



Pioneer Permanent Building Society Limited
ABN 36 087 652 042
Cnr. Victoria & Macalister Streets,
P.O. Box 1084, Mackay, Q. 4740.
Telephone: (07) 4951 2344
Facsimile: (07) 4957 8841
Email: admin@ppbsl.com.au
Website: www.pioneeronline.com.au

15 April 2004

Mr Scott Evans
General Manager
Stock Exchange of Newcastle Ltd
Ground Floor, 384 Hunter Street
NEWCASTLE NSW 2300

Dear Mr Evans

EXTRAORDINARY GENERAL MEETING

The Society is holding an Extraordinary General Meeting on Tuesday 18 May 2004.
As such, please find attached a copy of the Notice of Extraordinary General Meeting
and Explanatory Memorandum.

Yours faithfully


.....
LARRY VOLTZ
COMPANY SECRETARY

ljv.dh

enc



NOTICE OF EXTRAORDINARY GENERAL MEETING

1.30pm, Tuesday 18 May 2004

Board Room of PPBSL

174 Victoria Street, Mackay Qld 4740

NOTICE OF EXTRAORDINARY GENERAL MEETING OF ORDINARY SHAREHOLDERS

PIONEER PERMANENT BUILDING SOCIETY LIMITED ACN 087 652 042
(the "Company")

TO: The members of the Company

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the members of the company will be held at the following venue on the following date and time for the purpose of considering and, if thought fit, passing, with or without amendment, the following resolution as a special resolution of the Company.

Venue:	Board Room of Pioneer Permanent Building Society Limited 174 Victoria Street, Mackay, Queensland, 4740
Time:	1.30pm
Date:	Tuesday, 18 May 2004

SPECIAL RESOLUTION

That the Constitution of the Company be amended as follows:

- 1 by replacing the definition of 'Law' in clause 1.3 with the following text:

" 'Law' and 'Corporations Law' each mean the Corporations Act 2001 (Cth) and all subordinate legislation made under it. "

- 2 by inserting the following definitions into clause 1.3 at their respective alphabetical positions:

" 'CHESS' means Clearing House Electronic Sub-register System established and operated by SCH;

'CHESS approved securities' means securities approved by SCH in accordance with the SCH Business Rules;

'Listing Rules' means the Listing Rules of a Stock Exchange and any other rules of the relevant Stock Exchange which apply while the Company is admitted to the Official List, each rule as amended or replaced from time to time, except to the extent of any express written waiver by the relevant Stock Exchange ;

'Official List' has the same meaning given to the term "official list" in the Listing Rules;

'Register' means the registers and/or subregisters of Members to be kept pursuant to the Act and the Listing Rules;

'Restricted Securities' has the same meaning given to it in the Listing Rules;



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'SCH' means ASX Settlement and Transfer Corporation Pty Limited as approved as the Securities Clearing House under the Act;

'SCH Business Rules' means the business rules of SCH from time to time;

'Stock Exchange' means Australian Stock Exchange Limited or Stock Exchange of Newcastle Limited as the case may be;"

3 by replacing clause 1.6 with the following:

" 1.6 Constitution subject to Listing Rules if Company is listed

(1) In this Constitution, a reference to the Listing Rules or SCH Business Rules is to have effect only if at the relevant time the Company is admitted to the Official List and is otherwise to be disregarded.

(2) If the Company is admitted to the Official List, the following clauses apply:

(a) Despite anything contained in this Constitution, if the Listing Rules prohibit an act being done, the act must not be done.

(b) Nothing contained in this Constitution prevents an act being done that the Listing Rules requires to be done.

(c) If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be).

(d) If the Listing Rules require this Constitution to contain a provision and it does not contain that provision, this Constitution is deemed to contain that provision.

(e) If the Listing Rules require this Constitution not to contain a provisions and it contains that provision, this Constitution is deemed not to contain that provision.

(f) 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.

(3) For the purposes of this Constitution, if the provisions of:

(a) the Corporations Law and the Listing Rules; or

(b) the Corporations Law and the SCH Business Rules;

conflict on the same matter, the provisions of the Corporations Law prevail. "

4 by replacing clause 5 with the following:

" 5 CHESS

5.1 Participation in CHESS

(a) The Board may at any time resolve that the Company will participate in CHESS.

(b) This clause 5 will apply if the Company is granted participation in CHESS.

