

ASX release

2 October 2015

NOTICE OF ANNUAL GENERAL MEETING

Please find attached a copy of the following documents which are being mailed to all shareholders:

- Letter to shareholders
- Notice of Annual General Meeting
- Proxy Form
- Proposed new Company Constitution.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Phil Montrone
Managing Director & CEO
Desane Group Holdings Limited
(02) 9555 9922
philmontrone@desane.com.au

John Bartholomew
Company Secretary
Desane Group Holdings Limited
(02) 9555 9922
johnbartholomew@desane.com.au

ABOUT DESANE:

*Desane Group Holdings Limited is a significant Sydney based landlord. The areas we specialise in are property investment, property services and property management. Desane owns **\$61 million** of properties and other assets and manages a further **\$5.2 million** of industrial and commercial properties in the Sydney region. For more information, please visit our website at www.desane.com.au.*

2 October 2015

Dear Shareholder,

On behalf of the Board of Desane Group Holdings Limited ("the Company"), I invite you to attend our Company's 2015 Annual General Meeting ("AGM").

The AGM will be held on **Wednesday, 4 November 2015 at 10.00 am**, at the **Staging Connections Theatre Room, 68-72 Lilyfield Road, Rozelle NSW**.

Please find enclosed the Notice of Annual General Meeting, an Explanatory Statement to the Notice of Annual General Meeting, your shareholder proxy form and a copy of the proposed new company Constitution.

Registration will commence at 9.30 am. The validly completed proxy form must be received by no later than 10.00 am, Tuesday, 3 November 2015. If you are unable to attend the AGM, we encourage you to complete the proxy form and send it to:

By mail: Desane Group Holdings Limited
PO Box 331
LEICHHARDT NSW 2040

OR by fax: (02) 9555-9944

OR by email: info@desane.com.au

In addition to the ordinary business items for the meeting, this year the Board has considered that the current Constitution should be brought up to date with current provisions of the Corporations Act, ASX Listing Rules and current market practices for ASX listed companies. The current Constitution has not been amended since the Company's incorporation in 1987 and over the last 25 years, there have been a number of significant changes to the Corporations Act and ASX Listing Rules, as well as extensive developments in corporate governance principles and general corporate practices for ASX listed companies.

The Board considers that the resolutions to be voted on at the AGM, including the adoption of the proposed new company Constitution, are in the best interests of the Company and its shareholders. The Board unanimously recommends shareholders vote in favour of all the resolutions at the AGM.

The 2015 Annual Report can be accessed and downloaded from our Company's website, www.desane.com.au. Alternatively, if you have requested a hard copy of the 2015 Annual Report, you will receive it in the next few days.

I look forward to your attendance at the meeting.

Yours faithfully,
DESANE GROUP HOLDINGS LIMITED



PROF. JOHN SHEEHAN
Chairman



Desane Group Holdings Limited

ACN 61 003 184 932

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY STATEMENT TO NOTICE OF ANNUAL GENERAL MEETING

Date of Meeting

Wednesday, 4 November 2015

Time of Meeting

10.00 am

Place of Meeting

Staging Connections Theatre Room, 68-72 Lilyfield Road, Rozelle NSW 2039

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING of Desane Group Holdings Limited (**Company**) will be held at the Staging Connections Theatre Room, at 68-72 Lilyfield Road, Rozelle NSW at 10.00 am on Wednesday, 4 November 2015.

The business to be considered at the Annual General Meeting is set out below.

ITEMS OF BUSINESS

ORDINARY BUSINESS

1. To receive and consider the financial statements of the Company and the consolidated group, for the year ended 30 June 2015 and the reports by the Directors and Auditors thereon.

2. To consider, and if thought fit, pass the following non binding resolution:

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report set out in the Annual Report for the Company and the consolidated group for the year ended 30 June 2015 be adopted."

Voting exclusion statement for Resolution 2: The Company will disregard any votes cast on this Resolution by or on behalf of any member of key management personnel of the Company, details of whose remuneration are included in the Remuneration Report or any closely related party of such member. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form.

Note: In accordance with s250R(3) of the Corporations Act, the vote on Resolution 2 is only advisory and will not bind the Directors.

3. To consider, and if thought fit, pass the following ordinary resolution:

"That Prof. John Sheehan, being a Director of the Company who retires from office by rotation in accordance with Article 76 of the Constitution, and being eligible, offers himself for re-election, be re-elected as a Director of the Company."

4. To consider, and if thought fit, pass the following ordinary resolution:

"That, Mr Rick Montrone, having consented to act, be appointed as an additional Director of the Company."

5. To consider, and if thought fit, pass the following ordinary resolution:

"That for the purposes of Article 108 and for all other purposes, the declaration of a final fully franked dividend of 2 cents per Share as recommended by Directors, be approved."

6. To consider, and if thought fit, to pass the following ordinary resolution:

"That for the purposes of Article 69(a) and for all other purposes, the remuneration of the Non-Executive Chairman, Prof. John Sheehan, for the financial year commencing on 1 July 2015 and ending on 30 June 2016 of \$63,600 per annum be approved."

Voting exclusion statement for Resolution 6: The Company will disregard any votes cast on this Resolution by the Non-Executive Chairman and any of his Associates. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form.

7. To consider, and if thought fit, to pass the following ordinary resolution:

"That for the purposes of Article 69(a) and for all other purposes, the remuneration of the Non-executive Director, Mr John Bartholomew, for the financial year commencing on 1 July 2015 and ending on 30 June 2016 of \$46,200 per annum, be approved."

Voting exclusion statement for Resolution 7: The Company will disregard any votes cast on this Resolution by the Non Executive Director and any of his Associates. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form.

8. To consider, and if thought fit, to pass the following ordinary resolution:

"That for the purposes of ASX Listing Rule 10.17 and for all other purposes, a maximum aggregate annual remuneration that may be paid by the Company as remuneration for the services of the Company's Non-Executive Directors of \$300,000, be approved."

Voting exclusion statement for Resolution 8: The Company will disregard any votes cast on this Resolution by the Non-Executive Directors and any of their Associates. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form.

By Order of the Board,



J W Bartholomew
Company Secretary
24 August 2015

SPECIAL BUSINESS

9. To consider, and if thought fit, pass the following special resolution:

"That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, the constitution tabled at the Annual General Meeting and signed by the Chairman of the Meeting (for the purpose of identification) be approved and adopted as the Constitution of the Company in substitution for the current Memorandum and Articles of Association of the Company."

10. General: To transact any business which may be lawfully brought forward.

Voting

Individual members who are registered securityholders of the company as at 7.00 pm (AEST) on Monday, 2 November 2015 will be entitled to vote in person or by proxy. Each registered securityholder has one vote by either a show of hands or a poll.

Proxies

A member entitled to attend and vote is entitled to appoint a proxy to attend and vote in their stead. That person need not be a member of the company, but should be a natural person over the age of 18 years. Forms must be lodged at the registered office of the company no later than 10.00 am, Tuesday, 3 November 2015.

To vote by proxy, please complete and sign the Proxy Form enclosed with this Notice of Meeting, so that it is received no later than 10:00am (Sydney time) on 3 November 2015. Proxy forms received later than this time will be invalid.

Hand deliveries:	<i>Desane Group Holdings Limited 68-72 Lilyfield Road, Rozelle NSW2039</i>	Postal address:	<i>Desane Group Holdings Limited PO Box 331 Leichhardt NSW 2040</i>
-------------------------	--	------------------------	---

Alternatively you can fax your proxy form so that it is received no later than 10:00am (Sydney time) on 3 November 2015 on the fax number listed below.

Fax Number: +61 2 9555 9944

Your Proxy Form is enclosed

This is an important document. Please read it carefully. If you are unable to attend the Annual General Meeting please complete the enclosed Proxy Form and return it in accordance with the instructions set out on that form.

Documents

The Annual Report of the Company, including the financial report, Directors' Report and the Auditor's Report for the year ended 30 June 2015, is available on the Company's website at www.desane.com.au and will be available at the AGM and at the registered office of the Company. Copies will be forwarded to members by post upon request.

Explanatory Statement to Notice of Annual General Meeting

Introduction

This Explanatory Statement has been prepared for Shareholders of Desane Group Holdings Limited ABN 61 003 184 932 (**Company**) in connection with the business to be transacted at the Annual General Meeting of the Company to be held at 10:00am on Wednesday, 4 November 2015 at Staging Connections Theatre Room, 68-72 Lilyfield Road, Rozelle NSW 2039, and contains important explanatory and other information for Shareholders in relation to the Resolutions set out in the attached Notice of Meeting.

The Directors recommend Shareholders read this Explanatory Statement carefully in full before making any decision in relation to the Resolutions.

The Directors recommend that Shareholders vote in favour of Resolutions, 2, 4, 5, and 9.

The Board (other than Prof. Sheehan), recommend that non-associated Shareholders vote in favour of Resolution 3 and 6.

The Chairman and the Managing Director recommend that non-associated Shareholders vote in favour of Resolution 7.

The Managing Director recommends that non-associated Shareholders vote in favour of Resolution 8.

If you are in doubt about what to do in relation to the Resolutions, you should consult your financial or other professional adviser.

Resolutions 1 to 9 are not inter-conditional. Accordingly, if Shareholders do not approve one of these Resolutions, other Resolutions may still be approved by Shareholders.

Resolutions 1 to 8 are ordinary resolutions, which require approval by 50% of Shareholders present at a meeting, either in person or by proxy.

Resolution 9 is a special resolution, which requires approval by 75% of Shareholders present at the meeting, either in person or by proxy.

Adoption of Financial Statements (Resolution 1)

The audited financial statements and reports by the directors and the auditors for the Company and the consolidated group for the year ended 30 June 2015 have been lodged on the Company's information page of the ASX Limited and also on the Company's website (www.desane.com.au).

Shareholders will be asked to adopt these financial statements and reports and the Directors will give shareholders an opportunity to discuss their contents and ask any questions. A copy of the Annual Report for the Company will be forwarded to members by post upon request.

Approval of Remuneration Report (Resolution 2)

Under sections 249L and 250R of the Corporations Act, public companies are required to meet disclosure requirements in respect of Director and executive remuneration, and to include a Remuneration Report in the Director's Report to Shareholders. The Remuneration Report for the 12 months ended 30 June 2015 is included in the 2015 Annual Report for the Company and the consolidated group.

Further, the Corporations Act requires that adoption of the Remuneration Report be included as a resolution on which shareholders are given the opportunity to vote at the AGM.

The vote on this resolution is advisory only, and will not be binding on the Board. Notwithstanding the non-binding nature of the vote, the Board will take note of the outcome of the vote when considering future remuneration matters.

