

SENETAS CORPORATION LIMITED

ACN 006 067 607

Registered Office: 312 Kings Way, South Melbourne, Victoria, 3205

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual General Meeting of shareholders of Senetas Corporation Limited (**Company**) will be held at Seasons Botanic Gardens, 348 St Kilda Road, Melbourne, Victoria, 3004 on Thursday, 30 November 2023 at 9:30 am (Melbourne time).

Business

1 Financial Reports and Statements

To receive and consider the Financial Report of the Company and the Consolidated Financial Statements of the Company and the Company's controlled entities and Reports of the directors and of the Auditor for the year ended 30 June 2023.

2 Re-election of Directors

To consider and, if thought fit, to pass the following resolutions each as a separate ordinary resolution:

- a) "That Mr Lawrence David Hansen, who retires in accordance with Rule 35(c) of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a director of the Company"
- b) "That Mr Philip Schofield, who retires in accordance with Rule 35(c) of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a director of the Company."

3 Remuneration Report

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

"That the Remuneration Report of the Company for the year ended 30 June 2023 be adopted."

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

Voting Exclusion

The Company will disregard any votes cast on Item 3:

- *in any capacity by or on behalf of a member of the KMP whose remuneration details are included in the Remuneration Report for the year ended 30 June 2023 or a closely related party of those KMP; or*
- *as a proxy by a member of the KMP at the date of the meeting or a closely related party of those KMP, unless the vote is cast as a proxy for a person entitled to vote:*
- *in accordance with a direction on the proxy form; or*
- *by a person chairing the meeting pursuant to an express authorisation on the proxy form to exercise the proxy as they see fit, even though Item 3 is connected directly or indirectly with the remuneration of a member of the KMP.*

4 Approval of Employee Share Ownership Plan

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

"That:

- a. the employee share ownership plan adopted by the board of directors of the Company, the terms of which are summarised in the explanatory statement accompanying the notice of this meeting, be approved for the purpose of the definition of employee share buy-back in section 9 of the Corporations Act, sections 259B(2) and 260C(4) of the Corporations Act, and for all other purposes; and
- b. the issue of securities under the employee share ownership plan be approved for the purpose of exception 13 in rule 7.2 of the ASX Listing Rules as an exception to rules 7.1 and 7.1A of the ASX Listing Rules, and for all other purposes."

Voting Exclusion

The Company will disregard any votes cast in favour of Item 4 by or on behalf of:

- *a person who is eligible to participate in the employee share ownership plan; or*
- *an associate of that person or those persons.*

However, this does not apply to a vote cast in favour of Item 4 by:

- *a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or*

- *the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or*
- *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
 - *the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and*
 - *the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

5 Grant of Options to the Managing Director and Chief Executive Officer

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

“That the issue of 8,000,000 options to the Managing Director and Chief Executive Officer, Mr Andrew Wilson, pursuant to the Senetas Employee Share Ownership Plan on the terms summarised in the Explanatory Memorandum accompanying the Notice of Meeting be approved for the purposes of ASX Listing Rule 10.14 and all other purposes.”

Voting Exclusion

The Company will disregard any votes cast in favour of Item 5 by or on behalf of:

- *a person referred to in rule 10.14.1, 10.14.2, or 10.14.3 of the ASX listing rules who is eligible to participate in the employee share ownership plan; or*
- *an associate of that person or those persons.*

However, this does not apply to a vote cast in favour of Item 5 by:

- *a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or*
- *the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or*
- *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
 - *the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and*
 - *the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

In addition, under section 250BD of the Corporations Act a vote must not be cast on this resolution by any person who is a member of the key management personnel at the time this resolution is voted on at the AGM, or by any of their closely related parties, acting as proxy for a person entitled to vote, if their appointment does not specify the way the proxy is to vote on the resolution. This restriction on voting undirected proxies does not apply to the Chair of the Meeting acting as proxy for a person entitled to vote on the resolution because the Company’s proxy appointment expressly authorises the Chair of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the key management personnel.

The Company will apply the above voting exclusions to persons appointed as an attorney by a shareholder to participate and vote at the AGM under a power of attorney, as if they were appointed as a proxy.

6 Non-Executive Directors’ Remuneration

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

“That the increase in total aggregate maximum annual remuneration payable to Non-Executive Directors of the Company by way of Directors’ fees from \$1million to a maximum of \$1.25million be approved for the purposes of ASX Listing Rule 10.17 and rule 37(a) of the Company’s constitution and all other purposes.”

Voting Exclusion

The Company will disregard any votes cast in favour of Item 6 by or on behalf of:

- *any Directors of the Company; or*
- *any associates of any such person.*

However, this does not apply to a vote cast in favour of Item 6 by:

- *a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or*
- *the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or*
- *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided that:*
 - *the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and*

- *the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

In addition, under section 250BD of the Corporations Act a vote must not be cast on this resolution by any person who is a member of the key management personnel at the time this resolution is voted on at the AGM, or by any of their closely related parties, acting as proxy for a person entitled to vote, if their appointment does not specify the way the proxy is to vote on the resolution. This restriction on voting undirected proxies does not apply to the Chair of the Meeting acting as proxy for a person entitled to vote on the resolution because the Company's proxy appointment expressly authorises the Chair of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the key management personnel.

The Company will apply the above voting exclusions to persons appointed as an attorney by a shareholder to participate and vote at the AGM under a power of attorney, as if they were appointed as a proxy.

Special Resolutions

7 Approval of New Constitution

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

"That the existing constitution of the Company be repealed and, in its place, a constitution in the form presented to the meeting, and signed by the chairman for the purpose of identification, be adopted as the Company's new constitution."

8 Approval of 10% Placement Facility

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

"That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the Company to have the additional capacity to issue equity securities of up to 10% of the issued capital of the Company, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A over a 12 month period from the date of the Annual General Meeting, at a price not less than that determined pursuant to Listing Rule 7.1A.3 and otherwise on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of Item 8 by or on behalf of:

- *if, at the time the approval is sought the Company is proposing to make an issue of equity securities under rule 7.1A.2, any person who is expected to participate in the proposed issue or will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or*
- *an associate that person or those persons.*

However, this does not apply to a vote cast in favour of Item 8 by:

- *a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or*
- *the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or*
- *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
 - *the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and*
 - *the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

Note: *As at the date of this notice of meeting there is no proposed issue of equity securities, and accordingly it is not known who may participate in any proposed issue. On that basis, no shareholders are currently excluded.*

The Explanatory Memorandum and accompanying Notes attached to this Notice are incorporated into, and form part of, this Notice.

Dated this 27 October 2023

By Order of the Board



Brendan Case
Company Secretary

Notes

- (1) Pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001 (Cth)*, the Board has determined that, for the purposes of this meeting, all ordinary shares in the Company shall be taken to be held by the persons who hold ordinary shares as registered shareholders at 7:00 pm (Melbourne time) on Tuesday, 28 November 2023 (**Effective Time**).
- (2) All holders of ordinary shares in the Company as at the Effective Time are entitled to attend and vote at this meeting and may appoint an individual or a body corporate as proxy to attend at this meeting and vote on behalf of the shareholder (provided a valid proxy form is received by the Company by the time specified in paragraph (11) below). Share transfers registered after the Effective Time will be disregarded in determining entitlements to attend and vote online at the meeting. Shareholders who are unable to attend the meeting are encouraged to appoint a proxy to attend and vote on their behalf.
- (3) A proxy need not be a shareholder of the Company.
- (4) The proxy form personalised and sent to you in connection with this Notice should be used for this meeting.
- (5) Each shareholder who is entitled to cast 2 or more votes at this meeting may appoint 2 proxies and may specify the proportion or number of votes that each proxy is entitled to exercise. If a shareholder does not specify the proportion or number of that shareholder's votes each proxy may exercise, each proxy will be entitled to exercise half the votes. An additional proxy form will be supplied by the Company's share registry on request. As all voting will be on a poll, if you appoint 2 proxies and both proxies attend the meeting, each proxy will be entitled to exercise half the votes when voting on a poll. If you appoint a single proxy that proxy will be entitled to exercise all the votes.
- (6) If your proxy chooses to vote, your proxy must vote in accordance with your directions. If you do not mark a box, your proxy may vote as they choose on that item (subject to any voting restrictions that apply to your proxy). However, members of the KMP (except for the person chairing the meeting) and their closely related parties are not permitted to vote your proxy vote on Items 3, 4, 5 and 6 unless you have directed them how to vote. If you intend to appoint such a person as your proxy, please ensure you direct them how to vote on Items 3, 4, 5 and 6.
- (7) You may appoint the Chairman of the Meeting as your proxy. In addition, the Chairman of the Meeting is deemed to be appointed as your proxy where a signed proxy form is returned which does not contain the name of the proxy or where your proxy does not attend the meeting, or where the person appointed on the form has been directed to vote but either does not attend the meeting or does not vote on a poll on the resolution. If the Chairman of the Meeting is your proxy (or becomes your proxy by default), by completing and returning the proxy form you will be taken to have expressly authorised the Chairman to exercise your proxy in relation to Items 3, 4, 5 and 6 even though the resolutions are connected directly or indirectly with the remuneration of a member of KMP. The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.
- (8) In the case of an individual shareholder, a proxy must be signed by the individual or their attorney duly authorised in writing. In the case of a body corporate which is a shareholder, a proxy must be executed by the body corporate in accordance with the Corporations Act and the body corporate's constitution, or signed by a duly authorised officer/s, agent/s or attorney.
- (9) If a shareholder is a body corporate or appoints a body corporate as a proxy, that body corporate will need to ensure that it:
 - a. appoints an individual as its corporate representative to exercise its powers at the meeting, in accordance with section 250D of the Corporations Act; and
 - b. provides satisfactory evidence of the appointment of its corporate representative prior to the start of the meeting (or adjourned or postponed meeting) in the manner specified in paragraph (11). If such evidence is not received, then the body corporate (through its representative) will not be permitted to act.
- (10) If a shareholder appoints an attorney to act on the shareholder's behalf, the instrument appointing the attorney and the authority under which the instrument is signed or a certified copy of it must be received by the Company as specified in paragraph (11).
- (11) To be effective, proxies and powers of attorneys granted by shareholders must be received by the Company by 9.30 am (Melbourne time) on Tuesday, 28 November 2023 at the Company's share registry – Computershare Investor Services Pty Limited, in one of the following ways;
 - i. by post – GPO BOX 242, Melbourne, Victoria, 3001;
 - ii. online – www.investorvote.com.au; or
 - iii. for Intermediary Online subscribers only (custodians) – www.intermediaryonline.com

EXPLANATORY MEMORANDUM

Business

ITEM 1 - FINANCIAL REPORTS AND STATEMENTS

The *Corporations Act 2001* (Cth) (**Corporations Act**) requires:

- the reports of the directors and auditor; and
- the annual financial report, including the consolidated financial statements of the Company and its controlled entities, for the year ended 30 June 2023 to be laid before the annual general meeting.

The Corporations Act does not require a vote of shareholders on the reports or statements. However, the shareholders as a whole will be given a reasonable opportunity to raise questions or comments on the management of the Company.

Copies of the full financial report can be accessed on the Company's website:

<http://www.senetas.com/investor/annual-reports/>

A reasonable opportunity will also be given to shareholders as a whole at the meeting to ask the Company's auditor questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit. Members may submit written questions for the auditor that are relevant to the content of the auditor's report or the conduct of the audit prior to the meeting. These must be submitted no later than **5pm (Melbourne time) on Friday, 24 November 2023** and should be emailed to brendan@casegovernance.com.au or mailed to Mr Brendan Case, Company Secretary, Senetas Corporation Limited, 312 Kings Way, South Melbourne, Victoria, 3205 so that they are received by this date.

ITEM 2 – ELECTION AND RE-ELECTION OF DIRECTORS

2(a) Re-election of Mr Lawrence David Hansen to the Board

Mr Lawrence David (Dave) Hansen was appointed as an independent non-executive director of Senetas on 28 August 2015. In accordance with Rule 35(c) of the Company's Constitution, Mr Hansen retires at this meeting and offers himself for re-election.

Mr Hansen has had a successful career in leading international IT and data security organisations. He has a strong international M&A and business integration background, having directed world-wide teams since 2005.

Mr Hansen is Chair of Trackunit, the leading operating platform connecting people, machines and processes in construction to eliminate downtime.

Mr Hansen currently sits on the board of Acre, a global leader in Access Control systems. He also chairs their Board Technology Committee.

Mr Hansen is also Chair of TextHelp, a leader in assisted tools to support diversity and inclusion.

Mr Hansen spent over 6 years as an Operating Executive for Marlin Operations Group, Inc. Mr Hansen joined Marlin in September 2015 and retired on 31 December 2021. Prior to joining Marlin, Mr Hansen was VP and general manager of Dell Software Group employing 3,000 staff in sales, marketing, channels and services, and oversaw its go to market strategy. Previously, Mr Hansen was President and CEO of SafeNet Inc. At SafeNet, he led a significant recapitalisation of the company that saw strong growth in revenues and profits before its successful sale to Gemalto NV. Gemalto NV has since been acquired by Thales and is Senetas' global distribution partner.

Mr Hansen's deep knowledge of Senetas' existing and potential global customer base, sales function, product development and innovation program makes him an extremely valuable addition to the Senetas board. Mr Hansen also brings his wealth of global experience in services, products, marketing and business planning.

Mr Hansen also held the role of president and CEO of Numara Software, a \$100 million business, where he oversaw the company's successful sale and integration into BMC Software.

From 2002 to 2011, Mr Hansen held several executive positions with CA Technologies including CIO, GM, Security and GM, Enterprise Products and Solutions.

Mr Hansen, a Canadian born US citizen, resides in Naples, Florida.

Mr Hansen is a member of the Senetas Nomination and Remuneration Committee and is considered to be an independent director of the Company.

Board recommendation and Chairman's voting intention for Item 2(a)

The Board (with Mr Hansen abstaining) unanimously recommends that shareholders vote in favour of this item of business.

The Chairman intends to vote all available proxies **in favour** of this item of business.

2(b) Re-election of Mr Philip Schofield to the Board

Mr Philip Schofield was appointed as a non-executive director of Senetas on 13 December 2017. In accordance with Rule 35(c) of the Company's Constitution, Mr Schofield retires at this meeting and offers himself for re-election.

Mr Schofield is Managing Director at Pengana Capital Group. Pengana is listed on the Australian Stock Exchange and is a large Australian fund manager.

Mr Schofield has over 30 years of international experience in the banking and finance sectors, including senior management and director roles. These positions include major investment banking groups Goldman Sachs and Citi Group.

Mr Schofield's experience in capital markets around the world's financial centres include his working in London, New York, Melbourne and Sydney. He obtained a Bachelor of Economics degree from Monash University, Melbourne.

As Senetas reviews and implements the Company's capital management and market facing strategy, Mr Schofield's expertise will provide local and international perspectives.

Mr Schofield is not considered to be an independent director as he has family connections with Mr Phil Cohen, the controller of Madison Park LLC, Senetas' largest shareholder.

Board recommendation and Chairman's voting intention for Item 2(b)

The Board (with Mr Schofield abstaining) unanimously recommends that shareholders vote in favour of this item of business.

The Chairman intends to vote all available proxies **in favour** of this item of business.

ITEM 3 – REMUNERATION REPORT

The directors submit the Company's Remuneration Report to shareholders for consideration and adoption by way of a non-binding ordinary resolution. Details of the Company's Remuneration Report are contained in the Directors' Report for the year ended 30 June 2023 on pages 12 - 19 of the Company's Annual Report.

A reasonable opportunity will be provided for shareholders to ask questions about and make comments on the Remuneration Report at the meeting.

The vote on Item 3 is advisory only and does not bind the directors or the Company. Nevertheless the outcome of the vote and discussion at the meeting will be taken into consideration by the directors when considering the remuneration arrangements of the Company.

Board recommendation and Chairman's voting intention for Item 3

The Board unanimously recommends that shareholders vote in favour of this item of business.

The Chairman of the Meeting intends to vote all available proxies **in favour** of this item of business.

Voting exclusion for Item 3

A voting exclusion applies to this Item as set out on page 1 of the notice of meeting.

ITEM 4 - APPROVAL OF NEW EMPLOYEE SHARE OWNERSHIP PLAN

Terms of employee share ownership plan

The Company's new employee share ownership plan was established by the directors of the Company to facilitate the acquisition of shares in the Company by personnel employed or otherwise engaged by, or holding a position or office in, the Company or a related body corporate. The objectives of the plan are:

- (a) to motivate and retain Company personnel;
- (b) to attract quality personnel to the Company;
- (c) to create a commonality of purpose between the Company's personnel and the Company; and
- (d) to add wealth for all shareholders of the Company through the motivation of the Company's personnel.

Under the terms of the plan:

- (a) employees and directors of the Company and its subsidiaries (and a person who has been made an offer to become such an employee or director, or in certain cases where approved by the board, a contractor) are eligible to participate;

- (b) eligible participants may acquire ordinary shares in the Company, options over ordinary shares, rights to, or interests in, such shares (including directly or by a nominee, or as a beneficiary of a trust established by the Company for participants); and
- (c) the directors have broad discretion as to the terms on which eligible participants may acquire securities under the plan, including as to the number and type of securities that may be offered, the price payable for the securities (which may be nil) and how payment for securities may be made (e.g. by loans from the Company, whether interest-free or limited recourse or otherwise, or by salary sacrifice or sacrifice of cash bonuses).

In addition, the maximum number of securities proposed to be issued under the employee share ownership plan following its approval is 5% per cent of the Company's issued capital, which as at 17 October 2023 would be 60,707,031 shares.

The directors of the Company may also impose a requirement that securities acquired under the plan may be bought back by the Company or cancelled on such terms as the directors may determine, and may impose restrictions on dealing in securities acquired under the plan (e.g. prohibiting them being sold or transferred for a period of time), and may amend the terms of the plan (subject to the Corporations Act and ASX Listing Rules), or suspend or terminate it at any time.

The directors may also determine the terms of options which may be acquired under the plan such as the exercise price, any restrictions as to exercise (e.g. vesting conditions), any restrictions as to the disposal or encumbrance of any options or underlying shares once acquired, and the expiry date of options. Additionally:

- (a) an option holder may be entitled to have the number of options, the exercise of the options and/or the number of shares underlying the options varied in the event of a bonus issue, rights offer or reconstruction of the share capital of the Company, in accordance with the ASX Listing Rules;
- (b) the Company is not required to issue any shares following an exercise of options unless the Company can be satisfied that an offer of those shares for sale within 12 months after their issue will not need disclosure to investors under part 6D.2 of the Corporations Act; and
- (c) subject to the Corporations Act and the ASX Listing Rules, no options may be disposed of (e.g. by sale or transfer) until any vesting conditions have been satisfied, and no options may be transferred except in circumstances (if any) permitted by the Company.

