
Namoi Cotton lodges Court approval of schemes of arrangement

Lodgment of Court approval

Namoi Cotton Co-operative Ltd (ARBN 010 485 588) (ASX: NAM) (**Namoi**) announces that today it has lodged with the Co-operatives Registrar the orders of the Supreme Court of New South Wales approving the proposed schemes of arrangement between Namoi and Grower Members and between Namoi and Namoi Capital Stockholders.

Please see enclosed a copy of the court orders.

For further information, please contact:
Namoi Cotton Co-operative Limited
Jeremy Callachor
Chief Executive Officer
(07) 4631 6104
<end>

CORPORATE OFFICE

1B KITCHENER STREET, PO BOX 1333, TOOWOOMBA QLD 4350
TELEPHONE (07) 4631 6100 FACSIMILE (07) 4631 6184
NAMOI COTTON CO-OPERATIVE LTD A.B.N. 76 010 485 588



Issued: 3 October 2017 10:16 AM

JUDGMENT/ORDER

COURT DETAILS

Court	Supreme Court of NSW
Division	Equity
List	Corporations List
Registry	Supreme Court Sydney
Case number	2017/00220964

TITLE OF PROCEEDINGS

First Plaintiff	Namoi Cotton Co-Operative Ltd ACN 010485588
-----------------	--

Corporation subject of the proceeding	Namoi Cotton Co-Operative Ltd
---------------------------------------	-------------------------------

DATE OF JUDGMENT/ORDER

Date made or given	3 October 2017
Date entered	3 October 2017

TERMS OF JUDGMENT/ORDER

Filed in Court for Plaintiff: Second affidavit of Stuart Clive Hinder Boydell sworn 26 September 2017; Second affidavit of Balhar Singh Garcha sworn 27 September 2017; Affidavit of Roopa Paradkar Paresh affirmed 29 September 2017; Fourth affidavit of Gregory Ray Golding sworn 28 September 2017; Third affidavit of Balhar Singh Garcha sworn 29 September 2017; Fifth affidavit of Gregory Ray Golding sworn 3 October 2017.

VERDICT, ORDER OR DIRECTION:

Second hearing of Originating Process filed 20 July 2017.

- Black J grants leave to file in Court second affidavit of Stuart Clive Hinder Boydell sworn 26 September 2017; Second affidavit of Balhar Singh Garcha sworn 27 September 2017; Affidavit of Roopa Paradkar Paresh affirmed 29 September 2017; Fourth affidavit of Gregory Ray Golding sworn 28 September 2017; Third affidavit of Balhar Singh Garcha sworn 29 September 2017; Fifth affidavit of Gregory Ray Golding sworn 3 October 2017.

Black J makes orders in accordance with the Short Minutes of Order Initialled by him and placed in the file.

THE COURT ORDERS THAT:

1. Pursuant to section 414 of the Co-operatives National Law, being the Appendix to the Co-operatives (Adoption of National Law) Act 2012 (NSW) ("Co-operatives National Law"), the scheme of arrangement proposed between the Plaintiff and the holders of securities of the Plaintiff known as Namoi Capital Stock, in the form annexed to these Orders and marked "A" ("Stockholders' Scheme"), be approved.

2. Pursuant to section 414 of the Co-operatives National Law, the scheme of arrangement proposed

between the Plaintiff and members of the Plaintiff holding Grower Shares, in the form annexed to these Orders and marked "B" ("Grower Members' Scheme"), be approved.

3. Pursuant to section 421(2) of the Co-operatives National Law, the Plaintiff be exempt from compliance with section 421(1) of the Co-operatives National Law in respect of both the Stockholders' Scheme and the Grower Members' Scheme.

4. These orders be entered forthwith.

SEAL AND SIGNATURE



Signature N. Abdi (L.S.)
Capacity Chief Clerk
Date 3 October 2017

If this document was issued by means of the Electronic Case Management System (ECM), pursuant to Part 3 of the Uniform Civil Procedure Rules (UCPR), this document is taken to have been signed if the person's name is printed where his or her signature would otherwise appear.

ATTACHMENTS TO ORDERS

(Annexure B - Orders 3.10.17.pdf)
(Annexure A - Orders 3.10.17.pdf)

[attach.]

SCHEME OF ARRANGEMENT GROWER SHARE SCHEME

KING & WOOD
MALLESONS

"B"

Grower Share Scheme of Arrangement

Scheme made under section 414 of the Co-operatives National Law

between

Namoi Cotton Co-operative Ltd (ARBN 010 485 588) ("Namoi Cotton")

and

the Grower Scheme Participants.

King & Wood Mallesons
Level 61
Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Australia
T +61 2 9296 2000
F +61 2 9296 3999
DX 113 Sydney
www.kwm.com

31953240_15

SCHEME OF ARRANGEMENT GROWER SHARE SCHEME

Grower Share Scheme of Arrangement Contents

Details	1
General terms	2
1 Definitions and interpretation	2
1.1 Definitions	2
1.2 Reference to certain general terms	6
1.3 Headings	7
2 Conditions precedent to Grower Share Scheme	7
3 Grower Share Scheme	8
3.1 Effective Date	8
3.2 End Date	8
4 Implementation of the Restructure	9
4.1 Lodgement of Court order with ASIC	9
4.2 Implementation	9
4.3 Foreign Member and breach of law or Constitution	9
4.4 Joint holders	10
5 Scheme proxy	10
6 General Scheme provisions	11
6.1 Costs	11
6.2 Appointment of proxy, agent and attorney	11
6.3 Consent	11
6.4 Court amendments to the Grower Share Scheme	12
6.5 Grower Share Scheme is binding	12
6.6 Further assurances	12
6.7 Governing law	12

SCHEME OF ARRANGEMENT GROWER SHARE SCHEME

Grower Share Scheme of Arrangement

Details

Parties	Namoi Cotton and Grower Scheme Participants	
Namoi Cotton	Name	Namoi Cotton Co-operative Ltd
	ABN	010 485 588
	Address	Pilliga Rd Wee Waa NSW 2388
	Email	BGarcha@namoicotton.com.au
	Fax	+61 2 6790 3087
	Attention	Company Secretary
Grower Scheme Participants	Name	Each person registered as a holder of Grower Shares as at the Record Date
Governing law	New South Wales	

SCHEME OF ARRANGEMENT GROWER SHARE SCHEME

General terms

1 Definitions and interpretation

1.1 Definitions

In this Scheme:

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or Australian Securities Exchange as appropriate and, where the context requires, the market conducted by ASX Limited.