Under the Corporations Act, if at least 25% of the votes cast on the resolution at the AGM are against adoption of the Remuneration Report, then:

- if comments are made on the report at the AGM, the remuneration report for the Company and the consolidated group for the financial year ending 30 June 2015 will be required to include an explanation of the Board's proposed action in response or, if no action is proposed, the Board's reasons for this position; and
- if, at the Company's 2016 annual general meeting, at least 25% of the votes cast on the resolution for adoption of the remuneration report for the relevant financial year are against its adoption, the Company will be required to put to shareholders a resolution proposing that a General Meeting (**Spill Meeting**) be called to consider the election of directors of the company (**Spill Resolution**). The Spill Meeting must be held within 90 days of the date of the 2016 annual general meeting. For a Spill Resolution to be passed, more than 50% of the votes cast on the resolution must be in favour of it. If a Spill Resolution is passed, all of the directors (other than any managing director) will cease to hold office immediately before the end of the Spill Meeting unless re-elected at that meeting.

Please note that the Chairman intends to vote any undirected proxies in favour of this resolution.

Re-election of Prof. John Sheehan (Resolution 3)

Article 76 of the Constitution requires that at the annual general meeting, one third of the Directors for the time being, or, if their number is not a whole number, the whole number nearest to one third, shall retire from office, provided always that no director shall hold office for a period in excess of three years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself for re-election. A retiring director is eligible for re-election.

Prof. Sheehan retires by rotation in accordance with the Company's Constitution and, being eligible, offers himself for re-election.

Prof. Sheehan is a practising Chartered Town Planner and Registered Valuer and specialises in compulsory acquisition compensation advice, assessment and expert evidence. He is currently serving at the University of Technology Sydney, as Deputy Director of the Asia-Pacific Centre for Complex Real Property Rights and Adjunct Professor, Faculty of Design, Architecture & Building. He is Chair of the Australian Property Institute's Government Liaison Committee and has prepared submissions to both State and Commonwealth Government inquiries on a range of varied topics such as strata title, water and carbon legislation, development and planning and compensation legislation. Prof. Sheehan currently chairs the Australian Property Institute Joint NSW & QLD Carbon Property Rights Committee and the Water Property Rights Committee. He is also the Institute's representative on the Environmental Planning & Development Committee of the Law Society of NSW.

Prof. Sheehan's previous appointments include serving as NSW Vice President and NSW President of the Australian Property Institute for three successive one-year terms, where he is also a Life Fellow and former National Native Title Spokesperson. He was previously an Acting Commissioner with the Land & Environment Court of NSW, and earlier a Member of the Land Tribunal of QLD.

Prof. Sheehan has served as Desane's Chairman since 1992 and as a non-executive Director since 1987. He is also a member of Desane's Risk Management & Audit Committee and Chairman of the Remuneration & Nomination Committee and the Environmental, Occupational Health & Safety Committee.

Election of Mr Riccardo (Rick) Montrone (Resolution 4)

Mr Montrone offers himself for election to the Board of the Company in accordance with Article 80 of the Constitution.

Mr Montrone has tabled his consent to act as a Director and offers himself for election at the AGM.

Mr Montrone is the Company's Property Asset Manager with more than twelve years' experience in the property services industry. Mr Montrone is responsible for managing all aspects of the Company's property operations, including sales and acquisitions, project marketing, strategic planning and asset fund raising, as well as leasing, property management and reporting on the investment portfolio.

Mr Montrone is qualified as a licensed real estate agent and auctioneer, as well as a certified commercial property manager. In 2013, he was admitted as an Associate Member of the Australian Property Institute. Mr Montrone holds a degree in Economics from the University of Sydney and is currently studying towards a Master of Property at the University of Newcastle.

Declaration of a Dividend (Resolution 5)

Article 108 of the Constitution of the Company provides that the Company in general meeting may declare a dividend if the Directors have recommended a dividend. This Article further provides that a dividend shall not exceed the amount recommended by the Directors.

The recommended final dividend is 2 cents per share, fully franked, to be paid on 26 November 2015 to Shareholders registered at 5.00 pm on 12 November 2015.

Remuneration of Non-Executive Chairman and Non-Executive Director (Resolutions 6 and 7)

Article 69(a) of the Constitution of the Company provides that the remuneration of Directors shall not be increased without the prior approval of the Company in general meeting.

Resolutions 6 and 7 seek Shareholder approval to increase the remuneration of:

- the Non-Executive Chairman by \$8,600 to a maximum sum of \$63,600 per annum; and
- the Non-Executive Director by \$6,200 to a maximum sum of \$46,200 per annum,

for the following reasons:

The Remuneration Committee noted that the remuneration of the Chair and Non-Executive Directors should reflect current market conditions and remunerations.

Maximum Aggregate Annual Remuneration for Non-Executive Directors (Resolution 8)

Under the Company's current Memorandum and Articles, no maximum aggregate annual remuneration for non-executive directors is specified. Under Article 69(a) of the Constitution shareholders are required to approve any increase in the remuneration of Directors (including Non-Executive Directors).

Under the proposed new Constitution to be adopted pursuant to Resolution 9, clause 4.6(b)(ii) specifies that the maximum aggregate annual remuneration for Non-Executive Directors is \$300,000.

ASX Listing Rule 10.17 requires the Company to obtain shareholder approval for any increase in the total amount of remuneration payable to Non-Executive Directors.

Resolution 8 seeks Shareholder approval for a maximum aggregate annual remuneration for Non-Executive Directors of \$300,000 to be set for the following reasons:

- the maximum aggregate annual remuneration has not been set previously;
- the amount specified will provide headroom and flexibility to increase the size of the Board if and when appropriate, including for succession planning purposes; and
- the amount specified allows for some future increases in fees to maintain market competitiveness and to reflect increasing demands on Non-Executive Directors.

The maximum aggregate amount to be approved by Shareholders excludes remuneration paid to executive Directors.

If approved, any increase in the remuneration of Non-Executive Directors from the amounts specified in Resolutions 6 and 7 will be divided amongst the Non-Executive Directors as the Board determines. The Company does not intend to fully utilise the increase in the near future.

No securities were issued to a Non-Executive Director under ASX Listing Rule 10.11 or 10.14 with the approval of Shareholders in the last three years.

Disclosure of Directors' remuneration will continue to be made to Shareholders in each Annual Report in accordance with applicable legal and ASX requirements.

Adoption of Constitution (Resolution 9)

A company may modify or replace its constitution by a special resolution of its shareholders. The Company's constitution, being the rules by which the Company operates, should evolve in line with the Company and the regulatory environment in which it operates.

Since the Company's existing Memorandum and Articles was adopted in 1986, a number of reforms have been undertaken in relation to legislation governing the operation of companies, culminating in the enactment of the current legislation, the Corporations Act, which means that a number of the provisions in the Articles are now outdated.

The *Company Law Review Act 1998* (Cth) provided for companies to be governed by a single document known as a constitution. This change came into effect on 1 July 1998 and from that date, if a company had a memorandum and articles of association those documents became its "constitution".

Whilst it remains legally permissible for a company to retain its existing memorandum and articles as its constitution, the structure of a Memorandum and Articles used in the Company's current Constitution relates to out of date legislative provisions which have minimal application to current practice and governance of companies today.

The Directors consider that it is preferable in these circumstances to replace the existing Constitution rather than to amend a multitude of specific provisions.

A summary of the key provisions of the proposed new Constitution to be adopted by the Company (**Proposed Constitution**) is set out below. This summary is not exhaustive.

Issue of further Shares and other securities

Subject to any restrictions imposed by the Proposed Constitution, the Corporations Act or the ASX Listing Rules, the Directors may:

- (a) issue Shares with any preferential, deferred or special rights, privileges or conditions or with any restrictions (whether in regard to dividend, voting, return of share capital or otherwise) as the Directors determine;

- (b) grant to any person an option over Shares or pre-emptive rights at any time and for any consideration they think fit.

Variation of class rights

The Company may vary or cancel the rights attaching to any class of Shares if the variation or cancellation is:

- (a) permitted by the Corporations Act;
- (b) approved by special resolution passed at a meeting of the holders of the Shares of the relevant class; and
- (c) (for so long as the Company is listed on the ASX) permitted by the ASX Listing Rules.

Transfer of Shares

Subject to the Proposed Constitution, Shareholders may transfer all or any Shares by a written transfer in the usual form or in any form approved by the Directors. Subject to the Corporations Act, the Settlement Rules and the ASX Listing Rules, the Directors may refuse to register a transfer of Shares in certain circumstances, including where the Company has a lien on the Shares, registration of the transfer would be contrary to Australian law or a court order, the transfer would create a holding of less than a marketable parcel, a holding lock applies to the Shares or where the refusal is permitted or required by the ASX Listing Rules.

Death of a Shareholder

In respect of a Share owned by a Shareholder (and not owned by several holders jointly), if a Shareholder dies the Company will recognise only the personal representative of the deceased Shareholder as being entitled to the deceased Shareholder's interest in the Share.

If a registered joint holder of a Share dies, the surviving holder or holders are entitled to be registered as the holders of the Share.

General meetings and notices

Subject to the terms on which any Shares have been issued, Shareholders are entitled to receive:

- (a) notice of every annual general meeting, general meeting and any meeting of any class of Shareholders to which that Shareholder belongs; and
- (b) all notices, accounts and other documents required to be sent to Shareholders under the Proposed Constitution or the Corporations Act.

The quorum for a general meeting is three Shareholders and a quorum must be present at all times during the meeting.

Annual general meeting

The Company must hold an annual general meeting once a year and in accordance with the Corporations Act, unless:

- (a) section 250N(4) of the Corporations Act applies; and
- (b) the Company is not listed on the ASX.

Voting

At a general meeting of the Company, all resolutions submitted to the meeting will be decided by a simple majority of votes except where a greater majority is required by the Proposed Constitution, the Corporations Act or the ASX Listing Rules.

Subject to the Proposed Constitution, the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to any class of Shares, at a general meeting of the Company, every Shareholder who is entitled to vote and who is present in person, by proxy or by representative has one vote on a show of hands and one vote on a poll for each fully paid Share held by that Shareholder.

Voting at meetings will be decided on a show of hands, unless a poll is demanded either before, on or immediately after declaration of the result of the vote on a show of hands. A poll may be demanded by at least five Shareholders, who are present in person, by proxy or by representative and entitled to vote, by any one or more Shareholders who holding Shares constituting not less than 5% of the total votes that may be cast on the resolution to be passed, or by the Chair.

In the case of an equality of votes on a resolution at a general meeting, the Chair will have a casting vote in addition to any votes to which the Chair may be entitled as a Shareholder, proxy or representative.

Access to minutes

The Directors are required to ensure that the minute books for general meetings are open for inspection by Shareholders free of charge. If requested by the Shareholder in writing, the Directors must ensure that the Company sends a copy of any minutes or an extract of minutes of a general meeting requested within 10 business days of the request or, if the Directors determine that payment should be made for the copy of the minutes or extract, 10 business days after the Company receives payment.