5.2 Compliance with SCH Business Rules



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The Company must comply with the SCH Business Rules if any of its securities are CHES approved securities. In particular, the Company must comply with the requirements of the SCH Business Rules and Listing Rules regarding the maintenance of registers, the issuing of holding statements and transfers in relation to its CHES approved securities.

5.3 Registers

If the Company's securities are CHES approved securities, in addition to the CHES subregister, it must provide for an issuer sponsored subregister, or a certificated subregister, or both (at least if the Company has Restricted Securities on issue).

5.4 No interference with proper SCH transfer

The Company must not in any way prevent, delay or interfere with the generation of a proper SCH transfer or the registration of a paper-based transfer in registrable form (which satisfies the requirements of clause 27A), except as permitted by clause 27A, the Listing Rules or SCH Business Rules.

- 5 by amending clause 26.1(d) by deleting after "declaration" the words "that the transferee is a resident of Queensland".

- 6 by amending clause 27.1 as follows:

- (a) deleting from the second sentence of the second paragraph the words "PROVIDED THAT...Corporations Law";
- (b) deleting the third paragraph.

- 7 by inserting a new clause 27A which reads:

" 27A Restrictions on transfer

Except as otherwise provided for in the Listing Rules and SCH Business Rules, the Directors may in their absolute discretion ask SCH to apply a holding lock to prevent a proper SCH transfer, or refuse to register a paper-based transfer, of a Share where:

- (a) *the Company has a lien on the Shares the subject of the transfer;*
- (b) *the Company is served with a court order that restricts a Member's capacity to transfer the Shares;*
- (c) *registration of the transfer may break an Australian law and the Stock Exchange has agreed in writing to the application of a holding lock (which must not breach a SCH Business Rule) or that the Company may refuse to register a transfer;*
- (d) *during the escrow period of Restricted Securities;*
- (e) *if the transfer is paper-based, either a law related to stamp duty prohibits the Company from registering it or the Company is otherwise allowed to refuse to register it under the Listing Rules; or*
- (f) *the transfer does not comply with the terms of any employee incentive scheme of the Company.*

- 8 by inserting a new clause 27B which reads:

" 27B Notice of refusal to register



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- (a) *If the Company refuses to register a paper-based transfer under clause 27A, it must tell the lodging party in writing of the refusal and the reason for it, within 5 business days after the date on which the transfer was lodged.*
- (b) *If the Company asks SCH to apply a holding lock under clause 8.4, it must tell the holder of the Shares in writing of the holding lock and reason for it, within 5 business days after the date in which it asked for the holding lock. "*

9 by inserting a new clause 31A which reads:

" RESTRICTED SECURITIES

31A Restricted Securities

The Company must comply in all respects with the requirements of the Listing Rules relating to Restricted Securities. Notwithstanding any other provisions of this Constitution:

- (a) *Restricted Securities cannot be disposed of (as the term "disposed" is defined in the Listing Rules) during the escrow period for those Restricted Securities, except as permitted by the Listing Rules or the Stock Exchange;*
- (b) *the Company must refuse to acknowledge a disposal (including registering a transfer) of Restricted Securities during the escrow period for any Restricted Securities except as permitted by the Listing Rules or the Stock Exchange; and*
- (c) *during a breach of the Listing Rules relating to Restricted Securities, or a breach of a restriction agreement, the holder of the Restricted Securities is not entitled to any dividend or distribution, or voting rights, in respect of the Restricted Securities. "*

10 by inserting a new clause 31B which reads:

" PROPORTIONAL TAKEOVER BIDS

31B Proportional takeover bids

31B.1 Definitions

In this clause:

"approving resolution" has the same meaning as in section 648D(1) of the Act;

"approving resolution deadline" has the meaning specified in section 648D(2) of the Act;

"associate" has the meaning specified in section 9 of the Act;

"proportional takeover bid" has the meaning specified in section 9 of the Act;

31B.2 Prohibition on registration of transfer unless takeover scheme approved

Where an offer has been made under a proportional takeover bid in respect of Shares included in a class of Shares in the Company the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under the proportional takeover bid is prohibited unless and until an approving resolution to approve the proportional takeover bid is passed in accordance with the provisions of this Constitution.

31B.3 Approving resolution

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An approving resolution is to be voted on at a meeting, convened and conducted by the Company of the persons entitled to vote on the approving resolution under section 648D(1)(b) of the Act.