ASX Listing Rules means the Listing Rules of the ASX, as amended from time to time.

Business Day means a business day as defined in the ASX Listing Rules.

Conditions Precedent means the conditions precedent set out in clause 2.

Conversion Notice means the conversion notice that accompanies the Scheme Booklet.

Conversion Right means a variation to the terms and conditions of issue of the Namoi Capital Stock pursuant to the Rules Amendment Resolution.

Co-operatives National Law means the Co-operatives National Law (NSW), set out as the appendix to the *Co-operatives (Adoption of National Law) Act 2012* (NSW).

Co-operatives Registrar means:

- (a) the New South Wales Commissioner for Fair Trading, Department of Finance, Services and Innovation, or
- (b) if there is no person employed as Commissioner for Fair Trading — the New South Wales Secretary of the Department of Finance, Services and Innovation.

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

Court means the Supreme Court of New South Wales.

Effective Date means the date on which the Effective Time occurs.

Effective Time means the time that Namoi Cotton is registered as a public company limited by shares by ASIC pursuant to section 601BD of the Corporations Act.

End Date means 31 October 2017 or such later date as is specified by the Namoi Cotton Board.

Foreign Grower Member means a Grower Member on the Record Date whose address is, or who is a citizen or resident of, a place outside Australia and its

SCHEME OF ARRANGEMENT GROWER SHARE SCHEME

external territories or who acts on behalf of such a person, unless Namoi Cotton is satisfied that the Grower Member's Grower Shares are not precluded from being lawfully converted into Ordinary Shares either unconditionally or after compliance with conditions that Namoi Cotton regards as acceptable and not unduly onerous.

Grower Member means each person who is registered in the Register from time to time as the holder of Grower Shares.

Grower Postal Ballots means:

- (a) the Grower Rules Amendment Postal Ballot; and
- (b) the Grower Special Postal Ballots.

Grower Rules Amendment Postal Ballot means the postal ballot of Grower Members to be held to approve the Rules Amendment Resolution: the notice for which is set out in Annexure C ("Notice of Postal Ballot – Alteration of Namoi Cotton Rules") of the Restructure Booklet.

Grower Scheme Participants means each person registered in the Register as the holder of a Grower Share as at the Record Date.

Grower Scheme Resolution means the resolutions that Grower Members will be asked to vote to approve the Grower Share Scheme.

Grower Share means a fully paid ordinary share in Namoi Cotton, having the rights conferred on Grower Shares by the Namoi Cotton Rules.

Grower Share Scheme means this scheme of arrangement under Part 4.4 of the Co-operatives National Law between Namoi Cotton and the Grower Scheme Participants as set out in this document, subject to any modification made or required by the Court under section 414(3) of the Co-operatives National Law.

Grower Special Postal Ballots the special postal ballots of Grower Members to be held to approve:

- (a) the Growers Scheme Resolution; and
- (b) the Grower Transfer of Incorporation Resolution.

Grower Transfer of Incorporation Resolution means the resolutions that Grower Members will be asked to vote on to approve the Transfer of Incorporation the notice for which is set out in Annexure D ("Notice of Special Postal Ballot – Transfer of Incorporation") of the Restructure Booklet.

Independent Expert means Leadenhall Corporate Advisory Pty Ltd (ABN 11 114 534 619), which has been engaged by Namoi Cotton to give an opinion on whether the Restructure is in the best interests of Grower Members and Namoi Capital Stockholders.

Independent Expert's Report means the report prepared by the Independent Expert and set out at Annexure A of the Restructure Booklet.

Ineligible Grower Member means a Foreign Grower Member or a Grower Scheme Participant to whom clause 4.3(b) applies.

Last Scheme Conversion Date means 5pm Sydney time on Friday, 6 October 2017 or such later date specified by the Namoi Cotton Board.

SCHEME OF ARRANGEMENT GROWER SHARE SCHEME

Meeting Date means Tuesday, 26 September 2017 or such later date as that meeting may be adjourned or postponed to.

Namoi Capital Stock means a co-operative capital unit (referred to as a CCU in the Co-operatives National Law) in the capital of Namoi Cotton, having the rights conferred on Namoi Capital Stock by the Namoi Cotton Rules.

Namoi Capital Stockholder means each person who is registered in the Register from time to time as the holder of Namoi Capital Stock.

Namoi Capital Stock Class Vote Meeting the meeting of Namoi Capital Stockholders to consider the Namoi Capital Stock Class Vote Resolution, the notice for which is set out in Annexure G ("Notice of Meeting – Notice of Namoi Capital Stock Class Vote Meeting") of the Restructure Booklet.

Namoi Capital Stock Class Vote Resolution means the special resolution of Namoi Capital Stockholders to approve the variation of the rights attaching to Namoi Capital Stock to include a right of conversion.

Namoi Capital Stock Meetings means:

- (a) the Namoi Capital Stock Class Vote Meeting; and
- (b) the Namoi Capital Stock Scheme Meeting,

or either one of them, as the context requires.

Namoi Capital Stock Scheme means the scheme of arrangement under Part 4.4 of the Co-operatives National Law between Namoi Cotton and the Namoi Capital Stockholder Scheme Participants as set out at Annexure F ("Scheme of Arrangement – Namoi Capital Stock Scheme") of the Restructure Booklet, subject to any amendments or conditions made or required by the Court under section 414(3) of the Co-operatives National Law.

Namoi Capital Stock Scheme Meeting the meeting of Namoi Capital Stockholders to be convened by the Court pursuant to the Restructure and includes any meeting convened following any adjournment or postponement of any such meeting, the notice for which is set out in Annexure H ("Notice of Meeting – Notice of Namoi Capital Stock Scheme Meeting") of the Restructure Booklet.

Namoi Capital Stockholder Scheme Participants means each person registered in the Register as the holder of Namoi Capital Stock as at the Record Date.

Namoi Capital Stock Scheme Resolution means the resolution Namoi Capital Stockholders will be asked to vote on at the Namoi Capital Stock Scheme Meeting to approve the Namoi Capital Stock Scheme.

Namoi Cotton means Namoi Cotton Co-operative Ltd (ARBN 010 485 586), to become a public company limited by shares under the name Namoi Cotton Limited at the Effective Time.

Namoi Cotton Board means the board of directors of Namoi Cotton from time to time.

Namoi Cotton Constitution means the constitution of Namoi Cotton upon registration as a public company limited by shares at the Effective Time.

Namoi Cotton General Meeting has the meaning given to that term in clause 5(a)(i).