A copy of the Company's employee share ownership plan, as adopted by the board, is available on the Company's website at www.senetas.com/corporate/corporate-governance/

No securities have been issued under this employee share ownership plan at the date of the notice of meeting.

Why is shareholder approval being sought?

Shareholder approval is being sought now in order that future security issues can be dealt with under the employee share ownership plan without either using up the company's placement capacity or the need to go back to shareholders for further approvals (other than issues to a director or their associates which will continue to require shareholder approval under rule 10.14).

Rule 7.1 of the ASX Listing Rules limits the issue of shares by a company without shareholder approval to 15% in any 12 month period. This limit may be increased under rule 7.1A of the ASX Listing Rules for companies not included in the S&P/ASX300 Index and with a market capitalisation of no more than \$300 million, by an additional 10% for a 12 month period, if shareholder approval is obtained for the increased capacity at the start of the period. However, shares issued under an exception in rule 7.2 of the ASX Listing Rules do not use up the company's available capacity under rules 7.1 and 7.1A.

Exception 13 in rule 7.2 applies to an issue of securities under an employee incentive scheme where not more than 3 years beforehand shareholders approved the issue of securities under the scheme. Accordingly, if the Company's shareholders approve the issue of securities under the employee share ownership plan, the Company will be able to issue securities under the plan over the following 3 years without using up the Company's available capacity under rule 7.1 (or rule 7.1A, if applicable).

Section 259B(1) of the Corporations Act prohibits a company from taking security over shares in itself, subject to a number of exceptions. One of those exceptions is where the security is taken under an employee share scheme that has been approved by shareholders: section 259B(2).

Section 260A(1) of the Corporations Act states that a company may only financially assist a person to acquire shares in the company in certain circumstances. One of those circumstances is where assistance is provided under an employee share scheme that has been approved by shareholders: section 260C(4).

Division 2 of part 2J.1 of the Corporations Act allows a company to buy back up to 10% of its own shares under an 'employee share buy-back' without shareholder approval. An 'employee share buy-back' is defined in section 9 of the Corporations Act to mean a buy-back under a scheme that has as its purpose the acquisition of shares by employees and salaried directors and has been approved by the company in general meeting.

Accordingly, the Company seeks shareholder approval of the employee share ownership plan so that if approval is given, the Company may:

- (a) buy back up to 10% its own shares under the plan in accordance with the employee share buy-back procedures under division 2 of part 2J.1 of the Corporations Act;
- (b) reward participants under the plan with shares and/or share entitlements subject to restrictions, including the Company taking a mortgage, charge or other security interest in the shares to secure performance of the participant's obligations under the plan; and/or
- (c) offer plan participants a loan, or other financial assistance, to enable them to acquire shares in the Company under the plan;

without any further shareholder approval.

Voting Exclusion Statement for Item 4

A voting exclusion applies to this Item as set out on page 2 of the notice of meeting.

Directors' Recommendation

The Board unanimously recommends that shareholders vote in favour of this item of business.

The Chairman of the meeting intends to vote undirected proxies **in favour** of this item of business.

ITEM 5 – GRANT OF OPTIONS TO THE MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

The Board (excluding Mr Andrew Wilson) has considered the overall remuneration of the Company's Managing Director and CEO, Mr Andrew Wilson, including short and long-term incentives, and accordingly seeks shareholder approval for the grant of 8,000,000 options (**Options**) to Mr Wilson pursuant to the Senetas Employee Share Ownership Plan 2023 (if item 4 is approved by shareholders) as proposed under Item 5 if approved by shareholders, otherwise the Options are to be issued under the existing Senetas Employee Share Ownership Plan (details of which are set out below). Each Option will allow Mr Wilson to acquire one fully paid ordinary share in the Company on the terms and conditions set out below.

The Options will be subject to a service condition and will only provide value to Mr Wilson if the Company's share price exceeds the exercise price at the end of the performance period. Therefore, the grant of Options supports the achievement of the Company's business strategy by linking Mr Wilson's rewards to improvements in the financial performance of the Company and aligning his interests with shareholders. The grant of Options is also a reward for Mr Wilson's performance over the recent financial year.

Subject to shareholder approval, the Options will be granted to Mr Wilson within 12 months of the approval by shareholders. All other directors, being Mr Francis Galbally, Mr Kenneth Gillespie, Mr Lachie Given, Mr Dave Hansen and Mr Philip Schofield are eligible to participate in the Senetas Employee Share Ownership Plan but will not be eligible to participate in the Options to be granted to Mr Wilson or in their exercise.

Prior to vesting and exercise of the Options, Mr Wilson will not be entitled to dividends or any voting or other entitlements in relation to unexercised Options.

Why is shareholder approval being sought?

ASX Listing Rule 10.14 provides that securities may not be issued to a director of a Company under an employee incentive scheme without shareholder approval. Accordingly, since Mr Wilson is a director, shareholder approval is required to issue the Options to Mr Wilson under the Senetas Employee Share Ownership Plan.

Senetas is required by ASX Listing Rule 10.15 to provide shareholders with the information below:

Name of the person to whom options are being issued

Mr Andrew Wilson.

Category the person falls into in ASX Listing Rules 10.14.1-10.14.3 and why

Listing Rule 10.14.1 provides that the issue of securities to directors under an employee incentive scheme require shareholder approval. Accordingly, as the managing director of the Company, Mr Wilson falls into this category.

Number and class of securities proposed to be issued

8,000,000 Options, each exercisable over 1 ordinary share, on the terms set out below.

Details of Mr Wilson's current remuneration package for the financial year ended 30 June 2024

Component	Amount
Salary	\$496,601
Short term incentives ⁽¹⁾	-

Superannuation	\$27,399
Long service leave	\$8,263
Other share based payments ⁽²⁾	\$51,408
Total	\$583,671

- (1) Mr Wilson is eligible to receive a short term incentive in the form of a cash bonus to a maximum of \$289,500 and subject to the achievement of performance targets set by the Board. Mr Wilson has not received a short term incentive for the past two financial years.
- (2) Includes the value of the options subject to shareholder approval and calculated based on inputs as at 10 October 2023 and therefore this is subject to change following an independent valuation at grant date.

Number of securities previously issued to Mr Wilson under the Senetas Employee Share Ownership Plan

Mr Wilson has previously been issued 12,000,000 options and 3,750,000 Performance Rights, each over 1 ordinary share in the Company, the details of which are as follows:

No. of options or performance rights	Exercise price	Date issued
4,000,000 options	\$0.057	22 December 2021
2,000,000 options	\$0.074	17 December 2020
2,000,000 options	\$0.093	12 December 2019
2,000,000 options	\$0.12	21 December 2018
2,000,000 options	\$0.10	20 November 2017
750,000 performance rights	-	9 November 2016
1,500,000 performance rights	-	21 November 2014
1,500,000 performance rights	-	15 November 2012

All options were issued for no consideration as part of Mr Wilson's long term incentive.

No securities have been granted to any other director of the Company or any associate of a director under the Senetas Employee Share Ownership Plan since last shareholder approval relating to ASX Listing Rule 10.14 was received at the 2021 AGM.

Material terms of the Options

Each Option granted entitles Mr Wilson to one fully paid ordinary share in the Company, subject to vesting (on the satisfaction of the Performance Condition described below) and payment of the exercise price.

As the Options form part of Mr Wilson's remuneration, the Options will be granted at no cost to him.

Term	Detail
Vesting and performance conditions	<p>The performance period will run for three years from 30 November 2023 to 29 November 2026 (Performance Period). 1/3 of the Options (2,666,666 Options) granted to Mr Wilson will vest after 12 months of continued service by Mr Wilson from 30 November 2023 (Performance Condition 1), 1/3 of the Options (2,666,667 Options) granted to Mr Wilson will vest after 24 months of continued service by Mr Wilson from 30 November 2023 (Performance Condition 2) and 1/3 of the Options (2,666,667 Options) granted to Mr Wilson will vest after 36 months of continued service by Mr Wilson from 30 November 2023 (Performance Condition 3). Accordingly, 100% of the Options will have vested after 36 months.</p> <p>Except in certain circumstances as set out below, the Options will only vest if the Performance Conditions have been satisfied. The exercise and vesting terms of the Options have been set by the Nomination and Remuneration Committee and the Board.</p> <p>Subject to the terms of grant and the circumstances as set out below, all unvested Options will lapse if the Performance Condition is not satisfied.</p>
Expiry	Any unvested or unexercised Options will expire on the tenth anniversary of the date of issue.
Exercise Price	The exercise price of the Options upon vesting is set at the share price on the day of the 2023 AGM.
Cessation of employment	All unvested Options will lapse on cessation of employment where Mr Wilson is dismissed without notice, terminated for cause or if Mr Wilson resigns from the Company during the Performance Period, unless the Board determines otherwise.

	<p>However, if Mr Wilson ceases to be employed in any other circumstance, including due to retirement, redundancy, death or total and permanent disablement, a pro-rata number of the unvested Options will not lapse but be treated as remaining on foot, based on the proportion of the relevant Performance Period that has elapsed, and remain subject to their original terms, as if Mr Wilson had not ceased employment. The remaining unvested Options will lapse.</p> <p>The Board retains discretion to vest or lapse some or all Options in all circumstances.</p>
Change of control	At the discretion of the Board and subject to such terms and conditions as the Board may determine, all of the Options may vest in the event of a “change of control” of the Company, or an announcement thereof, prior to the end of the Performance Period. For these purposes “change of control” means where the Board determines that a third party is, or stands to become, entitled to not less than 50% of the Company, including by way of a takeover or placement, and also includes a scheme of arrangement.
Clawback	All Options will lapse, any shares allocated on vesting and exercise will be forfeited, or cash amounts will be required to be repaid in certain circumstances if the Board determines that Mr Wilson has acted fraudulently or dishonestly or is in serious breach of his duty to the Company or in the Board’s reasonable opinion has brought the Company into disrepute.
Restrictions on dealing	The Options to be granted to Mr Wilson are conditional and non-transferable; they cannot be hedged, sold, transferred, mortgaged, charged or otherwise disposed of or dealt with prior to exercise. Mr Wilson will be free to deal with the shares allocated on exercise of the Options, subject to the requirements of the Company’s Policy for Dealing in Securities.
Source of shares	The Company intends to issue new shares to Mr Wilson upon exercise of his Options.
Adjustment for bonus issues or rights issues	<p>In the event of a bonus issue of securities to members of the Company, no adjustment will be made to the applicable Options nor to the number of shares underlying each Option.</p> <p>In the event of a rights issue of securities to members of the Company, there will be no adjustment to the number of shares underlying each Option.</p>
Ability to participate in new issues	Prior to exercise of the Options, Mr Wilson will not be permitted to participate in new issues of securities in relation to those unexercised Options.
Reorganisation of capital	In the event of a reorganisation of capital, the Options will be treated in the manner required by the applicable ASX Listing Rules, as in force at the date of the reorganisation and as appropriate to the type of reorganisation being undertaken.

Why the Options were chosen as the type of security to issue to Mr Wilson

In the view of the Board, the grant of Options to Mr Wilson appropriately links Mr Wilson’s rewards to improvements in the financial performance of the Company and aligns his interests with the interests of shareholders.

Further, in order to obtain the rewards associated with a rising share price, the exercise of Options further assists the company by contributing to its additional working capital as Options are exercised and new shares subscribed.

The value Senetas ascribes to the Options

The Options will not be quoted on ASX, and will not be tradeable, and as such have no readily ascertainable market value. Further, due to the exercise price of the Options being equal to the market price of shares in the Company, currently the Options have no market value.

That being said, using a Black Scholes option pricing model, management have estimated that the value of the options to be granted to Mr Wilson to be \$59,627 which has been calculated based on the closing share price and risk free rate on 10 October 2023, historical volatility rate of 60% and an estimated exercise price of \$0.021. This valuation will be updated to reflect the inputs at the grant date of 30 November 2023 if approved by the shareholders.

Price at which the Options will be issued

The Options will be issued to Mr Wilson at no cost as part of his long term incentive.

Material terms of the current Senetas Employee Share Ownership Plan

Term	Summary
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Eligible participants	Directors and employees of the Company nominated by the Board of directors of the Company from time to time
Number and type of securities that may be granted	<p>The Company may issue shares and/or options to acquire shares under the Plan.</p> <p>The terms of the Plan limit the number of shares and/or options to acquire shares, such that the number of shares issued under the plan, plus the total number of shares that would be issued if all options issued under the Plan were exercised, must not be more than 20% of the shares on issue if all of the Company's outstanding options (whether issued under the Plan or otherwise) had been exercised.</p>
Terms of issue of shares	<p>Price: Not less than 80% of the market price of the class of shares being issued. The amount payable on application is determined by the Board.</p> <p>Finance: The Board has discretion to provide loans for the purpose of acquiring shares in the Company. The rate of interest and terms are at the Board's discretion. The amount of any such loan shall not exceed 80% of the issue price of the shares and the term of the loan shall not exceed 5 years. The balance of any loan must be repaid within 30 days to 3 months of a triggering event (eg death, cessation of employment, retirement).</p> <p>Voting: Shares issued under the Plan have the same rights as ordinary shareholders in the Company's capital.</p> <p>Dividends: All shares issued under the Plan shall rank for dividends from their date of allotment in the same manner as ordinary shares.</p> <p>Participation in further issues: Holders of shares issued under the Plan are entitled to participate in issues of shares, options and other securities on the same basis as are offered to all other holders of ordinary shares.</p> <p>Quotation: The Company must apply for fully-paid shares issued under the Plan to be quoted on ASX.</p> <p>Sale or forfeiture restriction: The Board may impose restrictions and conditions on the offer of shares.</p>
Terms of issue of options	<p>Issue price: Determined by the Board.</p> <p>Exercise price: Determined by the Board, but the minimum amount must not be less than 80% of the market price of fully-paid ordinary shares.</p> <p>Expiry: Option terms are determined by the Board, but must not exceed 10 years. If the option is not exercised by 5pm on the last day, the option shall lapse and any issue price paid will not be refunded.</p> <p>Transfer: Options are generally not transferable.</p> <p>Exercise: Options are exercisable any time prior to its expiry date by notice of exercise coupled with payment of the exercise price. The terms of offer may have a vesting restriction and the Board has discretion as to when that restriction will cease to apply.</p> <p>Lapse: Unexercised options lapse upon a triggering event, including dismissal, retirement, death, redundancy and retrenchment.</p> <p>Sale or forfeiture restriction: The Board may impose restrictions and conditions on options.</p> <p>Ranking: Ordinary shares allotted upon the exercise of an option will rank equally with other ordinary fully-paid shares of the Company on issue at the exercise date.</p> <p>Number of shares issued on exercise: Exercise of an option entitles the Participant to be issued 1 ordinary share in capital of the Company.</p> <p>Quotation: Options will not be quoted on the ASX.</p>

Subject to the requirements of the Listing Rules and the Corporations Act, the Plan rules may be amended by the Board in its discretion, provided that the net effect of such amendment does not prejudice the rights and entitlements of participants subsisting prior to the making of the amendment.

Please refer to the explanatory notes to Item 4 above for the details of the Senetas Employee Share Ownership Plan 2023.

Material terms of any loan in relation to the acquisition

Mr Wilson has not received and will not receive any loan from the Company in connection with the grant of Options or allocation of any shares on exercise of those Options.

Further information

Details of any Options granted under the Senetas Employee Share Ownership Plan or the Senetas Employee Share Ownership 2023 (if approved by shareholders) will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.

Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of any securities under the Senetas Employee Share Ownership Plan after Item 4 is approved, and who are not named in this notice of meeting, will not participate until approval is obtained under that rule.

If approval is given under ASX Listing Rule 10.14, approval will not also be required under ASX Listing Rule 7.1.

Board Recommendation and Chairman's voting intention for Item 5

The Board (with Mr Wilson abstaining) unanimously recommend shareholders vote in favour of this item of business.

The Chairman of the Meeting intends to vote all available proxies **in favour** of this item of business.

Voting Exclusion for Item 5

A voting exclusion applies to this Item as set out on page 2 of the notice of meeting.

ITEM 6: NON-EXECUTIVE DIRECTORS' REMUNERATION

Under rule 37(a) of the Company's constitution and ASX Listing Rule 10.17, the maximum aggregate amount payable as remuneration to Non-Executive Directors in any year must not exceed an amount determined by the Company at a general meeting. Under ASX Listing Rule 10.17, the Company must not increase the total aggregate amount of directors' fees payable to all of its Non-Executive Directors without the approval of Shareholders. The current fee pool of \$1million has not increased for approximately 6 years, having been approved by Shareholders at the AGM held on 16 November 2017.

Directors are seeking approval from Shareholders to increase the fee pool by \$250,000 from \$1million to \$1.25million.

The Board is seeking an increase to the fee pool at this time for the following reasons:

- as part of the Company's review of its constitution and the fact that no increase in the aggregate limit has occurred for 6 years has meant that over that period due to inflation the value of this cap has eroded significantly. Between 2017 and 2023 Australia has experienced inflation of approximately 22.5% so the increase in the cap is largely restoring its value in real terms to what it was in 2017;
- consistent with the increase in governance, legal and regulatory obligations on listed companies, there has been a natural change in the role and responsibilities for Non-Executive Directors, (including certain board members taking on additional duties beyond purely non-executive duties in the current challenging environment);
- to remunerate Non-Executive Directors appropriately for the expectations placed on them by the Company and the regulatory environment in which it operates, and thereby attract and retain high calibre people; and
- to allow for future changes in Board remuneration structure and quantum to reflect market practice and benchmarking movements.

The Directors are satisfied that the proposed fee pool is commensurate with the fee pool applying to peer companies and that the proposed increase is reasonable and appropriate for the reasons set out above.

Details of fees paid to Non-Executive Directors for the year ended 30 June 2023 are provided on page 18 of the Company's 2023 Annual Report. If Shareholder approval is obtained for the increase of the fee pool, the increase will take effect on and from the date Shareholder approval is obtained. If Shareholder approval is not obtained, the fee pool will remain at \$1million.

No securities have been issued to any Non-Executive Director of the Company under ASX Listing Rules 10.11 or 10.14 at any time within the last three years.

Board Recommendation

As Non-Executive Directors have an interest in Resolution 6, the Directors have not made a recommendation on this item of business.

Voting Exclusion for Item 6

A voting exclusion applies to this Item as set out on pages 2-3 of the notice of meeting.

Item 7: Adoption of new Constitution

Background and reasons for the proposal

The constitution of the Company was adopted on 28 May 1999 (**Constitution**). Since adoption, the only modification to the Constitution was on 17 November 2000.

