

10 October 2016

Dear Shareholder

On 23 September 2016 the Company posted to shareholders a Notice of Annual General Meeting and Explanatory Statement for the Annual General Meeting (**AGM**), which is to be held on 21 October 2016 (**Notice**). Included in the Notice is a special resolution to adopt a new constitution for the Company (**New Constitution**) in place of the current constitution, with effect from the date that the Company is admitted to the official list of the Australian Securities Exchange.

The Notice stated that a copy of the New Constitution was attached to the Explanatory Statement, when in fact, it was omitted inadvertently.

The Company now encloses a copy of the New Constitution, which is the subject of the special resolution. You can also view the proposed New Constitution on the website at www.consolidatedafrica.com.

If you have already voted by proxy and, having considered the additional information, wish to change the way you have voted, replacement proxies are available from the Share Registrar, Boardroom Pty Ltd, or the Company for that purpose.

The Board looks forward to seeing you at the AGM on 21 October 2016.

Yours truly,



Philip Lindsay
Non-executive Chairman
Consolidated Africa Limited



CONSOLIDATED AFRICA LIMITED
ACN 605 659 970

Notice of Annual General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Friday, 21 October 2016

Time of Meeting:
10.00AM (AEDT)

Place of Meeting:
Radisson Blu Hotel
Sir James Fairfax Room
27 O'Connell Street
Sydney NSW 2000

*This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety.
If shareholders are in doubt as to how they should vote, they should seek advice from their
accountant, solicitor or other professional advisor without delay*

CONSOLIDATED AFRICA LIMITED

ACN 605 659 970

Registered office: Level 28, 1 Market Street, Sydney, NSW, 2000

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Members of Consolidated Africa Limited (the "Company") will be held at the Radisson Blu Hotel, Sir James Fairfax Room, 27 O'Connell Street, Sydney, NSW, 2000 at 10.00am (AEDT) on Friday, 21 October 2016.

AGENDA

The Explanatory Statement and Proxy Form which accompany and form part of this Notice, describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the Proxy Form in their entirety.

ORDINARY BUSINESS

Receipt and consideration of Accounts & Reports

To receive and consider the financial report of the Company and the related reports of the Directors (including the Remuneration Report) and auditors for the year ended 30 June 2016.

Note: Except for as set out in Resolution 1, there is no requirement for shareholders to approve these reports. Accordingly no resolution will be put to shareholders on this item of business.

Resolution 1: Adoption of Remuneration Report

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

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report (included in the Directors' report) for the financial year ended 30 June 2016 be adopted."

Resolution 2: Election of Mr Philip Lindsay as a Director of the Company

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

"That Mr Philip Lindsay, having been appointed to the Board of Directors during the year, retires as a director in accordance with the Constitution of the Company and being eligible for election, be elected as a director of the Company."

Resolution 3: Election of Mr Adriaan van den Bergh as a Director of the Company

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

"That Mr Adriaan van den Bergh, having been appointed to the Board of Directors during the year, retires as a director in accordance with the Constitution of the Company and being eligible for election, be elected as a director of the Company."

Resolution 4: Election of Mr Douglass Cahill as a Director of the Company

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

"That Mr Douglass Cahill, having been appointed to the Board of Directors during the year, retires as a director in accordance with the Constitution of the Company and being eligible for election, be elected as a director of the Company."

SPECIAL BUSINESS

Resolution 5: Ratification of Prior Issue of Shares

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

"That, for the purposes of NSX Listing Rule 6.25 and for all other purposes, Shareholders ratify the allotment and issue of 5,966,098 fully paid ordinary shares and 3,601,116 unlisted options, details of which are set out in the explanatory statement accompanying this notice of meeting."

Resolution 6: Issue of new shares in the Company

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

'That for the purposes of NSX Listing Rule 6.25, and all other purposes, Shareholders approve the issue and allotment of up to 7,000,000 fully paid ordinary shares at an issue price of \$0.10 per share to raise up to \$700,000, on the terms and conditions set out in the explanatory statement accompanying this notice of meeting.'

Resolution 7: De-listing from NSX

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

'That, for the purposes of NSX Listing Rule 2.25 and for all other purposes, conditional on the Company being admitted to the official list of ASX, Shareholders approve the Company's removal from the official list of NSX with effect from the date that the Company is admitted to the official list of ASX or such later date as agreed with NSX and, that the Directors of the Company be authorised to do all things reasonably necessary to give effect to the de-listing of the Company from NSX.'

Resolution 8: Adoption of new constitution

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

'That, for the purposes of section 136(2) of the Corporations Act 2001 (Cth), conditional on the Company being admitted to the official list of the ASX, Shareholders approve the adoption of the new constitution, attached to this notice of meeting, as the constitution of the Company in place of the current constitution, with effect from the date that the Company is admitted to the official list of ASX.'

Resolution 9: Issue of new shares in the Company

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

'That for the purposes of NSX Listing Rule 6.25, and all other purposes, Shareholders approve the issue and allotment of up to 30,000,000 fully paid ordinary shares at an issue price of \$0.20 per share to raise up to \$6,000,000, on the terms and conditions set out in the explanatory statement accompanying this notice of meeting.'

DATED this 22nd day of September 2016 at Melbourne.

By order of the Board



Philip Lindsay
Company Secretary

Notes

1. **Entire Notice:** The details of the resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm on the date 48 hours before the date of the Annual General Meeting will be taken, for the purposes of the Meeting, to be held by the persons who held them at that time. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.
3. **Proxies**
 - a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
 - b. Each Shareholder has a right to appoint one or two proxies.
 - c. A proxy need not be a Shareholder of the Company.
 - d. If a Shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution.
 - e. Where a Shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
 - f. If a Shareholder appoints two proxies, and the appointment does not specify the proportion or number of the Shareholder's votes, each proxy may exercise half of the votes. If a Shareholder appoints two proxies, neither proxy may vote on a show of hands.
 - g. A proxy must be signed by the Shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
 - h. To be effective, Proxy Forms must be received by the Company's Share Registry (Boardroom Pty Limited) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 10.00am (AEDT) Melbourne time on Wednesday 19 October 2016. Any proxy received after that time will not be valid for the scheduled meeting.

Completed Proxy Forms (and the powers of attorney or other instruments or authorities, if any, under which each Proxy Form is signed) or a copy of a facsimile which appears on its face is to be an authentic copy of the Proxy Form (and the power of attorney or other instrument or authority) can be submitted to the Share Registry:

By Mail – Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001 Australia

In Person – Boardroom Pty Limited, Level 12, 225 George Street NSW 2001 Australia

Alternatively, these documents may be faxed to the Share Registry on + 61 2 9290 9655

4. Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

5. Voting Exclusion Statement:

Resolution 1

The Company will disregard any votes cast on this resolution (in any capacity) by or on behalf of a member of the Key Management Personnel (being those persons described as such in the Remuneration Report) or a Closely Related Party of such a member unless the vote cast as proxy for a person entitled to vote in accordance with a direction on the Proxy Form.

Any undirected proxies held by Directors or other Key Management Personnel or their closely related parties for the purposes of Resolution 1 (excluding the Chairman) will not be voted on Resolution 1. Accordingly, if you intend to appoint a member of Key Management Personnel as your proxy, please ensure that you direct them how to vote. If you intend to appoint the Chairman of the meeting as your proxy, you can direct him to vote by marking the box for Resolution 1. By marking the Chairman's box on the Proxy Form you acknowledge that the Chairman of the meeting will vote in favour of this item of business as your proxy. The Chairman will vote undirected proxies in favour of Resolution 1.

Resolution 2

There are no voting exclusions on this resolution.

Resolution 3

There are no voting exclusions on this resolution.

Resolution 4

There are no voting exclusions on this resolution.

Resolution 5

The Company will disregard any votes cast on Resolution 5 by any person who participated in the issue and any associates of those persons.

However the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 6

The Company will disregard any votes cast on Resolution 6 by a person who may participate in the relevant proposed issue or an associate of a person who may participate in the proposed issue and by a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the relevant resolution is passed. However the Company need not disregard a vote if:

- It is cast, in accordance with the directions on the Proxy Form, by a person as proxy for a person who is entitled to vote; or
- It is cast, in accordance with the direction on the Proxy Form to vote as the proxy decides, by the person chairing the meeting as proxy for a person who is entitled to vote.

Resolution 7

There are no voting exclusions on this resolution.

Resolution 8

There are no voting exclusions on this resolution.

Resolution 9

The Company will disregard any votes cast on Resolution 9 by any person who may participate in the proposed issue of securities described in the Explanatory Statement or any person who might obtain a benefit, except solely in the capacity of a holder of ordinary shares, or any associate of such person.

However the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. Enquiries

Shareholders are invited to contact the Company Secretary, Philip Lindsay on (03) 9692 7222 if they have any queries in respect of the matters set out in these documents.

EXPLANATORY STATEMENT

Receipt and consideration of Accounts & Reports

A copy of the Annual Report for the financial year ending 30 June 2016 (which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report and the Auditors Report) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution cost associated with doing so for all Shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at (03) 9692 7222, and you may request that this occurs on a standing basis for future years. Alternatively you may access the annual report at the Company's website: www.consolidatedafrica.com or via the Company's announcement platform on NSX. Except for as set out in Resolution 1, no resolution is required on these reports.

Resolution 1: Adoption of Remuneration Report

Background

Section 250R(3) of the Corporations Act requires that a resolution to adopt the remuneration report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Company's 2016 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with section 250SA of the Corporations Act 2001, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the remuneration report at the Annual General Meeting.

The Corporations Act requires the Company to put a resolution to Shareholders that, in accordance with Division 9 of Part 2G.2 of the Corporations Act, if twenty five (25%) per cent or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must go up for re-election.

It is noted that at the Company's last Annual General Meeting, the votes cast against the remuneration report represented less than twenty five (25%) per cent of the total votes cast and accordingly, a spill resolution will not under any circumstances be required for this Annual General Meeting.

Directors Recommendation

The Directors encourage all eligible Shareholders to cast their votes in favour of Resolution 1 (Remuneration Report).

Voting Exclusions

The Company will disregard any votes cast on this resolution (in any capacity) by or on behalf of a member of the Key Management Personnel (being those persons described as such in the Remuneration Report) or a Closely Related Party of such a member unless the vote cast as proxy for a person entitled to vote in accordance with a direction on the Proxy Form.

Any undirected proxies held by Directors or other Key Management Personnel or their closely related parties for the purposes of Resolution 1 (excluding the Chairman) will not be voted on Resolution 1. Accordingly, if you intend to appoint a member of Key Management Personnel as your proxy, please ensure that you direct them how to vote. If you intend to appoint the Chairman of the meeting as your proxy, you can direct him to vote by marking the box for Resolution 1. By marking the Chairman's box on the Proxy Form you acknowledge that the Chairman of the meeting will vote in favour of this item of business as your proxy. The Chairman will vote undirected proxies in favour of Resolution 1.

Resolution 2: Election of Mr Philip Lindsay as a Director of the Company

Background

Mr Philip Lindsay was appointed as a Non-Executive Director on 29 September 2015 as a casual vacancy and is eligible for election.

Mr Lindsay has extensive experience and a distinguished career in the financial markets commencing in 1980. He has worked for numerous financial institutions including Mercantile House Holdings, Oppenheimers, Credit Lyonnais, Banque National De Paris and Ord Minnett. His experience covers various aspects and roles relating to finance including manager of treasury, Forex and derivatives dealing, commodity futures trading, money market, fund raising and stock broking.

Directors Recommendation

The Board (with Mr Lindsay abstaining), recommends that shareholders vote in favour of the election of Mr Lindsay. The Chairman of the meeting intends to vote undirected proxies in favour of Mr Lindsay's election.