Directors – Term of office, appointment and removal

Whilst the Company remains listed on the ASX, and subject to the Corporations Act, the ASX Listing Rules and the Proposed Constitution, a Director (not being a Managing Director), must retire from office or seek re-election by no later than the third annual general meeting following his or her appointment or election, or three years, whichever occurs later.

Unless otherwise determined by a resolution of the Shareholders, while the Company is listed on the ASX, one third of the Directors (or if the number of Directors is not a multiple of three, then the whole number nearest one-third) must retire from office at each Annual General Meeting, with the Directors who have been longest in office required to retire first. Where several Directors were appointed to the Board on the same day, the Directors to retire will be determined by drawing lots. The requirement to retire by rotation does not apply to any Managing Director.

The Directors may appoint a Director to fill a casual vacancy on the Board or in addition to the existing Directors. Whilst the Company is listed on the ASX, any Director appointed to fill a casual vacancy (not being a Managing Director) will then hold office until the conclusion of the next annual general meeting, at which meeting he or she will be eligible for re-election.

Except where a Director retires from office under the above provisions and stands for re-election, a person is only eligible for appointment as a Director by resolution of the Shareholders in general meeting if the Company receives at least 35 days before the relevant general meeting:

- (a) a nomination of that person by a Shareholder; and
- (b) a consent to that nomination signed by the person nominated for election as a Director.

The Company may, by resolution of the Shareholders in general meeting, remove a Director from office and appoint another person as a Director in that Director's place. If a Director was appointed to represent the interests of particular Shareholders, the removal of that Director has no effect until a replacement to represent the interests of those Shareholders has been appointed.

Remuneration of Directors

Any remuneration payable to Directors must be paid in accordance with the Corporations Act and, whilst the Company remains listed on the ASX, the ASX Listing Rules.

The Company may pay Directors fees for carrying out the duties and responsibilities of the office of Director required by the Corporations Act.

The Company in general meeting may from time to time determine the maximum aggregate cash remuneration to be paid to Directors for services rendered (excluding any remuneration payable to any Director under any executive service contract with the Company or any related body corporate). Until a different amount is approved by Shareholders, the maximum aggregate remuneration payable to Directors is \$300,000.00 per annum.

Dividends

Subject to the Proposed Constitution, the Corporations Act and to the terms on which any Shares have been issued, the Directors may determine the amount, timing and method of payment of any dividend. Dividends are to be apportioned and paid among Shareholders in proportion to the amounts paid up on the Shares held by each Shareholder (subject to the Corporations Act, the Proposed Constitution and any rights or restrictions attached to any class of Shares).

Auditor

The Directors must appoint one or more persons to the office of Auditor of the Company unless the Shareholders at general meeting have appointed an Auditor.

Inspection

A request by a Shareholder to inspect the financial records of the Company must be in writing and must be delivered to the Company at its registered office. Subject to the Corporations Act, the Directors by ordinary resolution or the Shareholders by special resolution may decide whether and to what extent and at what times and places and under what conditions a Shareholder may inspect the financial records and other books of the Company.

Indemnity

Subject to the Corporations Act, the Company must indemnify any current or former Director, secretary or executive officer of the Company or a related body corporate of the Company out of the property of the Company against:

- (a) every liability incurred by that person in that capacity (except a liability for legal costs) to another person (other than the Company or a related body corporate of the Company); and
- (b) all legal costs incurred in defending or resisting proceedings, whether civil or criminal or of an administrative or investigatory nature, in which the person becomes involved as a result of that capacity.

Winding up

In a winding up, any assets available for distribution to Shareholders will, subject to the rights of the holders of Shares issued on special terms and conditions, the Proposed Constitution, the Corporations Act, be distributed among Shareholders in proportion to the number of Shares held by them, irrespective of the amounts paid or credited as paid on the Shares, provided that a Shareholder who is in arrears in the payment of a call on a Share, but whose Share has not been forfeited, is not entitled to participate in the distribution on the basis of holding that Share until the amount owing in respect of the call has been fully paid and satisfied.

Amendment

The Proposed Constitution may only be amended by a special resolution passed by at least 75% of the votes cast by Shareholders entitled to vote on the resolution. At least 28 days' written notice specifying the intention to propose the resolution must be given to Shareholders.

The Proposed Constitution will be available for review on the Company's website (www.desane.com.au) and during normal business hours at the office of the Company.

Under section 136 of the Corporations Act, the adoption of a new constitution must be approved by a special resolution of shareholders, that is, by at least 75% of the votes cast by Shareholders entitled to vote.

Glossary

In the Notice of Meeting and this Explanatory Statement the following defined terms have the following meanings:

Annual General Meeting or AGM means the annual general meeting convened by the Notice of Meeting.

ASTC means ASX Settlement Pty Ltd ACN 008 504 532.

Associate has the meaning given to it by Division 2 of Part 1.2 of the Corporations Act.

ASX means ASX Limited and the market operated by it, the Australian Securities Exchange, as applicable.

ASX Listing Rules means the Listing Rules of the ASX.

Auditor means a person appointed as an auditor of the Company who has not vacated their office.

Company means Desane Group Holdings Limited ABN 61 003 184 932.

Constitution means the Memorandum and Articles of the Company as at the date of this Notice of Meeting.

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

Board means the board of Directors of the Company.

Business Day has the meaning given to that term in the ASX Listing Rules.

Chair means a person elected by the Directors as chairperson of the Board.

Directors means each of the Directors of the Company being Prof. John Sheehan and Messrs Phil Montrone and John Bartholomew.

Dollar or \$ means the lawful currency of the Commonwealth of Australia.

Managing Director means a person appointed as managing director of the Company.

Notice of Meeting means the notice of meeting that accompanies this Explanatory Statement.

Resolutions means the resolutions set out in the Notice of Meeting and **Resolution** means any of them.

Settlement Rules means the settlement rules of ASTC as amended or replaced from time to time.

Share means an ordinary share in the capital of the Company that is fully paid or credited as fully paid (as the case may be).

Shareholder means a registered holder of Shares in the Company.

☐ **CHANGE OF ADDRESS.** If incorrect, mark this box and make the correction in the space below. Securityholders sponsored by a broker (securityholder number commences with "X") should advise your broker of any changes.

All Correspondence to:
Desane Group Holdings Limited
PO Box 331
LEICHHARDT NSW 2040 Australia
Enquiries 61 2 9555 9922
Facsimile 61 2 9555 9944
Email info@desane.com.au
Website www.desane.com.au

Name & Address 1
Name & Address 2
Name & Address 3
Name & Address 4
Name & Address 5
Name & Address 6

SECURITYHOLDER NUMBER: 1999999999

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded before 10.00 am (AEDT) on Tuesday, 3 November 2015

Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Desane Group Holdings Limited (Company) and entitled to attend and vote 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 Desane Group Holdings Limited to be held at the Staging Connections Theatre Room, 68-72 Lilyfield Road, Rozelle, NSW, on Wednesday, 4 November 2015 at 10.00 am 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 2 and 6 (except where I/we have indicated a different voting intention below) even though Resolutions 2 and 6 are connected directly or indirectly with the remuneration of the Chairman and/or the remuneration of a member of key management personnel, which includes the Chairman.

The Chairman of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 2 and 6): If you wish to appoint the Chairman of the meeting as your proxy with a direction to vote against or abstain from voting on an item you must provide a direction by marking the "Against" or "Abstain" box opposite that resolution in step 2 below.

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.

ORDINARY BUSINESS

	For	Against	Abstain
Item 2 Approval of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3 Re-election of John Sheehan as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4 Election of Riccardo (Rick) Montrone as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5 Approval of dividend	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 6 Approval of Remuneration of Non-Executive Chairman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 7 Approval of Remuneration of Non-Executive Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 8 Approval of Maximum Aggregate Annual Remuneration for Non-Executive Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 9 Adoption of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

SIGN

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

Contact Name

Contact Daytime Telephone

Date

How to complete the Proxy Form

STEP 1 - APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy

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

Appointment of a Second Proxy

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

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.

STEP 2 - VOTING DIRECTIONS TO YOUR PROXY

All your securities will be voted in accordance with your directions. A proxy need not be a securityholder of the Company.

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 as they choose. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you mark more than one box on an item, your vote will be invalid on that item. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

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%.

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

SIGNING INSTRUCTIONS

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: 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.

ATTENDING THE MEETING

If you wish to attend the meeting, please bring this form with you to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate **"Certificate of Appointment of Corporate Representative"** prior to admission. A form of the certificate may be obtained from Desane Group Holdings Limited.

LODGEMENT OF A PROXY

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below **no later than 10.00 am, Tuesday, 3 November 2015**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

DOCUMENTS MAY BE LODGED AS FOLLOWS:

In person to: Desane Group Holdings Limited, 68-72 Lilyfield Road, Rozelle NSW 2039 Australia
By mail to: Desane Group Holdings Limited, PO Box 331, Leichhardt NSW 2040 Australia
By email to: info@desane.com.au
By fax to: 61 2 9555 9944

Constitution

Desane Group Holdings Ltd

ABN 61 003 184 932

1.	Definitions and Interpretation	4
1.1	Definitions	4
1.2	Corporations Act and Listing Rules definitions	5
1.3	Interpretation	5
1.4	Replaceable rules not to apply	5
1.5	Constitution subject to the Corporations Act	5
1.6	Listing Rules and Settlement Rules only to have effect if Company is listed	6
1.7	Constitution subject to the Listing Rules if Company is listed	6
1.8	Transitional provisions	6
2.	Shares	6
2.1	Share capital	6
2.2	Changes to Shares and Share capital	9
2.3	Partly paid Shares and calls	10
2.4	Lien and forfeiture	12
2.5	Certificates	16
2.6	CHESS	16
2.7	Transfer of Shares	17
2.8	Transmission of Shares — death, bankruptcy or lack of mental capacity	19
2.9	Restricted Securities	20
2.10	Non-marketable parcels	21
3.	General meetings	22
3.1	Annual general meeting	22
3.2	Right to call and attend general meetings	23
3.3	Notice of general meetings	24
3.4	Cancellation or postponement of a general meeting	25
3.5	Conducting general meetings	26
3.6	Adjournment of general meetings	29
3.7	Resolutions, voting and polls at general meetings	29
3.8	Proxies and Representatives	31
3.9	Meetings of holders of a class of Shares	33
4.	Directors	33
4.1	Preliminary	33
4.2	Appointment of a Director	34
4.3	Resignation, cessation and termination of a Director	35
4.4	Executive Directors	38
4.5	Alternate Director	38
4.6	Remuneration of Directors	39
4.7	Conflicts of interest	41
5.	Management of business by Directors	44
5.1	Powers of Directors	44
5.2	Directors must keep transactions secret	44
5.3	Appointment of attorney for Company	45
5.4	Delegation by the Directors	45
5.5	Seals and execution of documents	45
5.6	Negotiable instruments	45
6.	Board meetings	46
6.1	Directors' resolution without a meeting	46
6.2	Calling Board meetings	46