The Company has recently undertaken a review of the Constitution and proposes to repeal and replace the Constitution to make a number of modifications to reflect certain changes to corporate governance practice, the Corporations Act and ASX Listing Rules, and also to generally update certain legacy provisions and outdated terminology. A number of the proposed changes also seek to achieve efficient and flexible administration of the Company and relations with Shareholders.

Under section 136 of the Corporations Act, amendments to the Constitution may only be made by a special resolution of Shareholders. If Shareholder approval is not obtained, the existing Constitution will remain in place.

Overview of proposed amendments to the Constitution

An overview of the key differences between the Constitution and the proposed new constitution are detailed below. A copy of the proposed new constitution accompanies this notice and is available from the Company's website at <https://www.senetas.com/>.

Summary of proposed changes

A. Updated legislative references

The new constitution includes updated legislative references to the Corporations Act and ASX Listing Rules.

B. Preference Shares

The new constitution has a more extensive preference share regime, which expands on the types of preference shares that may be issued and the rights that can be attached to those preference shares.

Under rule 2.2 of the new constitution, the terms of issue of the preference shares are decided by the directors of the Company. For example, to the extent that the directors of the Company decide under the terms of issue of the preference shares:

- (a) A preference share may confer on its holder a right to receive a preferential dividend at the rate and on the basis decided by the directors.
- (b) The preferential dividend is cumulative.
- (c) A preference share confers on its holder the right to payment out of the profits of the company (or any other permitted source) of the preferential dividend in priority to the payment of any dividend on ordinary shares, and any other class of shares that the directors decide.
- (d) A preference share confers on its holder the right in a winding up to payment in cash of the amount of any dividend accrued at the date of the winding up but unpaid on the share and any amount paid on the share in priority to the payment of any amount on ordinary shares and any other class of shares the directors decide.
- (e) The holder of a preference share has the same right as the holder of an ordinary share to receive notice of, and a copy of any document to be laid before, a general meeting of the Company at which a resolution is proposed on which the holder is entitled to vote, and to attend the general meeting, but has no right to receive notice of, or a copy of, any document to be laid before, or to attend, any other general meeting of the Company.

C. Employee share ownership plans

Rule 2.6 of the new constitution provides for the directors of the Company to have the power to:

- (a) adopt and implement any share ownership plan; and
- (b) amend, suspend or terminate any employee share ownership plan they implement.

D. Transfer of shares

In line with the current requirements under the ASX Listing Rules, rule 5 of the new constitution provides some additional restrictions on circumstances where the company must decline or refuse to register a transfer of shares where prohibited by the ASX Listing Rules.

The new constitution also has a mechanism which prevents predatory proportional takeover bids without shareholder approval: see rule 5.7. Under this new rule, before a transfer for a proportional takeover bid can be registered by the Company, the bid must be approved by shareholder resolution comprising at least 50% of the persons entitled to vote on the matter (being those persons (other than the bidder or an associate of the bidder) who held bid class securities at the end of the day on which the first offer under the bid was made).

Shareholder approval for this provision must be renewed every 3 years, failing which it will cease to have effect.

E. General meetings

In line with the current requirements under section 249CA of the Corporations Act, general meetings may now be called by any director whenever the director wishes rather than only by a resolution of the directors. The new constitution is updated to reflect this.

In line with the current provisions under section 249R of the Corporation Act, general meetings may now be held using virtual meeting technology: see rule 6.7. This would mean that general meetings of the Company may now be held either:

- (a) at one or more physical venues;
- (b) at one or more physical venues and using virtual meeting technology; or
- (c) using virtual meeting technology only.

F. Directors

There is a mechanism in the new constitution that gives the directors the power to suspend a director by resolution passed by a majority of the directors where that majority considers that the continuance in office of the subject director would be, or would be likely to be, prejudicial to the interests of the Company: see rule 7.1(l). The majority resolution must be passed at a meeting of directors specifically convened for the purposes of considering the suspension. The suspension may be terminated at any time by a resolution passed by a majority of all directors at a meeting of directors specifically convened for the purposes of considering termination of the suspension. The suspension will terminate at the end of 14 days from the date of suspension, unless within that period notice of a general meeting of the Company to consider a resolution to remove the director from office is despatched to members and the meeting is convened to be held within 35 days from the date of despatch. In that case, the suspension will terminate at the conclusion of the meeting.

Under rule 7.2(e) of the new constitution, if a director of the Company is absent (and not represented by an alternate director) from meetings of directors for at least 6 consecutive months without the resolution of the other directors granting leave to do so, that director will cease to be a director of the Company at the end of the next meeting, after written notice of the absence has been given to the directors by the secretary.

The aggregate remuneration that may be paid to or for the benefit of the directors (not including remuneration to which a director may be entitled as an employee of the company or a related body corporate or in a capacity other than as a director of the company) is currently \$1million. Assuming the resolution the subject of item 6 of this notice of meeting is passed, then that amount will increase to \$1.25million, in which case the new constitution will be adopted with the aggregate remuneration cap that may be paid to or for the benefit of the directors in any financial year being \$1.25million (or such other sum as the members may by resolution approve): see rule 7.3(b). If the resolution the subject of item 6 is not passed, and this resolution is successful, then the same current authorised level for the aggregate remuneration of directors under the existing Constitution (being \$1million) will be described in rule 7.3(b) of the new constitution.

G. Meetings of Directors

Under the new constitution, the quorum for a meeting of directors consists of

- (a) if the directors have a fixed number for the quorum, that number of directors; and
- (b) in any other case, 2 directors: see rule 7.10.

This differs from the quorum requirement under the Constitution which currently is 2 directors (one of whom must be a managing director), unless the directors decide differently: see rule 45 of the Constitution.

Under the new constitution, alternate directors are not entitled to notice of meetings of directors unless their appointor is on leave of absence approved by the directors. In that case, the alternate director must be given notice of meetings of directors during the leave of absence: see rule 7.14.

H. Execution of documents

The new constitution includes updated rules regarding execution of documents by the Company to keep in line with the current requirements under the Corporations Act. Under the new constitution, the Company may execute a document if the document is signed by either 2 directors or a director and a secretary of the Company: rule 12.1.

The new constitution still allows for the Company to have a common seal, in which case additional rules will apply: rule 12.2.

Item 7 is a special resolution. Therefore, to be passed it requires at least 75% of the votes cast by shareholders entitled to vote to be in favour of the resolution.

Board recommendation and chairman's voting intention for item 7

The board unanimously recommends that shareholders vote **in favour** of the resolution in this item of business.

The Chairman of the Meeting intends to vote all available proxies **in favour** of this item of business.

ITEM 8 - APPROVAL OF 10% PLACEMENT FACILITY

Background

ASX Listing Rule 7.1A enables eligible entities to issue equity securities up to 10% of its issued share capital through placements over a 12-month period after the annual general meeting at which such a placement facility is approved by a special resolution of shareholders (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is currently such an eligible entity (and is expected to remain so by the time of the 2023 annual general meeting).

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue "equity securities" under the 10% Placement Facility. "Equity securities" relevantly include a share, a right to a share or option, an option over an issued or unissued security, and a convertible security (each an **Equity Security**).

The exact number of Equity Securities which the Company will have the capacity to issue under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (described below).

The Company may use the funds raised from the issue of Equity Securities under the 10% Placement Facility for working capital requirements and ongoing business development activities and/or for acquisitions of new assets or investments (including expenses associated with such acquisitions or investments).

Description of Listing Rule ASX 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. Currently, the Company's only existing quoted class of Equity Securities is ordinary shares.

(c) Formula for calculating 10% Placement Facility

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the period of up to 12 months (see '10% Placement Period' below) after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

where:

- A** is the number of fully paid ordinary shares on issue in the Company 12 months before the date of issue or agreement to issue (**Relevant Period**):
- (A) plus the number of fully paid ordinary securities issued in the Relevant Period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
 - (B) plus the number of fully paid ordinary securities issued in the Relevant Period on the conversion of convertible securities within rule 7.2 exception 9 where:
 - (i) the convertible securities were issued or agreed to be issued before the commencement of the Relevant Period; or
 - (ii) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to be approved, under Rule 7.1 or 7.4;
 - (C) plus the number of fully paid ordinary securities issued in the Relevant Period under an agreement to issue securities within rule 7.2 exception 16 where:
 - (i) the agreement was entered into before the commencement of the Relevant Period; or
 - (ii) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Rule 7.1 or 7.4;
 - (D) plus the number of any other fully paid ordinary securities issued in the Relevant Period with approval under Rule 7.1 or 7.4;
 - (E) plus the number of partly paid ordinary securities that became fully paid in the 12 months;
 - (F) less the number of fully paid ordinary securities cancelled in the 12 months.

Note that A has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rule 7.4.

(d) ASX Listing Rules 7.1 and 7.1A

If passed, the resolution in item 9 will allow the board of directors to issue up to an additional 10% of the Company's issued capital during period of up to 12 months (see '10% Placement Period' below) following the date of the Company's 2023 annual general meeting without requiring further shareholder approval. This is in addition to the Company's 15% annual placement capacity provided for in ASX Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer to 'Formula for calculating 10% Placement Facility' above).

Other specific information required by ASX Listing Rule 7.3A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the following additional information is provided in relation to the approval of the 10% Placement Facility:

Period for which the approval will be valid

Shareholder approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid for the period (**10% Placement Period**) from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained;
- (ii) the time and date of the next annual general meeting of the Company; or

- (iii) the date of the approval by shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

If the resolution in item 8 is passed and shareholder approval is not sought for a transaction under ASX Listing Rules 11.1.2 or 11.2, the 10% Placement Period will end at the latest on 30 November 2024.

Minimum issue price

The issue price of any Equity Securities issued under ASX Listing Rule 7.1A must be no less than 75% of the volume weighted average price (VWAP) of Equity Securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

Purposes for which funds may be used

Equity Securities may only be issued using the 10% Placement Facility for cash consideration only. The Company intends to use any funds so raised towards working capital requirements and ongoing business development activities.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.3 upon the issue of any Equity Securities.

Risk of economic and voting dilution

If the resolution in item 8 is approved by shareholders and the Company issues Equity Securities under the 10% Placement Facility, there is a risk of economic and voting dilution to the existing ordinary security holders of the Company. This includes the risk that:

- (i) the market price for the Company's Equity Securities (e.g. ordinary shares) may be significantly lower on the date of the issue of the Equity Securities than on the date of the 2023 annual general meeting; and
- (ii) the Equity Securities may be issued for cash-consideration at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing shareholders on the basis of the current market price of ordinary shares in the Company and the current number of ordinary shares for variable 'A' calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of this notice of meeting.

The table also shows:

- (i) two examples where variable 'A' has increased, by 50% and 100%. Variable 'A' is based on the number of ordinary shares the Company has on issue. The number of ordinary shares on issue may increase as a result of issues of ordinary shares that do not require shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future general meeting; and
- (ii) two examples of where the issue price of ordinary shares changed, either by decreasing by 50% or by increasing by 100% as against a recent market price (being the closing price on 10 October 2023).

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.0105 50% decrease in Issue Price	\$0.0210 Issue Price	\$0.0420 100% increase in Issue Price
Current Variable A 1,214,140,627	10% Voting dilution	121,414,063	121,414,063	121,414,063

	Funds Raised	\$1,274,848	\$2,549,695	\$5,099,391
50% increase in current Variable A 1,821,210,941	10% Voting dilution	182,121,094	182,121,094	182,121,094
	Funds Raised	\$1,912,271	\$3,824,543	\$7,649,086
100% increase in current Variable A 2,428,281,254	10% Voting dilution	242,828,125	242,828,125	242,828,125
	Funds Raised	\$2,549,695	\$5,099,391	\$10,198,781

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No options on issue are exercised into shares before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular shareholder by reason of placements under the 10% Placement Facility, based on that shareholder's holding at the date of the 2023 annual general meeting.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1 (i.e. it assumes the Company does not issue any Equity Securities under the 15% placement capacity).
- (vi) The Equity Securities issued under the 10% Placement Facility consist only of ordinary shares, and not any other Equity Securities such as options.
- (vii) The issue price is \$0.021 per share, being the closing price of the Company's shares on ASX on 10 October 2023.

Allocation policy for issues under Listing Rule 7.1A capacity

The Company's allocation policy for identifying to whom any Equity Securities will be issued under the 10% Placement Facility will be dependent on the prevailing market conditions at the time of any such proposed issue. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to various factors, including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, a rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this notice of meeting but may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company. The Company would only issue Equity Securities to directors or other related parties of the Company under the 10% Placement Facility if shareholder approval is obtained (or an exception under ASX Listing Rule 10.12 applies).

Prior issues of securities in the last 12 months under Listing Rule 7.1A

No securities have been issued by the Company under Listing Rule 7.1A in the last 12 months.

Item 8 is a special resolution. Therefore, to be passed it requires at least 75% of the votes cast by shareholders entitled to vote to be in favour of the resolution.

Board recommendation and chairman's voting intention for item 8

The board unanimously recommends that shareholders vote **in favour** of the resolution in this item of business.

The chairman of the meeting intends to vote all undirected proxies **in favour** of the resolution in this item of business.

Voting exclusion for item 8

A voting exclusion applies to this item 8 as set out on page 3 of the notice of meeting.

At the date of this notice of meeting, the Company has not identified or approached any particular persons (including any existing security holder or an identifiable class of existing security holders) to participate in an issue of Equity Securities under the 10% Placement Facility for which approval is sought. No security holder's votes will therefore be excluded under the voting exclusion for this item 8. Shareholders should consider this resolution on the basis that they may or may not get a benefit from the 10% Placement Facility and that it is possible that their shareholding in the Company will be diluted.

Need assistance?



Phone:

1300 138 325 (within Australia)
+61 (3) 9415 4213 (outside Australia)



Online:

www.investorcentre.com/contact

SEN

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Senetas Corporation Limited Annual General Meeting

The Senetas Corporation Limited Annual General Meeting will be held on Thursday, 30 November 2023 at 9:30am (AEDT). You are encouraged to participate in the meeting using the following options:



MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit www.investorvote.com.au and use the below information:



Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

For your proxy appointment to be effective it must be received by 9:30am (AEDT) on Tuesday, 28 November 2023.



ATTENDING THE MEETING IN PERSON

The meeting will be held at:
Seasons Botanic Gardens, 348 St Kilda Road, Melbourne, VIC 3004

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

SEN

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?



Phone:

1300 138 325 (within Australia)
+61 (3) 9415 4213 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **9:30am (AEDT) on Tuesday, 28 November 2023.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Senetas Corporation Limited hereby appoint

☐

the Chairman
of the Meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate 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, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Senetas Corporation Limited to be held at Seasons Botanic Gardens, 348 St Kilda Road, Melbourne, VIC 3004 on Thursday, 30 November 2023 at 9:30am (AEDT) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 3, 4, 5 and 6 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 3, 4, 5 and 6 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 3, 4, 5 and 6 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 2a	Re-election of Director - Mr Lawrence David Hansen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2b	Re-election of Director - Mr Philip Schofield	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of Employee Share Ownership Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Grant of Options to the Managing Director and Chief Executive Officer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Non-Executive Directors' Remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval of New Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /
Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically





Security without compromise

Senetas Corporation Limited

ABN 33 006 067 607

SENRM

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SUBURB
SAMPLETOWN VIC 3030

Dear Securityholder,

We have been trying to contact you in connection with your securityholding in Senetas Corporation Limited. Unfortunately, our correspondence has been returned to us marked "Unknown at the current address". For security reasons we have flagged this against your securityholding which will exclude you from future mailings, other than notices of meeting.

Please note if you have previously elected to receive a hard copy Annual Report (including the financial report, directors' report and auditor's report) the dispatch of that report to you has been suspended but will be resumed on receipt of instructions from you to do so.

We value you as a securityholder and request that you supply your current address so that we can keep you informed about our Company. Where the correspondence has been returned to us in error we request that you advise us of this so that we may correct our records.

You are requested to include the following;

- > Securityholder Reference Number (SRN);
- > ASX trading code;
- > Name of company in which security is held;
- > Old address; and
- > New address.

Please ensure that the notification is signed by all holders and forwarded to our Share Registry at:

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne Victoria 3001
Australia

Note: If your holding is sponsored within the CHESS environment you need to advise your sponsoring participant (in most cases this would be your broker) of your change of address so that your records with CHESS are also updated.

Yours sincerely

Senetas Corporation Limited

Constitution

Senetas Corporation Limited
ACN 006 067 607

A company limited by shares

This constitution was presented to the general meeting of the above company held on and is signed by me for the purpose of identification.

.....
Francis Galbally
Chair of the meeting

Piper Alderman
Lawyers

Level 23
459 Collins Street
Melbourne VIC 3000
Australia
t +61 3 8665 5555
f +61 3 8665 5500
www.piperalderman.com.au

Adelaide . Brisbane . Melbourne . Perth . Sydney

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Senetas Corporation Limited **ACN 006 067 607**

1. Preliminary

1.1 Application of the Corporations Act

- (a) This constitution is subject to the Corporations Act.
- (b) The replaceable rules for a company under the Corporations Act do not apply to the company.
- (c) In this constitution, unless the context otherwise requires:
 - (1) a term in a rule about a matter dealt with by a provision of the Corporations Act has the same meaning as in that provision of the Corporations Act; and
 - (2) subject to paragraph (1) above, a term in a rule that is defined in section 9 of the Corporations Act has the same meaning as in that section.

1.2 Definitions

In this constitution, unless the context otherwise requires:

ASX means ASX Limited ABN 98 008 624 691 or the financial market operated by ASX Limited, as the context requires;

ASX Listing Rules means the listing rules made by ASX that deal with admitting entities to, or removing entities from, ASX's official list or the activities or conduct of entities that are included on that list;

ASX Settlement Operating Rules means the operating rules of the settlement facility provided by ASX Settlement Pty Ltd ABN 49 008 504 532;

business day has the same meaning as in the ASX Listing Rules;

CHESS has the same meaning as in the ASX Settlement Operating Rules;

Commonwealth means the Commonwealth of Australia and its external territories;

company means the company specified on the front cover of this constitution;

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

dividend reinvestment plan means a plan whereby participating members, subject to the terms of the plan, elect in respect of some or all of their shares to apply the dividends payable on those shares to subscribe for additional shares in the company;

dividend selection plan means a plan whereby participating members, subject to the terms of the plan, elect in respect of some or all of their shares:

- (a) to receive the dividends payable on those shares wholly or partly by way of a payment out of any particular fund or reserve or out of profits derived from any particular source; or

- (b) not to receive the dividends payable on those shares, and in place of those dividends to receive some other form of distribution from the company or another body corporate or a trust, including paid up shares or other securities of the company, other body corporate or trust;

employee share ownership plan means a plan or scheme whereby any officer, employee or consultant of the company or a related body corporate, or his or her nominated entity, subject to the terms of the plan, may acquire shares in the company or options or other rights to acquire, or that are convertible into, shares in the company;

executive director means a director of the company who is an officer or holds an office referred to in rule 8 or is an employee of the company or a related body corporate;

non-executive director means a director of the company who is not an executive director;

representative means, for a body corporate, a representative under section 250D of the Corporations Act or a corresponding previous law;

restriction agreement has the same meaning as in the ASX Listing Rules;

restricted securities has the same meaning as in the ASX Listing Rules;

seal means any common seal, duplicate seal, certificate seal or share seal of the company;

transmission event means:

- (a) for an individual:
 - (1) the death of individual;
 - (2) the bankruptcy of the individual;
 - (3) the individual becoming of unsound mind; or
 - (4) the individual becoming a person, who is or whose estate is, liable to be dealt with under a law about mental health; and
- (b) for a body corporate:
 - (1) the dissolution of the body corporate; or
 - (2) the succession by another body corporate to the assets and liabilities of the body corporate.