31B.4 Entitlement to vote on approving resolution

A person (other than the bidder or an associate of the bidder) who, as at the end of the day on which the first offer under the proportional takeover bid was made, held Shares included in that class is entitled to vote on an approving resolution and, for the purposes of so voting, is entitled to 1 vote for each of those Shares.

31B.5 Bidder and associates not entitled to vote

The bidder or an associate of the bidder is not entitled to vote on an approving resolution.

31B.6 Approving resolution passed

An approving resolution is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the Resolution is greater than 50%, and otherwise is taken to have been rejected.

31B.7 General meeting provisions to apply

The provisions of this Constitution that apply to a general meeting of the Company apply, with any modifications as the circumstances require, to a meeting that is convened pursuant to this clause and apply as if that meeting was a general meeting of the Company.

31B.8 Meeting to be held before approving resolution deadline

Where takeover offers have been made under a proportional takeover bid, then the Directors of the Company must ensure that a Resolution to approve the proportional takeover bid is voted on in accordance with this clause before the approving resolution deadline in relation to the proportional takeover bid.

31B.9 Notice as to whether approving resolution is passed

Where an approving resolution to approve a proportional takeover bid is voted on, in accordance with this clause, before the approving resolution deadline in relation to the proportional takeover bid, the Company must, on or before the approving resolution deadline:

- (a) give to the bidder; and*
- (b) serve on the Stock Exchange,*

a notice in writing stating that an approving resolution to approve the proportional takeover bid has been voted on and that the approving resolution has been passed, or has been rejected, as the case requires.

31B.10 Approving resolution deemed to have been passed

Where, as at the end of the day before the approving resolution deadline in relation to a proportional takeover bid under which offers have been made, no Resolution to approve the proportional takeover bid has been voted on in accordance with this clause, an approving resolution to approve the proportional takeover bid is, for the purposes of this clause, be deemed to have been passed in accordance with this clause.

31B.11 Effect of this clause



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This clause ceases to have effect on the third anniversary of the date of its adoption or of its most recent renewal."

11 by inserting a new clause 31C which reads:

" UNMARKETABLE PARCELS

31C Unmarketable parcels

31C.1 Definitions

In this clause:

"Authorised Price" means the price per Share equal to the average of the last sale price of the Shares of the Company quoted on the Stock Exchange for each of the 10 trading days immediately preceding the date of any offer to purchase Unmarketable Parcels accepted by the Company pursuant to this clause;

"Effective Date" means the date immediately following the expiry of the period referred to in the notice given by the Company to Unmarketable Parcel Holders in accordance with this clause;

"Marketable Parcel" means a number of Shares equal to a marketable parcel as defined in the Listing Rules, calculated on the day before the Company gives notice under clause 14.2;

"Unmarketable Parcel" means a number of Shares which is less than a Marketable Parcel; and

"Unmarketable Parcel Holder" means a Member holding less than a Marketable Parcel.

31C.2 Notice to Unmarketable Parcel Holder

The Company may give written notice to an Unmarketable Parcel Holder advising of the Company's intention to sell its Unmarketable Parcel under this clause, unless the Unmarketable Parcel Holder, within 6 weeks from the date the notice is sent by the Company, gives written notice to the Company that it wishes to retain its Shares in which case the provisions of this clause will not apply to the Shares held by that Unmarketable Parcel Holder.

31C.3 Revocation or withdrawal of notice

If an Unmarketable Parcel Holder has given written notice to the Company that it wishes its Shares to be exempted from this clause, it may at any time prior to the Effective Date revoke or withdraw that notice and the provisions of this clause will then apply to the Shares held by that Unmarketable Parcel Holder.

31C.4 Sale of Unmarketable Parcels

Subject to clause 31C.2, on and from the Effective Date, the Company may sell or otherwise dispose of the Shares held by each Unmarketable Parcel Holder on any terms and in that manner and at those times that the Directors determine. For the purpose of selling or disposing of those Shares, each Unmarketable Parcel Holder irrevocably:

- (a) *appoints the Company as its agent to sell all the Shares held by it at a price not less than the Authorised Price;*
- (b) *appoints the Company and each Director and Secretary from time to time jointly and severally as its attorney in its name and on its behalf to effect a transfer document for its Shares and to otherwise act to effect a transfer of its Shares;*

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- (c) *appoints the Company as its agent to deal with the proceeds of sale of those Shares in accordance with this clause.*

31C.5 Company may not sell below Authorised Price

The Company may only sell the Shares of an Unmarketable Parcel Holder if the Company has received offers for all the Shares constituting Unmarketable Parcels at the same price, which may not be less than the Authorised Price.