SCHEME OF ARRANGEMENT GROWER SHARE SCHEME

Namoi Cotton Rules means the Rules of Namoi Cotton as at the date of the Restructure Booklet.

Namoi Cotton Secretary means the company secretary of Namoi Cotton from time to time.

Nominated Account has the meaning given to that term in clause 4.3(c)(ii).

Nominee means Morgans Financial Limited or any replacement Nominee appointed by Namoi Cotton.

Ordinary Share means an ordinary share in the capital of Namoi Cotton following the Effective Time.

Record Date means 5.00pm on the third Business Day following the Second Court Date.

Register means the register of Grower Members maintained by Namoi Cotton in accordance with the Co-operatives National Law.

Registry means Computershare Investor Services Pty Limited (ACN 078 279 277) or any replacement provider of security registry services to Namoi Cotton.

Regulatory Approval means any approval of a Regulatory Authority that the Namoi Cotton Board determines is necessary to implement the Restructure.

Regulatory Authority includes:

- (a) the Co-operatives Registrar, ASX and ASIC;
- (b) a government or governmental, semi-governmental or judicial entity or authority;
- (c) a minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government; and
- (d) any regulatory organisation established under statute.

Related Body Corporate has the meaning given to that term in section 50 of the Corporations Act.

Residual Capital Stock means capital stock having the rights conferred on Residual Capital Stock by the Namoi Cotton Constitution.

Resolutions means each of the Resolutions set out in the Grower Postal Ballot and to be considered at the Namoi Capital Stock Meetings.

Restructure means the proposed capital restructure of Namoi Cotton as provided for in clause 4.2.

Restructure Booklet means the scheme booklet explaining the Restructure of Namoi Cotton and containing, amongst other things:

- (a) the Grower Share Scheme, and an accompanying explanatory statement in relation to the Grower Share Scheme required by Division 2 of Part 4.4 of the Co-operatives National Law;
- (b) notices of postal ballot for the Grower Postal Ballots;

SCHEME OF ARRANGEMENT GROWER SHARE SCHEME

- (c) the Namoi Capital Stock Scheme, and an accompanying explanatory statement in relation to the Namoi Capital Stock Scheme required by Division 2 of Part 4.4 of the Co-operatives National Law; and
- (d) the notices of meeting for the Namoi Capital Stock Meetings.

Rules Amendment Resolution means the amendment of the Namoi Cotton Rules to vary the rights attaching to the Namoi Capital Stock to include a right of conversion the notice for which is set out in Annexure C ("Notice of Postal Ballot – Alteration of Namoi Cotton Rules") of the Restructure Booklet.

Sale Securities has the meaning given to that term in clause 4.3(c)(i) and **Sale Security** has a corresponding meaning.

Schemes or Schemes of Arrangement means:

- (a) the Grower Share Scheme; and
 - (b) the Namoi Capital Stock Scheme,
- or either one of them, as the context requires.

Scheme Participant means:

- (a) the Grower Scheme Participants; and
 - (b) the Namoi Capital Stockholder Scheme Participants,
- or either one of them, as the context requires.

Second Court Date means the day on which the Court makes an order pursuant to section 414(3) of the Co-operatives National Law approving the Grower Share Scheme and the Namoi Capital Stock Scheme.

Securityholders means:

- (a) Grower Members; and
 - (b) Namoi Capital Stockholders,
- or either one of them, as the context requires.

special resolution has the meaning given in the Co-operatives National Law.

Transfer of Incorporation means the transfer of incorporation by Namoi pursuant to Part 4.3, Division 2 of the Co-operatives National Law in accordance with the Grower Transfer of Incorporation Resolution.

1.2 Reference to certain general terms

Unless the contrary intention appears, a reference in this Scheme to:

- (a) **(variations or replacement)** a document, agreement (including this Scheme) or instrument is a reference to that document, agreement or instrument as amended, consolidated, supplemented, novated or replaced;
- (b) **(clauses, annexures and schedules)** a clause, annexure or schedule is a reference to a clause in or annexure or schedule to this Scheme;

SCHEME OF ARRANGEMENT GROWER SHARE SCHEME

- (c) **(reference to statutes)** a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (d) **(law)** law means common law, principles of equity, and laws made by parliament (and laws made by parliament include State, Territory and Commonwealth laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (e) **(singular includes plural)** the singular includes the plural and vice versa;
- (f) **(party)** a party means a party to this Scheme;
- (g) **(person)** the word "person" includes an individual, a firm, a body corporate, a partnership, a joint venture, an unincorporated body or association, or any Regulatory Authority;
- (h) **(executors, administrators, successors)** a particular person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (i) **(dollars)** Australian dollars, dollars, A\$ or \$ is a reference to the lawful currency of Australia;
- (j) **(calculation of time)** a period of time dating from a given day or the day of an act or event, is to be calculated exclusive of that day;
- (k) **(reference to a day)** a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (l) **(meaning not limited)** the words "include", "including", "for example" or "such as" when introducing an example, do not limit the meaning of the words to which the example relates;
- (m) **(time of day)** time is a reference to Sydney time; and
- (n) **(Business Day)** except where otherwise expressly provided, where the day on which any act, matter or thing is to be done is a day other than a Business Day, such act, matter or thing shall be done on the next Business Day.

1.3 Headings

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of this Scheme.

2 Conditions precedent to Grower Share Scheme

This Grower Share Scheme is conditional on, and will have no force or effect until, the satisfaction of each of the following conditions precedent:

- (a) between the date of the Restructure Booklet and the later of:
 - (i) the date of the close of the Grower Postal Bailot; and
 - (ii) the date of the Namoi Capital Stock Meetings.

