



NOTICE OF ANNUAL GENERAL MEETING



ANNUAL GENERAL MEETING

14



VENUE

Springlake Function Centre
1 Springfield Lakes Boulevard
Springfield Lakes QLD 4300

DATE

Friday, 21 November 2014

SCHEDULE OF EVENTS

10.00am Registration / Morning Tea
11.00am AGM - Capilano Honey Limited
12.00pm Lunch - a light lunch will be provided

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RSVP / REGISTRATION

Attendance Form to be lodged by 5.00pm AEST on Friday, 14 November 2014
AND bring 'AGM Voting Registration Details' on page 4 with you to the meeting

PROXY VOTING

Shareholder Proxy Voting Form can be effected:

- by Mail or by Hand: Capilano Honey Limited, 399 Archerfield Road, Richlands QLD 4077
- by Email: a.zbasnik@capilano.com.au
- by Facsimile: 07 3712 8287

so that it is received no later than 11.00am AEST on Wednesday, 19 November 2014



NOTICE OF ANNUAL GENERAL MEETING



Notice is hereby given that the forty-second Annual General Meeting of Shareholders of **Capilano Honey Limited** ACN 009 686 435 (**CZZ or Company**) will be held at the Springlake Function Centre, 1 Springfield Lakes Boulevard, Springfield Lakes, Queensland on Friday, 21 November 2014 commencing at 11.00am AEST.

AGENDA

Ordinary Business

Financial Statements and Reports

To receive and consider the Company's Financial Statements, Directors' Declaration and the Reports of the Directors and the Auditors for the year ended 30 June 2014.

Resolution 1 - Re-election of Independent Director

To consider, and if thought fit, to pass the following resolution as an ordinary resolution for the purpose of filling one vacancy for the position of Independent Director:

'That Mr Robert Newey who retires in accordance with the Company's Constitution, and being eligible for re-election, be re-elected as an Independent Director of the Company under rule 111 of the Company's Constitution.'

Resolution 2 - Remuneration Report included in the Report of the Directors

To consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

'That the Remuneration Report included in the Report of the Directors on pages 12-17 of the Company's Annual Report for the financial year ended 30 June 2014 be adopted.'

Directors and other key management personnel and closely related parties will abstain from voting on this resolution in accordance with sections 250R and 250BD of the Corporations Act 2001. Exceptions may apply to votes cast as a proxy, as detailed in the Explanatory Memorandum and on the Shareholder Proxy Voting Form.

Special Business

Resolution 3 - Amend Constitution

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

'With effect from the conclusion of this meeting, the Company's Constitution be amended in accordance with, and as explained in the Explanatory Memorandum attached to this Notice of Annual General Meeting.'

Dated this TENTH day of OCTOBER 2014

By Order of the Board

CAPILANO HONEY LIMITED
Dirk Kemp
Company Secretary



If you do not understand this notice or are in any doubt about the action you are required to take, you should consult your legal, financial or other professional advisor immediately.

NOTES:

Information about the resolutions appear in the Explanatory Memorandum.

An ordinary resolution is one which, to be passed, requires at least a simple majority of the votes cast by shareholders entitled to vote on the resolution, to vote in favour.

A special resolution is one which, to be passed, requires at least 75% of the votes cast by shareholders entitled to vote on the resolution, to vote in favour.

Voting on the resolutions will be by means of a poll in which shareholders are entitled to one vote per share. In accordance with the Company's Constitution, and the Corporations Act, including sections 250R and 250BD, a member who is entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy.

A proxy need not be a member of the Company. A member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes that each proxy is appointed to exercise.

If you wish to appoint a proxy and are entitled to do so, then complete and return the attached Shareholder Proxy Voting Form.

A corporation may elect to appoint a representative, in accordance with the Corporations Act 2001, in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the Meeting.

INSTRUCTIONS

If you are unable to attend the Meeting and wish to vote, you are requested to complete and return the enclosed 'Shareholder Proxy Voting Form' by no later than 11.00am AEST on 19 November 2014.

If you are planning to attend the Meeting please complete and return the enclosed 'Attendance Form' by no later than 5.00pm AEST on 14 November 2014 AND bring the AGM Registration Details form with you to the Meeting.



EXPLANATORY MEMORANDUM

This Explanatory Memorandum is to be read with the Notice of Meeting issued by the Company. This Explanatory Memorandum should be read in its entirety. If Shareholders are in any doubt as to how they should vote on a Resolution, they should seek advice from their professional advisors.

ORDINARY BUSINESS

▪ **FINANCIAL STATEMENTS AND REPORTS**

The Corporations Act 2001 (Commonwealth) (Act) requires that the report of the Directors, the Auditors' report and the financial report be laid before the Annual General Meeting of the Company in respect of the financial year ended 30 June 2014 (**Meeting or AGM**). In addition, the Company's Constitution (**Constitution**) provides for such reports and statements to be received and considered at the meeting. Apart from the matters involving remuneration which are required to be voted upon, neither the Act nor the Constitution requires a vote of Shareholders at the Meeting on such reports or statements.