31C.6 Company to pay all costs

The Company will pay all costs and expenses of the sale and disposal of Unmarketable Parcels under this clause.

31C.7 Title of purchaser of Unmarketable Parcel

Once the name of the purchaser of the Shares sold or disposed of in accordance with this clause is entered in the Register for those Shares, the title of the purchaser to those Shares is not affected by any irregularity or invalidity in connection with the sale or disposal of those Shares and the validity of the sale may not be impeached by any person.

31C.8 Remedy of Unmarketable Parcel Holder

The remedy of any Unmarketable Parcel Holder who is aggrieved by the sale or disposal of its Shares under this clause is limited to a right of action in damages against the Company to the exclusion of any other right, remedy or relief against any other person.

31C.9 Evidence of sale in accordance with this clause

A statement in writing declaring that the person making the statement is a Director or Secretary of the Company and that the Shares of an Unmarketable Parcel Holder have been dealt with in accordance with this clause, is conclusive evidence of the facts stated in the statement as against all persons claiming to be entitled to those Shares.

31C.10 Receipt of proceeds of sale

The receipt by the Company of the proceeds of sale of the Shares of an Unmarketable Parcel Holder is a good discharge to the purchaser of all liability in respect of the purchase of those Shares and the purchaser will not be bound to see to the application of the money paid as consideration.

31C.11 Company to deal with proceeds of sale

The Company will receive the proceeds of sale of the Shares of each Unmarketable Parcel Holder and will deal with those proceeds as follows:

- (a) *the proceeds must be paid into a separate bank account opened and maintained by the Company for that purpose;*
- (b) *the proceeds must be held in trust for the Unmarketable Parcel Holder;*
- (c) *the Company must, immediately following a receipt of the proceeds, notify the Unmarketable Parcel Holder in writing that the proceeds of the sale of those Shares have been received by the Company and are being held by the Company pending receipt of the certificate for the Shares sold or disposed of and seeking instructions from the Unmarketable Parcel Holder as to how the proceeds are to be dealt with;*



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- (d) the Company must deal with the sale proceeds as instructed by the Unmarketable Parcel Holder on whose behalf they are held if the Member provides to the Company the certificate for those Shares or, if that certificate has been lost or destroyed, a statement and undertaking in accordance with the Act is provided to the Company; and
- (e) if the whereabouts of the Unmarketable Parcel Holder are unknown or no instructions are received from the Unmarketable Parcel Holder within 2 years of the proceeds being received by the Company, the Company may deal with those proceeds according to the applicable laws dealing with unclaimed monies.

31C.12 Overriding effect of this clause

Subject to clause 31C.13 and 31C.4, the provisions of this clause 31C have effect despite any other provision of this Constitution.

31C.13 Clause ceases to have effect following announcement of takeover bid or takeover announcement

This clause 31C ceases to have effect following the announcement of a takeover bid or takeover announcement but, despite clause 31C.14, the procedures set out in this clause may be started again after the close of the bids made under the takeover bid or takeover announcement.

31C.14 Clause may be invoked only once in any 12 Month period

The provisions of this clause may be invoked only once in any 12 Month period. "

- 12 By replacing Clause 45.1(c) with the following text:

" (c) on a poll or postal ballot every Member has one vote for each share held. "

- 13 By amending Clause 61.1(c) by replacing "Code" with "Corporations Law".

DATED this fifteenth day of April 2004.

By order of the Board of Directors:

C Flor
Chairman of the Board

LJ Voltz
Company Secretary

PROXY NOTICE

- In accordance with the Corporations Act, the Members are notified that they may appoint a proxy who need not be a member of the Company.
- A member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- Proxy forms must be received by the Company at 174 Victoria Street, Mackay, Queensland, 4740 or via fax to (07) 4957 8841 not less than 48 hours before the meeting.

NOTE: A copy of the complete proposed amended Constitution is available from the Company Secretary at the Company's Head Office.

**EXPLANATORY MEMORANDUM FOR EGM**

1.30pm, Tuesday 18 May 2004

Board Room of PPBSL

174 Victoria Street, Mackay Qld 4740

PIONEER PERMANENT BUILDING SOCIETY LIMITED**ACN 087 652 042****EXPLANATORY MEMORANDUM****EXTRAORDINARY GENERAL MEETING OF ORDINARY SHAREHOLDERS**

This is an explanation of the Special Resolution to be considered at a meeting of ordinary shareholders of Pioneer Permanent Building Society Limited ("the Society") referred to in the Notice of Meeting to be held at the Board Room of Pioneer Permanent Building Society Limited, 174 Victoria Street, Mackay, Queensland, 4740 commencing at 1.30pm on Tuesday 18 May 2004.