1.3 Interpretation

In this constitution headings and bold typing are included for convenience only and do not affect interpretation and, unless the context otherwise requires:

- (a) a reference to a word includes the singular and the plural of the word and vice versa;
- (b) a reference to a gender includes any gender;

- (c) if a word or phrase is defined, then other parts of speech and grammatical forms of that word or phrase have a corresponding meaning;
- (d) a term which refers to a person includes a person in any capacity, a body corporate, an unincorporated body (for example a society or association), a trust, a partnership, a sovereign state, a government or a government department or agency;
- (e) a reference to a document includes a reference to that document as amended, novated, supplemented, varied or replaced;
- (f) a reference to a statute or regulation or a provision of a statute or regulation is a reference to that statute, regulation or provision as amended or a statute, regulation or provision replacing it, and a reference to a statute includes all regulations, proclamations, ordinances and by-laws made or issued under that statute;
- (g) a reference to a document is a reference to a document of any kind including but not limited to an agreement in writing, a certificate, a notice, or an instrument;
- (h) a reference to an entity, other than the company or a member, which ceases to exist or whose powers or functions are transferred to another entity, is a reference to the entity which replaces it or which substantially succeeds to its powers or functions;
- (i) the term 'including', 'e.g.', 'such as', 'particularly' or any similar expression is not used as, nor is intended to be interpreted as, a term of limitation;
- (j) a member is present at a general meeting if the member is present in person or by proxy, attorney or representative;
- (k) a director is present at a meeting of directors if the director is present in person or by alternate director;
- (l) a reference in general terms to a person holding or occupying a particular office or position includes a reference to any person who occupies or performs the duties of that office or position;
- (m) reference to:
 - (1) writing or a document includes writing or a document in electronic form;
 - (2) a person signing a document includes by a copy or facsimile of the person's signature being applied or otherwise affixed by or on behalf of the person to a paper copy of the document or an electronic copy of the person's signature or a signature otherwise made or adopted electronically by the person being applied or otherwise affixed by or on behalf of the person to an electronic copy of the document or by any other method (physical, mechanical or electronic) by which the person's assent to the document is indicated provided that the method is sufficient to identify both the person and the document to which the person assents; and
 - (3) creating, keeping or maintaining a book, minute, register, journal, record or other document or information includes by recording or storing the relevant information by electronic means;

- (n) a reference to a partly paid share is a reference to a share on which there is an amount unpaid; and
- (o) a reference in a rule about partly paid shares to a call or an amount called for a share includes but is not limited to a reference to a sum, that by the terms of issue of a share, becomes payable on issue or at a fixed date.

1.4 Powers under this constitution

- (a) The company may take any action or exercise any power which under the Corporations Act a company limited by shares may do if authorised by its constitution.
- (b) The company may do these things, in any manner permitted by the Corporations Act.
- (c) If under this constitution a person may do a particular act or thing, then the person does the act or thing at that person's discretion.
- (d) Subject to an express term to the contrary:
 - (1) if this constitution confers a power, then the person may exercise the power as necessary and for the period the person holds the office; and
 - (2) if this constitution imposes a duty, then the person must perform the duty as necessary and for the period the person holds the office.
- (e) If this constitution confers power on a person to delegate a function or power then the person may:
 - (1) delegate concurrently or to the exclusion of that person's performance or exercise of that function or power;
 - (2) delegate generally; or
 - (3) limit the delegation in the manner that the person sets out in the delegation.
- (f) The delegation need not be to a specified person but may be to any person holding, occupying or performing the duties of, a specified office or position.
- (g) The delegation may include the power to delegate.
- (h) If the person's action depends upon the opinion, belief or state of mind of that person, then the delegate has the same capacity to act upon the delegate's opinion, belief or state of mind.
- (i) A delegate's action is taken as the act of the person who delegated the power or function.
- (j) Subject to an express term to the contrary, if this constitution confers a power to do a particular act or thing, then the power includes but is not limited to the power to repeal, rescind, revoke, amend or vary that act or thing.
- (k) Subject to an express term to the contrary, if this constitution confers a power to do a particular act or thing about a particular matter, then the power includes but is not limited to a power to do that act or thing:

- (1) for some only of those matters;
 - (2) for a particular class or particular classes of those matters; and
 - (3) to make different provision for different matters or different classes of matters.
- (l) Subject to an express term to the contrary, if this constitution confers a power to appoint a person to an office or position, then the power includes but is not limited to a power:
 - (1) to appoint a person to act in the office or position until another person is appointed;
 - (2) subject to any contract between the company and the person, to remove or suspend the person appointed; and
 - (3) to appoint another person temporarily in the place of:
 - (A) a person removed or suspended; or
 - (B) a sick or absent holder of an office or position.

1.5 Payments

- (a) A dividend, bonus, return of capital or other distribution payable by the company in respect of a share may be paid by cheque drawn in favour of the intended recipient, by electronic funds transfer to an account nominated by the intended recipient or in any other manner determined by the directors. Any such payment will be at the risk of the intended recipient. Without limiting the generality of the foregoing, a payment in respect of a share may be made to the member in whose name the share is registered despite the occurrence of a transmission event in relation to that member and whether or not the company has notice of it.
- (b) Payments in respect of a share by the company may be made in Australian dollars or any other currency determined by the directors. The directors may determine to pay in different currencies to different members and may determine the appropriate exchange rate and the time of calculation to calculate the amount payable in the relevant currency. The determinations of the directors are, in the absence of manifest error, final.
- (c) In addition to payments in different currencies, different payment methods may be used for different members.
- (d) Where a payment to a member is by cheque, the cheque may be posted to the member in the same way a notice may be sent to the member by post under rule 13.
- (e) Where a cheque for an amount payable by the company is not presented for payment within 3 months, the cheque may be cancelled by the company.
- (f) Where:
 - (1) a cheque for an amount payable by the company is cancelled by the company; or

- (2) an electronic funds transfer of an amount payable by the company is unsuccessful as a result of incorrect details being provided by or on behalf of the intended recipient;

the amount may be treated by the company as an unclaimed amount and, subject to the Corporations Act, invested or otherwise used by or for the benefit of the company until claimed or may be disposed of according to law.

1.6 ASX Listing Rules compliance

If the company is admitted to the official list of ASX, the following applies:

- (a) Notwithstanding anything contained in this constitution, if the ASX Listing Rules prohibit an act being done, the act shall not be done.
- (b) Nothing contained in this constitution prevents an act being done that the ASX Listing Rules require to be done.
- (c) If the ASX 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 ASX 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.
- (e) If the ASX 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.
- (f) If any provision of this constitution is or becomes inconsistent with the ASX Listing Rules, this constitution is deemed not to contain that provision to the extent of the inconsistency.
- (g) Where at any time any shares in the company are restricted securities, then notwithstanding any other provision of this constitution or their terms of issue:
 - (1) a holder of restricted securities must not dispose of, or agree or offer to dispose of, the securities during the escrow period applicable to those securities except as permitted by the ASX Listing Rules, ASX or the restriction agreement or deed in relation to those securities;
 - (2) a holder of restricted securities in the same class as quoted securities will be taken to have agreed in writing that the restricted securities are to be kept on the company's issuer sponsored sub-register and are to have a holding lock applied for the duration of the escrow period applicable to those securities;
 - (3) the company must refuse to acknowledge, accept or register any transfer or other disposal of the restricted securities during the escrow period applicable to those securities except as permitted by the ASX Listing Rules, ASX or the restriction agreement or deed in relation to those securities;
 - (4) a holder of restricted securities will not be entitled to participate in any return of capital on those securities during the escrow period applicable to those securities except as permitted by the ASX Listing Rules, ASX or the restriction agreement or deed in relation to those securities; and

- (5) if a holder of restricted securities breaches a restriction agreement or deed or a provision of this constitution restricting a disposal of those securities, the holder will not be entitled to any dividend or other distribution, or to exercise any voting rights, in respect of those securities for so long as the breach continues.
- (h) Where at any time any shares in the company are or are to become restricted securities, then notwithstanding any other provision of this constitution or their terms of issue:
 - (1) each member who is or will become the holder of the restricted securities must enter into, and to the extent required under the ASX Listing Rules must procure each controller of the member to enter into, a restriction agreement or deed with the company in relation to those securities on the terms and by the time required under the ASX Listing Rules; and
 - (2) each member required to enter into a restriction agreement or deed with the company in relation to the member's restricted securities will be taken to have appointed the company and each officer of the company jointly and severally as the member's attorney in the member's name and on the member's behalf to execute and deliver the restriction agreement or deed and all deeds, instruments and other documents and to do all other acts and things which the company considers necessary or appropriate to effect or comply with the restrictions on disposal under the restriction agreement or deed, the ASX Listing Rules or rule 1.6(d) in relation to those securities.
- (i) Each director must disclose to the company the notifiable interests of the director and changes to those notifiable interests in sufficient time to allow the company to meet its disclosure obligations under rule 3.19A of the ASX Listing Rules. The company is authorised to give that information to ASX:
 - (1) for the purposes of meeting its disclosure obligations under rule 3.19A of the ASX Listing Rules; and
 - (2) as agent for the director for the purposes of the director meeting his or her disclosure obligations under section 205G of the Corporations Act,

and the company must do so promptly after receiving the information so that, if possible, the time limits for giving the information to ASX are met.
- (j) In this constitution, unless the context otherwise requires, a term used in a rule about a matter dealt with by a provision of the ASX Listing Rules has the same meaning as in that provision.

2. Share capital

2.1 Shares

- (a) Without prejudice to any special right conferred on a holder of a share or class of shares, the directors may issue, grant options for, or otherwise dispose of, shares in the company as the directors think fit.
- (b) The directors' discretion includes but is not limited to terms on:

- (1) price, conditions and timing;
 - (2) a special right or restriction which may be preferred or deferred; and
 - (3) dividends, voting, return of capital and participation in the property of the company on a winding up.
- (c) The directors may differentiate between each holder of a partly paid share on:
 - (1) the amount of a call that member must pay; and
 - (2) the time the member must pay that amount.

2.2 Preference shares

- (a) The directors may issue preference shares including preference shares which are liable to be redeemed.
- (b) A preference share may confer on its holder a right to receive a preferential dividend at the rate and on the basis decided by the directors under the terms of issue.
- (c) The preferential dividend is cumulative except to the extent the directors decide under the terms of issue.
- (d) A preference share confers on its holder the right to payment out of the profits of the company (or any other permitted source) of the preferential dividend in priority to the payment of any dividend on ordinary shares, and any other class of shares that the directors decide under the terms of issue.
- (e) A preference share confers on its holder the right in a winding up to payment in cash of:
 - (1) the amount of any dividend accrued at the date of the winding up but unpaid on the share; and
 - (2) any amount paid on the share;in priority to the payment of any amount on ordinary shares, and any other class of shares that the directors decide under the terms of issue.
- (f) If and to the extent that the directors decide under the terms of issue, a preference share may confer on its holder:
 - (1) in addition to or instead of any preferential dividend, a right to participate with the ordinary shares in any dividends payable on ordinary shares; and
 - (2) a right to a bonus issue or capitalisation of profits or any other amount otherwise available for distribution to members.
- (g) A preference share does not confer on its holder any right to participate in the profits or property of the company except as set out in this rule 2.2.
- (h) The holder of a preference share has the same right as the holder of an ordinary share to receive notice of, and a copy of any document to be laid before, a general

meeting of the company at which a resolution is proposed on which the holder is entitled to vote, and to attend the general meeting, but has no right to receive notice of, or a copy of, any document to be laid before, or to attend, any other general meeting of the company except to the extent the terms of issue of the preference share otherwise provided.

- (i) A preference share does not entitle its holder to vote at a general meeting of the company except to the extent the terms of issue permit the holder to vote in the following circumstances:
 - (1) During a period during which a dividend (or part of a dividend) in respect of the share is in arrears.
 - (2) On a proposal to reduce the company's share capital.
 - (3) On a resolution to approve the terms of a buy-back agreement.
 - (4) On a proposal that affects rights attached to the share.
 - (5) On a proposal to wind up the company.
 - (6) On a proposal for the disposal of the whole of the company's property, business and undertaking.
 - (7) During the winding up of the company.

Where the ASX Listing Rules require the holder of a preference share to be entitled to vote in any of the above circumstances, a preference share must not be issued on terms which preclude the holder from voting in that circumstance whilst the company is admitted to the official list.

- (j) Where a preference share does confer on its holder the right to vote at a general meeting, the voting right is the same, and determined in the same way, as the voting right attached to an ordinary share.
- (k) Preference shares may be convertible into ordinary shares on a basis decided by the directors under the terms of issue. Unless the terms of issue otherwise provide, a convertible preference share may be converted into an ordinary share by the company notifying the holder of the conversion. Upon the company giving the holder notification of the conversion, or if a later date is specified as the date of conversion, on that later date, the convertible preference share will be converted into, and will be reclassified and known as, an ordinary share. The conversion will be effected by, and will result in, the rights attached to the convertible preference share being varied to be the same as the rights attached to an ordinary share, not by redemption and new issue or any other cancellation of the share or creation of a new share. The holder of a convertible preference share that is to be converted must return the certificate for the share (if any) to the company for cancellation as soon as reasonably practicable after being requested to do so, but is not required to return the certificate earlier than 3 business days before the proposed date of conversion. The conversion may be deferred until the company receives the certificate.
- (l) A redeemable preference share may be redeemable on a basis decided by the directors under the terms of issue. The holder of a redeemable preference share that is to be redeemed must return the certificate for the share (if any) to the company for

cancellation as soon as reasonably practicable after being requested to do so, but is not required to return the certificate earlier than 3 business days before the proposed date of redemption. Payment of the amount payable for redemption of the share may be deferred until the company receives the certificate.

- (m) Subject to the Corporations Act and this constitution, all rights and restrictions of a preference share issued by the company may be decided by the directors and will be governed by the terms of issue, and provided they have been disclosed to the subscriber for the share before its issue will bind the subscriber and all subsequent holders of the share.

2.3 Issue of shares of same class

Subject to any special right conferred on a holder of a share or class of shares, the directors may issue shares of the same class as an existing class of shares and such an issue is not to be considered to constitute a variation of the rights of the holders of shares in the existing class.

2.4 Joint holders of shares

- (a) If 2 or more persons are registered as the holders of a share, then they hold it as joint tenants with rights of survivorship subject to this rule 2.4.
- (b) A joint holder of a share and that person's legal personal representative is liable severally as well as jointly for each payment, including a call, which ought to be made in respect of the share.
- (c) On the death of any 1 joint holder of a share, a survivor is the only person the company recognises as having any title to the share.
- (d) A dividend, bonus, return of capital or other distribution or payment in respect of a jointly held share may be made to the joint holder of the share first named in the register of members or another joint holder notified in writing to the company for this purpose by all joint holders, and any 1 joint holder may give an effective receipt for any such distribution or payment.
- (e) Delivery of a certificate for a jointly held share to any 1 joint holder of the share is sufficient, and taken to be, delivery to all joint holders.
- (f) The company is not bound to register more than 3 persons as joint holders of a share except in the case of persons jointly entitled to be registered as the holders of a share following a transmission event.

2.5 Equitable and other claims

Subject to the law and an express rule in this constitution, the company is entitled to treat the registered holder of a share as the absolute owner of that share, and is not, even if the company has notice:

- (a) obliged to recognise a person as holding a share on any trust; or
- (b) obliged to recognise any equitable, contingent, future or partial claim to or interest in a share on the part of any other person.

2.6 Employee share ownership plans

The directors may:

- (a) adopt and implement any employee share ownership plan; and
- (b) amend, suspend or terminate any employee share ownership plan they implement.

3. Calls, forfeiture, indemnities, lien and surrender

3.1 Calls

- (a) Subject to this constitution and to the terms of issue of a share, the directors may call upon a member for any money unpaid on a share which is not by the terms of issue, payable at a fixed time.
- (b) The directors may require a member to pay a call by instalments.
- (c) The company must give the member at least 14 days notice to pay a call.
- (d) The notice must specify:
 - (1) the amount that the member must pay; and
 - (2) the time and the place of payment.
- (e) Each member must pay the amount stated in the notice in the manner set out in the notice.
- (f) A call is made when the directors pass the resolution authorising the call.
- (g) The directors may revoke or postpone a call.
- (h) The directors may extend the time for payment.
- (i) A call is valid, even if:
 - (1) a member does not receive a notice of a call; or
 - (2) the company omits to give a member a notice of a call.
- (j) If a person does not pay a sum called for a share in full by the due date, then the person must pay:
 - (1) interest on the sum which is unpaid, from and including the due date for payment to the date of actual payment; and
 - (2) any costs, expenses or damages, which the company incurs for the non-payment or late payment of the sum.
- (k) If under the terms of issue, a sum unpaid on a share becomes payable on issue or at a fixed date, then:
 - (1) the sum is payable as if the company has duly made and notified a call; and

- (2) the person must pay the sum on the date on which it is payable under the terms of issue of the share.

3.2 Proceedings for recovery of calls

- (a) The following is conclusive evidence of a debt in any proceedings for the recovery of a call amount, interest, costs or expenses that the company incurs following the non-payment or late payment of a call:
 - (1) the name of the defendant is entered in the register as the holder or 1 of the holders of the share for which the call is claimed;
 - (2) the resolution making the call is recorded in the minute book; and
 - (3) notice of the call was duly given to the defendant.
- (b) It is not necessary to prove any matter including the appointment of the directors, who made the call.
- (c) In this rule 3.2 a defendant may include but is not limited to a person against whom the company alleges a set-off or counter-claim.