6.3	Notice of meeting	46
6.4	Conduct of Board meetings	46
6.5	Chairing Board meetings	47
6.6	Voting by Chair at Board meetings	47
6.7	Quorum at Board meetings	47
6.8	Meeting competent to exercise all powers	47
6.9	Passing of Directors' resolutions	47
6.10	Resolution passed deemed to be a determination of the Board	48
6.11	Committee powers and meetings	48
6.12	Validity of acts of Directors	48
7.	Directors' and Members' minutes	48
7.1	Minutes	48
7.2	Minutes to be signed by chair	48
7.3	Members' access to minutes	49
8.	Secretary	49
8.1	Appointment of Secretary	49
8.2	Notification to ASIC	49
8.3	Terms and conditions of appointment	49
9.	Auditor	49
9.1	Appointment of Auditor	49
9.2	Auditor and meetings of Members	49
10.	Dividends and capital reserves	50
10.1	Payment of dividend	50
10.2	Determination of Dividend particulars	50
10.3	Board's discretion	50
10.4	No confirmation at general meeting	51
10.5	Interest not payable	51
10.6	Entitlement to receive Dividends	51
10.7	Date Dividend is payable	51
10.8	Dividends proportional to paid up capital	51
10.9	Deductions from Dividends	51
10.10	Unclaimed Dividends	51
10.11	Dividend plans	52
10.12	Payment of Dividends using assets or securities	52
10.13	Capitalisation of reserves and profits	53
10.14	Applying a sum for the benefit of Members	53
10.15	Implementing the resolution	53
11.	Inspection	54
12.	Service and payments	54
12.1	Service	54
12.2	Payments	56
13.	Proceedings involving officers	57
13.1	Indemnity	57
13.2	Payments and advances to officer	57
13.3	Insurance	58

14.	Winding up	58
14.1	Rights of Members on winding up	58
14.2	Division of assets	58

OPERATIVE PROVISIONS

1. Definitions and Interpretation**1.1 Definitions**

In this Constitution:

ASIC means the Australian Securities and Investments Commission;

ASTC means the ASX Settlement Pty Ltd ACN 008 504 532;

ASX means ASX Limited ACN 008 624 691;

Alternate Director means a person appointed as an alternate Director of the Company under clause 4.5(a) who has not vacated their office;

Auditor means a person appointed as an auditor of the Company under clause 9.1 who has not vacated their office;

Board means the Directors acting as a board of Directors;

Business Day has the same meaning give to it in the Listing Rules;

Certificate means, in relation to a Share, the certificate (if any) issued by the Company recording the name of the Member registered as owner of the Share;

Chair means the person elected in accordance with clause 6.5(a);

CHES means the Clearing House Electronic Subregister System established and operated by ASTC for the clearing and settlement of transactions in CHES approved securities, the transfer of securities and the registration of transfers;

Company means Desane Group Holdings Ltd ABN 61 003 184 932;

Constitution means this constitution as amended from time to time;

Corporations Act means the *Corporations Act 2001* (Cth) and any regulations and instruments made under the Corporations Act together with any statutory modification, amendment or re-enactment in force and any reference to any section, part or division is to that section, part or division as so modified, amended or re-enacted;

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

Listing Rules means the listing rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the Official List, each as amended or replaced from time to time, except to the extent of any express waiver by ASX;

Managing Director means a person appointed as managing director of the Company under clause 4.4(a);

Member means a person entered in the Register of Members as a holder of Shares in the Company;

Official List means the official list of entities that ASX has admitted and not removed;

Register of Members means the register listing each person who is a holder or joint holder of a Share, which the Company maintains under the Corporations Act;

Registered Office means the registered office of the Company;

Representative means a person appointed to represent a corporate Member or a corporate proxy at a general meeting of the Company under clause 3.8 and the Corporations Act;

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

Secretary means a person appointed under clause 8 as a secretary of the Company and where appropriate includes an acting secretary and a person appointed by the Directors to perform all or any of the duties of a secretary of the Company; and

Settlement Rules means the settlement rules of ASTC as amended or replaced from time to time.

Shares means shares in the capital of the Company.

1.2 Corporations Act and Listing Rules definitions

In this Constitution, unless the context otherwise requires, if an expression is defined in, or given a meaning for the purposes of, the Corporations Act or the Listing Rules that expression has the same definition or meaning in this Constitution to the extent that it relates to the same matter for which it is defined or given a meaning in the Corporations Act or the Listing Rules.

1.3 Interpretation

In this Constitution unless the contrary intention appears:

- (a) words importing any gender include all other genders;
- (b) person includes a firm, a body corporate, a partnership, a joint venture, an unincorporated body or association or an authority;
- (c) the singular includes the plural and vice versa;
- (d) a reference to an amount paid on a share includes an amount credited as paid on that share; and
- (e) writing and written includes printing, typing and other modes of reproducing words in a visible form including, but not limited to, any representation of words in a physical document or in an electronic communication or form or otherwise.

1.4 Replaceable rules not to apply

To the maximum extent permitted by the Corporations Act, the provisions of the Corporations Act that apply as replaceable rules are displaced by this Constitution and do not apply to the Company.

1.5 Constitution subject to the Corporations Act

This Constitution is subject to the Corporations Act. Where there is any inconsistency between a clause of this Constitution and the Corporations Act, the Corporations Act prevails to the extent of the inconsistency.

1.6 Listing Rules and Settlement Rules only to have effect if Company is listed

In this Constitution, a reference to the Listing Rules or Settlement Rules has effect only if, at the relevant time, the Company is admitted to the Official List. Otherwise such references are to be disregarded.

1.7 Constitution subject to the Listing Rules if Company is listed

While the Company is admitted to the Official List, the following clauses apply:

- (a) despite anything contained in this Constitution, if the Listing Rules prohibit an act being done, the act must not be done;
- (b) nothing contained in this Constitution prevents an act being done that the Listing Rules require to be done;
- (c) if the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the Listing Rules require this Constitution to contain a provision and it does not contain that provision this Constitution must be treated as containing that provision;
- (e) if the Listing Rules require this Constitution not to contain a provision and it contains that provision, this Constitution must be treated as not containing that provision;
- (f) if any provision of this Constitution is or becomes inconsistent with the Listing Rules, this Constitution must be treated as not containing that provision to the extent of the inconsistency; and
- (g) where any clause is expressed to be subject to the Listing Rules or requires compliance with the Listing Rules, or contains words to the same effect, that clause is subject to the Listing Rules or requires compliance with the Listing Rules for so long as the Company is admitted to the Official List.

1.8 Transitional provisions

This Constitution must be interpreted in a way that every Director, Managing Director and Secretary in office in that capacity immediately before this Constitution is adopted continues in office subject to, and is taken to have been appointed or elected under, this Constitution.

2. Shares**2.1 Share capital**

- (a) Directors to issue Shares
 - (i) The Directors control the issue and allotment of Shares. Subject to this Constitution, the Corporations Act and the Listing Rules, the Directors:
 - (1) may issue, allot or dispose of Shares to any person at any time and on any terms and conditions, and having attached to them any preferred, deferred or other special rights or restrictions, whether with regard to dividend,

voting, return of capital or otherwise, as the Directors think fit;

- (2) may grant to any person an option over Shares or pre-emptive rights at any time and for any consideration as they think fit; and
- (3) have the right to settle the manner in which fractions of a Share, however arising, are to be dealt with.

- (ii) The Directors must ensure that the issue of securities following the exercise, conversion or paying up of any security of the Company quoted by ASX is not in any way prevented, delayed or interfered with by the Company, except as permitted by the Listing Rules.

- (b) Company may issue preference shares

The Company may issue preference shares including preference shares which are, or which at the option of the Company or holder may be, liable to be redeemed or converted into ordinary Shares.

- (c) Rights of holders of preference shares:

For so long as the Company is admitted on the Official List, all preference shares issued by the Company must confer on the holders of those preference shares:

- (i) the right to receive a dividend at a commercial rate in preference to holders of ordinary Shares;
- (ii) the right to a return on capital in preference to holders of ordinary Shares when the Company is wound up or is otherwise ended;
- (iii) the same rights as holders of ordinary Shares to receive notices, reports and accounts and to attend general meetings of the Company; and
- (iv) the right to vote in each of the following circumstances and in no others:
 - (1) during a period when a dividend (or part of a dividend) for the Shares 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 to dispose of the whole of the Company's property, business and undertaking; and
 - (7) during the winding up of the Company.
- (d) Redemption of preference shares
 - (i) Subject to Part 2H.2 of the Corporations Act and the law generally, a preference share is redeemable and the Company may redeem a preference share at any time by giving the holder ten (10) Business Days prior notice of intention to redeem.
 - (ii) On redemption of a preference share, the Company is to pay the holder, subject to delivery of the relevant Share certificate, the total of:
 - (1) the amount of capital paid or credited as paid on the preference share; and
 - (2) any other amount payable by the Company on redemption under the terms of offer.
- (e) Brokerage or commission
 - (i) Subject to the Corporations Act and the Listing Rules, the Company may pay brokerage or commission to any person in consideration of that person subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in the Company or for procuring or agreeing to procure subscriptions (whether absolutely or conditionally) for any Shares in the Company.
 - (ii) Any brokerage or commission may be paid or satisfied in cash, Shares, debentures or other securities of the Company or otherwise as the Directors determine.
- (f) Registered holder to be treated as absolute owner

Unless otherwise required by this Constitution or by law, the Company:

 - (i) must treat the registered holder of a share as the absolute owner; and
 - (ii) is not obliged to recognise:
 - (1) any trust, equitable, contingent, future or partial interest in any Share;
 - (2) any interest in any fractional part of a Share; or
 - (3) any other right (other than an absolute right) in respect of any Share.

- (g) Joint holders of Shares
 - (i) Where two (2) or more persons are registered as the joint holders of a Share:
 - (1) they are taken to hold the Share as joint tenants with rights of survivorship;
 - (2) each Member is jointly and severally liable for any payment in respect of the Share;
 - (3) the Member whose name first appears in the Register of Members in respect of the Share is deemed to be the registered holder of the Share for the purposes of this Constitution and any action permitted or required by the Constitution; and
 - (4) any one of the joint holders of the Share may give an effective receipt for any dividend, bonus or return of Share capital payable to the joint holders.
 - (ii) Without limiting the above, the Company is not bound:
 - (1) to register more than three persons as joint holders of a Share; or
 - (2) to issue more than one Certificate or holding statement in respect of Shares jointly held.