SCHEME OF ARRANGEMENT GROWER SHARE SCHEME

all of the Directors of the Namoi Cotton Board recommend and do not change or withdraw their recommendation to the Securityholders to vote in favour of the Schemes and each of the Resolutions;

- (b) the Independent Expert reaches the conclusion that the Restructure is in the best interests of the Securityholders, as set out in the Independent Expert's Report, and does not change or withdraw that conclusion;
- (c) the Grower Members approving the Grower Share Scheme by the required majority under the Co-operatives National Law;
- (d) the Namoi Capital Stockholders approving the Namoi Capital Stock Scheme by the required majority under the Co-operatives National Law;
- (e) the Grower Members passing:
 - (i) the Rules Amendment Resolution; and
 - (ii) the Grower Transfer of Incorporation Resolution,by the required majorities under (as applicable) the Co-operatives National Law, the ASX Listing Rules and the Namoi Cotton Rules;
- (f) the Namoi Capital Stockholders passing the Namoi Capital Stock Class Vote Meeting Resolution by the required majorities under (as applicable) the Co-operatives National Law, the ASX Listing Rules and the Namoi Cotton Rules;
- (g) all necessary Regulatory Approvals being obtained before 8.00am on the Second Court Date either unconditionally or on conditions reasonably satisfactory to the Namoi Cotton Board;
- (h) no temporary restraining order, preliminary or permanent injunction or other order is issued by any court of competent jurisdiction and no other legal restraint or prohibition preventing the Restructure is in effect as at 8.00am on the Second Court Date;
- (i) the Court having approved the Schemes, with or without any amendment or condition, pursuant to subsection 414(3) of the Co-operatives National Law and the Court order coming into effect pursuant to subsection 414(5) of the Co-operatives National Law;
- (j) ASIC registering Namoi Cotton as a public company limited by shares pursuant to section 601BD of the Corporations Act; and
- (k) ASX approves the quotation of the Ordinary Shares.

3 Grower Share Scheme

3.1 Effective Date

Subject to the satisfaction or waiver of the Conditions Precedent, this Grower Share Scheme will come into effect pursuant to section 414(4) of the Co-operatives National Law on and from the Effective Date.

3.2 End Date

This Grower Share Scheme will lapse and be of no further force or effect if the Conditions Precedent have not been fulfilled on or before the End Date.

SCHEME OF ARRANGEMENT GROWER SHARE SCHEME

4 Implementation of the Restructure

4.1 Lodgement of Court order with ASIC

Namoi Cotton will file with the Co-operatives Registrar, in accordance with section 411(10) of the Co-operatives National Law, an office copy of the Court order approving this Grower Share Scheme as soon as practical after the making of the Court order.

4.2 Implementation

On the Effective Date, subject to the satisfaction of the Conditions Precedent and clause 4.3, and without the need for any further act by any Grower Scheme Participant the following compromise and arrangement between Namoi Cotton, its Grower Members and Namoi Capital Stockholders will occur in the following sequence:

- (a) First, that the Transfer of Incorporation take place at the Effective Time.
- (b) Second, at the Effective Time each Grower Share on issue is varied to become an Ordinary Share with the terms and conditions of issue as set out in the Namoi Cotton Constitution.
- (c) Third, at the Effective Time each Namoi Capital Stock on issue is varied to become a Residual Capital Stock with the terms and conditions of issue as set out in the Namoi Cotton Constitution.
- (d) Fourth, immediately after the Effective Time each 800 Ordinary Shares on issue as varied pursuant to the second step is converted into 158,504 Ordinary Shares.
- (e) Fifth, immediately after the Effective Time each Residual Capital Stock of persons who have lodged valid Conversion Notices by the Last Scheme Conversion Date are varied to become one Ordinary Share.

4.3 Foreign Member and breach of law or Constitution

- (a) Namoi Cotton's obligation to make available Ordinary Shares to a Grower Scheme Participant who is a Foreign Grower Member will be satisfied by Namoi Cotton causing the transfer of Ordinary Shares to which the Grower Scheme Participant would otherwise be entitled (were they not a Foreign Grower Member) to the Nominee (or a Related Body Corporate of the Nominee nominated by the Nominee), and procuring that the steps set out in this clause 4.3 are undertaken as soon as reasonably practicable after the Effective Date.
- (b) Where the conversion into or holding of Ordinary Shares to which a Grower Scheme Participant would otherwise be entitled would result in a breach of law or breach of a provision of the Namoi Cotton Constitution, Namoi Cotton must, in full satisfaction of that Grower Scheme Participant's rights to the Ordinary Shares under clause 4.2 and the Scheme, cause the transfer to the Nominee (or a Related Body Corporate of the Nominee nominated by the Nominee) such number of Ordinary Shares as is necessary to remedy the breach.
- (c) Namoi Cotton must procure that the Nominee:
 - (i) in the ordinary course of trading on the ASX, sells (or procures the sale of) those Ordinary Shares transferred or issued to the Nominee (or its Related Body Corporate) under the Scheme ("Sale Securities");

SCHEME OF ARRANGEMENT GROWER SHARE SCHEME

- (ii) deposits the net proceeds of sale and any income referable to the Sale Securities, after deduction of any applicable brokerage, taxes and charges, into an account nominated by Namoi Cotton for this purpose ("**Nominated Account**"); and
 - (iii) as soon as practicable after the date on which settlement of the sale of all of the Sale Securities has occurred, provide details to Namoi Cotton and the Registry of the total proceeds deposited in accordance with clause 4.3(c)(ii), including the amount and type of the deductions made from the proceeds of sale.
- (d) Namoi Cotton must procure that the Registry:
- (i) following receipt of the information from the Nominee in accordance with clause 4.3(c)(iii), calculate the net proceeds of sale of the Sale Securities (and any income referable to the Sale Securities) for each Ineligible Grower Member (on an averaged basis so that all Ineligible Grower Members receive the same price per Sale Security, rounded down to the nearest whole cent); and
 - (ii) pays from the Nominated Account, the amount to which each Ineligible Grower Member is entitled under clause 4.3(d)(i) to the Ineligible Grower Member by direct credit or sending a cheque drawn on an Australian bank in Australian currency by pre-paid airmail post.
- (e) Payments to an Ineligible Grower Member under clause 4.3(d)(ii) (and in the case of joint holders, in accordance with the procedures set out in clause 4.4) will be in full satisfaction of that Ineligible Grower Member's right to receive Ordinary Shares under the Grower Share Scheme.
- (f) Neither Namoi Cotton nor the Nominee gives any assurance as to the price that will be achieved for the sale of any Sale Securities described in clause 4.3(c). The sale of Sale Securities under this clause 4.3 will be at the risk of the relevant Ineligible Grower Member.

4.4 Joint holders

In the case of Grower Shares held in joint names:

- (a) holding statements for Ordinary Shares of such Grower Scheme Participants must be issued in the names of the joint holders and sent to the holder whose name appears first in the Register as at 5.00pm on the Record Date; and
- (b) any cheque sent to such Grower Scheme Participants under clause 4.3(d)(ii) will be made payable to the joint holders and sent to either, at the sole discretion of Namoi Cotton, the holder whose name appears first in the Register as at 5.00pm on the Record Date or to the joint holders.