Following consideration of these reports the Chairman will give Shareholders a reasonable opportunity to ask questions about or comment on the management and audit of the Company. The external Auditors will be available at the Meeting to answer questions on the conduct of the Audit and their Independent Auditors' Report.

In addition to asking questions at the Meeting, Shareholders may address written questions to the Chairman about the management of the Company, or to the Company's Auditor which are relevant to:

- a) the content of the Auditors' Report to be considered at the Meeting; or
- b) the conduct of the audit of the annual financial report to be considered at the Meeting.

Pursuant to section 250PA of the Act, any written questions must be submitted to the Company Secretary no later than five (5) business days prior to the scheduled date of the Meeting. A list of questions submitted will be available at the Meeting.

▪ **RESOLUTION 1 - RE-ELECTION OF INDEPENDENT DIRECTOR**

In accordance with Rule 108 of the Constitution, Mr Robert Newey must retire by rotation at the Meeting and offers himself for re-election with the unanimous support of the Board.

→ **Robert Newey (Bob)**

Mr Newey has been a director since 2012. He is also a director of Bakers Delight Holdings Ltd, Saleslink Australasia Pty Ltd, Modern Baking Holdings Pty Ltd, Foodbank Queensland Limited and Aware Environmental Ltd.

Mr Newey is a graduate of the Australian Institute of Company Directors and has over 30 years experience in business with skills in managing change, developing strategic plans, organising people, operational due diligence in merger and acquisitions and leading entrepreneurial teams.

Previously, Mr Newey was a retail advisor with private equity investment firm TPG Capital, a consultant to the department store Myer Pty Ltd Management Board, director of a Myer Family Company retail subsidiary and member of the senior manager group of Woolworths.

The Directors (other than Mr Newey) unanimously recommend you vote in favour of this resolution.

▪ **RESOLUTION 2 - REMUNERATION REPORT INCLUDED IN THE REPORT OF THE DIRECTORS**

A resolution to adopt the Remuneration Report is required under section 250R(3) of the Act. The resolution of Shareholders is advisory only and does not bind either the Directors or the Company. The Directors believe that the Company's remuneration policies are fair, reasonable and appropriate for its needs. A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting. The Remuneration Report is included in the 'Report of the Directors' on pages 12-17 of the Company's Annual Report for the financial year ended 30 June 2014 (**Annual Report**).

As the Resolution relates to matters including the Remuneration of the Directors, the Board, as a matter of good corporate governance and in accordance with the spirit of section 250R(4) of the Corporations Act, make no recommendation regarding this Resolution.

Voting Exclusion Statement

The Company will disregard votes cast by a member of the key management personnel, details of whose remuneration are included in the Remuneration Report, or a closely related party of such a member, in contravention of section 250R or 250BD of the Act. Restrictions also apply to votes cast as a proxy unless exceptions apply.

However, the Company need not disregard any such vote if:

- a) it is cast by any person referred to above as a proxy for a person who is entitled to vote on this Resolution 2 in accordance with the directions on the Shareholder Proxy Voting Form; or
- b) it is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote in accordance with the directions on the Shareholder Proxy Voting Form to vote as the proxy decides.

Further details regarding proxy voting are set out in the Shareholder Proxy Voting Form accompanying this Notice of Meeting.



EXPLANATORY MEMORANDUM



SPECIAL BUSINESS

RESOLUTION 3 - AMEND CONSTITUTION

This Resolution is a special resolution to amend the Constitution following the removal of the Shares-to-Hives ratio requirement.

Background

The Shares to Hives ratio was a requirement for suppliers to the Company to hold 16 fully paid ordinary shares in the Company for each hive of bees used for producing honey.

In February 2014, Directors resolved to remove this requirement.

Subsequently, the following amendments to the terminology used in the Company's Constitution are required:

Proposed Amendments

Insertions noted in blue underline / Deletions noted in red strikethrough

- Replace the word 'shareholders' with 'Contracted Suppliers' in Rules 5a, 5b, 5c as follows:

'5. The objects for which the Company is established are:

- a) The acquisition of honey and wax from its ~~shareholders~~ Contracted Suppliers for disposal and distribution.
- b) The storage, marketing, packing and processing of honey and wax purchased from its ~~shareholders~~ Contracted Suppliers.
- c) The purchase and sale to ~~shareholders~~ Contracted Suppliers of beekeeping equipment and supplies or any other trade lines which may be conducive to the best interests of ~~shareholders~~ Contracted Suppliers.'

- Amend Rule 7

'7. In these rules, unless it is inconsistent with the subject or context in which it is used:

Insert: 'Contracted Supplier' means a person who is a party to a current Honey Supply Agreement.

Insert: 'Person' and words importing 'persons' include partnerships, associations and corporations unincorporated and incorporated by Ordinance, Act of Parliament or registration, as well as individuals.

Delete: '~~Supplier Shareholder~~' means a shareholder who is a party to a current Honey Supply Agreement.'