2.2 Changes to Shares and Share capital

- (a) Changes to Shares
 - (i) Subject to the Corporations Act and the Listing Rules, the Company may:
 - (1) convert an ordinary share to a preference share, other than to a redeemable preference share;
 - (2) reclassify any Shares into classes of Shares;
 - (3) cancel any Shares;
 - (4) buy-back its own Shares; and
 - (5) reduce its Share capital.
 - (ii) Subject to the Corporations Act and the Listing Rules, the Company may convert all or any of its Shares into a larger or smaller number of Shares by ordinary resolution passed at a general meeting.
 - (iii) All ordinary Shares must have the same rights and obligations attached to them unless otherwise approved by ASX or permitted by the Listing Rules.
- (b) Varying and cancelling class rights

- (i) The Company may vary or cancel the rights attaching to any class of Shares only if the variation or cancellation is permitted by the Corporations Act and (for so long as the Company is admitted to the Official List) the Listing Rules, and is approved by special resolution of each of the Members holding Shares of the relevant class.
- (ii) Subject to the Corporations Act and the Listing Rules, the Directors must give written notice of the variation or cancellation to the Members holding the Shares of the relevant class within seven days of the variation or cancellation.

2.3 Partly paid Shares and calls

- (a) General
 - (i) Subject to the Corporations Act and the terms on which any partly paid Shares are issued, the Directors may make calls on the Members in respect of any money unpaid on their Shares.
 - (ii) Each Member is liable to pay the amount of each call in the manner, at the time and at the place specified by the Board.
 - (iii) Joint holders of Shares are jointly and severally liable to pay all calls in respect of their Shares.
 - (iv) A call taken to have been made when the resolution of the Directors authorising the call is passed. The call may be revoked or postponed at the discretion of the Board at any time prior to the date on which payment of the call is due. The non-receipt of a notice of any call by, or the accidental omission to give notice of any call to, any Member does not invalidate the call.
 - (v) The Directors may require a call to be paid by instalments as provided in clause 2.3(b).
 - (vi) The Company must comply with the Corporations Act and the Listing Rules in relation to the dispatch and content of notices to Members on whom a call is made.
 - (vii) A Member to whom notice of a call is given in accordance with this clause 2.3 must pay to the Company the amount called in accordance with the notice.
- (b) Instalments and amounts which become payable

If:

 - (i) the Directors require a call to be paid by instalments; or
 - (ii) an amount becomes payable by the terms of issue of Shares on allotment, or at a time or in circumstances specified in the terms of issue,

then:

 - (iii) the amount is payable as if it were a call made by the Directors and as if they had given notice of it; and

- (iv) the consequences of late payment or non-payment of the amount are the same as the consequences of late payment or non-payment of a call.
- (c) Interest and expenses
 - (i) If an amount called is not paid on or before the due date, the Member liable to pay the amount must also pay:
 - (1) interest on the amount from the due date to the time of actual payment at the interest rate determined by the Directors from time to time; and
 - (2) all expenses incurred by the Company as a consequence of the non-payment,but the Directors may waive payment of the interest and expenses in whole or in part.
 - (ii) Interest accrues daily and may be capitalised monthly or at such other intervals as the Directors decide.
- (d) Recovery of amounts due

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

 - (i) the name of the Member sued was, when the call was made, entered in the Register of Members as a holder or the holder of the Shares in respect of which the call was made;
 - (ii) the resolution making the call is duly recorded in the Directors' minute book; and
 - (iii) notice of the call was given to the Member sued,will be conclusive evidence of the debt.
- (e) Differentiation

The Directors may, on the issue of Shares, differentiate between the holders as to the amount of calls to be paid and the times of payment.
- (f) Payment of calls in advance
 - (i) The Directors may accept from a Member the whole or part of the amount unpaid on a Share before the amount accepted has been called.
 - (ii) The Company may:
 - (1) pay interest on any amount accepted, until the amount is payable under a call and at a rate agreed between the Member and the Directors; and
 - (2) subject to any contract between the Company and the Member, repay all or any of the amount

accepted in excess of the amount called on the Share.

- (iii) Payment of an amount in advance of a call does not entitle the paying Member to any dividend, benefit or advantage, other than the payment of interest under this clause 2.3, to which the Member would not have been entitled if it had paid the amount when it became due.

- (g) Dividends and issues of bonus Shares

A holder of a partly paid Share is not entitled to a greater proportion of either:

- (i) a dividend; or
- (ii) an issue of bonus Shares,

than the proportion which the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited).

2.4 Lien and forfeiture

- (a) Lien

- (i) To the extent permitted by the Listing Rules, the Company has a first and paramount lien on each Share registered in the name of the Member and dividends payable in respect of each such Share for all money:

- (1) due and unpaid to the Company at a fixed time, in respect of the Share;
- (2) presently payable by a holder or the holder of the Share, or the holder's estate, to the Company in respect of the Share; or
- (3) which the Company is required by law to pay and has paid) in respect of the Share.

- (ii) The lien extends to reasonable interest and expenses incurred because the amount is not paid.

- (iii) If any law for the time being of any country, state or place that imposes or purports to impose an immediate or contingent liability on the Company to make any payment or authorises a taxing authority or Government official to require the Company to make a payment in respect of Shares or dividends or other moneys accruing due to the Member who holds the Shares:

- (1) the Member or, if the Member is deceased, the Member's legal personal representative, indemnifies the Company in respect of any such payment or liability; and
- (2) subject to the Corporations Act and the Listing Rules, the Company:

- A. has a lien on the Shares, dividends and other moneys payable in respect of the Shares, whether the Shares are held by the Member solely or jointly with another person in respect of any payment made or liability incurred by the Company, together with reasonable expenses and interest on any payment made by the Company at the interest rate determined by the Directors from the date of payment by the Company to the date of repayment by the Member;
 - B. may set off amounts so paid by the Company against any amount payable by the Company to the Member as dividends or otherwise; and
 - C. may recover as a debt due from the Member or its legal personal representative the amount of all payments made by the Company together with reasonable expenses and interest at the rate and for the period referred to in clause 2.4(a)(iii)(2)A.
- (iv) The Company may do all things which the Directors think necessary or appropriate to do under the Settlement Rules and the Listing Rules to enforce or protect the Company's lien.
- (v) Unless the Directors determine otherwise, the registration of a transfer of a Share operates as a waiver of the Company's lien on the Share.
- (vi) The Directors may declare a Share to be wholly or partly exempt from a lien.
- (b) **Lien sale**
 - If:
 - (i) the Company has a lien on a Share for money presently payable;
 - (ii) the Company has given the Member or the Member's executors or administrators (as the case may be) holding the Share written notice demanding payment of the money; and
 - (iii) that Member fails to pay all of the money demanded,
 - then not less than ten (10) Business Days after giving the notice, the Directors may, if the Listing Rules permit, sell the Share in any manner determined by them.
- (c) **Forfeiture notice**

- (i) The Directors may at any time after a call or instalment becomes payable and remains unpaid by a Member serve a notice on the Member requiring the Member to pay:
 - (1) the unpaid amount;
 - (2) any interest that has accrued; and
 - (3) all expenses incurred by the Company as a consequence of the non-payment.
 - (ii) The notice under clause 2.4(c)(i) must:
 - (1) specify a day (not earlier than 14 days after the date of the notice) on or before which the payment required by the notice must be made; and
 - (2) state that if the Member does not comply with the notice, the Shares in respect of which the call was made or instalment is payable will be liable to be forfeited.
- (d) **Forfeiture**
 - (i) If a Member fails to comply with a notice served under clause 2.4(c), then any or all of the Shares in respect of which the notice was given may be forfeited pursuant to a resolution of the Directors.
 - (ii) Unpaid dividends in respect of forfeited Shares will also be forfeited.
 - (iii) On forfeiture, the forfeited Shares become the property of the Company and must be:
 - (1) disposed of or cancelled (subject to the Listing Rules) on terms determined by the Directors; or
 - (2) offered by public auction in accordance with any requirements of the Listing Rules.
 - (iv) The Directors may, at any time before a forfeited Share is sold, disposed of or cancelled, annul the forfeiture of the Share on conditions determined by them.
 - (v) Promptly after a Share has been forfeited:
 - (1) notice of the forfeiture must be given to the Member in whose name the Share was registered immediately before its forfeiture; and
 - (2) the forfeiture and its date must be noted in the Register of Members.
- (e) **Liability of former member**
 - (i) The interest of a person who held Shares which are forfeited is extinguished but, subject to the Listing Rules, the former Member remains liable to pay:

- (1) all money (including interest and expenses) that was payable by the Member to the Company as at the date of forfeiture in respect of the forfeited Shares; and
 - (2) interest at the interest rate determined by the Directors which accrues daily from the date of forfeiture until payment and may be capitalised monthly or at such other intervals as the Directors decide.
 - (ii) A former Member's liability to the Company ceases if and when the Company receives payment in full of all money (including interest and expenses) payable by the former Member in respect of the forfeited Shares. The liability may only be released or waived in accordance with the Listing Rules.
- (f) Disposal of forfeited Shares
 - (i) The Company may:
 - (1) receive the consideration (if any) given for a forfeited Share on any sale or disposition of the Share; and
 - (2) effect a transfer of the Share in favour of a person to whom the Share is sold or disposed.
 - (ii) The purchaser of the Share:
 - (1) is not bound to check the regularity of the sale or the application of the purchase price;
 - (2) obtains title to the Share despite any irregularity in the sale; and
 - (3) will not be subject to complaint or remedy by the former holder of the Share in respect of the purchase.
 - (iii) In the absence of proof to the contrary, a written statement signed by a Director and the Secretary that a Share has been forfeited and sold or re-issued or sold without forfeiture to enforce a lien on a specified date, is prima facie evidence of the forfeiture of the Share and the right of the Company to sell, re-issue or dispose of that Share.
 - (iv) The net proceeds of any sale made to enforce a lien or on forfeiture must be applied by the Company in the following order:
 - (1) in payment of the costs of the sale;
 - (2) in payment of all amounts secured by the lien or all money that was payable in respect of the forfeited Share; and
 - (3) in payment of any surplus to the former Member whose Share was sold.