5 Scheme proxy

- (a) On and from the Effective Date and without the need for any further act, each Grower Member appoints Namoi Cotton and its directors and secretary as its attorney and agent to do each of the following things on behalf of the Grower Member (as holder of Ordinary Shares):
 - (i) nominate for the purposes of section 249J(3)(b) of the Corporations Act the address of Namoi Cotton as the alternative

SCHEME OF ARRANGEMENT GROWER SHARE SCHEME

address of the Grower Member for receipt of notice of any meeting of Namoi Cotton ("Namoi Cotton General Meeting") convened to consider a resolution (or resolutions) to give better effect to the Restructure as determined by the directors of Namoi Cotton from time to time;

- (ii) for the purpose of section 249H(2) of the Corporations Act, consent to short notice of any such Namoi Cotton General Meeting so that any Namoi Cotton General Meeting is held on such date as is fixed by the directors of Namoi Cotton;
 - (iii) empower the Namoi Cotton Secretary to receive the Grower Member's notice of any such Namoi Cotton General Meeting with no obligation to pass on that notice to the Grower Member; and
 - (iv) appoint the Namoi Cotton Secretary as the proxy of the Grower Member to attend and vote on behalf of the Grower Member at any such Namoi Cotton General Meeting in respect of all the Ordinary Shares held by that Grower Member.
- (b) Namoi Cotton undertakes in favour of each Grower Member that it will appoint (or procure that as directors and secretaries appoint) the Namoi Cotton Secretary as the proxy of the each Grower Member to vote in favour of any resolution proposed for the purposes of this clause 5 and to do the other things provided by this clause 5.
- (c) The authority conferred upon Namoi Cotton and its directors and secretaries and the proxy granted to the Namoi Cotton Secretary pursuant to a provision of this clause 5 cannot be withdrawn or revoked.

6 General Scheme provisions

6.1 Costs

Namoi Cotton will pay the costs (including any stamp duty necessarily incurred in the implementation) of the Grower Share Scheme.

6.2 Appointment of proxy, agent and attorney

- (a) Each Grower Scheme Participant, without the need for any further act, irrevocably appoints Namoi Cotton as its proxy, agent and attorney for the purpose of executing any document or doing any other act necessary or desirable to give effect to the terms of this Grower Share Scheme and Namoi Cotton accepts such appointment.
- (b) Namoi Cotton, as proxy, agent and attorney of each Grower Scheme Participant, may sub-delegate its functions under paragraph (a) of this clause 6.2 to all or any of its directors and secretaries (jointly and severally).

6.3 Consent

Each of the Grower Scheme Participants:

- (a) irrevocably consents to Namoi Cotton doing all things necessary, incidental or expedient to the implementation of this Grower Share Scheme; and

SCHEME OF ARRANGEMENT GROWER SHARE SCHEME

- (b) acknowledges that this Grower Share Scheme binds Namoi Cotton and all Grower Scheme Participants from time to time (including those who did not vote on or voted against the Grower Share Scheme).

6.4 Court amendments to the Grower Share Scheme

If the Court proposes to approve the Grower Share Scheme subject to any alterations or conditions, Namoi Cotton may, by its counsel, consent to these alterations or conditions on behalf of all persons concerned (including a Grower Scheme Participant).

6.5 Grower Share Scheme is binding

This Grower Share Scheme will bind Namoi Cotton and all Grower Scheme Participants and overrides the Namoi Cotton Rules or the Namoi Cotton Constitution.

6.6 Further assurances

Namoi Cotton will do all such things and execute all such documents as may be necessary or desirable to give full effect to the provisions of this Grower Share Scheme and the transaction contemplated by it.

6.7 Governing law

This Grower Share Scheme is governed by the law in force in New South Wales. The parties submit to the non-exclusive jurisdiction of the courts of New South Wales.

SCHEME OF ARRANGEMENT – NAMOI CAPITAL STOCK SCHEME

KING & WOOD
MALLESONS

“A”

Namoi Capital Stock Scheme of Arrangement

Scheme made under section 414 of the Co-operatives National Law

between

Namoi Cotton Co-operative Ltd (ARBN 010 485 588) (“**Namoi Cotton**”)

and

the Namoi Capital Stockholder Scheme Participants.

King & Wood Mallesons
Level 61
Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Australia
T +61 2 9296 2000
F +61 2 9296 3999
DX 113 Sydney
www.kwm.com

32023670_13

SCHEME OF ARRANGEMENT – NAMOI CAPITAL STOCK SCHEME

Namoi Capital Stock Scheme of Arrangement Contents

Details	1
General terms	2
1 Definitions and interpretation	2
1.1 Definitions	2
1.2 Reference to certain general terms	6
1.3 Headings	7
2 Conditions precedent to Namoi Capital Stock Scheme	7
3 Namoi Capital Stock Scheme	8
3.1 Effective Date	8
3.2 End Date	8
4 Implementation of the Restructure	8
4.1 Lodgement of Court order with ASIC	8
4.2 Implementation	8
4.3 Joint holders	9
5 Scheme proxy	9
6 General Scheme provisions	10
6.1 Costs	10
6.2 Appointment of proxy, agent and attorney	10
6.3 Consent	10
6.4 Court amendments to the Namoi Capital Stock Scheme	10
6.5 Namoi Capital Stock Scheme is binding	10
6.6 Further assurances	10
6.7 Governing law	11

SCHEME OF ARRANGEMENT – NAMOI CAPITAL STOCK SCHEME

Namoi Capital Stock Scheme of Arrangement Details

Parties	Namoi Cotton and Namoi Capital Stockholder Scheme Participants	
Namoi Cotton	Name	Namoi Cotton Co-operative Ltd
	ABN	010 485 588
	Address	Pilliga Rd Wee Waa NSW 2388
	Email	BGarcha@namoicotton.com.au
	Fax	+61 2 6790 3087
	Attention	Company Secretary
Namoi Capital Stockholder Scheme Participants	Name	Each person registered as a holder of Namoi Capital Stock as at the Record Date
Governing law	New South Wales	

SCHEME OF ARRANGEMENT – NAMOI CAPITAL STOCK SCHEME

General terms

1 Definitions and interpretation

1.1 Definitions

In this Scheme:

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or Australian Securities Exchange as appropriate and, where the context requires, the market conducted by ASX Limited.

ASX Listing Rules means the Listing Rules of the ASX, as amended from time to time.

Business Day means a business day as defined in the ASX Listing Rules.

Conditions Precedent means the conditions precedent set out in clause 2.

Conversion Notice means the conversion notice that accompanies the Scheme Booklet.