Voting Exclusions

There are no voting exclusions on this resolution.

Resolution 3: Election of Mr Adriaan van den Bergh as a Director of the Company

Background

Mr Adriaan van den Bergh was appointed as a Non-Executive Director on 7 September 2015 as a casual vacancy and is eligible for election.

Mr van den Bergh has over 40 years' experience in the mining and construction industry. In the last twenty years Mr van den Bergh has overseen a number of mining projects on the African continent and has extensive local knowledge of the political and regulatory framework to undertake such projects.

In addition he has specialised knowledge in the supply of parts for heavy equipment and machinery and has also founded a successful importing and distribution business, in which Mr van den Bergh has overseen the expansion of this business throughout South Africa.

Directors Recommendation

The Board (with Mr van den Bergh abstaining), recommends that shareholders vote in favour of the election of Mr van den Bergh. The Chairman of the meeting intends to vote undirected proxies in favour of Mr van den Bergh's election.

Voting Exclusions

There are no voting exclusions on this resolution.

Resolution 4: Election of Mr Douglass Cahill as a Director of the Company

Background

Mr Douglass Cahill was appointed as a Non-Executive Director on 1 June 2016 as a casual vacancy and is eligible for election.

Mr Cahill is an admitted Solicitor who has practiced in Bendigo for his entire career and has a long and studied knowledge of the gold industry in Victoria commencing in 1974. He is a former, original director of the Prospectors Mines Association and has been past director of the Bendigo Stock Exchange and Bendigo Mining N.L. of which he was a founding director. He was also a founding director of Greater Bendigo Gold Mines Ltd. Mr Cahill brings with him an in-depth understanding of the gold mining industry from a legal, regional and hands-on perspective.

Directors Recommendation

The Board (with Mr Cahill abstaining), recommends that shareholders vote in favour of the election of Mr Cahill. The Chairman of the meeting intends to vote undirected proxies in favour of Mr Cahill's election.

Voting Exclusions

There are no voting exclusions on this resolution.

As Resolutions 2 – 4 are ordinary resolutions, it must be approved by more than 50% of the total number of votes cast by Shareholders entitled to vote on the resolution.

SPECIAL BUSINESS

Resolution 5: Ratification of Prior Issue of Shares and Options

NSX Listing Rule 6.25 restricts the number of securities which a listed entity may issue in any 12 month period without the approval of shareholders to 15% of the number of shares on issue at the start of the period subject to certain adjustments and permitted exceptions. The passing of this resolution will mean that the shares described below do not count towards the 15% limit, thereby providing the Company with considerable flexibility in meeting any short-term requirements for raising additional capital should it be necessary.

The following information is provided to Shareholders for the purposes of Listing Rule 6.25:

- (i) The total number of securities issued was 5,966,098 ordinary shares and 3,601,116 unlisted options.
- (ii) As announced to the NSX on various dates prior to the date of the meeting the following equity securities have been issued:

Date of Issue	Equity Security	Number Issued	Issue Price	Terms
28 June 2016	Ordinary Shares	1,855,890	\$0.10	Pari passu with ordinary shares already on issue.
	Unlisted Options	1,400,000	Nil	Exercise price \$0.05 with expiry date 30 September 2020
22 July 2016	Ordinary Shares	750,000	\$0.10	Pari passu with ordinary shares already on issue.
11 August 2016	Ordinary Shares	335,000	\$0.10	Pari passu with ordinary shares already on issue.
12 September 2016	Ordinary Shares	2,908,308	\$0.10	Pari passu with ordinary shares already on issue.
	Unlisted Options	2,201,116	Nil	Exercise price \$0.05 with expiry date 30 September 2020
14 September 2016	Ordinary Shares	116,900	\$0.10	Pari passu with ordinary shares already on issue.

- (iii) The Shares have been issued on the same terms as the Company's existing ordinary shares. The issued ordinary shares will rank equally in all respects with the Shares already on issue. The unlisted options were granted with an exercise price of \$0.05 and an expiry date of 30 September 2020 and further terms and conditions set out in Appendix A.
- (iv) The Shares were allotted to various professional and sophisticated investors. No Shares were issued to any related parties or associates of the Company.
- (v) The Company successfully applied for listing of the 5,966,098 ordinary fully paid Shares.
- (vi) The Company has used the funds raised from these share placements to provide general working capital for the Company and settle outstanding liabilities where the Shares have been issued for the settlement of those liabilities.

As Resolution 5 is an ordinary resolution, it must be approved by more than 50% of the total number of votes cast by Shareholders entitled to vote on the resolution.

Voting Exclusions

The Company will disregard any votes cast on Resolution 5 by any person who subscribed for securities the subject of the Resolution and their associates.

However, the Company need not disregard a vote if it is cast by:

- a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 6: Issue of new shares in the Company

Resolution 6 seeks approval for the Board to allot and issue up to 7,000,000 fully paid ordinary shares at an issue price of \$0.10 per share to raise up to \$700,000 in order for the Company to seek additional funding for its exploration activities and working capital requirements (**Immediate Capital Raising**).

NSX Listing Rule 6.25 provides that a listed company must not, without shareholder approval, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period (subject to specified exceptions).

Accordingly, in accordance with NSX Listing Rule 6.25, Shareholder approval is sought to allow the Company to issue up to 7,000,000 fully paid ordinary shares at an issue price of \$0.10 per share pursuant to the proposed Immediate Capital Raising. As a result, the new shares to be issued by the Company under the Immediate Capital Raising will not be included in the Company's 15% annual capacity for the purposes of NSX Listing Rule 6.25.

In accordance with NSX Listing Rule 6.48, the Company provides the following information to ensure that Shareholders are informed of all substantial matters relevant to Resolution 6:

- a) the maximum number New Shares to be issued by the Company is 7,000,000;
- b) the issue price for the New Shares will not be less than \$0.10 per New Share to raise a maximum of \$700,000;
- c) the New Shares will be fully paid ordinary shares in the capital of the Company and will rank equally with the Company's existing fully paid ordinary shares;
- d) the New Shares will be allotted to parties that are not known to the Company at the date of this Explanatory Statement but will be those who subscribe for the New Shares under the Immediate Capital Raising;
- e) the Company intends to use the amounts raised from the Immediate Capital Raising to carry out its exploration objectives and for working capital purposes.

On the basis that the Company raises the maximum \$700,000 (and ignoring the effect of the ASX Capital Raising noted below:

- a) the total issued share capital of the Company would increase to 76,776,748 fully paid ordinary shares on issue; and
- b) existing Shareholders would hold approximately a 90.88% interest in the total issued capital of the Company.

Shares	Number	Interest (%)
Existing fully paid ordinary shares on issue as at the date of this Explanatory Statement	69,776,748	90.88
Immediate Capital Raising (\$700,000 at \$0.10 per share)	7,000,000	9.12
Total fully paid ordinary shares on issue following completion of the Immediate Capital Raising	76,776,748	100.00

As Resolution 6 is an ordinary resolution, it must be approved by more than 50% of the total number of votes cast by Shareholders entitled to vote on the resolution.

Voting Exclusions

The Company will disregard any votes cast on Resolution 6 by any person who may participate in the proposed Immediate Capital Raising and any other person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if the resolution is passed, and any of their associates.

However, the Company need not disregard a vote if it is cast by:

- c) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- d) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Background information for Resolutions 7, 8 and 9

Over the last 6 months since listing on the NSX, the Board has worked towards increasing shareholder value. Shareholder value is usually based on the value of the underlying share price. The shares have traded once since listing and went up 40% at that point. There has been a number of technical results released since this trade and the shares remain bid at 14 cents but still no sellers.

Because of the lack of trading, the market has not acknowledged the increased value in the Company drawn out by these results. The Board is now proposing the Company list on a more liquid market, the ASX. The number of shareholders will increase dramatically allowing the opportunity for a more widespread interest to develop in a sector that is increasingly being written up by the media and stockbrokers research departments.

The Board sees the move to ASX and delisting from NSX as a positive for all Shareholders. The Board will encourage increased interest in the Company and seek to raise demand for the shares which should result in increased market capitalisation and share price growth as a matter of priority while developing the graphite project.

Resolution 7: De-listing from NSX

The Company proposes to apply to ASX for admission to the official list of ASX, with all ordinary shares to be quoted on the official list following such admission. If the Company's application is approved by ASX, the Company withdraw its listing on NSX.

NSX Listing Rule 2.25 requires a listed company to obtain shareholder approval by way of a special resolution prior to voluntarily withdrawing its listing. Accordingly, in accordance with NSX Listing Rule 2.25, Shareholder approval is sought for the voluntary withdrawal by the Company from its listing on NSX. The Company will not seek to withdraw its NSX listing unless and until ASX approves the Company's application for admission to the official list of ASX (or such later date as agreed with NSX).

The proposed de-listing of the Company from NSX is considered by the Board to be in the best interests of the Company in light of the low level of trading of the Company's shares on NSX and the Board's view that the current market capitalisation of the Company doesn't reflect the underlying asset value of the business.

The Board believes that the Company's admission on ASX will improve the level of trading of the Company shares and provide better liquidity for shareholders.

Resolution 7 is conditional on the Company being admitted to the official list of ASX. The Company presently proposes to apply to ASX in late 2016. The Company notes that ASX may not approve the application.

As Resolution 7 is a special resolution, it must be approved by at least 75% of the total number of votes cast by Shareholders entitled to vote on the resolution.

Resolution 8: Adoption of new constitution

As described in Resolution 7, the Company proposes to apply to ASX for admission to the official list of ASX.

The Company's current constitution is compliant with the NSX Listing Rules. On admission to the official list of ASX, the Company will need to adopt a constitution that is compliant with ASX Listing Rules. The constitution attached to this Explanatory Memorandum is compliant with the ASX Listing Rules. The new constitution will not be adopted until the Company is admitted to the official list of ASX.

Section 136(2) of the Corporations Act requires a company to obtain shareholder approval by way of a special resolution to modify or repeal its constitution. Accordingly, in accordance with section 136(2) of the Corporations

Act, Shareholder approval is sought to repeal the current constitution of the company and replace it with the new constitution, in the form tabled at the meeting.

As Resolution 8 is a special resolution, it must be approved by at least 75% of the total number of votes cast by Shareholders entitled to vote on the resolution.

Resolution 9: Issue of new shares in the Company

As described in Resolution 7, the Company proposes to apply to ASX for admission to the official list of ASX. Resolution 9 seeks approval for the Board to allot and issue up to 30,000,000 fully paid ordinary shares at an issue price of \$0.20 per share to raise up to \$6,000,000 pursuant to a prospectus to be lodged by the Company with ASIC (**ASX Capital Raising**) to coincide with the admission to the official list of ASX.

NSX Listing Rule 6.25 provides that a listed company must not, without shareholder approval, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period (subject to specified exceptions). The ASX Capital Raising will involve more than 15% of the issues capital of the Company.

Accordingly, in accordance with NSX Listing Rule 6.25, Shareholder approval is sought to allow the Company to issue up to 30,000,000 fully paid ordinary shares at an issue price of \$0.20 per share pursuant to the proposed ASX Capital Raising. As a result, the new shares to be issued by the Company under the ASX Capital Raising will not be included in the Company's 15% annual capacity for the purposes of NSX Listing Rule 6.25.

In accordance with NSX Listing Rule 6.48, the Company provides the following information to ensure that Shareholders are informed of all substantial matters relevant to Resolution 9:

- a) the maximum number New Shares to be issued by the Company is 30,000,000;
- b) the issue price for the New Shares will not be less than \$0.20 per New Share to raise a maximum of \$6,000,000;
- c) the New Shares will be fully paid ordinary shares in the capital of the Company and will rank equally with the Company's existing fully paid ordinary shares;
- d) the New Shares will be allotted to parties that are not known to the Company at the date of this Explanatory Statement but will be those who subscribe for the New Shares under the ASX Capital Raising;
- e) the Company intends to use the amounts raised from the ASX Capital Raising to carry out its exploration objectives, for working capital purposes and paying the costs of the ASX Capital Raising and listing on ASX. Further details on the use of funds will be set out in the prospectus that will be issued in respect of the ASX Capital Raising.