2.5 Certificates

- (a) Issue of Certificate
 - (i) The Company must issue each Member with a Certificate, or a statement of holdings as required by the Settlement Rules, for any Shares held by them.
 - (ii) The Company may issue a single Certificate for more than one Share held by a Member.
- (b) Form of Certificate

Every Certificate:

 - (i) must include all information required by the Corporations Act, the Listing Rules or the Settlement Rules; and
 - (ii) must be issued in the form determined by the Directors.
- (c) Certificate of joint holders

The delivery of a Certificate or statement of holdings in relation to a Share to the registered holder of the Share or their agent is effective delivery to all the joint holders of that Share.
- (d) Certificates after reorganisation of capital

The Company must issue new certificates after a reorganisation of capital of the Company at the times and in the manner required by the Listing Rules.
- (e) Issuer sponsored holding statements

If a Member on the issuer sponsored sub-register asks, the Company must issue transaction statements in accordance with the Listing Rules and may require reasonable payment for a requested transaction statement.
- (f) Replacement of Certificates

If required by the Corporations Act, the Listing Rules or the Settlement Rules, the Company must cancel and replace a worn out, defaced, stolen, lost or destroyed Certificate in the manner prescribed by the relevant provision of the Corporations Act, the Listing Rules or the Settlement Rules.

2.6 CHESS

- (a) Participation in CHESS
 - (i) The Board may at any time resolve that the Company participate in CHESS.
 - (ii) This clause will apply if the Company is granted participation in CHESS.
- (b) Compliance with Settlement Rules

If any of its securities are CHESS approved securities, the Company must comply with the requirements of the Settlement Rules and the Listing Rules

including those rules relating to the maintenance of registers, issuing holding statements and transfers in relation to its CHESS approved securities.

(c) CHESS registers

If the Company's securities are CHESS approved securities, in addition to the CHESS sub-register, the Directors must ensure the Company provides for an issuer sponsored sub-register, or a certificated sub-register, or both (if the Company has Restricted Securities on issue) which sub-register(s) must be managed in compliance with the Listing Rules.

(d) No interference with ASTC transfer

The Company must not prevent, delay or interfere with the generation of a proper ASTC transfer or the registration of a paper-based transfer in registrable form except as permitted by clause 2.7(e), the Listing Rules or Settlement Rules.

2.7 Transfer of Shares

(a) Forms of instrument of transfer

Subject to this Constitution, Shares in the Company are transferable by an instrument of transfer in writing in any usual or common form or in any other form that the Directors approve.

(b) Execution and delivery of transfer

Subject to the Corporations Act, the Settlement Rules and the Listing Rules, the Directors must refuse to register the transfer if the transfer referred to in clause 2.7(a) is not:

- (i) executed by or on behalf of both the transferor and the transferee; and
- (ii) duly stamped (as required) and left for registration at the Registered Office, accompanied by the Certificate (if any) in relation to the Share to be transferred and any other information the Directors properly require to show the right of the transferor to make the transfer.

(c) Registration of transfers

A person transferring a Share remains the holder of the Shares until the transfer is registered and the name of the person to whom the Share is transferred is entered in the Register of Members in respect of the Share and a transfer of a Share does not pass the right to any dividends declared in respect of the Share until registration.

(d) Company to register transfer without charge

Except as permitted by the Listing Rules, any transfer registered, or Certificate issued by the Company must be registered or issued without charge except where the issue of a Certificate is to replace a lost or destroyed Certificate.

(e) Power to refuse to register

- (i) Subject to clause 2.7(e)(ii), the Corporations Act, the Settlement Rules and the Listing Rules, the Directors may in their absolute discretion refuse to register any paper-based transfer of Shares, or request ASTC to apply a holding lock to prevent a proper ASTC transfer, for any of the following reasons:
 - (1) the transfer does not comply with clause 2.7(a) or clause 2.7(b) applies;
 - (2) the Company has a lien on the Shares the subject of the transfer;
 - (3) a court order restricts a Member's capacity to transfer the Shares;
 - (4) registration of the transfer would be contrary to Australian law and ASX agrees in writing to the refusal or the application of a holding lock (which must not breach the Settlement Rules);
 - (5) if the transfer does not comply with the terms of any employee incentive scheme of the Company;
 - (6) if the transfer is paper-based, registration of the transfer will create a new holding which at the time the transfer is lodged is less than a marketable parcel as defined in the Listing Rules;
 - (7) the relevant Member has agreed in writing to the application of a holding lock (which must not breach the Settlement Rules) or that the Company may refuse to register a transfer;
 - (8) if required by the Listing Rules during any escrow period of Restricted Securities; or
 - (9) if otherwise permitted under the Listing Rules.
 - (ii) Neither the Directors nor the Company may refuse to register a transfer of Shares made under a valid exercise of an enforcement power under a mortgage of the Shares the subject of the transfer.
 - (iii) The Directors must notify the person who deposited the instrument of transfer of any refusal to transfer the Shares under clause 2.7(e)(i) within five (5) Business Days from the date on which the instrument of transfer is lodged.
 - (iv) If the Company asks ASTC to apply a holding lock under clause 2.7(e)(i) it must tell the holder of the Shares in writing of the holding lock and reason for it, within five (5) Business Days after the date on which it asked for the holding lock.
- (f) Company to retain instrument of transfer
- The Directors must retain every instrument of transfer that is registered for such period as the Directors determine.
- (g) Return of instrument of transfer

If the Directors refuse registration of a transfer, and if requested by the person who deposited the instrument of transfer, the instrument of transfer must be returned to the person who deposited it within twelve (12) months of the giving of notice of refusal to register unless there has been an allegation of fraud concerning the transfer or the transaction to which it relates.

2.8 Transmission of Shares — death, bankruptcy or lack of mental capacity

- (a) Death of sole holder of Share:
 - (i) In respect of a Share owned by a Member (and not owned by several holders jointly), if that Member dies the Company will recognise only the personal representative of the deceased Member as being entitled to the deceased Member's interest in the Share.
 - (ii) If the personal representative gives the Directors the information they reasonably require to establish the personal representative's entitlement to be registered as holder of the Share, the personal representative is entitled, whether or not registered as the holder of the Share, to the same rights as the deceased member and:
 - (1) may, by giving a written and signed notice to the Company, elect to be registered as the holder of the Share; or
 - (2) may, by giving a completed transfer form to the Company, transfer the Share to another person.
 - (iii) On receiving an election under clause 2.8(a)(ii)(1), the Company must register the personal representative as the holder of the Share.
 - (iv) A transfer under clause 2.8(a)(ii)(2) is subject to all provisions of this Constitution relating to transfers of Shares generally.
- (b) Death of joint holder of Share
 - (i) If one of the registered joint holders of a Share dies, the surviving holder or holders of the Share are entitled to be registered as the holders of the Share.
 - (ii) The survivor of the joint holder or holders named first in the Register of Members will for the purposes of this Constitution be treated as the first named holder of the Share.
- (c) Liability of estate

The estate of the deceased Member is not released from any liability in respect of the Shares.
- (d) Transmission of Shares on bankruptcy
 - (i) If a person entitled to a Share as a result of the bankruptcy of a Member gives the Directors the information they reasonably require to establish the person's entitlement to be registered as holder of the Share, the person may:

- (1) by giving a written notice to the Company, elect to be registered as the holder of the Shares; or
 - (2) by giving a completed transfer form to the Company, transfer the Shares to another person.
 - (ii) On receiving an election under clause 2.8(d)(i)(1), the Company must register the person as the holder of the Shares.
 - (iii) A transfer under clause 2.8(d)(i)(2) is subject to all provisions of this Constitution relating to transfers of Shares generally.
- (e) Transmission of Shares on mental incapacity
 - (i) If a person entitled to Shares because of the mental incapacity of a Member gives the Directors the information they reasonably require to establish the person's entitlement to be registered as holder of the Shares the person:
 - (1) may:
 - A. by giving a written and signed notice to the Company, elect to be registered as the holder of the Share; or
 - B. by giving a completed transfer form to the Company, transfer the Share to another person; and
 - (2) is entitled, whether or not registered as the holder of the Shares, to the same rights as the Member.
 - (ii) On receiving an election under clause 2.8(e)(i)(1)A the Company must register the person as the holder of the Shares.
 - (iii) A transfer under clause 2.8(e)(i)(1)B is subject to the same rules as apply to transfers of Shares generally.

2.9 Restricted Securities

- (a) Compliance with Listing Rules relating to Restricted Securities

Despite any other provision in this Constitution, whilst the Company remains admitted to the Official List, the Directors must ensure the Company complies with the Listing Rules relating to Restricted Securities.
- (b) Disposal of Restricted Securities

Pursuant to clause 2.9(a):

 - (i) Restricted Securities cannot be disposed of (as defined in the Listing Rules) during the escrow period for those Restricted Securities, except as permitted by the Listing Rules of ASX; and
 - (ii) the Company must refuse to acknowledge a disposal (as defined in the Listing Rules) of Restricted Securities during the escrow period for any Restricted Securities except as permitted by the Listing Rules or ASX.

- (c) No entitlements during breach

Pursuant to clause 2.9(a), the Company must ensure that during a breach of the Listing Rules relating to Restricted Securities, or a breach of a restriction agreement, the holder of the Restricted Securities is not entitled to any dividend or distribution, or voting rights, in respect of the Restricted Securities.

2.10 Non-marketable parcels

- (a) Procedure for sale of non-marketable parcels

The Directors may cause the Company to sell a Member's Shares if they hold less than a marketable parcel of Shares and the following procedures are observed:

- (i) the Directors must send a Member who on the date of the notice holds less than a marketable parcel of Shares, a notice which:
 - (1) explains the effect of this clause;
 - (2) allows the Member to elect to be exempt from this clause (a form of election for that purpose must be sent with the notice); and
 - (3) specifies a date at least six weeks from the date the notice is sent by which the Member may make the election in clause 2.10(a)(i)(2).
- (ii) The Member is taken to irrevocably appoint the Company as agent to do anything in clause 2.10(a)(iii) if on the date specified in the notice:
 - (1) the Company has not received a notice from the Member electing to be exempt from this clause; and
 - (2) the Member has not increased his or her parcel to a marketable parcel.
- (iii) The Company may sell the Shares which make up the less than marketable parcel as soon as practicable at a price which the Directors consider to be the best price reasonably obtainable for the Shares at the time they are sold.
- (iv) The proceeds of sale must not be applied in payment of the expenses of the sale and must be paid to the former holder on the former holder delivering to the Company proof of title to the Shares acceptable to the Directors.
- (v) The purchaser of the Shares under this clause need not take any steps to investigate the regularity or validity of the sale, or to see how the purchase money or consideration on the sale is applied and their title to the Shares is not affected by any irregularity by the Company in relation to the sale.

- (vi) The costs and expenses of a sale under this clause, including brokerage and stamp duty, if any, are payable by the purchaser, or if the Corporations Act permits, by the Company.
- (vii) A notice to a Member under clause 2.10(a)(i) may only be given once in a 12 month period and may not be given during the offer period of a takeover bid for the Company.
- (viii) If a takeover bid for the Company is announced after a notice is given but before an agreement for sale of the Shares is entered into:
 - (1) this clause ceases to operate for those Shares; and
 - (2) despite clause 2.10(a)(vii), after the offer period of the takeover bid closes, a new notice may be given.
- (ix) If a Member's holding becomes a marketable parcel after notice is given but before an agreement for sale of the Shares is entered into, the Directors may decide that this clause no longer applies to that Member.