Conversion Right means a variation to the terms and conditions of issue of the Namoi Capital Stock pursuant to the Rules Amendment Resolution.

Co-operatives National Law means the Co-operatives National Law (NSW), set out as the appendix to the *Co-operatives (Adoption of National Law) Act 2012* (NSW).

Co-operatives Registrar means:

- (a) the New South Wales Commissioner for Fair Trading, Department of Finance, Services and Innovation, or
- (b) if there is no person employed as Commissioner for Fair Trading — the New South Wales Secretary of the Department of Finance, Services and Innovation.

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

Court means the Supreme Court of New South Wales.

Effective Date means the date on which the Effective Time occurs.

Effective Time means the time that Namoi Cotton is registered as a public company limited by shares by ASIC pursuant to section 601BD of the Corporations Act.

End Date means 31 October 2017 or such later date as is specified by the Namoi Cotton Board.

Grower Member means each person who is registered in the Register from time to time as the holder of Grower Shares.

SCHEME OF ARRANGEMENT – NAMOI CAPITAL STOCK SCHEME

Grower Postal Ballots means:

- (a) the Grower Rules Amendment Postal Ballot; and
- (b) the Grower Special Postal Ballots.

Grower Rules Amendment Postal Ballot means the postal ballot of Grower Members to be held to approve the Rules Amendment Resolution the notice for which is set out in Annexure C ("Notice of Postal Ballot – Alteration of Namoi Cotton Rules") of the Restructure Booklet.

Grower Scheme Participants means each person registered in the Register as the holder of a Grower Share as at the Record Date.

Grower Scheme Resolution means the resolutions that Grower Members will be asked to vote to approve the Grower Share Scheme.

Grower Share means a fully paid ordinary share in Namoi Cotton, having the rights conferred on Grower Shares by the Namoi Cotton Rules.

Grower Share Scheme means the scheme of arrangement under Part 4.4 of the Co-operatives National Law between Namoi Cotton and the Grower Scheme Participants as set out at Annexure B ("Scheme of Arrangement – Grower Share Scheme") of the Restructure Booklet, subject to any modification made or required by the Court under section 414(3) of the Co-operatives National Law.

Grower Special Postal Ballots the special postal ballots of Grower Members to be held to approve:

- (a) the Growers Scheme Resolution; and
- (b) the Grower Transfer of Incorporation Resolution.

Grower Transfer of Incorporation Resolution means the resolutions that Grower Members will be asked to vote on to approve the Transfer of Incorporation the notice for which is set out in Annexure D ("Notice of Special Postal Ballot – Transfer of Incorporation") of the Restructure Booklet.

Independent Expert means Leadenhall Corporate Advisory Pty Ltd (ABN 11 114 534 619), which has been engaged by Namoi Cotton to give an opinion on whether the Restructure is in the best interests of Grower Members and Namoi Capital Stockholders.

Independent Expert's Report means the report prepared by the Independent Expert and set out at Annexure A of the Restructure Booklet.

Last Scheme Conversion Date means 5pm Sydney time on Friday, 6 October 2017 or such later date specified by the Namoi Cotton Board.

Meeting Date means Tuesday, 26 September 2017 or such later date as that meeting may be adjourned or postponed to.

Namoi Capital Stock means a co-operative capital unit (referred to as a CCU in the Co-operatives National Law) in the capital of Namoi Cotton, having the rights conferred on Namoi Capital Stock by the Namoi Cotton Rules.

Namoi Capital Stockholder means each person who is registered in the Register from time to time as the holder of Namoi Capital Stock.

Namoi Capital Stock Class Vote Meeting the meeting of Namoi Capital Stockholders to consider the Namoi Capital Stock Class Vote Resolution, the

SCHEME OF ARRANGEMENT – NAMOI CAPITAL STOCK SCHEME

notice for which is set out in Annexure G ("Notice of Meeting – Notice of Namoi Capital Stock Class Vote Meeting") of the Restructure Booklet.

Namoi Capital Stock Class Vote Resolution means the special resolution of Namoi Capital Stockholders to approve the variation of the rights attaching to Namoi Capital Stock to include a right of conversion.

Namoi Capital Stock Meetings means:

- (a) the Namoi Capital Stock Class Vote Meeting; and
- (b) the Namoi Capital Stock Scheme Meeting,

or either one of them, as the context requires.

Namoi Capital Stock Scheme means the proposed scheme of arrangement under Part 4.4 of the Co-operatives National Law between Namoi Cotton and the Namoi Capital Stockholder Scheme Participants as set out in this document, subject to any amendments or conditions made or required by the Court under section 414(3) of the Co-operatives National Law.

Namoi Capital Stock Scheme Meeting the meeting of Namoi Capital Stockholders to be convened by the Court pursuant to the Restructure and includes any meeting convened following any adjournment or postponement of any such meeting, the notice for which is set out in Annexure H ("Notice of Meeting – Notice of Namoi Capital Stock Scheme Meeting") of the Restructure Booklet.

Namoi Capital Stockholder Scheme Participants means each person registered in the Register as the holder of Namoi Capital Stock as at the Record Date.

Namoi Capital Stock Scheme Resolution means the resolution Namoi Capital Stockholders will be asked to vote on at the Namoi Capital Stock Scheme Meeting to approve the Namoi Capital Stock Scheme.

Namoi Cotton means Namoi Cotton Co-operative Ltd (ARBN 010 485 588), to become a public company limited by shares under the name Namoi Cotton Limited at the Effective Time.

Namoi Cotton Board means the board of directors of Namoi Cotton from time to time.

Namoi Cotton Constitution means the constitution of Namoi Cotton upon registration as a public company limited by shares at the Effective Time.

Namoi Cotton General Meeting has the meaning given to that term in clause 5(a)(f).

Namoi Cotton Rules means the Rules of Namoi Cotton as at the date of the Restructure Booklet.

Namoi Cotton Secretary means the company secretary of Namoi Cotton from time to time.

Ordinary Share means an ordinary share in the capital of Namoi Capital following the Effective Time.

Record Date means 5.00pm on the third Business Day following the Second Court Date.

SCHEME OF ARRANGEMENT – NAMOI CAPITAL STOCK SCHEME

Register means the register of Grower Members maintained by Namoi Cotton in accordance with the Co-operatives National Law.

Registry means Compilershare Investor Services Pty Limited (ACN 078 279 277) or any replacement provider of security registry services to Namoi Cotton.

Regulatory Approval means any approval of a Regulatory Authority that the Namoi Cotton Board determines is necessary to implement the Restructure.