If Resolution 9 is passed and the New Shares issued, the likely dilution for existing Shareholders is set out below.

On the basis that the Company raises the maximum \$6,000,000 (and ignoring the effect of the Immediate Capital Raising noted above:

- c) the total issued share capital of the Company would increase to 99,776,748 fully paid ordinary shares on issue; and
- d) existing Shareholders would hold approximately a 69.93% interest in the total issued capital of the Company.

Shares	Number	Interest (%)
Existing fully paid ordinary shares on issue as at the date of this Explanatory Statement	69,776,748	69.93
ASX Capital Raising (\$6,000,000 at \$0.20 per share)	30,000,000	30.07
Total fully paid ordinary shares on issue following completion of the ASX Capital Raising	99,776,748	100.00

As Resolution 9 is an ordinary resolution, it must be approved by more than 50% of the total number of votes cast by Shareholders entitled to vote on the resolution.

Voting Exclusions

The Company will disregard any votes cast on Resolution 9 by any person who may participate in the proposed ASX Capital Raising and any other person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if the resolution is passed, and any of their associates.

However, the Company need not disregard a vote if it is cast by:

- e) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- f) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

GLOSSARY

The following terms have the following meaning in the Explanatory Statement and Notice:

“\$” means Australian Dollars;

“AEDST” means Australian Eastern Daylight Savings Time.

“Annual Report” means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect of the year ended 30 June 2016;

“ASX” means ASX Limited ACN 008 624 691 or Australian Securities Exchange, as the context requires;

“ASX Capital Raising” means in respect of the proposed capital raising of the Company involving the issue of up to 30,000,000 fully paid ordinary shares of the Company at an issue price of \$0.20 per new share to raise a maximum of \$6,000,000 pursuant to the prospectus to be lodged by the Company with ASIC, further details of which are contained in Resolution 9:

“Auditor’s Report” means the auditor’s report on the Financial Report;

“Board” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“Chairman” means the person appointed to chair the Meeting of the Company convened by the Notice;

“Closely Related Party” means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

“Company” means Consolidated Africa Limited ACN 605 659 970;

“Constitution” means the constitution of the Company as at the date of the Meeting;

“Convertible Security” means a security of the Company which is convertible into shares;

“Corporations Act” means the *Corporations Act 2001 (Cth)*;

“Director” means a Director of the Company;

“Directors Report” means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“Equity Security” has the same meaning as in the Listing Rules;

“Explanatory Statement” means the explanatory statement which forms part of the Notice;

“Financial Report” means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“Immediate Capital Raising” means the proposed capital raising of the Company involving the issue of up to 7,000,000 fully paid ordinary shares of the Company at an issue price of \$0.10 per new share to raise a maximum of \$700,000, further details of which are contained in Resolution 6;

“Key Management Personnel” means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

“Listing Rules” means the Listing Rules of the NSX;

“Meeting” has the meaning given in the introductory paragraph of the Notice;

“New Shares” means in respect of:

- (a) Resolution 6: up to 700,000 fully paid ordinary shares proposed to be issued by the Company pursuant to the relevant Capital Raising;
- (b) Resolution 9: up to 30,000,000 fully paid ordinary shares proposed to be issued by the Company pursuant to the relevant Capital Raising;

“Notice” or “Notice of Meeting” means the notice of meeting accompanying this Explanatory Statement;

“NSX” means National Stock Exchange of Australia Limited ABN 11 000 902 063 or the National Stock Exchange, as the context requires;

“Proxy Form” means the proxy form attached to the Notice;

“Remuneration Report” means the remuneration report which forms part of the Directors’ Report of Consolidated Africa Limited for the financial year ended 30 June 2016 and which is set out in the 2016 Annual Report;

“Resolution” means a resolution referred to in the Notice;

“Share” means a fully paid ordinary share in the capital of the Company;

“Share Registry” means Boardroom Pty Limited; and

“Shareholder” means a registered member of the Company.

APPENDIX A

TERMS AND CONDITIONS OF UNLISTED OPTIONS

The terms and conditions of the options granted pursuant to Resolution 5 are as follows:

Exercise price: Each option entitles the holder to subscribe for 1 fully paid ordinary share in Consolidated Africa Limited at a subscription price of \$0.05 (5 cents) per share.

Manner of exercise: The options are exercisable at any time prior to 5:00pm (AEDST) on 30 September 2020 by completing an option exercise form and delivering it to the Company's Share Registry together with payment for the number of Shares in respect of which the options are exercised and the option holding statement for those options.

Transferability of options: Subject to the *Corporations Act 2001*, the NSX Listing Rules and the Company's Constitution, the options are freely transferable and the Company may apply to the NSX for the options to be admitted to quotation.

Ranking and quotation of shares: All Shares issued upon exercise of options will rank equally in all respects with the Company's then existing fully paid ordinary shares. Within 10 business days after the issue of Shares upon exercise of options, the Company will apply to the NSX for those Shares to be admitted to quotation.

Participation rights: Holders of options may only participate in a new issue of securities to holders of ordinary shares in the Company if an option has been exercised and a Share issued in respect of that option before the record date for determining entitlements to the new issue, and the participation shall only be in respect of such Share issued. The Company must give holders of options at least 6 business days' notice of the record date for determining entitlements to that new issue in accordance with the NSX Listing Rules.

No change to option terms: There will be no change to the exercise price of an option or the number of Shares over which an option is exercisable in the event of the Company making a pro rata issue of Shares or other securities to holders of ordinary shares in the Company (other than a bonus issue in which case the exercise price of an option will be adjusted down accordingly).

Reorganisation of capital: In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, all of the options will be reorganised as required by the NSX Listing Rules, but in all other respects the terms of exercise will remain unchanged.



All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00am (AEDT) on Wednesday, 19 October 2016.**

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:00am (AEDT) on Wednesday, 19 October 2016.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

☐**Your Address**

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM**STEP 1 APPOINT A PROXY**

I/We being a member/s of **Consolidation Africa Limited** (Company) and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting** (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at the **Radisson Blu Hotel, Sir James Fairfax Room, 27 O'Connell Street, Sydney NSW 2000 on Friday, 21 October 2016 at 10:00am (AEDT)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though Resolution 1 is connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 1). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Mr Phillip Lindsay as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Mr Adriaan van den Bergh as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Election of Mr Douglass Cahill as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of Prior Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of new shares in the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Special Resolution De-listing from NSX	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Special Resolution Adoption of new constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Issue of new shares in the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SHAREHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2016

CONSTITUTION

Consolidated Africa Limited ACN 605 659 970

Adopted on [date]

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1. DEFINED TERMS & INTERPRETATION

1.1 Definition

In this Constitution:

Act means the *Corporations Act 2001* (Cth).

ASX means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as operated by ASX Limited (as the context requires).

ASX Settlement means ASX Settlement Pty Ltd ACN 008 504 532.

ASX Settlement Operating Rules means the ASX Settlement Operating Rules issued by ASX Settlement from time to time.

Business Day means a day on which the major trading banks are open for ordinary business in Melbourne, Victoria and excludes a Saturday, Sunday or public holiday.

CHESS means the clearing house electronic sub-register system as defined in the ASX Settlement Operating Rules.

CHESS approved securities means securities approved under the ASX Settlement Operating Rules to participate in CHESS.

CHESS sub-register means the CHESS subregister part of the register for the Company's securities which is administered by ASX Settlement and records uncertificated holdings in accordance with the ASX Settlement Operating Rules.

Company means Consolidated Africa Limited ACN 605 659 970.

Constitution means this constitution as amended from time to time.

Director means a director of the Company from time to time.

Executive Director means a Director appointed under clauses 18.1(a) or 18.1(b).

Issuer Sponsored Sub-register means that part of the Company's register for the Company's securities which is administered by the Company (and not ASX Settlement) and records uncertificated holdings of securities.

Listed means the securities of the Company are admitted to the Official List of the ASX.

Listing Rules means the Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is Listed, each as amended or replaced from time to time, except to the extent of any express written waiver, consent or approval of the ASX.

PPSA means the *Personal Property Securities Act 2009* (Cth).

Representative means a representative appointed by a Shareholder under section 250D of the Act.

Secretary means a company secretary of the Company from time to time.

Shareholder means a registered holder of shares in the Company from time to time.

SRN (Shareholder Reference Number) means a number allocated by the Company to identify a Shareholder on an Issuer Sponsored Sub-Register.

1.2 Interpretation

- (a) Words and expressions used in this Constitution which are also used in the Act, *Corporations Regulations 2001*, Listing Rules or ASX Settlement Operating Rules, have the same meanings given to them under the Act, *Corporations Regulations 2001*, Listing Rules or ASX Settlement Operating Rules, respectively.
- (b) A reference in this Constitution to any law, legislation or legislative provision includes any statutory modification, amendment or re-enactment, and any subordinate legislation or regulations issued under that legislation or legislative provision.
- (c) A reference to a clause is to a clause of this Constitution.
- (d) A reference in this Constitution to a Shareholder being present at a meeting of Shareholders is a reference to:
 - (i) a Shareholder present in person; or
 - (ii) a Shareholder present by proxy, attorney or Representative; or
 - (iii) other than in relation to any clause which specifies a quorum, a Shareholder who has duly lodged a valid direct vote in relation to the general meeting in accordance with clause 14.13.

2. CORPORATIONS ACT AND LISTING RULES

2.1 Corporations Act

The provisions of this Constitution are subject to the Act and any act which is permitted or prescribed in this Constitution may only be carried out in accordance with and subject to the applicable requirements of the Act.

2.2 Replaceable rules do not apply

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

2.3 Compliance with Listing Rules

While the Company is Listed:

- (a) the provisions of this Constitution are subject to the Listing Rules;
- (b) notwithstanding anything contained in this Constitution, if the Listing Rules prohibit an act being done, the act shall not be done;
- (c) nothing contained in this Constitution prevents an act being done that the Listing Rules require to be done;
- (d) 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);

- (e) 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;
- (f) 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; and
- (g) 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.

2.4 Compliance with ASX Settlement Operating Rules

- (a) While any of the securities in the Company are CHESS approved securities, the Company must comply with the ASX Settlement Operating Rules. While all of the shares or options in the Company are not CHESS approved securities, the Company is not required to comply with the ASX Settlement Operating Rules.
- (b) The Company may do any act, matter or thing to facilitate involvement by the Company in any clearing and settlement facility for the transfer of financial products.

3. NATURE OF COMPANY

The Company is a public company limited by shares, and the liability of the Shareholders is limited.

4. SHARES

4.1 Number of Shareholders

There is no limit on the number of Shareholders the Company may have.

4.2 Issue of securities

The Directors have sole power to issue securities and, subject to any special rights conferred on the holders of any securities or class of securities, securities may be issued on any conditions as determined by the Directors.

4.3 Shares with special rights

Subject to any special rights conferred on the holders of any shares or class of shares, the Directors may issue classes of shares:

- (a) with preferred, deferred or other special rights or restrictions;
 - (b) with such rights to dividend, voting, return of capital or otherwise; and
 - (c) at such price,
- as the Directors think fit.

4.4 Non-variation of rights

The rights conferred on the holders of the shares of any class are deemed not to be varied by the creation or issue of further shares ranking equally with that class unless otherwise expressly provided by the conditions of issue that class of shares.