3.3 Payments in advance of calls

- (a) The directors may accept from a member an amount unpaid on a share, even if the company has not called that amount.
- (b) The directors may authorise the company to pay interest on an amount accepted under rule 3.3(a):
 - (1) until the amount becomes payable; and
 - (2) at a rate agreed between the directors and the member paying the amount.
- (c) The directors may repay to a member any of the amount accepted under rule 3.3(a).

3.4 Forfeiture of partly paid shares

- (a) If a member fails to pay the whole of a call or instalment of a call by the time appointed for payment, then the directors may serve a notice on that member requiring payment of:
 - (1) the amount which is unpaid;
 - (2) any interest that has accrued; and
 - (3) all costs, expenses and damages that the company has incurred because of the non-payment or late payment of the call or instalment.
- (b) In the notice, the directors may:
 - (1) name a further day and a place at which the member must pay the amount payable; and

- (2) state, that if the member does not pay the whole of the amount as required, then the member is liable to forfeit the shares for which the company made the call.
- (c) The directors must give a member at least 14 days after the date of service to pay.
- (d) If the member does not comply with the notice, then the directors may resolve to forfeit any share for which the notice was given:
 - (1) at any time after the day named in the notice; but
 - (2) before the member pays.
- (e) If a member forfeits a share, then the forfeiture includes all dividends, interest and other money payable by the company for the forfeited share which is not paid before the forfeiture.
- (f) If the company forfeits a share, then it must:
 - (1) give notice of the resolution to the member in whose name the share stood immediately before the forfeiture; and
 - (2) enter the forfeiture and the date of forfeiture in the register of members.
- (g) The forfeiture is valid even if the company fails to give the notice or to make the entry.
- (h) A forfeited share becomes the property of the company.
- (i) The directors may sell, reissue or otherwise dispose of the share as they think fit.
- (j) The directors may reissue or dispose of the share, with or without any money paid on the share by any former holder being credited as paid up.
- (k) A person whose share is forfeited:
 - (1) ceases to be a member for the forfeited share; but
 - (2) remains liable to pay and must immediately pay, to the company:
 - (A) all calls, instalments, interest, costs, expenses and damages owing for the share at the time of the forfeiture; and
 - (B) interest on any amount payable which is unpaid from and including the date of the forfeiture, to the date of actual payment.
- (l) Subject to an express provision in this constitution, the forfeiture of a share extinguishes for that share:
 - (1) all interest in the company;
 - (2) all claims and demands against the company; and
 - (3) all other rights attached to the share.

3.5 Indemnity for payments by the company

If the company becomes liable under any law to make any payment:

- (a) in respect of a share held solely or jointly by a member;
- (b) in respect of a transfer or transmission of a share by a member;
- (c) in respect of dividends, bonuses or other money due or payable or which may become due and payable to a member; or
- (d) otherwise for or on account of a member, whether as a consequence of:
 - (1) the death of that member;
 - (2) the non-payment of any income tax, capital gains tax, wealth tax or other tax by that member or the legal personal representative of that member;
 - (3) the non-payment of any estate, probate, succession, death, stamp or other duty by that member or the legal personal representative of that member; or
 - (4) any other act or thing;

in addition to any right or remedy that a law may confer on the company the member or the member's legal personal representative must:

- (5) fully indemnify the company against that liability;
- (6) reimburse the company for any payment made under or as a consequence of that law immediately on demand by the company; and
- (7) pay interest on so much of the amount payable to the company under rule 3.5(d)(6) as is unpaid from and including the date the company makes a payment under that law until the date the company is reimbursed in full for that payment.

3.6 Lien on shares

- (a) The company has a first and paramount lien on a share for:
 - (1) an amount of a call or instalment which is due but unpaid on the share;
 - (2) if the share were acquired under an employee incentive scheme, an amount which is owed to the company for acquiring it; and
 - (3) an amount that the company is required by law to pay (and has paid) in respect of the share or for or on account of a holder or deceased former holder of the share and which is owed to the company.
- (b) The company's lien on a share extends to all dividends, reasonable interest and other money payable by the company on or in respect of the share or for or on account or in respect of the holder of the share and to the proceeds of sale of the share.
- (c) The directors as they think fit may sell any share on which the company has a lien if:

- (1) an amount for which a lien exists is presently payable; and
- (2) not less than 14 days before the date of the sale, the company has given to the registered holder of the share a notice in writing:
 - (A) setting out each amount for which the lien exists which is presently payable; and
 - (B) demanding the payment before the date of the sale of that amount.
- (d) If the company registers a transfer of shares on which the company has a lien without giving to the transferee notice of its claim then the company releases its lien in so far as it relates to sums owing by the transferor or any predecessor in title.

3.7 Surrender of shares

- (a) To the extent permitted by law, the directors may:
 - (1) exempt a share from all or any part of rules 3.4, 3.5 or 3.6;
 - (2) waive or compromise all or any part of any payment due to the company under the terms of issue of a share or this rule 3; and
 - (3) before a forfeited share has been sold, reissued or otherwise disposed of, annul the forfeiture on the conditions they think fit.
- (b) The directors may accept a surrender of a share by way of compromise:
 - (1) of any claim about whether or not that share has been validly issued; or
 - (2) in any other case, if the surrender is within the powers of the company.
- (c) The directors may sell, reissue or otherwise dispose of a surrendered share in the same manner as they may for a forfeited share.

3.8 General provisions applicable to a disposal of shares under this constitution

- (a) If a forfeited share or a share on which the company has a lien is sold, re-issued or otherwise disposed of under this constitution, then the directors may:
 - (1) receive the purchase money or consideration given for the shares on the disposal;
 - (2) effect a transfer of the shares;
 - (3) execute, or appoint a person to execute, on behalf of the former holder an instrument of transfer of the shares or any other instrument to give effect to the disposal; and
 - (4) register the person to whom they have transferred the shares as the holder of the shares.
- (b) A person to whom the directors transfer a share is not bound to consider:

- (1) the regularity or validity of purchase money or consideration; or
 - (2) how the company applies the purchase money or consideration.
- (c) A person's title to a share is not affected by any irregularity or invalidity in:
 - (1) the forfeiture or surrender of a share; or
 - (2) the exercise of the company's lien on a share.
- (d) The remedy of a person aggrieved by a disposal of shares under this constitution:
 - (1) is limited to damages only; and
 - (2) is exclusively against the company.
- (e) The company must apply the proceeds of a disposal of a share in the payment of:
 - (1) the expenses of the disposal;
 - (2) all money presently payable by the former holder whose share has been disposed of; and
 - (3) subject to any lien that exists for money not presently payable, to the former holder.
- (f) If the holding is uncertificated, then the company must pay as soon as practicable after the disposal.
- (g) If the holding is certificated, then the company must pay as soon as practicable after the former holder delivers to the company the certificate for the share that has been disposed of or satisfies the company that the certificate has been lost or destroyed.
- (h) A director or secretary of the company may sign a statement stating that on the date in the statement any of the following occurred:
 - (1) a share was duly forfeited;
 - (2) a share was duly sold or reissued or otherwise disposed of.
- (i) This statement is conclusive evidence of:
 - (1) the facts stated in the statement as against all persons claiming to be entitled to the share; and
 - (2) the right of the company to forfeit, sell, reissue or otherwise dispose of the share.

3.9 Interest payable by member

Where interest is payable to the company by a member under this rule 3, the rate of interest is 8% per annum or such other rate as the directors fix and the interest accrues daily and may be capitalised monthly or at such other intervals as the directors determine.

4. Distributions

4.1 Dividends

- (a) The directors may resolve that the company pay any interim and final dividend as the financial position of the company justifies.
- (b) The directors may resolve that the company pay any dividend payable under the terms of issue of a share.
- (c) The payment of a dividend does not require any confirmation by a general meeting.
- (d) Subject to this constitution and to any rights or restrictions attached to a share or class of shares or to the terms of any dividend selection plan established by the directors, all dividends on shares are to be paid in proportion to the number of shares held by members except that:
 - (1) a partly paid share will only entitle the holder to a fraction of the dividend payable on a fully paid share equal to the proportion of the total amounts paid and payable on the share which have been paid; and
 - (2) if dividends are determined by the directors to be paid in respect of a specified period and if the directors also determine that the dividends on any shares are to be further apportioned according to when amounts are paid on those shares during the specified period, an amount which is paid on a relevant share during the specified period will only entitle the holder of the share to a fraction of the dividend that would otherwise be payable in respect of that amount equal to the proportion of the specified period remaining as at the date of payment of that amount.
- (e) For the purposes of determining the above fractions:
 - (1) an amount paid on a share in advance of a call or credited on a share otherwise than for value must be ignored; and
 - (2) if under the terms of issue of a share, the consideration for the share is or includes the provision of property or services or some other non-monetary consideration, the value of the non-monetary consideration provided or to be provided as determined by the directors will be taken to be the amount paid or payable (as the case may be) on the share.
- (f) The company must not pay interest on any dividend.
- (g) The directors may fix a record date for a dividend.
- (h) The company must pay a dividend to the person who is registered as the holder of the share on the record date or, if one has not been fixed, on the date payment of the dividend is to be sent to members.
- (i) The company must pay the dividend on the date fixed for payment of the dividend (if any).
- (j) The directors when determining a dividend is payable may:

- (1) direct payment of the dividend wholly or partly by the distribution of specific assets, including paid-up shares or other securities of the company or of another body corporate, either generally or to particular shareholders or in respect of particular shares; and
- (2) direct that the dividend be paid:
 - (A) to particular shareholders or in respect of particular shares, wholly or partly out of any particular fund or reserve or out of profits derived from any particular source; and
 - (B) to the remaining shareholders or in respect of the remaining shares, wholly or partly out of any other particular fund or reserve or out of profits derived from any other particular source or generally.
- (k) The company may deduct from any dividend payable to a member:
 - (1) all sums of money presently payable by the member to the company; and
 - (2) apply the amount deducted in or towards satisfaction of the money owing.
- (l) If a person is entitled to a share as a result of a transmission event, then the company may, but is not obliged to, retain any dividend payable in respect of that share until that person becomes registered as the holder of the share or transfers it.

4.2 Capitalisation of profits and other amounts

- (a) The directors may resolve that the company capitalise any amount:
 - (1) forming part of the undivided profits of the company;
 - (2) representing profits arising from an ascertained accretion to capital or from a revaluation of the assets of the company;
 - (3) arising from the realisation of any assets of the company; or
 - (4) otherwise available for distribution to members;and may also resolve that the capitalised amount be paid, applied or otherwise distributed to or for the benefit of members.
- (b) Subject to any rights or restrictions attached to a share or class of shares or to the terms of any dividend selection plan established by the directors, a capitalised amount under rule 4.2(a) which is to be distributed to or for the benefit of members, must be distributed in the same proportions in which members would be entitled to receive the amount were it a dividend.
- (c) The directors may resolve that all or part of the capitalised amount is to be applied:
 - (1) to pay in full a share or security that the company intends to issue to a member;
 - (2) to pay an amount unpaid on a share or security of the company which a member holds; or

- (3) a combination of these;

and the member must accept this application in full satisfaction of the member's interest in the capitalised amount.

- (d) Rules 4.1(g) to (l) apply to the distribution of a capitalised amount as if it were a dividend.

4.3 Additional powers

- (a) To give effect to a resolution of directors or members authorising or approving the payment of a dividend or the making of any other distribution (whether of profits or capital or otherwise) or the capitalisation of any amount, the directors may:
 - (1) settle any difficulty that may arise in making the distribution or capitalisation;
 - (2) fix the value for distribution of a specific asset;
 - (3) pay cash or issue a share or other security to a member to adjust the rights of all parties;
 - (4) vest a specific asset, cash, share or other security in any trustee on trust for a person entitled to a dividend or capitalised amount; and
 - (5) authorise a person to make, on behalf of all the members entitled to any further share or security following the distribution or capitalisation, an agreement with the company or another body corporate.
- (b) The authorised person may agree to:
 - (1) the issue of further shares or securities credited as fully paid up; or
 - (2) the company paying on behalf of the members an amount remaining unpaid on their existing shares or security by the application of their respective proportions of the sum distributed or capitalised.
- (c) Any agreement made between the directors and an authorised person is effective and binding on all members concerned.
- (d) If the company distributes securities in the company or in another body corporate or trust each member receiving a distribution, appoints the company as that person's agent to do anything needed to give effect to that distribution, including but not limited to becoming a member of that other body corporate.
- (e) Rule 4.3(d) applies whether the distribution:
 - (1) is generally to members or to specific members;
 - (2) is as a dividend or otherwise; and
 - (3) is for value or not.

4.4 Reserves

- (a) Subject to this constitution, the directors may set aside, out of the profits of the company, any reserves or provisions for any purpose.
- (b) The directors may appropriate to the profits of the company an amount previously set aside as a reserve or provision.
- (c) If the directors set aside an amount as a reserve or provision, they may:
 - (1) keep the amount together with other assets of the company;
 - (2) use the amount in the business of the company; and
 - (3) invest the amount in any investment.

4.5 Carry forward of profits

- (a) The directors may resolve to carry forward profits which the company does not distribute to members.
- (b) The directors are not required to resolve to transfer those profits to a reserve or provision.

4.6 Dividend reinvestment plans

The directors may:

- (a) implement a dividend reinvestment plan; and
- (b) amend, suspend or terminate any dividend reinvestment plan they implement.

4.7 Dividend selection plans

The directors may:

- (a) implement a dividend selection plan; and
- (b) amend, suspend or terminate any dividend selection plan they implement.

5. Transfer and transmission of shares

5.1 Transfer of shares

- (a) Subject to this constitution and to the rights or restrictions attached to any share or class of shares, a member may transfer each of the member's shares by an instrument in writing.
- (b) The member must use an instrument in any usual form or in a form that the directors approve.
- (c) An instrument of transfer must be signed by or on behalf of both the transferor and the transferee, unless:

- (1) the instrument of transfer relates only to fully paid shares and the directors dispense with the need for the transferee to sign; or
 - (2) the transfer of the shares is effected by a document or documents which together duly transfer those shares under the Corporations Act.
- (d) An instrument of transfer must be:
 - (1) left for registration at the registered office of the company or at another place as the directors determine;
 - (2) accompanied by:
 - (A) the certificate for each share to which it relates;
 - (B) any other evidence the directors require to prove the title of the transferor or the transferor's right to the shares; and
 - (C) any other evidence the directors require to prove the right of the transferee to be registered as the owner of the shares.
- (e) A transferor of shares remains the holder of the shares transferred until:
 - (1) the transfer is registered; and
 - (2) the name of the transferee is entered in the register of members for the shares.
- (f) The company may charge a reasonable fee for the registration.
- (g) The company may retain any registered instrument of transfer for the period that the directors think fit.
- (h) Except in the case of fraud, the company must return any instrument of transfer which the directors decline to register, to the person who deposited it with the company.
- (i) To the extent permitted by law, the directors may waive all or any of the requirements of this rule 5.1.

5.2 Registration of transfers

Subject to this constitution and to the rights and restrictions attached to any share or class of shares, the directors may decline to register a transfer of a share and, without limiting the generality of this, may also decline to register a transfer of a share on which the company has a lien.

5.3 Power to suspend registration of transfers

The directors may at any time suspend the registration of a transfer for any period not exceeding 30 days in a year.

5.4 Transmission of shares

- (a) If a member dies, the only persons the company recognises as having any title to the member's shares or any benefits accruing for those shares are:
 - (1) the legal personal representative of the deceased, if the deceased was a sole holder; and
 - (2) the survivor or survivors, if the deceased was a joint holder.
- (b) Nothing in rule 5.4(a) releases the estate of a deceased member from liability for a share, whether the deceased held that share solely or jointly.
- (c) A person who becomes entitled to a share because of a transmission event may:
 - (1) sign a written notice stating that the person wishes to register as a shareholder and serve it on the company; or
 - (2) execute a transfer of the share to another person.
- (d) Before making the election, the person must prove that person's entitlement by producing the certificate for the share or any other evidence that the directors require.
- (e) The rules about the right to transfer and register a share apply with the necessary changes to a transfer under rule 5.4(c)(2) as if:
 - (1) the relevant transmission event had not occurred; and
 - (2) the registered holder of the share signed the transfer.
- (f) If 2 or more persons are jointly entitled to a share because of a transmission event, then upon being registered, they:
 - (1) hold the share as joint tenants; and
 - (2) rule 2.4 applies.
- (g) Despite rule 5.4(a), the directors may register a transfer of shares which a member signs prior to a transmission event, even though the company has notice of the transmission event.

5.5 Listed company

- (a) This rule 5.5 only applies whilst the company is admitted to the official list of ASX and rules 5.1 to 5.4 do not apply to the extent that they are inconsistent with this rule 5.5 or the ASX Listing Rules.
- (b) Subject to this constitution, a member may transfer a share:
 - (1) if the share is in a class of shares that are Approved Financial Products as defined in the ASX Settlement Operating Rules, through CHESS in accordance with the ASX Settlement Operating Rules;

- (2) if another prescribed CS facility is approved by the directors to deal with the transfer of shares of the same class as the member's share, through that facility in accordance with its operating rules; or
 - (3) if another method of transfer is approved by the directors to deal with the transfer of shares of the same class as the member's share and under the Corporations Act or otherwise at law that method is valid and effective to transfer the share, in accordance with that method.
- (c) The company may only decline to register a transfer of shares (including by applying a holding lock, or requesting that a holding lock be applied, to prevent a transfer of the shares) if permitted to do so by the ASX Listing Rules.
- (d) The company must:
 - (1) decline to register a transfer of shares; or
 - (2) apply a holding lock, or request that a holding lock be applied, to prevent a transfer of the shares;
 if:
 - (3) the ASX Listing Rules require the company to do so; or
 - (4) the transfer is in breach of the ASX Listing Rules or a restriction agreement.
- (e) If in the exercise of its rights under this rule 5.5 the company refuses to register a transfer of shares or applies a holding lock, or requests that a holding lock be applied, to prevent a transfer of shares, the company must notify:
 - (1) in the case of refusing to register a paper-based transfer, the person lodging the transfer with the company for registration; and
 - (2) in the case of applying a holding lock, or requesting that a holding lock be applied, the holder of the shares;

in writing of the refusal or the holding lock (as the case may be) and the reason for it, within the time limit prescribed by the ASX Listing Rules. Failure to give such notice does not invalidate the decision of the company to refuse registration or otherwise prevent the transfer.