Regulatory Authority includes:

- (a) the Co-operatives Registrar, ASX and ASIC;
- (b) a government or governmental, semi-governmental or judicial entity or authority;
- (c) a minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government; and
- (d) any regulatory organisation established under statute.

Related Body Corporate has the meaning given to that term in section 50 of the Corporations Act.

Residual Capital Stock means capital stock having the rights conferred on Residual Capital Stock by the Namoi Cotton Constitution.

Resolutions means each of the Resolutions set out in the Grower Postal Ballot and to be considered at the Namoi Capital Stock Meetings.

Restructure means the proposed capital restructure of Namoi Cotton as provided for in clause 4.2.

Restructure Booklet means the scheme booklet explaining the Restructure of Namoi Cotton and containing, amongst other things:

- (a) the Grower Share Scheme, and an accompanying explanatory statement in relation to the Grower Share Scheme required by Division 2 of Part 4.4 of the Co-operatives National Law;
- (b) notices of postal ballot for the Grower Postal Ballots;
- (c) the Namoi Capital Stock Scheme, and an accompanying explanatory statement in relation to the Namoi Capital Stock Scheme required by Division 2 of Part 4.4 of the Co-operatives National Law; and
- (d) the notices of meeting for the Namoi Capital Stock Meetings.

Rules Amendment Resolution means the amendment of the Namoi Cotton Rules to vary the rights attaching to the Namoi Capital Stock to include a right of conversion the notice for which is set out in Annexure C ("Notice of Postal Ballot – Alteration of Namoi Cotton Rules") of the Restructure Booklet.

Schemes or Schemes of Arrangement means:

- (a) the Grower Share Scheme; and
- (b) the Namoi Capital Stock Scheme.

or either one of them, as the context requires.

SCHEME OF ARRANGEMENT – NAMOI CAPITAL STOCK SCHEME

Scheme Participant means:

- (a) the Grower Scheme Participants; and
- (b) the Namoi Capital Stockholder Scheme Participants,

or either one of them, as the context requires.

Second Court Date means the day on which the Court makes an order pursuant to section 414(3) of the Co-operatives National Law approving the Grower Share Scheme and the Namoi Capital Stock Scheme.

Securityholders means:

- (a) Grower Members; and
- (b) Namoi Capital Stockholders,

or either one of them, as the context requires.

special resolution has the meaning given in the Co-operatives National Law,

Transfer of Incorporation means the transfer of incorporation by Namoi pursuant to Part 4.3, Division 2 of the Co-operatives National Law in accordance with the Grower Transfer of Incorporation Resolution.

1.2 Reference to certain general terms

Unless the contrary intention appears, a reference in this Scheme to:

- (a) **(variations or replacement)** a document, agreement (including this Scheme) or instrument is a reference to that document, agreement or instrument as amended, consolidated, supplemented, novated or replaced;
- (b) **(clauses, annexures and schedules)** a clause, annexure or schedule is a reference to a clause in or annexure or schedule to this Scheme;
- (c) **(reference to statutes)** a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (d) **(law)** law means common law, principles of equity, and laws made by parliament (and laws made by parliament include State, Territory and Commonwealth laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (e) **(singular includes plural)** the singular includes the plural and vice versa;
- (f) **(party)** a party means a party to this Scheme;
- (g) **(person)** the word "person" includes an individual, a firm, a body corporate, a partnership, a joint venture, an unincorporated body or association, or any Regulatory Authority;
- (h) **(executors, administrators, successors)** a particular person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns;

SCHEME OF ARRANGEMENT – NAMOI CAPITAL STOCK SCHEME

- (i) **(dollars)** Australian dollars, dollars. A\$ or \$ is a reference to the lawful currency of Australia;
- (j) **(calculation of time)** a period of time dating from a given day or the day of an act or event, is to be calculated exclusive of that day;
- (k) **(reference to a day)** a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (l) **(meaning not limited)** the words "include", "including", "for example" or "such as" when introducing an example, do not limit the meaning of the words to which the example relates;
- (m) **(time of day)** time is a reference to Sydney time; and
- (n) **(Business Day)** except where otherwise expressly provided, where the day on which any act, matter or thing is to be done is a day other than a Business Day, such act, matter or thing shall be done on the next Business Day.

1.3 Headings

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of this Scheme.

2 Conditions precedent to Namoi Capital Stock Scheme

This Namoi Capital Stock Scheme is conditional on, and will have no force or effect until, the satisfaction of each of the following conditions precedent:

- (a) between the date of the Restructure Booklet and the later of:
 - (i) the date of the close of the Grower Postal Ballot; and
 - (ii) the date of the Namoi Capital Stock Meetings,all of the Directors of the Namoi Cotton Board recommend and do not change or withdraw their recommendation to the Securityholders to vote in favour of the Schemes and each of the Resolutions;
- (b) the Independent Expert reaches the conclusion that the Restructure is in the best interests of the Securityholders, as set out in the Independent Expert's Report, and does not change or withdraw that conclusion;
- (c) the Grower Members approving the Grower Share Scheme by the required majority under the Co-operatives National Law;
- (d) the Namoi Capital Stockholders approving the Namoi Capital Stock Scheme by the required majority under the Co-operatives National Law;
- (e) the Grower Members passing:
 - (i) the Rules Amendment Resolution; and
 - (ii) the Grower Transfer of Incorporation Resolution,by the required majorities under (as applicable) the Co-operatives National Law, the ASX Listing Rules and the Namoi Cotton Rules;

SCHEME OF ARRANGEMENT – NAMOI CAPITAL STOCK SCHEME

- (f) the Namoi Capital Stockholders passing the Namoi Capital Stock Class Vote Meeting Resolution by the required majorities under (as applicable) the Co-operatives National Law, the ASX Listing Rules and the Namoi Cotton Rules;
- (g) all necessary Regulatory Approvals being obtained before 8.00am on the Second Court Date either unconditionally or on conditions reasonably satisfactory to the Namoi Cotton Board;
- (h) no temporary restraining order, preliminary or permanent injunction or other order is issued by any court of competent jurisdiction and no other legal restraint or prohibition preventing the Restructure is in effect as at 8.00am on the Second Court Date;
- (i) the Court having approved the Schemes, with or without any amendment or condition, pursuant to subsection 414(3) of the Co-operatives National Law and the Court order coming into effect pursuant to subsection 414(5) of the Co-operatives National Law;
- (j) ASIC registering Namoi Cotton as a public company limited by shares pursuant to section 601BD of the Corporations Act; and
- (k) ASX approves the quotation of the Ordinary Shares.