4.5 Variation of rights

The Company can only vary the rights attaching to a class of shares if:

- (a) the holders of 75% of the shares issued in that class consent to the variation in writing; or
- (b) a special resolution is passed at a general meeting of the holders of that class of shares allowing the variation to be made.

However, this clause 4.5 does not apply if the terms on which shares in that class were issued state otherwise.

4.6 Preference shares

The Directors may issue preference shares including preference shares which are, or at the option of the Company or holder are, liable to be redeemed or convertible into ordinary shares as determined by the Directors and set out in the terms of issue.

4.7 Holders' rights to participate in profits and property

- (a) The holders of preference shares have each of the following rights:
 - (i) the right to a preferential dividend in priority to the payment of any dividend on any other class of shares or class of preference shares, at the rate and on the basis set out in the terms of issue; and
 - (ii) the right in a winding up, on a reduction of capital and on redemption, in the case of a redeemable preference share, to payment in priority to any other class of share or class of preference shares of:
 - A. the amount of any dividend accrued but unpaid on the share at the time of winding up or redemption; and
 - B. any other amount set out in the terms of issue.

The holders have no other right to participate in the profits, dividends or property of the Company, unless set out in the terms of issue.

- (b) The preferential dividend may be cumulative only if and to the extent set out in the terms of issue and will otherwise be non-cumulative.
- (c) In addition to the rights contained in clause 4.7(a), preference shares may participate with the ordinary shares in profits and assets of the Company if and on the basis set out in the terms of issue. Otherwise, the holders have no other right to participate in the profits or property of the Company.

- (d) To the extent set out in the terms of issue, a preference share may confer a right to a bonus issue or capitalisation of profits in favour of holders of those shares only.
- (e) A holder of a preference share must not transfer or purport to transfer the share, and the Directors must not register a transfer of the share if the transfer would contravene any restrictions on the right to transfer the share set out in the terms of issue.

4.8 Holders' other rights

- (a) The holders of preference shares have the same right as the holders of ordinary shares to receive notice of a meeting, to receive a copy of any documents sent to Shareholders or to be laid before that meeting, and to attend that meeting.
- (b) Unless otherwise set out in the terms of issue, the holders of preference shares may only vote in the following circumstances:
 - (i) during a period during which a dividend (or part of a dividend) in respect of the share is in arrears;
 - (ii) on a proposal to reduce the Company's share capital;
 - (iii) on a resolution to approve the terms of a buy-back agreement;
 - (iv) on a proposal that affects rights attached to the share;
 - (v) on a proposal to wind up the Company;
 - (vi) on a proposal for the disposal of the whole of the Company's property, business and undertaking;
 - (vii) during the winding up of the Company; and
 - (viii) if the Company is Listed, in any other circumstances in which the Listing Rules require holders of preference shares to be entitled to vote.

4.9 Voting rights

The holder of a preference share who is entitled to vote in respect of that share, is, on a poll, entitled to the greater of one vote per share or such other number of votes specified in, or determined in accordance with, the terms of issue for the share.

5. BROKERAGE AND COMMISSION

The Company may pay brokerage or commissions to a person who agrees to subscribe for securities or arranges for others to subscribe for securities. It may be paid in cash, in securities of the Company, or both.

6. SECURITIES HELD ON TRUST OR JOINTLY

6.1 Registered holders treated as absolute owners

Except as required by law, the Company may treat the registered holder of a security as the absolute owner of the security.

6.2 Non-recognition of other interests

- (a) Except where this Constitution states otherwise, the only interest in a security that the Company must recognise is the registered holder's absolute right to the whole of the security.
- (b) The Company will not recognise:
 - (i) that a person holds a security on trust for someone else; or
 - (ii) a contingent, future or partial interest in any security or part of a security.

6.3 Joint holders

- (a) If two or more persons are registered as the holders of a security they are taken to hold the security as joint tenants with rights of survivorship and on the basis that:
 - (i) they or their respective legal personal representatives are liable jointly and severally for all payments due in respect of the security;
 - (ii) subject to the preceding paragraph, on the death of any one of them, the survivor or survivors are the only person or persons whom the Company may recognise as having any interest in the security. The Directors may require any evidence of death of any registered holder as they think fit;
 - (iii) any registered holder may give an effective receipt for any dividend or other distribution.
- (b) No more than three persons are entitled to be registered as the holders of a security.

7. LIEN

7.1 Lien on unpaid capital

To the extent permitted by law, the Company has a first and paramount lien on every partly paid security for all money due which has been called or is payable by instalment in respect of that security, but which is unpaid, together with reasonable interest and expenses incurred because the amount is not paid.

7.2 Lien on other money owing

The Company also has a first and paramount lien on securities for all money (including reasonable interest and expenses incurred because the amount is not paid):

- (a) owing to the Company in relation to the acquisition of those securities acquired under an employee incentive scheme; or
- (b) which the Company is required by law to pay and which has been paid in respect of securities of a Shareholder or of the estate of a deceased Shareholder.

7.3 Lien to apply to dividends

The Company's lien (if any) on a security extends to all dividends payable in respect of the security and reasonable interest and expenses incurred because the amount is not paid.

7.4 Enforcement of lien

If the Company is Listed, the Company may do all things which the Directors think necessary or appropriate to do under the ASX Settlement Operating Rules or the Listing Rules to enforce or protect the Company's lien.

7.5 Uncertificated securities

While the Company has a lien on any securities held on a CHESS sub-register, the Company must, if required, give notice that a holding lock is to be applied in the form and manner set out in the ASX Settlement Operating Rules.

7.6 Company's right of sale

Subject to clause 7.7, the Directors may sell any security on which the Company has a lien in such manner as they think fit.

7.7 Restrictions on sale

The Directors must not sell any securities on which the Company has a lien unless:

- (a) a sum in respect of which the lien exists is payable; and
- (b) the Company has given notice in writing to the registered holder of the security, demanding immediate payment of the amount presently payable in respect of which the lien exists. The notice must be given at least 14 days before the date of the sale to the registered holder of the security or to the person entitled to the security by reason of death or bankruptcy. If the security is part of an uncertificated holding, the notice must comply with the requirements of the ASX Settlement Operating Rules and the Listing Rules.

7.8 Effect of sale of securities over which Company has a lien

- (a) If the Directors sell securities over which the Company has a lien, the Directors must:
 - (i) authorise the transfer of those securities to the purchaser; and
 - (ii) register the purchaser as the Shareholder.
- (b) The purchaser has no responsibility to oversee the Company's use of the purchase money, and its right to the securities is not affected by any irregularity in the sale.

7.9 Proceeds of sale

The Company may retain from the proceeds of the sale an amount up to the amount immediately payable on the securities. It must pay any excess to the person who was entitled to the securities immediately before the sale after deducting any amount which still remains unpaid on the securities, whether it is immediately payable or not.

8. CALLS ON SHARES

8.1 Payments due on fixed dates

If shares are issued on the basis that the Shareholder must make payments on fixed dates, the happening of one of those dates is regarded as a call on that date and all the provisions relating to calls apply.

8.2 Calls

If a Shareholder has not paid the full price of any shares and the money is not payable at fixed times, the Directors may pass a resolution requiring the Shareholder to pay a certain amount (a call) in relation to the shares. The call may be made payable either in a single sum or by instalments.

8.3 Notification of call

If the Directors make a call they must notify the affected holder in writing at least 30 days before the payment is due. The notification must specify the amount, time and date of the payment and any other matters required by the Listing Rules.

8.4 Revocation of call

The Directors may revoke or postpone a call or extend the time for payment of any call.

8.5 Deemed time of call

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

8.6 Liability of joint holders

The owners of a share which is held jointly are jointly and severally liable to pay all calls in respect of that share. This means that the Company may recover the call amount from any one or more of the joint Shareholders, but must not obtain more than the amount of the call from those joint Shareholders.

8.7 Interest on outstanding sums

If a sum called in respect of a share is not paid before or on the day appointed for payment of the sum, the person from whom the sum is due must pay interest at the rate specified in the notice given under clause 8.3 not exceeding 20% per annum calculated from the day appointed for payment of the sum to the time of actual payment. The Directors may waive payment of interest wholly or in part.

8.8 Differentiation between holders

On the issue of shares, the Directors may differentiate between the holders as to the amount of calls to be paid and the times of payment.

8.9 Pre-payment of calls

- (a) If a Shareholder owes the Company money on shares but no call has yet been made, the Shareholder and the Directors may agree that the Shareholder may lend some or all of this money to the Company on such terms and conditions as the Company thinks fit.
- (b) Payment of an amount in advance of a call does not entitle the paying Shareholder to any dividend, benefit or advantage (subject to any contract between the Shareholder and the Company), or voting right, to which the Shareholder would not have been entitled if it had paid the amount when it became due.

8.10 Suspension of privileges

Until a call (together with any interest and expenses that are payable) has been paid, the holder is not entitled to receive any dividend or other distribution or to be present and vote at any meeting (other than as proxy for another Shareholder) either personally or by proxy or by Representative. The Shareholder may not be counted in a quorum or exercise any other privilege as a Shareholder.

8.11 Recovery of amounts due

On the hearing of any action for the recovery of money due for any call, proof that:

- (a) the name of the person sued was, when the call was made, entered in the register of Shareholders as a holder or holders of shares in respect of which the call was made;
- (b) the resolution making the call is duly recorded in the Directors' minute book; and
- (c) notice of the call was given to the person sued,

will be conclusive evidence of the debt.

9. FORFEITURE OF SHARES

9.1 Procedure for forfeiture

- (a) If a Shareholder fails to pay a call or another amount that is payable on shares on the due date, the Directors may notify the Shareholder that they require payment of the amount, together with any interest that has accrued, on or before a specified date. The date for payment must be at least 14 days after the Shareholder receives the notice.
- (b) If the notice states that the shares in respect of which the amount is due may be forfeited if payment is not made on time, and the amount is not paid on time, the Directors may resolve that the Shareholder has forfeited those shares. They can only do so before the amount is paid.
- (c) If the forfeited shares are entered on the CHESS sub-register, the Company may take steps to move the share to a sub-register administered by the Company. The forfeiture is effective at the time the share is entered in that sub-register.

9.2 Application to dividends

A forfeiture under clause 9.1(b) includes all dividends and other distributions not paid in respect of the forfeited shares before the date on which the resolution as to forfeiture referred to in that clause is passed.

9.3 Rights of sale

A forfeited share will be deemed to be the property of the Company. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit. At any time before the sale or disposition, the forfeiture may be cancelled on such terms as the Directors think fit.

9.4 Cessation as a Shareholder

- (a) A person whose shares have been forfeited ceases to be a Shareholder in respect of the forfeited shares.
- (b) Despite forfeiture, a Shareholder whose shares are forfeited remains liable to pay to the Company all money that, at the date of forfeiture, was payable by the Shareholder to the Company in respect of the shares (including interest not exceeding 20% per annum from the date of forfeiture on the money for the time being unpaid if the Directors think fit to enforce payment of the interest).
- (c) The former Shareholder's liability ceases if and when the Company receives payment in full of all money (including interest) so payable in respect of the forfeited shares.

9.5 Evidence of forfeiture

A statutory declaration signed by a Director or Secretary stating that the person making the declaration is a Director or Secretary, and specifying that particular shares in the Company have been forfeited on a particular date, is satisfactory evidence of their forfeiture.

9.6 Manner of forfeiture

The Company is entitled to the money from the sale of any forfeited shares. The Company may transfer the shares to the purchaser or person to whom they are disposed of, and register the purchaser as the Shareholder. That person has no responsibility to oversee the Company's use of the purchase money, and his or her right to the shares is not affected by any irregularity in the forfeiture or any proceedings relating to the disposal of the shares.