5.6 Small holdings¹

- (a) Subject to rule 5.6(b), if:
 - (1) a member holds less than a marketable parcel of shares;
 - (2) the company notifies the member in writing that it intends to sell the member's shares after a date (**Relevant Date**) which is at least 6 weeks from the date

¹ Rule 5.12 of the ASX Settlement Operating Rules requires shares in a CHESS Holding to be moved to an Issuer Sponsored Holding before divestment.

the notice of intention to sell is sent, unless the member before the Relevant Date tells the company in writing that the member wishes to retain the shares;

- (3) the member does not before the Relevant Date tell the company in writing that the member wishes to retain the shares; and
- (4) on the Relevant Date the member has not acquired more shares or otherwise increased the member's holding to a marketable parcel;

the company may, and the member will be taken to have appointed the company as agent for and on behalf of the member to, sell the member's shares constituting less than a marketable parcel as soon as reasonably practicable after the Relevant Date at a price which the directors consider to be the best price reasonably obtainable for the shares at the time they are sold.

(b) In relation to the procedure under rule 5.6(a):

- (1) the company must not notify a member of its intention to sell the member's shares more than once in any 12 month period;
- (2) following the announcement of a takeover bid for the shares in the company until the end of the offer period under the takeover bid or the date there is an announcement that the takeover bid will not proceed, the company's power to sell a member's shares lapses or ceases where the announcement is made before an agreement for the sale of the shares is entered into, but after the offer period under the takeover bid, a new notice of intention to sell may be given despite rule 5.6(b)(1);
- (3) the costs of sale including, without limitation, brokerage and any stamp duty, must be payable by the buyer of the shares or, subject to the Corporations Act, the company; and
- (4) the proceeds of sale must not be sent to the member until the company has received any certificate relating to the shares (or is satisfied that the certificate has been lost or destroyed).

(c) In addition to the power of the company to sell a member's shares in rule 5.6(a) (and without complying with the procedure under that rule), if:

- (1) a member holds shares in a new holding that is less than a marketable parcel of shares; and
- (2) that holding was created by the transfer of a parcel of shares that was less than a marketable parcel at the time the transfer document was initiated or, in the case of a paper based transfer document, was lodged with the company;

the company may, and the member will be taken to have appointed the company as agent for and on behalf of the member to, sell the shares in that holding at a price which the directors consider to be the best price reasonably obtainable for the shares at the time they are sold.

(d) Where the company has the power to sell a member's shares under rule 5.6(c):

- (1) the proceeds of sale may be applied to pay the costs of sale including, without limitation, brokerage and any stamp duty; and
 - (2) the member's right to vote or to receive dividends in respect of those shares may be removed or changed to the extent determined by the directors **provided that** any dividends that are withheld from payment to the member must be paid to the member when the balance of the proceeds of the sale of the shares are paid to the member.
- (e) Where the company has the power to sell a member's shares under this rule 5.6, the member will be taken to have appointed the company and each officer of the company jointly and severally as the member's attorney in the member's name and on the member's behalf to execute and deliver all deeds, instruments and other documents and do all other acts and things which the company considers necessary or appropriate to effect the sale or transfer of the shares.
- (f) The company is not bound to sell any shares which it is entitled to sell under this rule 5.6.
- (g) Subject to the ASX Listing Rules, rule 3.8 will apply (and with all necessary changes) so far as it is:
 - (1) consistent with; and
 - (2) capable of application to;the sale of shares under this rule 5.6. For the avoidance of doubt, rule 3.8(e)(1) does not apply.

5.7 Proportional takeover approval

- (a) If offers are made under a proportional takeover bid for shares in the company the registration of a transfer giving effect to a takeover contract for the bid is prohibited unless and until a resolution (**approving resolution**) to approve the bid is passed in accordance with the provisions of this rule 5.7.
- (b) 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 bid was made, held bid class securities is entitled to vote on an approving resolution.
- (c) 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 resolution.
- (d) An approving resolution that has been voted on 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.
- (e) The provisions of this constitution that apply to a general meeting of the company apply, with such modifications as the circumstances require, to a meeting convened under this rule 5.7 as if it were a general meeting of the company.
- (f) This rule 5.7 will cease to have effect on the third anniversary of the date of adoption or insertion or last renewal of the rule.

6. General meetings

6.1 Calling general meetings

- (a) A general meeting may be called and arranged to be held by:
 - (1) the directors whenever the directors wish; or
 - (2) any director whenever the director wishes.
- (b) A general meeting may be called and arranged only as provided:
 - (1) by this rule 6.1; or
 - (2) under section 249D, 249E, 249F or 249G of the Corporations Act.
- (c) The directors may change the venue for, postpone or cancel a general meeting.
- (d) Rule 6.1(c) does not apply if the members or the court under the Corporations Act call and arrange the meeting.
- (e) If a general meeting is called and arranged under section 249D of the Corporations Act the directors:
 - (1) must hold it on or before the date by which section 249D requires it to be held; and
 - (2) may cancel it only with the consent of the requisitioning member or members.

6.2 Notice of general meetings

- (a) Subject to this constitution and to the rights or restrictions attached to a share or class of shares, the company must give notice of a general meeting:
 - (1) in accordance with the periods of notice and time limits prescribed by the Corporations Act; and
 - (2) in the manner authorised by rule 13.1.
- (b) The company must give a notice to each person, who is at the date of the notice a member, a director or an auditor of the company.
- (c) A notice of a general meeting must:
 - (1) specify the date, time and place of the meeting; and
 - (2) state the general nature of the business to be transacted at the meeting.
- (d) A person may waive notice of any general meeting by a written notice to the company.
- (e) A resolution passed, or other act done, at a general meeting will not be invalid merely because a person is not given or does not receive notice of the meeting, or a proxy

form or other document in relation to the meeting, that is required to be given to the person if:

- (1) the failure occurred by accident or error; or
 - (2) the person waives the requirement or consents to the resolution or action, by a written notice to the company.
- (f) Subject to rules 6.2(g) and (h), a person's attendance at a general meeting waives any objection that person may have:
- (1) to a failure to give notice or to a defective notice; and
 - (2) to the consideration of a matter which is not stated in the notice of the meeting.
- (g) Rule 6.2(f)(1) does not apply if the person at the beginning of the meeting objects to the holding of the meeting.
- (h) Rule 6.2(f)(2) does not apply if the person objects to considering the matter when it is presented.

6.3 Admission to general meetings

The chair of a general meeting may expel or refuse admission to a person who:

- (a) has a pictorial-recording or sound-recording device;
- (b) has a placard or banner;
- (c) has an article considered by the chair to be dangerous, offensive or liable to cause disruption;
- (d) refuses to produce or to permit examination of any article or the contents of any article, in the person's possession;
- (e) behaves or threatens to behave in a dangerous, offensive or disruptive manner; or
- (f) is not:
 - (1) a member or proxy, attorney or representative of a member; or
 - (2) a director, secretary or auditor of the company.

6.4 Quorum at general meetings

- (a) Subject to rule 6.4(b) business may only be transacted at any general meeting if a quorum of members is present when the meeting proceeds to business.
- (b) Even if there is no quorum, the meeting may elect a chair and adjourn a meeting.
- (c) A quorum consists of:

- (1) if the number of members entitled to vote is 2 or more - 2 of those members;
or
 - (2) if only 1 member is entitled to vote - that member;
- present at the meeting.
- (d) If a quorum is not present within 30 minutes after the time appointed for a general meeting and the meeting was convened on the requisition of members, then the meeting is dissolved.
- (e) If a quorum is not present within 30 minutes after the time appointed for a general meeting in any other case, then the meeting stands adjourned:
 - (1) to the day, the time and place, that the directors determine; or
 - (2) if no determination is made by the directors, to the same day in the next week and at the same time and place.
- (f) If, at the adjourned meeting, a quorum is not present within 30 minutes after the time appointed for the meeting, then the meeting is dissolved.

6.5 Chair of general meetings

- (a) The chair of directors, if present within 15 minutes after the time appointed for the holding of a general meeting and willing to act, must preside as chair of the meeting.
- (b) If the directors have elected a deputy chair of directors, then the deputy chair of directors, if present within 15 minutes after the time appointed for the holding of a general meeting and willing to act, must preside as chair of the meeting if:
 - (1) there is no chair of directors; or
 - (2) the chair of directors is not present within 15 minutes after the time appointed for the holding of the meeting or is not willing to act as chair of the meeting.
- (c) The members present at a general meeting must elect as chair of the meeting another director who is present and willing to act or, if no other director is present and willing to act, a member who is present and willing to act if:
 - (1) there is no chair or deputy chair of directors; or
 - (2) the chair or deputy chair of directors is not present within 15 minutes after the time appointed for the holding of the meeting or is not willing to act as chair of the meeting.

6.6 Conduct of general meetings

- (a) The general conduct of a general meeting and the procedures to be adopted at the meeting will be as determined by the chair either before or during the meeting. At any time the chair considers it necessary or desirable for the proper and orderly conduct of the meeting, the chair may demand the cessation of debate or discussion on any matter and may require any resolution being considered by the meeting to be put to a

vote. A person must refer any question arising at a general meeting about the order of business, procedure or conduct of the meeting to the chair.

- (b) Any decision by the chair under this rule 6.6 is final.
- (c) The chair may adjourn the meeting from time to time and from place to place.
- (d) The meeting may direct the chair to adjourn a meeting.
- (e) An adjourned meeting may only transact business unfinished at the meeting from which the adjournment took place.
- (f) If a meeting is adjourned for 30 days or more, then the company must give notice of the adjourned meeting as if it is an original meeting.
- (g) Subject to rule 6.6(f), it is not necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

6.7 Meetings at one or more physical venues and/or using virtual meeting technology

- (a) This rule 6.7 applies despite anything else contained in this constitution to the contrary other than rule 1.1(a).
- (b) A general meeting may be held:
 - (1) at one or more physical venues;
 - (2) at one or more physical venues and using virtual meeting technology; or
 - (3) using virtual meeting technology only.
- (c) The company must give the members entitled to attend the general meeting, as a whole, a reasonable opportunity to participate in the meeting including:
 - (1) by holding the meeting at a time that is reasonable;
 - (2) if the meeting is to be held at only one physical venue (whether or not it is also to be held using virtual meeting technology), by holding the meeting at a physical venue that is reasonable;
 - (3) if the meeting is to be held at more than one physical venue (whether or not it is also to be held using virtual meeting technology), by holding the meeting at a main physical venue (as set out in the notice of the meeting) that is reasonable and using technology to hold the meeting at more than one physical venue that is reasonable; and
 - (4) if the meeting is to be held using virtual meeting technology (whether or not it is also to be held at one or more physical venues), by using virtual meeting technology that is reasonable and allows the members who are entitled to attend the meeting, and do attend the meeting using that virtual meeting technology, as a whole, to exercise orally and in writing any rights of those members to ask questions and make comments.

- (d) The directors may arrange to hold such a general meeting and may also make any arrangement and impose any requirement or restriction in connection with participation at the general meeting, including any that is necessary to ensure the identification of those taking part and the security of the facility through which members participate in the meeting.
- (e) Notice of the meeting instead of, or in addition to, specifying the place of the meeting must include information about how those entitled to attend can participate in the meeting (including how they can participate in a vote taken at the meeting, and speak at the meeting, to the extent they are entitled to do so).
- (f) All persons so participating in the meeting are taken for all purposes (including quorum requirements) to be present in person at the meeting while so participating.
- (g) The place at which the meeting is held is taken to be:
 - (1) if the meeting is held at only one physical venue (whether or not it is also held using virtual meeting technology), that physical venue;
 - (2) if the meeting is held at more than one physical venue (whether or not it is also held using virtual meeting technology), the main physical venue of the meeting as set out in the notice of the meeting; or
 - (3) if the meeting is held using virtual meeting technology only, the registered office of the company.
- (h) A requirement to allow an opportunity for persons attending the meeting to vote or speak may be complied with by using one or more technologies that allow that opportunity (which may include by allowing a person's vote to be recorded in advance of the meeting and, in relation to speaking, may include by allowing a person to send messages or otherwise communicate by electronic means, either orally or in writing).
- (i) If a technical difficulty occurs which the chair of a general meeting considers prevents those participating or intending to participate in the meeting to have a reasonable opportunity to do so or prevents the chair from being aware of the proceedings at the meeting, the chair may:
 - (1) adjourn the meeting until the technical difficulty is resolved or otherwise addressed to the chair's satisfaction; or
 - (2) continue to hold the meeting and transact business, and no member may object to the meeting being held or continuing.
- (j) The inability of one or more members or their representatives to participate or continue to participate in a general meeting does not affect the validity of the meeting or the business conducted at the meeting provided that sufficient members or their representatives are able to participate in the meeting as are required to constitute a quorum.
- (k) All other rules relating to the convening or holding of a general meeting apply to the convening and holding of a general meeting in the way permitted under this rule 6.7 with any necessary changes.

6.8 Decisions at general meetings

- (a) Subject to a resolution which as a matter of law requires a special majority:
 - (1) a question arising at a general meeting is decided by a majority of votes cast by the members present; and
 - (2) a majority vote is for all purposes, a decision of the members.
- (b) In the case of an equality of votes on any proposed resolution, the chair of the meeting does not have a second or casting vote.
- (c) Subject to rule 6.8(d), a resolution put to the vote of a general meeting must be decided on a show of hands.
- (d) Either the chair or a member who is present and can vote on the resolution, may demand a poll:
 - (1) before the vote is taken; or
 - (2) before or immediately after the declaration of the result of the show of hands.
- (e) A demand for a poll does not prevent the continuance of a general meeting for the transaction of any business other than the question on which the poll has been demanded.
- (f) The chair may declare the result of a vote decided on a show of hands.
- (g) Unless a poll is duly demanded:
 - (1) the chair's declaration and an entry to that effect into the minute book is conclusive evidence of the result; and
 - (2) further proof of the number or proportion of the votes recorded in favour of or against the resolution is not required.
- (h) If a poll is duly demanded at a general meeting, the meeting must conduct the poll as the chair directs.
- (i) Subject to rule 6.8(j), the chair may direct that the poll be taken in any manner and either at once or after an interval or adjournment.
- (j) A poll demanded at a general meeting on the election of a chair or on a question of adjournment must be taken immediately.
- (k) The result of the poll is a resolution of the meeting at which the poll was demanded.
- (l) The demand for a poll may be withdrawn.

6.9 Voting rights

- (a) Subject to this constitution and to any rights or restrictions attached to a share or class of shares, at a general meeting:

- (1) on a show of hands, every person present who is a member or a proxy, attorney or representative of a member has 1 vote; and
 - (2) on a poll, every person present who is a member or a proxy, attorney or representative of a member has 1 vote for each share the member holds and which entitles the member to vote, except for partly paid shares, each of which confers on a poll only a fraction of 1 vote equal to the proportion of the total amounts paid and payable on the share which have been paid.
- (b) For the purposes of determining the above fraction:
 - (1) an amount paid on a share in advance of a call or credited on a share otherwise than for value must be ignored; and
 - (2) if under the terms of issue of a share, the consideration for the share is or includes the provision of property or services or some other non-monetary consideration, the value of the non-monetary consideration provided or to be provided as determined by the directors will be taken to be the amount paid or payable (as the case may be) on the share.
- (c) If a person present at a general meeting represents more than 1 member:
 - (1) on a show of hands, the person is entitled to 1 vote only despite the number of members the person represents;
 - (2) that vote is cast for all the members the person represents; and
 - (3) the person must not exercise that vote in a way which would contravene any directions given to the person in any instrument appointing the person as a proxy or attorney.
- (d) A joint holder may vote at any meeting in person or by proxy, attorney or representative as if that person was the sole holder.
- (e) If more than 1 joint holder tenders a vote, then the vote of the holder named first in the register is accepted to the exclusion of any other.
- (f) The parent or guardian of an infant member may vote at any general meeting upon producing evidence of the relationship or of the appointment as the directors may require.
- (g) A vote by a parent or guardian of an infant member is accepted to the exclusion of the vote of the infant member.
- (h) A person entitled to a share as a result of a transmission event may vote at a general meeting as if that person were the registered holder of the share if, before the meeting, the directors:
 - (1) admit that person's right to vote at that meeting for the share; or
 - (2) are satisfied that person has a right to be registered as the holder of, or to transfer, the share under rule 5.4(c).

- (i) A vote tendered by a person under rule 6.9(h) is accepted to the exclusion of the vote of the registered holder of the share.
- (j) A member is entitled to vote at a general meeting only if all calls and other sums of money, presently payable by that member for shares in the company, are paid.
- (k) A person must raise an objection to the qualification of a person to vote at a general meeting:
 - (1) before or at the meeting at which the vote is given; and
 - (2) by referring it to the chair of the meeting.
- (l) The chair's decision about a person's qualification to vote is final.
- (m) A vote the chair allows under rule 6.9(l) is valid for all purposes.

6.10 Representation at general meeting

- (a) Subject to this constitution, each member entitled to vote at a meeting of members may vote:
 - (1) in person or if a member is a body corporate by its representative;
 - (2) by not more than 2 proxies; or
 - (3) by not more than 2 attorneys.
- (b) A proxy, attorney or representative may, but need not be a member.
- (c) A proxy, attorney or representative may be appointed for:
 - (1) all or any number of general meetings; or
 - (2) a particular general meeting.
- (d) Subject to the Corporations Act and to the terms of appointment, an appointment confers on a proxy, attorney or representative the same rights as the appointor:
 - (1) to agree to a meeting to which the appointment applies, being convened by shorter notice than is required by the Corporations Act or by this constitution;
 - (2) to attend and speak at a meeting to which the appointment applies;
 - (3) to vote on any procedural motion at a meeting to which the appointment applies, including any motion to elect the chair, to vacate the chair or to adjourn the meeting;
 - (4) to vote on any other motion or resolution (but only to the extent allowed by the appointment); and
 - (5) to demand or join in demanding a poll at a meeting to which the appointment applies.