3 Namoi Capital Stock Scheme

3.1 Effective Date

Subject to the satisfaction or waiver of the Conditions Precedent, this Namoi Capital Stock Scheme will come into effect pursuant to section 414(4) of the Co-operatives National Law on and from the Effective Date.

3.2 End Date

This Namoi Capital Stock Scheme will lapse and be of no further force or effect if the Conditions Precedent have not been fulfilled on or before the End Date.

4 Implementation of the Restructure

4.1 Lodgement of Court order with ASIC

Namoi Cotton will file with the Co-operatives Registrar, in accordance with section 411(10) of the Co-operatives National Law, an office copy of the Court order approving this Grower Share Scheme as soon as practical after the making of the Court order.

4.2 Implementation

On the Effective Date, subject to the satisfaction of the Conditions Precedent, and without the need for any further act by any Namoi Capital Stockholder Scheme Participant the following compromise and arrangement between Namoi Cotton, its Grower Members and Namoi Capital Stockholders will occur in the following sequence:

- (a) First, that the Transfer of Incorporation take place at the Effective Time.

SCHEME OF ARRANGEMENT – NAMOI CAPITAL STOCK SCHEME

- (b) Second, at the Effective Time each Grower Share on issue is varied to become an Ordinary Share with the terms and conditions of issue as set out in the Namoi Cotton Constitution.
- (c) Third, at the Effective Time each Namoi Capital Stock on issue is varied to become a Residual Capital Stock with the terms and conditions of issue as set out in the Namoi Cotton Constitution.
- (d) Fourth, immediately after the Effective Time each 800 Ordinary Shares on issue as varied pursuant to the second step is converted into 158,504 Ordinary Shares.
- (e) Fifth, immediately after the Effective Time each Residual Capital Stock of persons who have lodged valid Conversion Notices by the Last Scheme Conversion Date are varied to become one Ordinary Shares.

4.3 Joint holders

In the case of Namoi Capital Stock held in joint names, holding statements for Ordinary Shares of such Namoi Capital Stockholder Scheme Participants must be issued in the names of the joint holders and sent to the holder whose name appears first in the Register as at 5.00pm on the Record Date.

5 Scheme proxy

- (a) On and from the Effective Date and without the need for any further act, each Namoi Capital Stockholder appoints Namoi Cotton and its directors and secretary as its attorney and agent to do each of the following things on behalf of the Namoi Capital Stockholder (as holder of Ordinary Shares and/or Residual Capital Stock):
 - (i) nominate for the purposes of section 249J(3)(b) of the Corporations Act the address of Namoi Cotton as the alternative address of the Namoi Capital Stockholder for receipt of notice of any meeting of Namoi Cotton ("Namoi Cotton General Meeting") convened to consider a resolution (or resolutions) to give better effect to the Restructure as determined by the directors of Namoi Cotton from time to time;
 - (ii) for the purpose of section 249H(2) of the Corporations Act, consent to short notice of any such Namoi Cotton General Meeting so that any Namoi Cotton General Meeting is held on such date as is fixed by the directors of Namoi Cotton;
 - (iii) empower the Namoi Cotton Secretary to receive the Namoi Capital Stockholder's notice of any such Namoi Cotton General Meeting with no obligation to pass on that notice to the Namoi Capital Stockholder; and
 - (iv) appoint the Namoi Cotton Secretary as the proxy of the Namoi Capital Stockholder to attend and vote on behalf of the Namoi Capital Stockholder at any such Namoi Cotton General Meeting in respect of all the Ordinary Shares and/or Residual Capital Stock held by that Namoi Capital Stockholder.
- (b) Namoi Cotton undertakes in favour of each Namoi Capital Stockholder that it will appoint (or procure that as directors and secretaries appoint) the Namoi Cotton Secretary as the proxy of the each Namoi Capital Stockholder to vote in favour of any resolution proposed for the purposes of this clause 5 and to do the other things provided by this clause 5.

SCHEME OF ARRANGEMENT – NAMOI CAPITAL STOCK SCHEME

- (c) The authority conferred upon Namoi Cotton and its directors and secretaries and the proxy granted to the Namoi Cotton Secretary pursuant to a provision of this clause 5 cannot be withdrawn or revoked.

6 General Scheme provisions

6.1 Costs

Namoi Cotton will pay the costs (including any stamp duty necessarily incurred in the implementation) of the Namoi Capital Stock Scheme.

6.2 Appointment of proxy, agent and attorney

- (a) Each Namoi Capital Stockholder Scheme Participant, without the need for any further act, irrevocably appoints Namoi Cotton as its proxy, agent and attorney for the purpose of executing any document or doing any other act necessary or desirable to give effect to the terms of this Namoi Capital Stock Scheme and Namoi Cotton accepts such appointment.
- (b) Namoi Cotton, as proxy, agent and attorney of each Namoi Capital Stockholder Scheme Participant, may sub-delegate its functions under paragraph (a) of this clause 6.2 to all or any of its directors and secretaries (jointly and severally).

6.3 Consent

Each of the Namoi Capital Stockholder Scheme Participants:

- (a) irrevocably consents to Namoi Cotton doing all things necessary, incidental or expedient to the implementation of this Namoi Capital Stock Scheme; and
- (b) acknowledges that this Namoi Capital Stock Scheme binds Namoi Cotton and all Namoi Capital Stockholder Scheme Participants from time to time (including those who did not vote on or voted against the Namoi Capital Stock Scheme).

6.4 Court amendments to the Namoi Capital Stock Scheme

If the Court proposes to approve the Namoi Capital Stock Scheme subject to any alterations or conditions, Namoi Cotton may, by its counsel, consent to those alterations or conditions on behalf of all persons concerned (including a Namoi Capital Stockholder Scheme Participant).

6.5 Namoi Capital Stock Scheme is binding

This Namoi Capital Stock Scheme will bind Namoi Cotton and all Namoi Capital Stockholder Scheme Participants and overrides the Namoi Cotton Rules or the Namoi Cotton Constitution.

6.6 Further assurances

Namoi Cotton will do all such things and execute all such documents as may be necessary or desirable to give full effect to the provisions of this Namoi Capital Stock Scheme and the transaction contemplated by it.

SCHEME OF ARRANGEMENT – NAMOI CAPITAL STOCK SCHEME

6.7 Governing law

This Namoi Capital Stock Scheme is governed by the law in force in New South Wales. The parties submit to the non-exclusive jurisdiction of the courts of New South Wales.