9.7 Residue on sale

If any shares are forfeited and sold, any residue after the satisfaction of the unpaid calls, instalments and accrued interest and expenses must be held in trust until paid to the person whose shares have been forfeited, or the person's executors, administrators, or assigns, or as the person directs and must be paid in accordance with the Listing Rules.

9.8 Certificates

The Shareholder must deliver to the Company the certificate or certificates held in respect of any forfeited shares and in any event the certificates representing forfeited shares are void and of no further effect.

9.9 Application to further calls

This clause 9 applies to non-payment of any sum that, by the conditions of issue of a share, becomes payable at a fixed time, as if that sum had been payable by virtue of a call duly made and notified.

10. TRANSFER OF SHARES

10.1 Form of transfer

A Shareholder may transfer shares to another person by completing:

- (a) a written transfer document, in a common form, signed by or on behalf of the Shareholder and the transferee;
- (b) a proper ASX Settlement Operating Rules regulated transfer; or
- (c) a form approved by the Directors, signed by or on behalf of the Shareholder and the transferee.

10.2 Execution of instruments of transfer

- (a) Unless the transfer is an ASX Settlement Operating Rules regulated transfer, to have a transfer registered by the Company, the transferor or transferee must give the completed transfer form and the relevant share certificates to the Company. No fee may be charged to register a transfer in registrable form. The Directors may require additional evidence of the transferor's entitlement to be registered before registering the transfer. The transferee becomes the holder of the shares when the transfer is registered and the transferee's name is entered in the register of Shareholders. The Company will retain the transfer document.
- (b) An ASX Settlement Operating Rules regulated transfer must be effected by a proper ASX Settlement Operating Rules regulated transfer and registered in accordance with the ASX Settlement Operating Rules.

10.3 Refusal to register

- (a) The Directors may, in their absolute discretion, refuse to register any transfer of shares or request ASX Settlement to apply a holding lock to prevent a transfer of all or any of them if:
 - (i) a law relating to stamp duty prohibits the Company from registering it;
 - (ii) the Company is Listed and the Company has a lien on the securities in accordance with the Listing Rules;
 - (iii) the Company is served with a court order that restricts the holder's capacity to transfer the shares; or
 - (iv) the Company is Listed and in any circumstances permitted by the Listing Rules.
- (b) The Directors must refuse to register a transfer of shares if required to do so by the Listing Rules.

10.4 Restricted Securities

- (a) Restricted securities under the Listing Rules may not be disposed of during the restriction period which applies to the restricted securities, except as permitted by the Listing Rules or ASX.
- (b) The Directors must refuse to register a transfer of shares if the shares are classified under the Listing Rules or by the ASX as restricted securities and the transfer is or might be in breach of the Listing Rules or any restriction agreement entered into by the Company under the Listing Rules in relation to those shares.

10.5 No transfer to an infant

A transfer of any shares may not knowingly be made to an infant or to a person of unsound mind or under other legal disability.

10.6 Notice of Refusal

If the Directors refuse to register a transfer of any share, they must give notice (including reasons) of the refusal to each transferor and transferee within five Business Days after the date on which the transfer was lodged with the Company.

10.7 Correction of share register

If a person is registered as the holder of any share contrary to the provisions of this Constitution the Directors may remove the person's name as the holder of the shares and other information relating to the person and reinstate the name of the previous holder of the shares and the information relating to that previous holder.

10.8 Certificate to be delivered on transfer

- (a) Upon every transfer of shares, the certificate (if any) held by the transferor must be delivered to the Company and cancelled. A new certificate will be issued without charge to the transferee in respect of the shares transferred, and if any of the shares included in the certificate delivered to the Company are retained by the transferor, a new certificate must be issued to the transferor in respect of those shares without charge. The Company shall retain the instrument of transfer.
- (b) If the Company participates in a share transfer system conducted in accordance with the Listing Rules, then share transfers must be registered in accordance with the Listing Rules and the ASX Settlement Operating Rules.
- (c) If the Company is Listed, it may participate in any share transfer system conducted in accordance with the Listing Rules which does not depend upon the issue or production of share certificates in respect of the shares.
- (d) For a transfer of an uncertificated holding of shares, the procedure is the same as for a certificated holding of shares, except that the written transfer instrument need not be accompanied by a certificate. If the Company operates an issuer sponsored sub-register, it must issue a statement for each new holding as a result of the transfer in accordance with the Listing Rules.

10.9 When transfer books and register may be closed

- (a) The Directors may:
 - (i) suspend registration of transfers of shares which are not CHES Approved Securities; and
 - (ii) close the register of Shareholders,in which case the Directors must give:
 - (iii) notice by advertisement of the closure in an appropriate newspaper; and
 - (iv) notice to the ASX notice of any intended closure in accordance with the Listing Rules.

- (b) The register of Shareholders must not be closed for any time or times exceeding a total of 30 days in any year.
- (c) The Company must process proper ASX Settlement Operating Rules regulated transfers affecting sub-registers administered by the Company on all Business Days.

11. TRANSMISSION OF SHARES

11.1 Recognised interests

- (a) If a Shareholder dies, the only persons which the Company will recognise as having any right to the deceased's shares are:
 - (i) his or her legal personal representative; or
 - (ii) where the shares are held jointly, any joint holder of those shares.
- (b) The deceased person's estate will still be subject to any liabilities which attached to the shares, even if the deceased was only a joint Shareholder.
- (c) If two or more persons are jointly entitled to the deceased's shares, those persons will be regarded as joint Shareholders.

11.2 Transmission

- (a) A person entitled to a share because of:
 - (i) the death or bankruptcy of a Shareholder (subject to the *Bankruptcy Act 1966* (Cth)); or
 - (ii) the mental incapacity of a Shareholder,may elect either to:
 - (iii) be registered as the Shareholder or
 - (iv) have some other person nominated to be registered as the transferee of the share,subject to producing any information properly required by the Directors.
- (b) A person relying on clause 11.2(a) who wishes to be registered as the holder of any shares must elect in writing to the Company to be so registered.
- (c) A person electing under clause 11.2(a) to have another person registered as the holder of any shares must deliver to the Company an executed transfer of the shares to that other person.
- (d) The provisions of this Constitution relating to the right to transfer and the registration of transfers of shares apply to any notice or transfer as if the death, mental incapacity or bankruptcy of the Shareholder had not occurred and the notice or transfer was a transfer signed by that Shareholder.

11.3 Personal representatives and joint holders

- (a) If a Shareholder dies or becomes bankrupt, his or her personal representative or trustee is entitled to receive any dividends and other benefits that the Shareholder would have been entitled to and to exercise the same rights as the Shareholder. The Directors may require production of any information that is properly required by the Directors.
- (b) Where two or more persons are jointly entitled to any share due to the death of the registered holder, they are, for the purpose of this Constitution, deemed to be joint holders of the share.

12. ALTERATION OF CAPITAL

12.1 Power

The Company may, by resolution:

- (a) convert all or any of its shares into a larger or smaller number of shares;
- (b) cancel shares that, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person or have been forfeited.

12.2 Reduction of capital

The Company may reduce its share capital:

- (a) by reduction of capital in accordance with Division 1 of Part 2J.1 of the Act;
- (b) by buying back shares in accordance with Division 2 of Part 2J.1 of the Act;
- (c) in the ways permitted by sections 258E and 258F of the Act; and
- (d) in any other way for the time being permitted by the Act.

13. GENERAL MEETINGS

13.1 Power to convene

Any Director may convene a general meeting whenever he or she thinks fit and must do so if required to do so under the Act.

13.2 Use of technology at general meetings

The Company may hold a general meeting at two or more venues using any technology that gives the Shareholders as a whole a reasonable opportunity to participate.

13.3 Power to cancel or postpone

The Directors may, whenever they think fit, cancel or postpone a general meeting by giving two clear days' notice of the postponement to all persons entitled to receive notice of the general meeting, to a date and time determined by them or change the place for the meeting.

13.4 Notice

A notice of a general meeting must:

- (a) specify the place, the day and the hour of the meeting;
- (b) specify the general nature of the business to be transacted at the meeting; and
- (c) be given in accordance with clause 25.1, the Act and the Listing Rules.

13.5 Notice period and content

- (a) Except when shorter notice is permitted to be given, 28 days' notice of a general meeting must be given to all persons entitled to receive notice from the Company.
- (b) In computing the period of notice, both the day on which the last notice to all persons entitled to receive notice from the Company is given or taken to be given and the day of the meeting convened by it are to be disregarded.

13.6 Circular resolution

The Company may pass a resolution without a general meeting being held if all the Shareholders entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document. If a share is held jointly, each of the joint Shareholders must sign.

13.7 Omissions

The accidental omission to give any notice to, or the non-receipt of any notice by, any person entitled to receive the notice of meeting shall not invalidate any resolution passed or any proceedings at that meeting.

14. PROCEEDINGS AT GENERAL MEETINGS

14.1 Quorum

Business may not be transacted at any general meeting unless a quorum of Shareholders is present at the time when the meeting proceeds to business. Two Shareholders (including any proxy for a Shareholder and any person representing a company Shareholder) constitute a quorum in all cases.

14.2 Effect of no quorum

- (a) If a quorum is not present within 30 minutes from the notified starting time for the meeting:
 - (i) where the meeting was convened on the requisition of Shareholders, the meeting is cancelled;
 - (ii) in any other case, the meeting is postponed to the same place on the same day and at the same time the following week, or to any other time and place chosen by the Directors.

- (b) If a quorum is not present within 30 minutes after the starting time of the postponed meeting, it is cancelled.

14.3 Chairperson

The chairperson elected as chairperson of Directors' meetings, or in the chairperson's absence, the deputy chairperson (if any), shall preside as chairperson at every general meeting.

14.4 Vacancy in chairperson

Where a general meeting is held and:

- (a) no person has been elected as a chairperson of Directors; or
- (b) neither the chairperson nor the deputy chairperson is present within 15 minutes after the time appointed for the holding of the meeting or is unwilling to act,

the Shareholders present must elect one of their number to be chairperson of the meeting.

14.5 Adjournment

The chairperson may at any time adjourn a meeting with the meeting's consent. The chairperson must adjourn a meeting if the meeting votes to adjourn it. The only business which can be transacted at an adjourned meeting is the unfinished business from the original meeting.

14.6 Notice where a meeting is adjourned for 30 days

When a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given in the same manner as the original meeting.

14.7 Form of notice for adjourned meeting

Except as provided by clause 14.6, it is not necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

14.8 Right to discuss the management of the Company

The chairperson of a meeting of Shareholders must allow a reasonable opportunity for Shareholders at the meeting to question, discuss or comment on the management of the Company. Directors must answer Shareholders' questions if they are capable of doing so.

14.9 Voting on show of hands

- (a) At any general meeting a resolution put to the vote of the meeting is decided on a show of hands of all Shareholders entitled to vote unless a poll is (before or on the declaration of the result of the show of hands) demanded according to this Constitution.

- (b) Unless a poll is duly demanded, a declaration by the chairperson that a resolution or a show of hands has been carried or carried unanimously, or by a particular majority, or lost, must be made in the minutes of the meeting.
- (c) An entry recording the chairperson's declaration of voting 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.

14.10 Poll

- (a) A poll may be demanded by:
 - (i) the chairperson;
 - (ii) at least five Shareholders entitled to vote on the resolution; or
 - (iii) Shareholders with at least 5% of the votes that may be cast on the resolution on a poll,

and on a poll, each Shareholder entitled to vote is entitled to one vote for each share held or a fraction of a vote for a share on which payment remains owing. That fraction will be equal to the proportion which the amount paid (not credited) relates to the total amounts paid and payable (excluding amounts credited). Amounts paid in advance of a call are to be ignored.