(b) Other sale of non-marketable parcels of Shares

In addition to the powers of the Directors provided by clause 2.10(a), the Directors may cause the Company to sell a Member's Shares if they hold less than a marketable parcel of Shares without complying with the procedures in that clause and may determine that a Member's right to vote or receive dividends in respect of those Shares is removed or changed if the following conditions are observed:

- (i) if the Shares are Shares in a new holding 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, at the time the transfer was lodged with the Company;
- (ii) the proceeds of a sale under this clause, less the cost of the sale, are sent to the Member; and

any dividends that have been withheld under this clause are sent to the Member after the sale, subject to the former Member delivering to the Company proof of title acceptable to the Directors.

3. General meetings

3.1 Annual general meeting

(a) Company must hold annual general meeting

The Company must hold a general meeting, to be called the annual general meeting, once a year and in accordance with the Corporations Act, unless:

- (i) section 250N(4) of the Corporations Act applies; and
- (ii) the Company is not listed on the Official List.

- (b) Business of the annual general meeting
 - (i) Whether or not stated in the notice of the annual general meeting, the business of the annual general meeting may include:
 - (1) receiving and considering the statement of financial performance, statement of financial position, reports of the Directors, reports of the Auditors, and the statement of the Directors;
 - (2) electing Directors;
 - (3) appointing the Auditor; and
 - (4) fixing the remuneration of the Auditor.
 - (ii) The business of the annual general meeting must include putting to vote a resolution that the remuneration report be adopted.
 - (iii) The business of the annual general meeting may also include any other business which under this Constitution or the Corporations Act ought to be transacted at an annual general meeting.
- (c) Members' opportunity to ask questions
 - (i) The Chair of the annual general meeting must allow a reasonable opportunity for the Members as a whole at the meeting to ask questions about or make comments on:
 - (1) the management of the Company; or
 - (2) the remuneration report.
 - (ii) If the Auditor is at the meeting, the Chair of the annual general meeting must allow a reasonable opportunity for the Members as a whole at the Meeting to ask the Auditor questions relevant to the conduct of the audit and the preparation and content of the Auditor's report.

3.2 Right to call and attend general meetings

- (a) Calling a general meeting
 - (i) A Director or the Directors may, by written notice, call a general meeting at a time and place as the Director or the Directors resolve.
 - (ii) Members may requisition the holding of a general meeting only in accordance with the Corporations Act and the Directors must call a general meeting as soon as practicable after receiving that requisition.
 - (iii) Members may call and arrange to hold a general meeting only in accordance with the Corporations Act.
- (b) Right to attend general meetings

- (i) Each Member and any Auditor is entitled to attend a general meeting.
- (ii) Each Director is entitled to attend and speak at a general meeting.
- (iii) The Auditor is entitled to speak on any part of the business of the general meeting that concerns the Auditor in their capacity as Auditor.
- (iv) A Member's proxy or a Representative may attend a general meeting only as provided by this Constitution and the Corporations Act.

3.3 Notice of general meetings

- (a) Amount of notice of general meetings

Unless a shorter period is provided for by the Corporations Act or the Listing Rules, not less than twenty eight (28) days' notice must be given of a general meeting.

- (b) Calculation of period of notice

In computing the period of notice under clause 3.3(a), the day of the general meeting is to be disregarded.

- (c) Right to notice of general meeting

Written notice of the general meeting must be given under clause 12 and must be given to any person entitled to receive notice under the Corporations Act including:

- (i) each Member entitled to vote at the meeting;
- (ii) each Director; and
- (iii) the Auditor (if any) of the Company.

- (d) Content of notice

A notice calling a general meeting must comply with the Corporations Act and the Listing Rules and must:

- (i) set out the place, date and time for the general meeting (and if the general meeting is to be held in two (2) or more places, the technology that will be used to facilitate the general meeting);
- (ii) state the general nature of the business to be considered at the general meeting;
- (iii) if a special resolution is to be proposed at the general meeting, set out an intention to propose a special resolution and state the resolution;
- (iv) if a Member is entitled to appoint a proxy, contain a statement setting out the following information:

- (1) that the Member has a right to appoint a proxy and that the proxy does not need to be a Member of the Company; and
 - (2) that a Member who is entitled to cast two (2) or more votes may appoint two proxies and may specify the proportional number of votes each proxy is appointed to exercise;
 - (v) be accompanied by an instrument of proxy in the form required by the Listing Rules or otherwise in any other form as the Directors may from time to time prescribe or accept;
 - (vi) if required by the Listing Rules, include a voting exclusion statement;
 - (vii) for a notice of the annual general meeting, contain a statement that the resolution on the remuneration report required by the Corporations Act will be put at the annual general meeting; and
 - (viii) contain information that is worded and presented in a clear, concise and effective manner.
- (e) Notice of general meeting to ASX
- If, at the time notice of a general meeting is given, the Company is admitted to the Official List, the Directors must notify ASX of:
- (i) the date of a meeting at which Directors are to be elected at least five (5) Business Days before the closing date for receipt of nominations for election to the office of Director; and
 - (ii) the contents of any prepared announcement to be delivered at the general meeting, by no later than the start of the general meeting.
- (f) Documents sent to Members
- For so long as the Company is admitted to the Official List, the Company must immediately give ASX a copy of a document it sends to Members in accordance with the Listing Rules.

3.4 Cancellation or postponement of a general meeting

- (a) Directors may cancel or postpone a general meeting
 - (i) The Directors may cancel or postpone a general meeting by giving notice not less than three (3) Business Days before the time at which the meeting was to be held to each person entitled to be given notice of a general meeting.
 - (ii) Clause 3.4(a)(i) does not apply to general meetings called by court order or in accordance with the Corporations Act:
 - (1) by the Directors on the request of Members, unless the Members who requested the meeting consent to the postponement or cancellation; or

- (2) by Members, unless the Members who called the meeting consent to the postponement or cancellation.

(b) Contents of notice postponing or cancelling a general meeting

If the general meeting is postponed, a notice of postponement or cancellation of a general meeting must specify:

- (i) the postponed date and time for the holding of the general meeting;
- (ii) a place for the holding of the general meeting which may be either the same as or different from the place specified in the notice calling the general meeting; and
- (iii) if the general meeting is to be held in two (2) or more places, the technology that will be used to facilitate the holding of the general meeting in that manner.

(c) Business at postponed general meeting

Subject to clause 3.1(b), the only business that may be transacted at a general meeting the holding of which is postponed is the business specified in the original notice convening the general meeting.

(d) Proxy or Representative at postponed general meeting:

Where:

- (i) an instrument of proxy or power of appointment authorises a proxy or Representative to attend and vote at a general meeting to be held on a specified date or at a general meeting or general meetings to be held on or before a specified date; and
- (ii) the date for holding the general meeting is postponed to a date later than the date specified in the instrument of proxy or appointment of Representative,

then that later date is substituted for and applies to the exclusion of the date specified in the instrument of proxy or appointment of Representative unless the Member appointing the proxy or Representative gives notice to the Company to the contrary not less than forty eight (48) hours before the time to which the holding of the general meeting has been postponed.

(e) Validity of resolutions

The non-receipt of notice of a general meeting or cancellation or postponement of a general meeting by, or the accidental omission to give notice of a general meeting or cancellation or postponement of a general meeting to, a person entitled to receive notice does not invalidate any resolution passed at the general meeting or at a postponed meeting or the cancellation or postponement of a meeting.

3.5 Conducting general meetings

(a) Time and place for general meetings

A general meeting must be held at a reasonable time and place.

(b) Technology

A general meeting may be held at two (2) or more venues using any technology that gives the Members as a whole a reasonable opportunity to participate.

(c) Quorum for a general meeting

The quorum for a general meeting or an adjourned general meeting is three Members and the quorum must be present at all times during the meeting.

(d) Determination of quorum at general meeting.

In determining whether a quorum is present at a general meeting:

- (i) Representatives and persons attending as proxies (in the case of an individual attending as proxy, that individual and in the case of a body corporate attending as proxy, that body corporate's Representative) are to be counted;
- (ii) if a Member has appointed more than one proxy or Representative, only one of them is to be counted;
- (iii) if an individual is attending both as a Member and as a proxy or Representative, they are to be counted only once; and
- (iv) if an individual is attending as a proxy or Representative for more than one Member, they are to be counted only once.

(e) Absence of quorum at a general meeting

(i) If within thirty (30) minutes after the time for the general meeting set out in the notice of general meeting a quorum is not present, the general meeting:

- (1) if called in accordance with the Corporations Act by a Director at the request of Members or by Members, is dissolved; and
- (2) in any other case, is to be adjourned to a date, time and place as specified by the Directors.

(ii) If the Directors do not specify one (1) or more of the requirements in clause 3.5(e)(i)(2), the general meeting is adjourned to:

- (1) if the date is not specified, the same day of the following week;
- (2) if the time is not specified, the same time; and
- (3) if the place is not specified, the same place.

(f) Adjourned meeting quorum

If no quorum is present at the general meeting adjourned under clause 3.5(e) within thirty (30) minutes after the time for the general meeting, the Directors may, in their absolute discretion, declare the meeting dissolved or

deem that those Members present in person form a quorum and may transact the business for which the meeting was called.

- (g) Appointment and powers of Chair of general meeting
- (i) The Chair will be entitled to take the chair at general meetings.
 - (ii) The Chair is granted the power and is responsible for the general conduct of general meetings and for the procedures to be adopted at general meetings.
 - (iii) The Chair may at any time that the Chair thinks necessary or desirable for the proper and orderly conduct of the meeting:
 - (1) impose a limit on the time that a person may speak on each motion or other item of business to be put to a vote of the members present;
 - (2) terminate debate or discussion on any business, question, motion or resolution being considered by the meeting and require the business, question, motion or resolution to be put to a vote of the Members present;
 - (3) determine any dispute concerning the admission, validity or rejection of a vote at a general meeting; and
 - (4) adopt any procedures for casting or recording votes at the meeting whether on a show of hands or a poll, including the appointment of scrutineers.
 - (iv) A decision by the Chair under clause 3.5(g)(iii) is final.
 - (v) The Chair may delegate any power conferred by this clause to any person.
- (h) Absence of Chair at general meeting
- (i) If there is no Chair, or if the Chair is unable or unwilling to chair a general meeting, the Directors may, at any time prior to the commencement of that general meeting, elect a Director to take the chair at that general meeting.
 - (ii) If a general meeting is held and the Chair, or the person elected under clause 3.5(h)(i), is not present within thirty (30) minutes after the time appointed for the holding of the meeting or is unable or unwilling to act, the following persons may take the chair of the meeting (in order of precedence):
 - (1) the deputy chair (if any);
 - (2) a Director chosen by a majority of the Directors present;
 - (3) the only Director present;
 - (4) a person (whether or not a Member) chosen by a majority of the Directors present; or

- (5) a Member chosen by a majority of the Members present in person or by proxy or Representative who are entitled to vote at the meeting.
- (iii) If an acting chair becomes unwilling or unable to act during the general meeting, the abovementioned persons may take the chair, in the same order of precedence, until the time (if any) the previous acting chair becomes willing and able to take the chair at that meeting.
- (iv) Any person taking the chair of the general meeting under this clause will have all the powers and responsibilities of the Chair in respect of the general meeting as are set out in this Constitution.