- (e) Subject to the Corporations Act and to the terms of appointment, if the proxy, attorney or representative may vote on a proposed resolution, then the appointment also confers authority to vote on any amendment moved to the proposed resolution and on any motion that the proposed resolution not be put or any similar motion.
 - (f) Subject to the Corporations Act and to the terms of appointment, if an appointment confers authority to attend, speak, vote or do anything else at a meeting that is to be held at a specified time or venue and the meeting is rescheduled or adjourned or changed to another venue, then the appointment confers authority to do the same things at the rescheduled or adjourned meeting or meeting at the new venue.
 - (g) If a member appoints 2 proxies or attorneys:
 - (1) and the appointment does not specify the proportion or number of the member's votes each proxy or attorney may exercise, each proxy or attorney may exercise half of the member's voting rights; and
 - (2) neither person may vote on a show of hands.
 - (h) An appointment of a proxy or attorney may specify the way the proxy or attorney is to vote on a particular resolution.
 - (i) If the appointment does specify the way the proxy or attorney is to vote on a particular resolution:
 - (1) the proxy or attorney need not vote on a show of hands, but if the proxy or attorney does so, the proxy or attorney must vote that way;
 - (2) if the proxy or attorney has 2 or more appointments that specify different ways to vote on the resolution, the proxy or attorney must not vote on a show of hands;
 - (3) if the proxy or attorney is the chair of the meeting at which the resolution is voted on, the proxy or attorney must vote on a poll, and must vote that way, and
 - (4) if the proxy or attorney is not the chair, the proxy or attorney need not vote on a poll, but if the proxy or attorney does so, the proxy or attorney must vote that way.
- provided that** if the proxy or attorney is also a member, nothing in this rule affects the way the person can cast any votes the person has as a member.
- (j) An appointment of a proxy or attorney is valid if it is signed, or otherwise authenticated in a manner approved by the directors, by the member making the appointment and contains such information and is in such form as may be required by the directors. Otherwise, the appointment is not required to contain any particular information or be in any particular form.
 - (k) An appointment of a proxy or attorney for a meeting of members will only be effective if:
 - (1) the appointment; and

- (2) if the appointment is signed, or otherwise authenticated in a manner approved by the directors, by the appointor's attorney, the authority under which the appointment is signed or authenticated or a certified copy of the authority;

are received by the company at least 48 hours before the meeting or any lesser period provided in the notice of meeting, unless the directors otherwise determine.

- (l) The appointment and any authority will be received by the company when received at:

- (1) the company's registered office;
- (2) a fax number at the company's registered office; or
- (3) a place, fax number or electronic address (if any) specified for the purpose in the notice of meeting.

If the notice of meeting specifies other electronic means approved by the directors by which a member may give to the company an appointment or authority, the document will also be received by the company when the document given by those means is received by the company in the manner approved by the directors.

- (m) The directors may accept upon the production of other evidence:

- (1) an oral appointment of a proxy or attorney;
- (2) an appointment of a proxy or attorney which is not signed by the appointor or the appointor's attorney; and
- (3) a copy of any document, including a copy sent by fax or email.

- (n) A vote at a meeting by a proxy or attorney is valid despite:

- (1) a transmission event having occurred in relation to the appointor;
- (2) the appointor revoking the instrument of appointment or the authority under which the instrument was executed; or
- (3) the transfer of the share for which the instrument was given not having been registered;

provided that the company does not receive written notice of such an event before the meeting commenced.

- (o) The appointment of a proxy or attorney is not revoked by the appointor attending and taking part in the general meeting.
- (p) The proxy or attorney must not vote, as the appointor's proxy or attorney, if the appointor votes on a resolution.
- (q) Where an instrument intended for the appointment of a proxy does not specify the name of a proxy the instrument is not for that reason invalid and is to be taken to be given in favour of the chair of the meeting.

6.11 Direct voting

- (a) This rule 6.11 applies despite anything else contained in this constitution to the contrary other than rule 1.1(a).
- (b) The directors may permit direct voting on resolutions proposed at a general meeting by allowing members entitled to vote on the resolution to cast their vote without being present (whether in person or by proxy or other representative) at the meeting.
- (c) The directors may determine rules and procedures for direct voting, including those members entitled to cast a direct vote, the manner in which a direct vote may be cast, the circumstances in which a direct vote will be valid and the effect of a member casting both a direct vote and a vote in any other manner.
- (d) Subject to rules 6.11(e) and (f), where notice of a general meeting specifies that direct voting on a resolution proposed for consideration at the meeting is permitted by members or particular members, a direct vote cast by or on behalf of such a member in accordance with the rules and procedures for direct voting determined by the directors (whether set out in the notice of meeting or otherwise) is taken to have been validly cast by that member at the meeting.
- (e) A direct vote cast by or on behalf of a member on a resolution proposed at a general meeting is of no effect and will be disregarded if the member is not entitled to vote on the resolution at the meeting or, had the vote been cast by or on behalf of the member at the meeting, the company would be required to disregard the vote.
- (f) Subject to the rules and procedures for direct voting determined by the directors, if a direct vote is cast by or on behalf of a member on a resolution proposed for consideration at a general meeting and a vote is also cast on the resolution by the member or the member's proxy or other representative present at the meeting, the company may:
 - (1) regard the direct vote as valid and effective and disregard the vote cast at the meeting; or
 - (2) disregard the direct vote and regard the vote cast at the meeting as valid and effective.

6.12 Separate class meetings

If at any time a meeting of a class of members of the company is required or proposed, rules 6.1 to 6.11 will apply so far as they are capable of application (and with all necessary changes) to that meeting.

7. Directors

7.1 Appointment and removal of directors

- (a) Subject to the Corporations Act, there must be at least 3 directors and not more than 10 directors or such other minimum or maximum number of directors as the members by resolution determine.

- (b) The first directors are the persons who are specified with their consent as proposed directors in the application for registration of the company. Each such person is taken to have been elected as a director by resolution passed at a general meeting of the company.
- (c) Directors in office on the date that the company adopted this constitution continue in office on the terms and conditions set out in this constitution.
- (d) The members may by resolution appoint or elect any person as a director, and may remove any director from office.
- (e) The directors may appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing directors.
- (f) The total number of directors must not at any time exceed the maximum number allowed under this constitution.
- (g) At each annual general meeting of the company the following directors must retire from office:
 - (1) Each director who has held office past the third annual general meeting or 3 years since the director's last election (or re-election), whichever is longer.
 - (2) Each director appointed by the directors to fill a casual vacancy or as an addition to the existing directors since the last annual general meeting.
 - (3) If the ASX Listing Rules requires the company to hold an election of directors each year and there is no director required to retire under paragraph (1) or (2) above and/or standing for election at the annual general meeting, the director who has been longest in office since his or her last election, but, as between persons who were elected as directors on the same day, the director to retire must be determined by lot, unless they otherwise agree between themselves.
 - (4) Unless elected (or re-elected), a director due to retire at an annual general meeting retains office until the conclusion of the meeting.
- (h) Rule 7.1(g) does not apply to the managing director who is exempted from having to retire by rotation or otherwise at an annual general meeting (but if there is more than 1 managing director, only 1 is exempted from having to retire under rule 7.1(g)).
- (i) A retiring director is eligible for election (or re-election).
- (j) The company may, at a general meeting at which a director is due to retire, by resolution elect a person as a director to fill the office to be vacated.
- (k) A person is eligible for election as a director at a general meeting of the company only if:
 - (1) the person is in office as a director immediately before that meeting;
 - (2) the person has been nominated by the directors for election at that meeting;
 - or

- (3) a nomination for election of the person as a director signed by a member (including the person) and a consent to nomination signed by the person has been lodged at the registered office of the company at least 45 business days, but no more than 90 business days, before the general meeting.
- (l) Where a majority of all directors consider that the continuance in office of a director would be, or would be likely to be, prejudicial to the interests of the company, the director may be suspended by resolution passed by that majority at a meeting of directors specifically convened for the purpose of considering the suspension. The suspended director may not take part in the business or affairs of the company during the period of suspension. The suspension may be terminated at any time by a resolution passed by a majority of all directors at a meeting of directors specifically convened for the purpose of considering termination of the suspension. The suspension will terminate at the end of 14 days from the date of the suspension unless within that period notice of a general meeting of the company to consider a resolution to remove the director from office is despatched to members and the meeting is convened to be held within 35 days from the date of despatch. In that case, the suspension will terminate at the conclusion of the meeting.

7.2 Vacation of office

In addition to any circumstance provided for elsewhere in this constitution, a director ceases to be, and to hold office as, a director of the company:

- (a) in the circumstances prescribed by the Corporations Act;
- (b) if the director dies, on his or her death;
- (c) if the director becomes of unsound mind or a person who, or whose estate is, liable to be dealt with in any way under the law relating to mental health, when he or she becomes so mentally incapacitated;
- (d) if the director resigns by notice in writing to the company, when the resignation is stated to become effective in the notice or, if not so stated, on the date the company receives the notice; or
- (e) if the director is absent (and not represented by an alternate director) from meetings of directors for at least 6 consecutive months and the directors do not resolve to grant the director leave of absence from those meetings at or before the next meeting of directors after written notice of the absence has been given to the directors by the secretary, at the end of that meeting.

7.3 Remuneration and expenses

- (a) Each director is entitled to such remuneration out of the funds of the company (accruing from day to day if periodic) as the directors determine **provided that:**
 - (1) the director's remuneration must not include a commission on, or percentage of, operating revenue; and
 - (2) if the director is a non-executive director, the director's remuneration paid must be a fixed sum.

- (b) The aggregate remuneration paid to or for the benefit of the directors must not exceed in a financial year of the company \$1.25million or such other sum as the members may by resolution approve. This limitation does not apply to:
 - (1) any amount paid or payable under rule 7.3(d) or (e);
 - (2) any amount paid or payable under or in respect of any indemnification or insurance provided or procured in accordance with rule 9; or
 - (3) the remuneration to which a director may be entitled as an employee of the company or a related body corporate or in a capacity other than as a director of the company.
- (c) If the directors determine an aggregate annual remuneration to which they are entitled, they must divide it:
 - (1) in the amounts or proportions agreed between them; or
 - (2) failing agreement, equally among the non-executive directors only.
- (d) A director is entitled to be paid all reasonable travel, accommodation and other expenses properly incurred by the director in attending meetings of, or relating to, the company or while engaged on the business or affairs of the company.
- (e) If a director performs an extra service or makes special exertion for the company, the directors may arrange for a special remuneration.
- (f) The directors may resolve that the company:
 - (1) at any time after a director dies, retires or otherwise ceases to hold office as a director or a director or former director ceases to be gainfully employed, pay to the director or former director or a legal personal representative, spouse, relative or dependant of the director or former director a pension, lump sum, superannuation amount or other benefit;
 - (2) establish, pay contributions or other amounts to, or otherwise support, a fund or other entity providing for any such benefit; and
 - (3) enter into a contract with the director to provide for any of these benefits.

Any amount paid or payable under this rule 7.3(f) is not subject to the limitation under rule 7.3(b).

7.4 Share qualification

A director is not required to hold any shares in the company to qualify for appointment and is entitled to attend and speak at general meetings even if that director is not a member.

7.5 Interested directors

- (a) Subject to the Corporations Act, a director:

- (1) may hold any other office, place of profit, position or interest in the company, any related body corporate or any body corporate the company promotes or holds an interest in;
 - (2) may do so on the terms that the director and the relevant body corporate agree; and
 - (3) is not accountable to the company for any remuneration or other benefit the director receives in connection with that office, place, position or interest.
- (b) A director may exercise the voting rights conferred by shares in any body corporate that the company holds or owns in any manner including, but not limited to, voting for a resolution:
 - (1) which provides for the appointment or remuneration of the director, or any other person, as a director or officer of that body corporate; or
 - (2) in which the director is otherwise interested.
- (c) Subject to the Corporations Act, a director is not disqualified, merely because that person is a director, from contracting with the company for any reason including, but not limited to:
 - (1) selling or purchasing property to or from the company;
 - (2) lending or borrowing money to or from, the company with or without interest or security;
 - (3) guaranteeing for a commission or profit money that the company borrows;
 - (4) underwriting or guaranteeing for a commission or profit the subscription for securities in the company, a related body corporate or a body corporate the company promotes or holds an interest in;
 - (5) being employed by the company; or
 - (6) acting in a professional capacity for the company.
- (d) A contract or arrangement entered into by or on behalf of the company with a director or in which a director is or may be in any way interested is not void or voidable merely because the director is a director or because of the fiduciary obligations arising out of that office, and the director is not liable to account to the company for any profit realised by or under such a contract or arrangement.
- (e) Subject to the Corporations Act, a director is not excluded from:
 - (1) being present, counted in a quorum or voting at a meeting of directors; or
 - (2) signing any document;for or in relation to a contract or arrangement or proposed contract or arrangement in which the director is interested.

7.6 Powers and duties of directors

- (a) The directors are responsible for managing the business and affairs of the company. The directors may exercise to the exclusion of the members all the powers of the company which are not required, by the Corporations Act or by this constitution, to be exercised by the members in general meeting or by resolution of the members.
- (b) Without limiting the generality of rule 7.6(a), the directors may exercise all the powers of the company:
 - (1) to borrow or otherwise raise money;
 - (2) to charge any property or business of the company or all or any of its uncalled capital; and
 - (3) to issue debentures or give any other security for a debt, liability or obligation of the company or of any other person.
- (c) The directors may determine how negotiable instruments, including but not limited to cheques, may be executed by or on behalf of the company.
- (d) The directors may pay out of the company's funds all expenses of:
 - (1) the promotion, formation and registration of the company; and
 - (2) the vesting in it of the assets it requires.
- (e) The directors may appoint or employ any person to be an officer, agent or attorney of the company:
 - (1) for any purpose and for any period;
 - (2) with any powers, discretions and duties, including but not limited to those vested in the directors; and
 - (3) on any conditions.
- (f) The directors may authorise an officer, agent or attorney to delegate any powers, discretions and duties vested in that person.
- (g) Subject to any contract between the company and the relevant officer, agent or attorney, the directors may remove or dismiss that person at any time, with or without cause.
- (h) A power of attorney may contain any provision for the protection and convenience of the attorney or a person dealing with the attorney.

7.7 Proceedings of directors

- (a) The directors may meet together for the dispatch of business and adjourn and otherwise regulate their meetings as they think fit.

- (b) The contemporaneous linking together by telephone or other electronic means of a number of the directors sufficient to constitute a quorum, constitutes a meeting of the directors.
- (c) The rules relating to meetings of the directors apply with the necessary changes, to meetings of the directors by telephone or other electronic means.
- (d) A director participating in a meeting by telephone or other electronic means is considered present in person at the meeting.
- (e) A meeting by telephone or other electronic means is held at the place determined by the chair of the meeting.
- (f) At least 1 of the directors involved in a telephone or electronic meeting must have been at the place the chair determines as the meeting place, for the duration of the meeting.

7.8 Convening of meetings of directors

- (a) A director may convene a meeting of the directors at any time.
- (b) On the requisition of a director, a secretary must convene a meeting of the directors.

7.9 Notice of meetings of directors

- (a) Subject to this constitution, notice of a meeting of directors must be given to each director other than a director on leave of absence approved by the directors.
- (b) A notice of a meeting of directors:
 - (1) must specify the time and place of the meeting;
 - (2) need not state the nature of the business to be transacted at the meeting;
 - (3) must be given at least 24 hours before the meeting except where due to the urgency of the matter that is impractical in which case it may be given at any time before the meeting; and
 - (4) may be oral or written and may be given in person or by post, telephone, fax or other electronic means.
- (c) A director waives notice of a meeting of directors if the director:
 - (1) gives written notice of waiver to the company before, at or after the meeting; or
 - (2) attends the meeting.
- (d) A resolution passed, or other act done, at a meeting of directors will not be invalid merely because a person to whom notice of the meeting is required to be given does not receive or is not given notice of the meeting if:
 - (1) the failure occurred by accident or error; or

- (2) the person waives notice of the meeting.

7.10 Quorum at meetings of directors

- (a) The directors may transact business at a meeting of directors only if a quorum of directors is present at the time the business is dealt with.
- (b) A quorum of directors consists of:
 - (1) if the directors have fixed a number for the quorum, that number of directors; and
 - (2) in any other case 2 directors.
- (c) If the number of directors in office at any time is not sufficient to constitute a quorum at a meeting of directors or is less than the minimum number of directors fixed under this constitution, then the remaining director or directors may act as soon as possible:
 - (1) to increase the number of directors to a number sufficient to constitute a quorum and to satisfy the minimum number of directors required under this constitution; or
 - (2) to convene a general meeting of the company for that purpose.
- (d) Until the directors have complied with rule 7.10(c), they must only act if and to the extent that there is an emergency requiring them to act.

7.11 Chair and deputy chair of directors

- (a) The directors may:
 - (1) appoint 1 of the directors as chair of directors; and
 - (2) determine the period for which that director is to be chair of directors.
- (b) The directors may:
 - (1) appoint 1 of the directors as deputy chair of directors; and
 - (2) determine the period for which that director is to be deputy chair of directors.
- (c) The directors may resolve that the office of chair or deputy chair of directors is an extra service or special exertion performed by the director holding that office for the purposes of rule 7.3(e).
- (d) The chair of directors, if present within 10 minutes after the time appointed for the holding of a meeting of directors and willing to act, must preside as chair of the meeting.
- (e) If the directors have elected a deputy chair of directors, then the deputy chair of directors, if present within 10 minutes after the time appointed for the holding of a meeting of directors and willing to act, must preside as chair of the meeting if:
 - (1) there is no chair of directors; or

- (2) the chair of directors is not present within 10 minutes after the time appointed for the holding of the meeting or is not willing to act as chair of the meeting.
- (f) The directors present must elect 1 of their number to be chair of the meeting if at a meeting of directors:
 - (1) there is no chair or deputy chair of directors; or
 - (2) the chair or deputy chair of directors is not present within 10 minutes after the time appointed for the holding of the meeting or is not willing to act as chair of the meeting.

7.12 Decisions of directors

- (a) A meeting of directors at which a quorum is present is competent to exercise each authority, power and discretion vested in or exercisable by the directors under this constitution.
- (b) The directors must decide questions arising at a meeting of directors by a majority of votes cast by the directors present.
- (c) A decision under rule 7.12(b) is for all purposes a determination of the directors.
- (d) In the case of an equality of votes on any proposed resolution, the chair of the meeting does not have a second or casting vote.

7.13 Written resolutions

- (a) A written resolution signed by:
 - (1) all directors entitled to vote on the resolution where the directors who sign would have constituted a quorum if present at a meeting of directors convened to consider the resolution; or
 - (2) a majority of the directors entitled to vote on the resolution where notice of the resolution was given in the same way it would have been required to have been given if it were a notice of a meeting of directors to consider the resolution, and the directors who sign would have constituted a quorum at such a meeting;

is as valid as if passed at a duly convened and held meeting of directors and is effective when signed by the last of all the directors or the last of the directors constituting the majority, as the case may be.

- (b) The resolution may consist of several documents in the same terms, each of which is signed by 1 or more directors.
- (c) A facsimile transmission or other document produced or transmitted electronically in the name, and with the authority of, a director will be taken to be a document in writing signed by the director.