- (b) A poll demanded on the election of a chairperson or on a question of adjournment must be taken immediately.
- (c) A poll demanded on any other subject is to be taken in such manner and either at once or after an interval or adjournment or otherwise as the chairperson directs. The result of the poll is a resolution of the meeting at which the poll was demanded.
- (d) A demand for a poll may be withdrawn.
- (e) A poll may be demanded before a vote is taken or in the case of a vote taken on a show of hands, immediately before or immediately after, the results of the vote are taken.

14.11 Chairperson's vote

If the votes are equal, whether on a show of hands or on a poll, the chairperson of the meeting at which the show of hands takes place or at which the poll is demanded is not entitled to a second or casting vote.

14.12 Proxy holders and representatives voting rights

- (a) Subject to any rights or restrictions for the time being attached to any class or classes of shares:
 - (i) at meetings of Shareholders or classes of Shareholders, each Shareholder entitled to vote may vote in person or by proxy, attorney or Representative; and

- (ii) on a show of hands, every Shareholder present in person or by proxy, attorney or Representative has one vote in respect of the total number of shares carrying the right to vote held by that Shareholder; and
 - (iii) on a poll, every Shareholder present in person or by proxy, attorney or Representative has one vote for each share carrying the right to vote held by that Shareholder.
- (b) A proxy need not be a Shareholder.

14.13 Direct voting

The Directors may determine that at any meeting of Shareholders or class meeting, a Shareholder who is entitled to attend and vote on a resolution at that meeting is entitled to a direct vote in respect of that resolution. A **direct vote** includes a vote delivered to the company by post, fax or other electronic means approved by the Directors. The Directors may prescribe regulations, rules and procedures in relation to direct voting, including specifying the form, method and timing of giving a direct vote at a meeting in order for the vote to be valid.

14.14 Votes of joint holders

If shares are held jointly, only one of the joint holders may vote. If more than one of the joint holders tenders a vote, the vote of the holder whose name in respect of those shares appears first in the register of Shareholders is to be treated as the only vote in relation to those shares.

14.15 Incapacity

If a Shareholder is:

- (a) of unsound mind; or
- (b) a person whose person or estate is liable to be dealt with under the law relating to mental health,

then the Shareholder's committee or trustee or such other person as properly has the management of the Shareholder's estate may exercise any rights of the Shareholder in relation to a general meeting as if the committee, trustee or other person were the Shareholder.

14.16 Disentitlement to vote

- (a) A Shareholder is not entitled to vote at a general meeting in respect of a share held by the Shareholder unless all calls and other sums presently payable by the Shareholder in respect of the share have been paid.
- (b) If the Company is Listed, while a breach subsists of:
 - (i) the Listing Rules; or
 - (ii) a restriction agreement entered into by the Company under the Listing Rules,

in relation to shares which are restricted securities, those restricted securities do not confer on the holder any dividend, distribution or voting rights. However, those restricted securities shall not be treated or taken to be a separate class of share for any purpose.

14.17 Objection to voter

- (a) An objection may be raised to the qualification of a voter only at the meeting or adjourned meeting at which the vote objected to is cast.
- (b) Any objection is to be referred to the chairperson of the meeting, whose decision is final and a vote not disallowed by the chairperson is valid for all purposes.

14.18 Appointment of proxy

- (a) An instrument appointing a proxy must be in writing signed by the appointor or an attorney duly authorised in writing or, if the appointor is a body corporate, signed by a duly authorised officer or attorney.
- (b) Instruments appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and in that event the proxy is not entitled to vote on the resolution except as specified in the instrument.
- (c) An instrument appointing a proxy is taken to confer authority to demand or join in demanding a poll.
- (d) There is no required form of proxy. The Directors may from time to time approve a form for use at a particular meeting.

14.19 Lodgement of proxy

- (a) A document appointing a proxy (and any power of attorney under which it is signed, or a certified copy of that power) must be received by the Company at least 48 hours before the time of the meeting. If the document is not received on time, the proxy cannot vote at the meeting.
- (b) A document appointing a proxy is taken to be received when it is received at any of the following:
 - (i) the Company's registered office; or
 - (ii) a fax number at the Company's registered office; or
 - (iii) a place, fax number or electronic address specified for the purpose in the notice of meeting.

14.20 Effect of proxy vote

A vote given according to an instrument of proxy or of a power of attorney is valid if no notice in writing of the death, unsoundness of mind, revocation of the instrument or authority or any sale of the relevant share has been received by the Company at the registered office before the commencement of the meeting or adjourned meeting at which the said instrument is acted upon.

14.21 Decisions

A decision of a general meeting may not be impeached or invalidated on the ground that a person voting at the meeting was not entitled to do so.

14.22 Admission to general meetings

The chairperson of a general meeting may refuse admission to a person or require a person to leave and not return to a meeting if the person:

- (a) refuses to permit examination of any article in the person's possession; or
- (b) is in possession of an electronic recording device, placard or banner or other article, which the chairperson considers to be dangerous, offensive or liable to cause disruption; or
- (c) causes any disruption to the meeting.

14.23 Auditor's right to be heard

The auditor of the Company from time to time is entitled to:

- (a) attend any general meeting of the Company;
- (b) be heard at any general meeting of the Company on any part of the business of the meeting that concerns the auditor in their capacity as auditor, even if:
 - (i) the auditor retires at the general meeting; or
 - (ii) Shareholders pass a resolution to remove the auditor from office; and
- (c) authorise a person in writing to attend and speak at any general meeting as the auditor's representative.

15. APPOINTMENT, REMOVAL AND REMUNERATION OF DIRECTORS

15.1 Minimum and maximum number of Directors

The minimum number of Directors is three and the maximum number of Directors is ten.

15.2 Change to numbers of Directors

The Company may by resolution increase or decrease the minimum and maximum number of Directors but the minimum must never be less than three.

15.3 Period of office

Each of the Directors will hold office until the Director vacates the office or is removed under this Constitution.

15.4 Retirement by rotation

- (a) This clause 15.4 applies only if the Company is Listed.

- (b) A Director (excluding the managing Director) must not hold office (without re-election) past the third annual general meeting following the Director's appointment or three years, whichever is longer.
- (c) At each annual general meeting one-third of the Directors (except for the managing Director) or, if their number is not three or a multiple of three, then the number nearest but not exceeding one-third, shall retire from office by rotation. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day shall (unless they otherwise agree between themselves) be determined by lot. Nothing in this clause shall prevent any other Directors from retiring at an annual general meeting.
- (d) A retiring Director is eligible for re-election.
- (e) The Company at any general meeting at which any Directors retire may fill the vacated offices. A person (other than a Director who retires by rotation) is not eligible to be appointed as a Director at a general meeting unless notice of nomination of the person to be a Director is given to the Company 35 Business Days before the general meeting, or 30 Business Days before the general meeting of Shareholders have requested the Directors to call the meeting. The nomination must state the person is to be nominated and must include written consent of the person to be a Director. If Directors may be elected at a meeting, the Company must tell the ASX the date of the meeting at least five Business Days before the closing date for receipt of nominations for Directors.

15.5 Retiring Directors to remain in office until successors appointed

If, at any general meeting at which an election of Directors ought to occur, the places of the retiring Directors are not filled, the retiring Directors or any who have not had their places filled shall be deemed to have been re-elected and shall, if willing, continue in office until the next annual general meeting and so on from year to year until their places are filled unless:

- (a) it is determined at the meeting to reduce the number of Directors;
- (b) it is resolved at the meeting not to fill the vacated offices;
- (c) in any case, the resolution for re-election of a Director is put to the meeting and lost; or
- (d) the Director has given notice in writing to the Company that he or she is not willing to be re-elected.

15.6 Casual vacancy

The Directors have power at any time to appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. That Director will hold office until the end of the next annual general meeting of the Company when the Director may be re-elected but will not be taken into account in determining the number of Directors who must retire by rotation. The Directors must not make an

appointment so that the total number of Directors at any time exceeds the maximum number fixed in accordance with this Constitution.

15.7 Removal by Shareholders

The Shareholders may, in accordance with the Act, by resolution remove any Director from office but not so as to have fewer than the minimum number of Directors fixed in accordance with this Constitution. The Shareholders may appoint another Director at the same meeting to replace the Director removed. The replacement Director must retire at the next annual general meeting and will be eligible for re-election but will not be taken into account in deciding the Directors who must retire by rotation.

15.8 Appointment by Shareholders

- (a) The Shareholders may by resolution appoint any person as a Director but not so as to exceed the maximum number of Directors fixed in accordance with this Constitution.

15.9 Directors' fees

- (a) The Directors are entitled to receive Directors' fees for their services as Directors. Any increase in the aggregate amount of Directors' fees (excepting the remuneration of any Executive Director) inclusive of any Directors' fees payable by an entity controlled by the Company or a subsidiary of the Company over \$150,000 must be approved by a resolution of the holders of ordinary shares in accordance with the Listing Rules.
- (b) Unless otherwise directed by the resolution approving the Directors' fees, the sum is to be divided among the Directors in any proportions as the Directors may resolve from time to time, or failing agreement, equally.
- (c) If a Director holds office for less than the whole of the relevant period in respect of which Directors' fees are paid, that Director is only entitled to receive Directors' fees in proportion to the time during the period for which the Director has held office.
- (d) The remuneration of any Executive Director may be fixed by the Directors and may be by way of salary or commission or participation in profits or by all or any of those modes, but may not be by a commission or percentage of operating revenue.

15.10 Directors' expenses

The Directors shall also be entitled to be repaid all travelling, hotel and other expenses reasonably incurred by them respectively in connection with the performance of their duties as Directors, including their expenses of travelling to and from board meetings, committee meetings or general meetings or otherwise incurred whilst engaged in the business of the Company or in the discharge of their duties as Directors.

15.11 Special remuneration

The Directors may grant special remuneration to any Director who performs any special or extra services for or at the request of the Company. Any special remuneration may be made payable to a Director in addition to or in substitution for the Director's Directors' fees.

15.12 No share qualification

A Director need not be a Shareholder.

15.13 Vacation of office

In addition to the circumstances in which the office of a Director becomes vacant, a Director ceases to hold office immediately if the Director:

- (a) becomes bankrupt;
- (b) becomes mentally unfit to hold office, or the Director or his or her affairs are made subject to any law relating to mental health or incompetence;
- (c) resigns by giving the Company written notice or if the notice specifies a time at which the resignation is to be effective, that time, whichever is later;
- (d) becomes disqualified by law from being a director; or
- (e) without the consent of the other Directors, is absent from meetings of Directors for a continuous period of six months.

16. POWERS AND DUTIES OF DIRECTORS

16.1 General power of management

The business of the Company is managed by the Directors who may pay all expenses incurred in promoting and forming the Company, and may exercise all such powers of the Company as are not required to be exercised by the Company in general meeting.

16.2 Borrowing powers

Without limiting clause 16.1, the Directors may exercise all the powers of the Company to borrow 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.

16.3 Negotiable instruments

At least two Directors may sign, draw, accept, endorse or otherwise execute a negotiable instrument unless the Directors resolve otherwise.

17. PROCEEDINGS OF DIRECTORS' MEETINGS

17.1 Quorum

The Directors may meet together for the dispatch of business and adjourn and otherwise regulate their meetings as they think fit. Unless otherwise determined, two Directors is a quorum. An alternate Director shall be counted for quorum purposes as a separate Director unless the alternate is another Director. The alternate may only be counted once if the person is an alternate for more than one Director.

17.2 Convening of meetings

A Director may at any time, and a Secretary must on the requisition of a Director, convene a meeting of the Directors. Notice of meetings must be given to each Director. Notice may be given by telephone, facsimile, electronically or by any other method agreed by the Directors.