- Delete Rule 74, as no longer applicable

~~'74. The Directors shall have the power to issue shares at any time to shareholders for the exclusive purpose of enabling them to comply with their shareholding obligations under Honey Supply Agreements, and at Director's discretion to other persons who have successfully applied for Honey Supply Agreements. Directors may also, at their discretion, issue shares to a new supplier coincidental with the signing of a new Honey Supply Agreement.'~~





AGM REGISTRATION DETAILS

If attending the Meeting:

- please complete and return the RSVP / Attendance Form for receipt by the Company by no later than 5.00pm AEST on Friday, 14 November 2014; AND
- bring this page with you to assist with Registration and collection of voting papers.

If you have more than one shareholding in the Company, please ensure you bring the Registration Details for each holding.

CAPILANO HONEY LIMITED REGISTRATION DETAILS

➡ The following information is required to Register and collect your voting papers at the meeting.

Shareholder Number:

Shareholder Name:

*Capilano Honey Limited - 2014 Annual General Meeting
Springlake Function Centre, 1 Springfield Lakes Boulevard, Springfield Lakes QLD 4300
Friday, 21 November 2014 at 11.00am AEST*

Registration from 10.00am AEST

SHAREHOLDER VOTING PROXY FORM



CAPILANO HONEY LIMITED

Shareholder Number: _____

Office use only: Slip no: _____

Number of Shares: _____

Step 1: APPOINT A PROXY

I/We being a member(s) of Capilano Honey Limited and entitled to attend the Meeting and vote hereby appoint:

☐

The Chairman
of the meeting
(mark box)

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

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy to vote on my/our behalf (including in accordance with the directions set out below or, if no directions have been given, to vote as the proxy sees fit, to the extent permitted by the law) at the Annual General Meeting of the Company to be held at 10.30am AEST on Friday, 21 November 2014, at the Springlake Function Centre, 1 Springlakes Boulevard, Springfield Lakes, QLD 4300 and at any adjournment or postponement of the Meeting.

- ☛ I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy even if the resolution is connected directly or indirectly with the remunerations of a member of the key management personnel.

The Chairman of the Meeting intends to vote undirected proxies in favour of all items of Business.

Step 2: VOTING DIRECTIONS

ORDINARY BUSINESS

	For	Against	Abstain*
Resolution 1: Re-election of Independent Director - Robert Newey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2: Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SPECIAL BUSINESS

Resolution 3: Amend Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a vote taken by poll.

Step 3: SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting. Please read the voting instructions overleaf before marking any boxes with an 'X'

LODGING YOUR VOTE

Your vote must be received by 11:00am AEST on Wednesday, 19 November 2014.

- ☛ by mail:
Capilano Honey Limited
PO Box 531
Inala QLD 4077 Australia
- ☛ by fax:
+61 7 3712 8287
- ☛ by email:
a.zbasnik@capilano.com.au
- ☛ by hand: delivering it to
Capilano Honey Limited
399 Archerfield Road
Richlands QLD 4077

ENQUIRIES

All enquiries to: +61 7 3712 8282

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



HOW TO COMPLETE & LODGE PROXY FORM

Your Name and Address

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your Shares using this form.**

Appointment of a Proxy

If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

Votes on Items of Business - Proxy Appointment

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

Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of Shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both duly completed forms together.

Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the Company's Share Registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the shareholder is a company that has a

sole Director who is also the sole Company Secretary, this form must be signed by that person. If that 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 indicate the office held by each signatory in the appropriate place.

Corporate Representatives

If a representative of the company is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company.

Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by no later than **11:00am AEST on Wednesday, 19 November 2014**, being not later than 48 hours before the scheduled time and date for the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the Meeting.

Proxy Forms may be lodged:

by mail: Capilano Honey Limited
PO Box 531
Inala QLD 4077

by fax: +61 7 3712 8287 (Company)

by email: a.zbasnik@capilano.com.au

by hand: delivering it to Capilano Honey Limited
399 Archerfield Road, Richlands QLD 4077

Attending at the Annual General Meeting

If you would like to attend and vote at the Annual General Meeting, please:

1. Complete and return the enclosed 'Attendance Form' (refer page 7); and
2. Bring the 'AGM Voting Registration Details' (refer page 4) with you on the day to assist with registration and collection of voting papers.

RSVP / ATTENDANCE FORM



CAPILANO HONEY LIMITED

Shareholder Number: _____

Office use only: Slip no: _____

Number of Shares: _____

RSVP – CZZ 2014 ANNUAL GENERAL MEETING

Shareholder:

--

Insert number of
people attending:

--

Insert names of
people attending:

If you have more
than one holding
please insert the
Shareholder
Number of each
holding

To assist with the preparation of voting papers and catering, please complete and return this form by 5.00pm AEST on Friday, 14 November 2014.

RSVP

by no later than 5.00pm AEST on Friday, 14 November 2014.

➤ **by mail:**

Capilano Honey Limited
PO Box 531
Inala QLD 4077
Australia

➤ **by fax:**

+61 7 3712 8287

➤ **by email:**

a.zbasnik@capilano.com.au

➤ **by hand:** delivering it to

Capilano Honey Limited
399 Archerfield Road
Richlands QLD 4077

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All enquiries to: +61 7 3712 8282