the remuneration of a member of key management personnel of the Company, which includes the Chairman.

Signature of shareholder

Date

Unless otherwise instructed the proxy will vote as he or she thinks fit, or abstain from voting. If the Chairman is appointed proxy, he will vote all undirected proxies in favour of all resolutions. Should the member wish to direct the proxy how to vote, the following should be completed.

### BUSINESS OF THE MEETING

	FOR	AGAINST	ABSTAIN
<b>Class "B" ordinary shareholders only</b>			
1. Constitutional amendments which have the effect of granting voting rights to Class "A" ordinary shares and removing the division between Class "A" ordinary shares and Class "B" ordinary shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Acquisition of a Relevant Interest	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>All shareholders</b>			
3. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.(a) Re-election of director – Mr Fred Woollard	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.(b) Re-election of director – Mr Giles Craig	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>