17.3 Written resolutions

- (a) If a document containing a statement that the signatories to it are in favour of an identified resolution is signed by a majority of the Directors (or the members of a committee) entitled to vote on the resolution, a resolution in those terms shall be deemed to have been passed at a meeting of the board (or of the committee) held at the time at which the document was last signed, provided that the persons signing the statement would constitute a quorum at such a meeting.
- (b) For the purposes of clause 17.3(a):
 - (i) two or more separate documents containing statements in identical terms each of which is signed by one or more Directors shall together be deemed to constitute one document;
 - (ii) a reference to the Directors or committee members does not include a reference to an alternate Director, in the capacity as such, whose appointer has signed the document, but an alternate Director may sign the document in the place of his appointer; and
 - (iii) a facsimile or e-mail received by the Company and expressed to have been sent for and on behalf of a Director or alternate Director shall be deemed to be signed by that Director or alternate Director at the time of its receipt by the Company.

17.4 Telephone and other meetings

While the Directors may regulate their meetings as they think fit, a meeting of Directors or committee of Directors may be held where one or more of the Directors is not physically present at the meeting, where:

- (a) all persons participating in the meeting can communicate with each other instantaneously whether by telephone or other form of communication;

- (b) notice of the meeting is given to all Directors entitled to notice according to the usual procedures determined by the Directors for the giving of notice and such notice does not specify that Directors are required to be present in person;
- (c) if a failure in communications prevents clause 17.4(b) from being satisfied by that number of Directors which constitutes a quorum, then the meeting is suspended until clause 17.4(b) is satisfied again. If clause 17.3(b)(i) is not satisfied within 15 minutes from the time the meeting was interrupted, the meeting is deemed to have terminated; and
- (d) any meeting held where any Director is not physically present is treated as held at the place specified in the notice of meeting if a Director is present there. If no Director is so present, the meeting is treated as held at the place where the chairperson of the meeting is located.

17.5 Decisions of the Directors

Questions arising at any meeting of Directors shall be decided by a majority of votes cast by Directors present at the meeting. A determination of a majority of Directors is for all purposes taken to be a determination of the Directors. If the votes are equal, the chairperson of the meeting will not have a second or casting vote.

17.6 Appointment of alternate Director

A Director may, with the approval of a majority of the other Directors, appoint an individual to be an alternate Director for him or her for any period, providing the alternate Director has previously consented in writing to act. An alternate Director may exercise any of the powers of the Director appointing him or her, does not have to have a share qualification and is subject to all of his or her appointer's obligations. The alternate is entitled to be notified of Directors meetings and to attend and vote at them as a Director, but only if the appointing Director is not present or not voting. An alternate Director may also be a Director and may act as alternate to more than one Director.

17.7 Ending of appointment of alternate Director

An alternate Director ceases to hold office immediately if:

- (a) the appointing Director ceases to be a Director;
- (b) the appointing Director ends the appointment by notice to the alternate Director;
- (c) the period of the appointment ends; or
- (d) anything happens that would result in the alternate Director ceasing to be a Director if he or she were a Director.

17.8 Authority to act where vacancy

If there is a vacancy in the office of a Director, the remaining Directors may act. If the number of remaining Directors is less than the number required to constitute a quorum at a meeting of Directors, the Directors may act only for the purpose of

increasing the number of Directors to a number sufficient to constitute a quorum or to convene a general meeting of the Company.

17.9 Chairperson

The Directors must elect one of their number as chairperson of their meetings and determine the period of office of the chairperson.

17.10 Substitute chairperson

Where a meeting of the Directors is held and:

- (a) a chairperson has not been elected as provided; or
- (b) the chairperson is not present within 15 minutes after the time appointed for the holding of the meeting or is unwilling to act,

the Directors present may elect one of their number to be chairperson of the meeting.

17.11 Committee of Directors

- (a) The Directors may delegate any of their powers to a committee or committees of Directors consisting of at least two Directors.
- (b) A committee must exercise the powers delegated to it according to any directions of the Directors and any power so exercised is deemed to have been exercised by the Directors.
- (c) The members of such a committee may elect one of their number as chairperson of their meetings.
- (d) Where a meeting is held and:
 - (i) a chairperson has not been elected as provided by clause 17.11(c); or
 - (ii) the chairperson is not present within 15 minutes after the time appointed for the holding of the meeting or is unwilling to act;the members present must elect one of their number to be chairperson of the meeting.

17.12 Regulation of committee of Directors

A committee of the Directors may meet and adjourn as it thinks fit.

17.13 Determination by majority vote

A question arising at a meeting of a committee must be determined by a majority of votes of the members present and voting.

17.14 No casting vote

If the votes are equal, the chairperson of a committee shall not have a second or casting vote.

17.15 Defects in appointments

All acts done by any meeting of the Directors or of a committee of Directors or by any person acting as a Director are deemed to be valid as if all persons had been duly appointed and were qualified to be a Director or a member of the committee.

17.16 Disqualification

Clause 17.15 operates even if it is afterwards discovered there was some defect in the appointment of a person to be a Director or a member of the committee, or to act as a Director, or that person so appointed was disqualified.

17.17 Director's personal interests

A Director may be employed by, or contract with, the Company and may be employed by any other company in which the Company owns shares or has an interest. A Director may be an officer of that other company. However, a Director cannot be employed as the Company's or that other company's auditor. A Director is not required to account to the Company for any profit arising from his or her employment by, or contracting with, the Company.

17.18 Declaration of interests

A Director who has a material personal interest in a matter that relates to the affairs of the Company must give the other Directors notice of the interest if required to do so under the Act.

17.19 Participation where Directors interested

A Director may be present and may vote on a matter before the board if and to the extent they are permitted to do so under the Act. If there are not enough Directors to form a quorum as a result of a Director having an interest which disqualifies them from voting then one or more of the Directors (including those who have the disqualifying interest in the matter) may call a general meeting of the Company and the general meeting may pass a resolution to deal with the matter.

17.20 Failure to disclose

A Director's failure to make disclosure under this clause does not render void or voidable a contract or arrangement in which the Director has a direct or indirect interest.

17.21 Directors of related corporations

A Director is deemed to be not interested in any contract or arrangement where the only personal interest of the Director arises because the Director is also a director of a corporation which is taken to be a related body corporate of the Company.

17.22 Director's guarantee

A Director is not taken to be interested in any contract or proposed contract relating to any loan to the Company by reason only that the Director has guaranteed or proposed to guarantee jointly or severally the repayment of the loan.

17.23 Partnership/other interests

If, because a Director is a member of a partnership, or a director or shareholder of another company, or is in a position to control another entity, he or she will be personally interested in any of the Company's contracts or arrangements with that partnership, company or entity, he or she may give the other Directors a written notice declaring his or her relationship to that partnership, company or entity and his or her consequent interest in all contracts or arrangements with it. The notice is a sufficient declaration of interest in relation to any future contracts or arrangements with that partnership, company or entity.

17.24 Directors aware of interest

- (a) If all other Directors are aware that a Director is a member of a partnership, or a director or shareholder of another company, or is in a position to control another entity, that fact has the same effect as if the Director had given the other Directors written notice under clause 17.23 at the time all of them as a group first became aware of it.
- (b) For the purposes of clause 17.24(a), entity includes a trust or other entity whether it is a legal person or not. The following are examples of a Director being in a position to control an entity:
 - (i) the Director is the appointer of a trust and has power to remove the trustee;
 - (ii) the Director is the sole trustee of a trust; or
 - (iii) the trustee or trustees of a trust are accustomed to act in accordance with the wishes of the Director.

18. EXECUTIVE DIRECTORS

18.1 Appointment

- (a) The Directors may appoint a Director to be managing Director on the terms and for the length of time that they consider appropriate. The Directors may give the managing Director any of the powers they can exercise. They may also impose any limitations on the exercise of those powers, and may withdraw or alter the powers they have conferred.
- (b) The Directors may also appoint a Director to any other full-time or substantially full-time executive position in the Company on such terms as they think fit.

18.2 Cessation of appointment

An Executive Director's appointment as a Director ends immediately if any of the following happen:

- (a) the period of the appointment ends in accordance with the Executive Director's contract of employment; or
- (b) the Executive Director ceases to be employed by the Company or a related body corporate of the Company unless the Executive Director's contract of employment says otherwise.

18.3 Remuneration

An Executive Director, subject to any agreement entered into in a particular case, may receive such remuneration as the Directors determine.

18.4 Powers of managing Director

Any powers of the Directors conferred on the managing Director may be concurrent with or to the exclusion of the powers of the Directors.

19. SECRETARY

A Secretary holds office on the conditions as to remuneration and otherwise as the Directors determine.

20. MINUTES

20.1 Minutes of meetings

- (a) The Directors must cause minutes to be made of:
 - (i) all appointments of officers made by the Directors;
 - (ii) the names of the Directors present at each meeting of the Directors and of committees formed by the board; and
 - (iii) all resolutions and proceedings at all meetings of the Company, the Directors and any committees.
- (b) The Directors must cause all minutes, except resolutions in writing, to be signed by the chairperson of the meeting at which the proceedings took place or by the chairperson of the next succeeding meeting.
- (c) Any minutes shall be conclusive evidence of proceedings if they purport to be signed by the chairperson of the meeting at which the proceedings were held or by the chairperson of the next succeeding meeting. Minutes shall be kept by the Secretary at the registered office of the Company.
- (d) The Directors must comply with the provisions of the Act in regard to keeping a register of Shareholders and to the production and furnishing of copies of or extracts from such register.

21. RECORDS

21.1 Records

The Directors must determine whether and on what conditions the accounting records and other documents of the Company or any of them are open to the inspection of Shareholders other than Directors. A Shareholder other than a Director does not have the right to inspect any document of the Company except as provided by the Act or authorised by the Directors or by the Company in general meeting.

21.2 Keeping records

The Directors must ensure that proper accounting and other records are kept, and all accounts and other documents are distributed in accordance with the requirements of the Act and the Listing Rules.

22. POWERS OF ATTORNEY

22.1 Powers of attorney

- (a) The Directors may grant a power of attorney to another person to act on behalf of the Company. The power of attorney must state:
 - (i) the powers and discretions which the attorney may exercise;
 - (ii) the duration of the power; and
 - (iii) any conditions on its exercise.
- (b) The power of attorney may also contain any provisions to protect people dealing with the attorney that the Directors consider appropriate.

22.2 Limits on power

The powers conferred on an attorney cannot exceed the powers of the Directors. The attorney may be authorised to delegate any of the powers conferred on him or her.

23. AUDITOR

The Company must appoint and may only remove an auditor in accordance with the Act.

24. DIVIDENDS AND RESERVES

24.1 Declaration and determination

The Directors alone may:

- (a) declare dividends, whether interim, final or special, to be paid to Shareholders; or

- (b) determine that dividends, whether interim, final or special, are to be paid to Shareholders and the amount, the time for payment and the method of payment of such dividends and before the time fixed for payment, the Directors may change their decision to pay a dividend.

24.2 Source of dividends

No dividend may be declared or paid except as allowed by the Act. No interest is payable in respect of dividends.

24.3 Reserved profits

Before declaring a dividend or determining that a dividend be paid, the Directors may set aside out of the Company's profit any amount that they consider appropriate. This amount may be used in any way that profits can be used, and can be invested or used in the Company's business in the interim. However, it must not be used to buy the Company's shares.

24.4 Entitlement to dividends

All dividends are apportioned and paid proportionately to the amounts paid or credited as paid on the shares in proportion to the relevant issue price for the shares. This regulation is subject to the rights of persons (if any) entitled to shares with special rights as to dividends. If the Company is Listed, the holder of any restricted securities under the Listing Rules who is in breach of the Listing Rules or any restriction agreement in respect of the restricted securities is not entitled to receive dividends.

24.5 Ranking of dividends

Where any share is issued on a condition providing that it ranks for dividend as from a particular date, that share ranks for dividends accordingly.