The following information is provided to shareholders to assist them in deciding how to vote on the resolution set out in the Notice of Meeting. All shareholders should read the entire Memorandum to gain a full understanding of the resolutions at each meeting.

This is an important legal document - shareholders should read the contents carefully.

The Resolution

The Resolution proposes changes to the Constitution of the Society to satisfy the listing requirements of the Stock Exchange of Newcastle Limited ("NSX"). These changes will also satisfy the requirements of the Australian Stock Exchange Limited ("ASX") should the Society decide to list on the ASX at some point in the future.

The precise terms of the resolution are set out in the Notice of Meeting.

The Resolution must be approved by a majority of not less than 75% of votes cast by members entitled to vote at the Extraordinary General Meeting.

BACKGROUND**Newcastle Stock Exchange Listing**

The Society was listed on the NSX on 31 March 2004.

The purpose of the listing was to enable faster settlement and trading through a greater number of brokers as well as transfers of shares free of stamp duty.

The NSX Listing Rules require the Society's Constitution to have provisions dealing with:

- the CHES electronic system for transfer of shares
- the Listing Rules
- takeover bids
- unmarketable parcels.

At the same time, it was inconsistent with the listing to restrict share ownership to Queensland residents.

**EXPLANATORY MEMORANDUM FOR EGM**

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Voting Rights

Consistent with the standards applicable to listed public companies, the Board has decided that each share should entitle the holder to one vote. Currently every member has only one vote regardless of the number of shares he or she has up to 10,000 shares and then one vote for each additional 10,000 shares or part thereof.

Purpose of proposed special resolution

The Directors are seeking the approval of the ordinary shareholders to change the Constitution of the Society in order to reflect the requirements of the Newcastle Stock Exchange.

RECOMMENDATION

The Directors recommend the shareholders vote in favour of the proposed Resolution.

A copy of the complete proposed amended Constitution is available from the Company Secretary at the Company's Head Office.

A handwritten signature in black ink, appearing to read 'Larry Voltz', written over a horizontal dotted line.

LARRY VOLTZ
COMPANY SECRETARY



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PROXY FORM

EXTRAORDINARY GENERAL MEETING OF ORDINARY SHAREHOLDERS

Appointment of Proxy

I/We _____ (Shareholder number)
 being a member/s of Pioneer Permanent Building Society Limited and entitled to attend and vote, hereby appoint:

☐

The Chairman of the meeting (mark with an "X")

OR

☐

Write the name of the person you are appointing as proxy if this person is someone other than the Chairman of the meeting

or in the absence of the person so named, or if no person is named, the Chairman of the meeting, as my/our proxy to act generally at the meeting 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) at the EXTRAORDINARY GENERAL MEETING of ORDINARY SHAREHOLDERS of PIONEER PERMANENT BUILDING SOCIETY LIMITED to be held in the Board Room of Pioneer Permanent Building Society Limited at 174 Victoria Street, Mackay, Queensland, 4740 on Tuesday 18 May 2004 at 1.30pm and at any adjournment of that meeting.

Voting Directions to your Proxy (please mark ☒ to indicate your directions)

Special Resolution:

For Against Abstain*

- 1 Approve the amendments to the Constitution of Pioneer Permanent Building Society Limited

☐
☐
☐

* 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 votes will not be counted in calculating the required majority on a poll.

Appointing a Second Proxy

☐

State the percentage of your Shareholding you are voting for on this Proxy form

OR

☐

State the number of shares of your Shareholding you are voting for on this Proxy form

If you wish to appoint a second proxy, an additional Proxy Form can be obtained by telephoning the Society on (07) 4951 2344 or you may copy this form.

Please Sign Here

Signature/s: _____

Date:/...../.....

Note: This proxy form, to be effective, must be received by the company at 174 Victoria Street, Mackay, Queensland, 4740 or via fax to (07) 4957 8841 not less than 48 hours before the meeting. If this proxy form is signed under Power of Attorney, the authority under which the same was signed (or a certified copy) must also be received by the company at least 48 hours before the meeting.