7.14 Alternate directors

- (a) A director may appoint another director, or with approval of a majority of the other directors, any other person, to be the director's alternate director to act in his or her place at any meeting of directors or for any period where the director is unable to attend to his or her duties or exercise his or her powers as a director.
- (b) An alternate director may, subject to his or her terms of appointment, exercise all the powers (except the power to appoint an alternate director) and perform all the duties of the director who has appointed the alternate director to the extent the director has not exercised or performed them. Without limiting the foregoing, an alternate director may attend and vote at a meeting of directors if his or her appointor is not present. An alternate director is otherwise not entitled, and has no other power, to act as a director of the company.
- (c) An alternate director is not entitled to notice of meetings of directors unless his or her appointor is on leave of absence approved by the directors. In that case, the alternate director must be given notice of meetings of directors during the leave of absence.
- (d) An alternate director waives notice of a meeting of directors for the alternate director and his or her appointor if the alternate director:
 - (1) gives written notice of waiver to the company before, at or after the meeting; or
 - (2) attends the meeting.
- (e) A person may act as alternate director to more than 1 director and is entitled to a separate vote for each director the alternate director represents, in addition to any vote the alternate director may have as a director in that person's own right.
- (f) The office of an alternate director is vacated if and when the appointor vacates the office as a director.
- (g) The appointor may terminate the appointment of an alternate director at any time, even if the period of the appointment of the alternate director has not expired.
- (h) The appointor must appoint and terminate an appointment of an alternate director by a written, signed statement.
- (i) An appointment and termination are only effective after the company receives the appointor's written, signed statement and, in the case of an appointment requiring the approval of a majority of the directors of the company, after that approval has been given.
- (j) An alternate director is not to be taken into account in determining the minimum or maximum number of directors allowed under this constitution.
- (k) In determining whether a quorum is present at a meeting of directors, an alternate director, who attends the meeting is counted as a director for each director on whose behalf the alternate director is attending.

- (l) An alternate director is not to be taken into account in determining the number of directors or rotation of directors.
- (m) An alternate director is only entitled to be paid the remuneration that the directors think fit for his or her services as an alternate director, and any such remuneration must be in reduction of the remuneration payable to the director for whom the alternate director acts as alternate unless the directors otherwise determine.
- (n) An alternate director is entitled to be paid all reasonable travel, accommodation and other expenses properly incurred by the alternate director in attending meetings of, or relating to, the company or while engaged on the business or affairs of the company.
- (o) An alternate director, while acting as a director:
 - (1) is responsible to the company for that person's own acts and defaults; and
 - (2) is not the agent of the director who appointed the alternate director.

7.15 Committees of directors

- (a) The directors may delegate any of their powers to a committee or committees of directors.
- (b) A committee to which a power is delegated, when exercising the power, must comply with any directions of the directors.
- (c) The rules applying to meetings and resolutions of directors with the changes necessary, apply to meetings and resolutions of a committee of directors.
- (d) The directors may resolve that membership of a committee of directors is an extra service or special exertion performed by the members for the purpose of rule 7.3(e).

7.16 Delegation to individual directors

- (a) The directors may delegate any of their powers to 1 or more directors.
- (b) A director to whom any powers are delegated must exercise the powers delegated in accordance with any directions of the directors.
- (c) The directors may resolve to treat the acceptance of a delegation as an extra service or special exertion performed by the delegate for the purpose of rule 7.3(e).

7.17 Validity of acts

An act done by a person acting as a director, by a meeting of directors or by a committee of directors attended by a person acting as a director is not invalidated by reason only of:

- (a) a defect in the appointment of the person as a director;
- (b) the person being disqualified to be a director or having vacated office; or
- (c) the person not being entitled to vote.

8. Executive officers

8.1 Managing directors, deputy managing directors and executive directors

- (a) The directors may appoint 1 or more of the directors to be:
 - (1) a managing director;
 - (2) a deputy managing director; or
 - (3) an executive director employed by the company or a related body corporate in any other capacity.
- (b) The directors may confer on a managing director, deputy managing director or other executive director any title.
- (c) A person appointed to be an officer under rule 8.1(a) automatically ceases to hold that office if he or she ceases to be a director but, subject to any contract between the company and the person, he or she does not cease to be employed or otherwise engaged by the company by reason only of the person ceasing to be a director.
- (d) Unless the directors otherwise determine, a person appointed to be an officer under rule 8.1(a) automatically ceases to be a director if he or she ceases to be employed or otherwise engaged by the company to serve in that office.

8.2 Associate directors

- (a) The directors may appoint 1 or more associate directors.
- (b) The directors may confer on an associate director any title.
- (c) Even though the word 'director' may appear in an associate director's title an associate director is not a director of the company, and is not entitled:
 - (1) to attend a meeting of directors except by the invitation and with the consent of the directors; or
 - (2) to vote at any meeting of directors.

8.3 Secretaries

The directors:

- (a) must appoint at least 1 secretary;
- (b) may appoint additional secretaries; and
- (c) may appoint 1 or more assistant secretaries.

8.4 Terms of office

- (a) The appointment of a person to be an officer or to hold an office referred to in this rule 8 may be for a period, at a remuneration and on other terms to be decided by the directors.

- (b) Subject to any contract between the company and a person appointed to be an officer or to hold an office referred to in this rule 8, the directors may remove or dismiss the person from office at any time, with or without cause.
- (c) The directors may:
 - (1) confer on a person appointed to be an officer or to hold an office referred to in this rule 8 any power, discretion and duty, including but not limited to any power, discretion and duty vested in or exercisable by the directors;
 - (2) withdraw, suspend or vary any power, discretion and duty conferred on the person; and
 - (3) authorise the person to delegate any power, discretion and duty conferred on him or her.
- (d) An act done by a person appointed to be an officer or to hold an office referred to in this rule 8 is not invalidated by reason only of:
 - (1) a defect in the person's appointment; or
 - (2) the person being disqualified to hold that office;if that circumstance was not known by the person when the act was done.

9. Indemnity and insurance

9.1 Indemnity

- (a) Subject to this rule 9.1, the company indemnifies:
 - (1) each person who is or has been an officer of the company against all liabilities incurred by the person as such an officer; and
 - (2) each person who is or has been an officer of a related body corporate of the company against those liabilities incurred by the person as such an officer which the directors determine to be indemnified under this rule 9.1.

For the purposes of this rule 9.1(a), liabilities incurred by a person as an officer of the company or a related body corporate are taken to include legal costs incurred by the person:

- (3) in defending, resisting or otherwise responding to an action, proceeding or investigation commenced or brought by another or others for a liability incurred by the person as an officer of the body corporate or otherwise concerning the person as an officer of the body corporate; or
- (4) in connection with a proceeding for relief to the person under the Corporations Act concerning the person as an officer of the body corporate;

but do not include any other legal costs incurred by the person in connection with an action, proceeding or investigation concerning the person.

- (b) The following liabilities of a person, except for a liability for legal costs, are excluded from the indemnities in rule 9.1(a):
 - (1) A liability owed to the company or a related body corporate.
 - (2) A liability for a pecuniary penalty order under section 1317G or a compensation order under section 961M, 1317H, 1317HA, 1317HB, 1317HC or 1317HE of the Corporations Act.
 - (3) A liability owed to someone other than the company or a related body corporate and did not arise out of conduct in good faith.
 - (4) Any other liability against which the company is precluded by law from indemnifying the person.
- (c) The following legal costs of a person are excluded from the indemnities in rule 9.1(a):
 - (1) Legal costs incurred in defending or resisting a proceeding in which the person is found to have a liability for which he or she could not be indemnified.
 - (2) Legal costs incurred in defending or resisting a criminal proceeding in which the person is found guilty.
 - (3) Legal costs incurred in defending or resisting a proceeding brought by ASIC or a liquidator for a court order if the grounds for making the order are found by the court to have been established except for costs incurred in responding to actions taken by ASIC or a liquidator as part of an investigation before commencing the proceeding for the court order.
 - (4) Legal costs incurred in connection with a proceeding for relief to the person under the Corporations Act in which the court denies relief.
 - (5) Any other legal costs against which the company is precluded by law from indemnifying the person.
- (d) An indemnity in rule 9.1(a):
 - (1) is a continuing obligation and is enforceable by a person even though that person may have ceased to be an officer of the company or a related body corporate;
 - (2) applies to liabilities incurred both before and after the date of adoption of this rule 9.1;
 - (3) operates only to the extent and for the amount that the person is not otherwise entitled to be indemnified and is not actually indemnified by an insurer under an insurance policy or another person that is not a related body corporate of the company;
 - (4) in respect of a liability incurred by a person as an officer of a related body corporate of the company, operates only to the extent and for the amount that the person is not actually indemnified by that related body corporate; and

- (5) is enforceable by a person only if the person notifies the company of any claim against the person that may give rise to the right to be indemnified as soon as reasonably practicable after becoming aware of the claim, takes such action as the company reasonably requests in respect of the claim, does not make any admission of liability in respect of or settle the claim without the prior written consent of the company, provides the company with all reasonable assistance and cooperation in defending, resisting or otherwise dealing with the claim and does anything reasonably requested by the company in order to enable the company to be subrogated to and enjoy the benefits of the person's rights in relation to the claim against any third party.

9.2 Insurance

The company may purchase and maintain insurance or pay or agree to pay a premium for insurance in respect of any liability incurred by a person who is or has been an officer of the company or a related body corporate except to the extent that the company is precluded by law from doing so.

9.3 Savings

Nothing in rules 9.1 and 9.2:

- (a) affects any other right or remedy that a person may have in respect of any liability referred to in those rules; or
- (b) limits the capacity of the company to indemnify any person or provide or pay for insurance in respect of any person, whether or not those rules already apply to the person and whether by way of deed executed by the company or otherwise.

9.4 Officer

In this rule 9, a reference to an officer of a body corporate is a reference to:

- (a) a director or secretary of the body corporate;
- (b) an executive officer of the body corporate as defined in section 9 of the Corporations Act; and
- (c) in the case of the company, a person appointed to be an officer or to hold an office referred to in rule 8.

10. Winding-up

10.1 Distribution of surplus

- (a) Subject to this constitution and any rights or restrictions attached to a share or class of shares, if the company is wound up and the property of the company is more than sufficient to pay all of:
 - (1) the debts and liabilities of the company; and
 - (2) the costs, charges and expenses of the winding up;

the excess must be divided among the members in proportion to the number of shares held by each of them, irrespective of the amounts paid or credited as paid on the shares.

- (b) To calculate the excess, any amount unpaid on a share is to be treated as property of the company.
- (c) The amount of the excess that would otherwise be distributed to the holder of a partly paid share must be reduced by the amount unpaid on that share at the date of the distribution.
- (d) If the effect of the reduction under rule 10.1(c) would be to reduce the distribution to the holder of a partly paid share to a negative amount, then the holder must contribute that amount to the company.

10.2 Division of property

- (a) If the company is wound up, the liquidator may, with the sanction of a special resolution:
 - (1) divide among the members the whole or any part of the property of the company; and
 - (2) determine how the division is to be carried out as between the members or different classes of members.
- (b) A division may be otherwise than in accordance with the legal rights of the members.
- (c) In a division, any class may be:
 - (1) given preferential or special rights; or
 - (2) excluded altogether or in part.
- (d) If a division is not in accordance with the legal rights of the members, a member is entitled to dissent and to exercise the same rights as if the special resolution sanctioning that division were a special resolution passed under section 507 of the Corporations Act.
- (e) If any of the property to be divided includes a security with a liability to calls, a person entitled under the division to a security may by notice in writing direct the liquidator to:
 - (1) sell the person's proportion of the security; and
 - (2) account for the net proceeds.
- (f) The liquidator must, if practicable, act accordingly.
- (g) The liquidator must act within 10 days after the passing of the special resolution referred to in rule 10.2(a).
- (h) Nothing in this rule 10.2 derogates from or affects any right to exercise any statutory or other power which would have existed if this rule were omitted.

- (i) Rule 4.3 applies with the necessary changes to a division by a liquidator under rule 10.2(a) as if the references in rule 4.3 to the directors and to a distribution or capitalisation were references to the liquidator and to the division under rule 10.2(a).

11. Minutes and records

11.1 Minute books

The company must keep minute books in which it records:

- (a) proceedings and resolutions of meetings of the company's members;
- (b) proceedings and resolutions of directors' meetings (including meetings of a committee of directors);
- (c) resolutions passed by members without a meeting; and
- (d) resolutions passed by directors without a meeting.

11.2 Minutes

- (a) The company must ensure that minutes of a meeting are signed within a reasonable time after the meeting by the chair of the meeting or the chair of the next meeting.
- (b) The company must ensure that minutes of the passing of a resolution without a meeting are signed by a director within a reasonable time after the resolution is passed.

11.3 Evidence

A minute that is so recorded and signed is evidence of the proceeding, resolution or declaration to which it relates, unless the contrary is proved.

11.4 Inspection of records

- (a) The directors must ensure the minute books for general meetings are open for inspection by members free of charge.
- (b) Subject to rule 11.4(a), the directors may determine whether and to what extent, and at what time and places and under what conditions, the minute books, accounting records and other documents of the company or any of them are open to the inspection of members, who are not directors.
- (c) Subject to the law and authorisation by the directors, a member, who is not a director, has no right to inspect any books, records or documents of the company.

12. Execution of documents

12.1 Manner of execution

The company may execute a document if the document is signed by:

- (a) 2 directors; or

- (b) a director and a secretary.

12.2 Common seal

- (a) The company may have a common seal.
- (b) Rules 12.3 to 12.8 only apply if the company has a common seal.

12.3 Safe custody of seal

The directors must provide for the safe custody of the seal.

12.4 Use of seal

- (a) The seal must be used only by the authority of the directors or of a committee of the directors authorised by the directors to authorise the use of the seal.
- (b) The directors may give the authority to use the seal before or after the seal is used.
- (c) Subject to rule 12.8, until the directors otherwise determine, every document to which the seal is fixed must be signed by:
 - (1) 2 directors;
 - (2) a director and a secretary; or
 - (3) a director and another person appointed by the directors to countersign that document or a class of documents in which that document is included.

12.5 Seal register

- (a) The company may keep a seal register.
- (b) If the company does keep a seal register, then it must enter in the register particulars of each document on which the seal is fixed giving in each case:
 - (1) the date of the document;
 - (2) the names of the parties to the document;
 - (3) a short description of the document; and
 - (4) the names of the persons signing the document under rule 12.4(c).
- (c) The register must be produced at meetings of directors for confirmation of the use of the seal since confirmation was last given under this rule 12.5.
- (d) Failure to comply with rule 12.5(b) or (c) does not invalidate any document to which the seal is properly affixed.
- (e) Rules 12.5(b) or (c) do not apply to a certificate for securities of the company.

12.6 Duplicate seal

- (a) The company may have for use in place of its common seal outside the state or territory where its common seal is kept, 1 or more duplicate seals.
- (b) A duplicate seal must be a facsimile of the common seal of the company with the addition on its face:
 - (1) of the words 'duplicate seal'; and
 - (2) the name of the place where it is to be used.
- (c) A document sealed with a duplicate seal is considered to be sealed with the common seal of the company.

12.7 Share seal or certificate seal

- (a) The company may have for use on certificates for securities of the company in place of its common seal, 1 or more share seals or certificate seals.
- (b) A share seal or certificate seal must be a facsimile of the common seal of the company with the addition on its face of the words 'share seal' or 'certificate seal'.
- (c) A certificate for securities of the company sealed with a share seal or certificate seal is considered to be sealed with the common seal of the company.

12.8 Sealing and signing of certificates

The directors may determine either generally or in a particular case that the seal and the signature of any director, secretary or other person is to be printed on or affixed to any certificates for securities in the company by some mechanical or other means.

13. Notices

13.1 Notices by the company to members

- (a) The company may give a notice to a member by:
 - (1) serving it personally at, or by sending it by post or courier to, the member's address as shown in the register of members or another address the member has supplied;
 - (2) sending it to the fax number or electronic address the member has supplied to the company for the giving of notices; or
 - (3) giving to the member in a manner authorised by this rule 13.1(a) another notice containing details of an online location where the notice can be viewed or downloaded (and so giving those details will be taken to be giving the notice).
- (b) The company may give a notice to joint holders of a share by serving it or sending it in the manner authorised by rule 13.1(a) to the joint holder first named in the register of members or another joint holder notified in writing to the company for this purpose by all joint holders.

- (c) The company may give a notice to a person entitled to a share as a result of a transmission event by serving it or sending it in the manner authorised by rule 13.1(a) and:
 - (1) addressed to the name or title of the person, at or to the address, fax number or electronic address supplied to the company for the giving of notices to that person; or
 - (2) if no address, fax number or electronic address has been supplied, then at or to the address, fax number or electronic address to which the notice would have been sent if the relevant transmission event had not occurred.
- (d) Despite the occurrence of a transmission event and whether or not the company has notice of it, a notice given in accordance with this rule 13.1 to a member is taken to be given to any person entitled to the member's share as a result of the transmission event.
- (e) A notice given in accordance with this rule 13.1 to a person who is entitled to a share as a result of a transmission event is taken to be given to the member in whose name the share is registered.
- (f) The fact that a person has supplied a fax number or an electronic address for the giving of notice does not require the company to give any notice to that person by fax or electronic means.
- (g) A person who because of a transfer of shares becomes entitled to a share registered in the name of a member is bound by every notice which, before that person's name and address is entered in the register of members for those shares, is given to the member under this rule 13.1.
- (h) The company may sign any notice given under this rule 13.1 in writing or as a facsimile printed or affixed by some mechanical, electronic or other means.
- (i) A certificate signed by a director or secretary of the company stating that the company has given notice under this constitution is conclusive evidence of that fact.

13.2 Notices by the company to the directors

Subject to this constitution, the company may give a notice to a director or alternate director either by:

- (a) serving it personally at, or by sending it by post or courier to, the director's or alternate director's usual residential or business address or to another address the director or alternate director has supplied to the company for the giving of notices;
- (b) by sending it to the fax number or electronic address which the director or alternate director has supplied to the company for the giving of notices; or
- (c) giving to the director or alternate director in a manner authorised by this rule 13.2 another notice containing details of an online location where the notice can be viewed or downloaded (and so giving those details will be taken to be giving the notice).

13.3 Notices posted to addresses outside the Commonwealth

A notice sent by post or courier to an address outside the Commonwealth must be sent by airmail or air-courier.

13.4 Time of service

- (a) If the company sends a notice by post or courier, then it is served on the day after the date a properly addressed envelope containing the notice is placed in the post or given to the courier for delivery **provided that** the postage or courier delivery fee is prepaid or the company has an arrangement with the postal or courier service provider to pay after posting or delivery.
- (b) If the company sends a notice by fax or electronic means, then it is served on the day it is sent.
- (c) If the company gives a notice by serving or sending another notice containing details of an online location where the notice can be viewed or downloaded, then:
 - (1) in the case of personal service, the notice is served when the other notice containing those details is personally served; and
 - (2) in any other case, the notice is served when the other notice containing those details is served under rule 13.4(a) or (b).

13.5 Other communications and documents

Rules 13.1 to 13.4 apply, with the necessary changes, to the service of any communication or document.

13.6 Notices in writing

A reference in this constitution to a notice in writing includes a notice given by fax or electronic means.