24.6 Amounts advanced on shares

An amount paid or credited as paid on a share in advance of a call is not taken to be paid or credited as paid on the share under this clause 24.

24.7 Deduction from dividends of money owing

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

24.8 Payment of dividends by distribution of property

- (a) The Directors may direct payment of the dividend wholly or partly by the distribution of specific assets, including paid up shares in, or debentures of, any other corporation.

- (b) Where the Company pays a dividend, reduces its share capital or makes any other distribution (whether of income or capital) by way of a transfer of securities in another corporation or entity:
 - (i) each Shareholder entitled to receive the securities consents to becoming a Shareholder of the company or entity whose shares or securities are distributed and agrees to be bound by the Constitution of that company or entity; and
 - (ii) the Company is authorised to act for and on behalf of every Shareholder who is the intended recipient of any distribution in kind of the Company's assets from time to time. The Company's authority to act in this way is limited to doing only those acts or things reasonably required to transfer or vest title in the assets to the intended recipient Shareholders and for no other purpose. For the avoidance of doubt, the Company may sign any consent, transfer or approval or enter into any agreement including an agreement to become a Shareholder of any company on behalf of any Shareholder. The Company is not, and will not become, liable to any Shareholder for anything the Company lawfully does or fails to do under this authority including, without limitation, the payment of any stamp duty or other taxes arising as a result of effecting, or attempting to effect, any such transfer or vesting.

24.9 Directors to settle differences

Where a difficulty arises in regard to a distribution under clause 24.8(a) the Directors may settle the matter as they consider expedient. For this purpose, the Directors may fix the value for distribution of the specific assets or any part of those assets and may determine that cash payments are to be made to any Shareholders on the basis of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as the Directors consider expedient.

24.10 Payment of dividends by cash

A dividend (or other amount) payable to a Shareholder may be paid by direct payment to the Shareholder's bank account, or by a cheque or warrant posted to any of the following:

- (a) the Shareholder's registered address;
- (b) the registered address of the joint holder of shares who is named first on the register of Shareholders; or
- (c) an address and person nominated by the holder or joint holders of the shares.

24.11 Withholding payment

The Directors may determine that a dividend (or other amount) is to be paid by only by direct payment to Shareholder's bank accounts and may withhold payment to any Shareholder who has not given the Company the necessary bank account information to enable direct payment until that information has been given to the Company and

the Company will not pay interest on the amount or be liable for any loss suffered by the Shareholder where a payment is withheld under this clause.

24.12 Transfers

A transfer of shares shall not pass the right to any dividend or bonus declared on the share before registration of the transfer.

24.13 Authority to capitalise profits

- (a) The Directors may resolve to capitalise any part of the Company's profit. If they do that, they must not pay the amount in cash, but must use it to benefit those Shareholders who are entitled to dividends in the proportions that would apply if the entire amount of the profits to be capitalised were a dividend. The benefit must be given either by:
 - (i) paying up the amounts unpaid on the Shareholder's shares; or
 - (ii) issuing shares or debentures of the Company to the Shareholder.
- (b) The amount capitalised must be applied for the benefit of Shareholders in the proportions in which the Shareholders would have been entitled to dividends if the amount capitalised had been distributed as a dividend. If fractions of shares or debentures are initially allocated, the Directors may, in their discretion:
 - (i) issue fractional certificates in the case of unquoted securities;
 - (ii) pay the Shareholder the cash equivalent of the fraction; or
 - (iii) round up or down the final allocation.

25. NOTICES

25.1 Method

A notice may be given by the Company to any Shareholder either by serving it on the Shareholder personally or by sending it by post to the Shareholder at his, her or its address as shown in the register of Shareholders or the address (including any facsimile number or electronic address) supplied by the Shareholder to the Company for the giving of notices to the Shareholder. Overseas Shareholders must receive notices by air mail or facsimile transmission or any other way that ensures it will be received promptly after it is sent.

25.2 Deemed receipt

Where a notice is sent by post, service of the notice is deemed to be effected by properly addressing, prepaying, and posting a letter containing the notice, and to have been effected, in the case of a notice of a meeting, on the day after the date of its posting and, in any other case, at the time at which the letter would be delivered in the ordinary course of post. Notices sent by facsimile transmission to the facsimile number nominated by any Shareholder for service of notices on him, her or it shall be

effective on the date of an error free fax transmission report from the sender's facsimile machine. Notices sent by other electronic means are taken to be effected by properly addressing and transmitting the electronic transmission and are taken to have been given and received on the date of their transmission.

25.3 Notice to joint holders

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

25.4 Notice in case of death or bankruptcy

A notice may be given by the Company to a person entitled to a share in consequence of the death or bankruptcy of a Shareholder by serving it on the person personally or by sending it to the person by post. A notice sent by post must be addressed by name, or by the title of representative of the deceased or assignee of the bankrupt, or by any like description, at the address (if any) supplied for the purpose by the person or, if such an address has not been supplied, at the address to which the notice might have been sent if the death or bankruptcy had not occurred.

25.5 Persons entitled to notice

- (a) Notice of every general meeting must be given in the manner authorised by this Constitution to:
 - (i) every Shareholder;
 - (ii) every person entitled to a share due to the death or bankruptcy of a Shareholder who, but for the Shareholder's death or bankruptcy, would be entitled to receive notice of the meeting; and
 - (iii) the auditor of the Company.
- (b) No other person is entitled to receive a notice of general meeting.

26. WINDING UP

26.1 Division of property among Shareholders

If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company. For this purpose the liquidator may 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 Shareholders or different classes of Shareholders.

26.2 Vesting property on trustees

The liquidator may, with the sanction of a special resolution, vest the whole or any part of any property in trustees on such trusts for the benefit of contributories as the

liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

27. UNMARKETABLE PARCELS

27.1 Application

If the Company is Listed, the Company may only invoke the procedures in this clause 27 once in any 12 month period.

27.2 Notice

- (a) If the number of shares registered in the name of a Shareholder is less than a marketable parcel (as defined in the Listing Rules), the Directors may send a notice to the Shareholder that:
 - (i) the Company intends to sell the unmarketable parcel;
 - (ii) the shares referred to in the notice are liable to be sold in accordance with this clause if the Shareholder does not advise the Company before a specified date (**Relevant Date**) that the Shareholder wishes to keep those shares; and
 - (iii) if the Shareholder holds shares in a CHESS Holding, contain a statement to the effect that if those shares remain in a CHESS Holding after the Relevant Date, the Company may, without further notice, move those shares from the CHESS Holding to an Issuer Sponsored Holding or a certificated holding for the purposes of divestment by the Company in accordance with this clause 27 and the Listing Rules.
- (b) The Shareholder must be given at least six weeks from the date that the notice is sent in which to tell the Company that the Shareholder wishes to retain the holding. If the Shareholder notifies the Company to that effect, the Company may not sell the holding.

27.3 Divestiture

- (a) If the Shareholder does not advise the Company by the date specified in the notice that the provisions of clause 27.2(b) are not to apply to the shares referred to in the notice, the Company may:
 - (i) if the Shareholder holds those shares in a CHESS Holding, move those shares from the CHESS Holding to an Issuer Sponsored Holding or a certificated holding; and
 - (ii) in any case, sell those shares in accordance with this clause 27.
- (b) Any shares sold under clause 27.3(a) may be sold on-market on the terms, in the manner and at the time determined by the Directors and for the purposes of the sale. The Shareholder:
 - (i) appoints the Company as the Shareholder's agent for sale;

- (ii) authorises the Company to effect a transfer of the shares on the Shareholder's behalf; and
 - (iii) appoints the Company and its Directors to execute any document or take any other steps as the Directors may consider appropriate to transfer the shares.
- (c) The transferee will not be bound to see to the regularity of proceedings or to the application of the purchase money and after the transferee's name has been entered in the register of Shareholders in respect of the shares, the validity of the sale will not be impeached by any person.

27.4 Proceeds of sale

The proceeds of any sale of an unmarketable parcel less any unpaid calls and interest will be paid to the Shareholder or as that Shareholder may direct but only after the Shareholder's certificate (if any) has been returned to the Company or the Company is satisfied the certificate (if any) is lost or destroyed.

27.5 Other provisions

- (a) The Company will cancel the share certificates of all Shareholders whose unmarketable parcel of shares are sold.
- (b) The Company or the purchaser will bear all costs, including brokerage and stamp duty associated with any unmarketable parcel of shares.
- (c) The power of the Company to sell an unmarketable parcel of shares lapses following the announcement of a takeover. However, the procedure may be started again after the close of offers made under the takeover.

28. INDEMNITY

28.1 Indemnity - general

To the extent permitted by law and subject to the restrictions in the Act, the Company indemnifies and must continually indemnify every person who is or has been an officer of the Company (including a Director or Secretary) against liability (including liability for costs and expenses) incurred by that person as an officer of the Company (including liabilities incurred by the officer as an officer of a subsidiary of the Company where the Company requested the officer to accept that appointment). However, this does not apply in respect of any of the following:

- (a) a liability to the Company or a related body corporate;
- (b) a liability to some other person that arises out of conduct involving a lack of good faith;
- (c) a liability for costs and expenses incurred by the officer in defending civil or criminal proceedings in which judgment is given against the officer or in which the officer is not acquitted; or

- (d) a liability for costs and expenses incurred by the officer in connection with an unsuccessful application for relief under the Act, in connection with the proceedings referred to in the preceding paragraph.

28.2 Indemnity - costs

Without limiting clause 28.1, to the extent permitted by law and subject to the restrictions in the Act, the Company must indemnify and continually indemnify every person who is or has been an officer of the Company (including a Director or Secretary) against reasonable legal costs incurred in defending an action for a liability incurred or allegedly incurred by that person as an Officer of the Company (including such legal costs incurred by the officer as an officer of a subsidiary of the Company where the Company requested the officer to accept that appointment).

28.3 Indemnity - GST

The amount of any indemnity payable under clauses 28.1 and 28.2 will include an additional amount (**GST Amount**) equal to any GST payable by the officer being indemnified (**Indemnified Officer**) in connection with the indemnity (less the amount of any input tax credit claimable by the Indemnified Officer in connection with the indemnity). Payment of any indemnity which includes a GST Amount is conditional upon the Indemnified Officer providing the Company with a GST tax invoice for the GST Amount.

28.4 Advance under indemnity

The Directors may agree to advance to an officer an amount which it might otherwise be liable to pay to the officer under clauses 28.1 and 28.2 on such terms as the Directors think fit but which are consistent with this clause 28, pending the outcome of any findings of a relevant court or tribunal which would have a bearing on whether the Company is in fact liable to indemnify the officer under clauses 28.1 and 28.2. If after the Company makes the advance, the Directors form the view that the Company is not liable to indemnify the officer, the Company may recover any advance from the officer as a debt due by the officer to the Company.

28.5 Former officers

Each of the indemnities in this clause 28 are continuing indemnities which apply in respect of all acts done by a person while an officer of the Company or one of its subsidiaries even though the person is not an officer at the time the claim is made.

28.6 Insurance premiums

The Company may pay the premium on a policy of insurance in respect of a person who is or has been an officer or auditor of the Company to the full extent permitted by the Act.

29. SECURITY INTERESTS

- (a) If any provision of this Constitution creates a security interest in shares or other personal property (**Collateral**) to which the PPSA applies:
 - (i) the Company need not comply with any provisions of the PPSA that the parties may contract out of in relation to the Collateral; and
 - (ii) Shareholders may not exercise any rights under sections 142 (redemption of collateral) or 143 (reinstatement of security agreement) of the PPSA to the extent the law permits those rights to be excluded.
- (b) The Company need not give the Shareholder any other notice required under the PPSA (including a notice of verification statements under section 157 of the PPSA) unless the notice cannot be excluded.