3.6 Adjournment of general meetings

- (a) Adjournment of general meeting by Chair
 - (i) The Chair may, during the general meeting, adjourn the meeting or any business, motion, resolution or discussion being considered or remaining to be considered by the meeting either to a later time at the same meeting or to an adjourned meeting at any time and any place.
 - (ii) The Chair must adjourn a general meeting if the Members present in person or by proxy or Representative with a majority of votes at the meeting (on a show of hands) agree or direct that the Chair must do so.
 - (iii) If any general meeting is adjourned for more than one (1) month, a notice of the adjournment must be given to the Members in the same manner as notice was or ought to have been given of the original meeting.
- (b) Resumption of adjourned general meeting
 - (i) Only unfinished business is to be transacted at a meeting resumed after an adjournment under clause 3.6(a).
 - (ii) The resumed meeting may only be adjourned by the Chair.

3.7 Resolutions, voting and polls at general meetings

- (a) Members' resolutions

The Members may propose a resolution to be moved at a general meeting only in accordance with Division 4 of Part 2G.2 of the Corporations Act.
- (b) Resolution determined by majority

At a general meeting, all resolutions submitted to the meeting will be decided by a simple majority of votes except where a greater majority is required by this Constitution, the Corporations Act or the Listing Rules.
- (c) Voting by Chair at general meetings

In case of an equality of votes on a resolution at a general meeting the Chair of that meeting will have a second or casting vote on that resolution in addition to any vote the Chair has in his or her capacity as a Member.

(d) How voting is carried out

- (i) A resolution put to the vote at a general meeting must be decided on a show of hands unless a poll is demanded under clause 3.7(f) or required by the Corporations Act before, on or immediately after the declaration of the result of the vote on a show of hands.
- (ii) On a show of hands, a declaration by the Chair that a resolution has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes is conclusive evidence of the result.
- (iii) Neither the Chair nor the minutes need state the number or proportion of the votes recorded in favour or against a resolution.

(e) Matters on which a poll may be demanded at a general meeting

A poll may be demanded on any resolution other than resolutions concerning:

- (i) the election of the Chair; or
- (ii) the adjournment of the general meeting.

(f) Demand for poll

Subject to clause 3.7(e), a poll may be demanded on any resolution by:

- (i) the Chair;
- (ii) at least five (5) Members present in person or by proxy or by representative; or
- (iii) any one (1) or more Members holding Shares conferring not less than five percent (5%) of the total voting rights of all Members having the right to vote on the resolution.

(g) Conduct of poll

The Chair may decide in each case the manner in which a poll is taken.

(h) Right to vote at general meetings

Subject to this Constitution, the Corporations Act, the Listing Rules and any rights or restrictions attached to any class of Shares, at a general meeting:

- (i) on a show of hands, each Member (including each holder of preference shares who has a right to vote) present in person or by proxy or Representative has one (1) vote; and
- (ii) on a poll, each Member present in person or by proxy or Representative has one (1) vote for each fully-paid Share they hold and a fraction of a vote (equivalent to the proportion which

the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) for that Share, ignoring any amounts paid in advance of a call) for each partly paid Share.

(i) Right to vote of joint holder

If a Share is held jointly, only the Member whose name appears first in the Register of Members is entitled to vote at a general meeting.

(j) Right to vote if call unpaid on Shares

A Member is not entitled to vote on a show of hands or on a poll at any general meeting in respect of Shares held by the Member for which calls or other monies are due and payable to the Company at the time of the meeting.

(k) Right to vote on death, bankruptcy or mental incapacity of Member

A person entitled to exercise the rights attached to a Share as a consequence of clauses 2.8(a), 2.8(b), 2.8(d) or 2.8(e) who, at least forty eight (48) hours before the time notified for a general meeting (or an adjourned meeting), satisfied the Board of that entitlement, may vote at that general meeting in respect of that Share as if the person was registered as the holder of the Share.

(l) Voting exclusions

If, in accordance with the requirements of the Listing Rules or to ensure that a resolution on which the Corporations Act requires that particular persons do not cast a vote so that the resolution has a specified effect under the Corporations Act, a notice of general meeting includes a voting exclusion statement specifying that, in relation to particular business to be considered at that general meeting, votes cast by particular persons are to be disregarded by the Company, then the Company must take no account, in determining the votes cast on a resolution relating to that business, of any vote cast or purported to be cast by or on behalf of any of those persons (whether on a show of hands or on a poll) in relation to that resolution except to the extent permitted by the Listing Rules.

(m) Objections to right to vote

A challenge to a right to vote at a general meeting:

- (i) may only be made at the meeting or adjourned meeting; and
- (ii) must be determined by the Chair whose decision, if made in good faith, is final.

3.8 Proxies and Representatives

(a) Appointment of proxies and Representatives

- (i) A Member who is entitled to attend and cast a vote at a general meeting may appoint a proxy or, if the Member is a body corporate, a Representative to attend and cast a vote at that meeting.

- (ii) If a proxy appointed to attend and cast a vote at a general meeting under clause 3.8(a)(i) is a body corporate, the proxy may appoint a Representative to attend and cast a vote at that meeting.
- (iii) Neither the proxy nor the Representative need be a Member.
- (iv) Unless the instrument or resolution appointing a proxy or Representative provides differently, the proxy or Representative has the same rights to speak, demand poll, join in demanding a poll or act generally at the meeting as the Member would have had if the Member was present.
- (v) An instrument appointing a proxy shall be valid if it contains the following information:
 - (1) the Member's name and address;
 - (2) the company's name;
 - (3) the proxy's name or the office held by the proxy; and
 - (4) the meetings at which the proxy may be used.
- (vi) A proxy or Representative may not vote at a general meeting or adjourned meeting or on a poll unless the instrument appointing the proxy or Representative, and the authority under which the instrument is signed or a certified copy of the authority, are received by the Company:
 - (1) at least forty eight (48) hours (or in the case of an adjournment or postponement of a meeting, including an adjourned meeting, any lesser time that the Directors or the Chair decides) before the time for holding the meeting or adjourned meeting or taking the poll, as applicable; or
 - (2) if clause 3.8(a)(vii) applies, such shorter period before the time for holding the meeting or adjourned meeting or taking the poll, as applicable, as the Directors determine in their discretion.
- (vii) Where an instrument appointing a proxy or Representative has been received by the Company within the period specified in clause 3.8(a)(vi)(1) and the Chair considers that the instrument has not been duly executed, the Chair, in his or her discretion, may:
 - (1) return the instrument appointing the proxy or Representative to the appointing member; and
 - (2) request that the Member duly execute the appointment and return it to the Company within the period determined by the Company under clause 3.8(a)(vi)(2).
- (viii) Any proxy or Representative appointed under clause 3.8 must be appointed in accordance with Division 6 of Part 2G.2 of the

Corporations Act, and will have the rights set out in that Division.

- (b) Appointment received at electronic address

For the purposes of clause 3.8(a), an appointment received at an electronic address will be taken to be signed by the Member or proxy (as applicable) if the appointment has been authenticated in accordance with the Corporations Act.

3.9 Meetings of holders of a class of Shares

- (a) General meeting provisions apply

The provisions of this Constitution relating to general meetings apply so far as they are capable of application and with any necessary changes to every separate meeting of the holders of a class of Shares except that:

- (i) a quorum is constituted by at least two (2) persons who, between them, hold or represent one-third of the issued Shares of the class (unless only one (1) person holds all the Shares of the class, in which case that person constitutes a quorum);
- (ii) any holder of Shares of the class, present in person or by proxy or by Representative, may demand a poll; and
- (iii) the Auditor is not entitled to notice of the meeting or to attend or speak at the meeting.

- (b) Director entitled to notice of class meetings

Each Director is entitled to receive notice of and to attend all separate meetings of the holders of any class of Shares in the capital of the Company and is entitled to speak at those meetings.

4. Directors

4.1 Preliminary

- (a) Number of Directors

- (i) The Company must have at least three (3) Directors.
- (ii) The maximum number of Directors is to be fixed by the Directors, but must not be more than eight (8) unless the Members in general meeting resolve otherwise.
- (iii) At least two (2) Directors must ordinarily reside in Australia.
- (iv) If, and for as long as the number of Directors is less than the number required under clause 4.1(a)(i), the continuing Director or Directors may continue to act, provided that it is solely for one or more of the following purposes:
 - (1) increasing the number of Directors to the minimum number required under 4.1(a)(i);
 - (2) calling a general meeting; or

- (3) in connection with requirements or circumstances of the Company considered urgent by the continuing Director or Directors acting reasonably.
- (b) Eligibility for appointment as Director
 - (i) To be eligible to be elected or appointed as a Director a person must:
 - (1) be an individual;
 - (2) be at least 18 years old; and
 - (3) not be otherwise ineligible or disqualified from holding office under this Constitution or the Corporations Act.
 - (ii) To be eligible to be elected or appointed as a Director a person is not required to hold any Shares in the Company.
- (c) Non-eligibility of Auditor

Any current or former Auditor of the Company, or partner or employee or employer of that Auditor, is ineligible to be elected or appointed as a Director.
- (d) Other offices held by Directors

A Director may hold any other office or position of profit in the Company (other than as Auditor) together with the directorship on the conditions including additional remuneration as the Directors determine by resolution.
- (e) Period of appointment of Directors

Each Director will hold office until they die or vacate the office under clause 4.3(a).

4.2 Appointment of a Director

- (a) Directors may appoint other Directors
 - (i) Provided the total number of Directors does not exceed the maximum number for the time being fixed by or under this Constitution:
 - (1) the Directors may appoint a person as a Director, whether to fill a casual vacancy or as an additional Director; and
 - (2) the Directors may also appoint a person as a Director to make up a quorum for a Board meeting, if the total number of Directors otherwise present is insufficient to constitute a quorum.
 - (ii) Any Director, except the Managing Director, appointed under clause 4.2(a)(i) after the Company is admitted to the Official List must retire from office at the conclusion of, and will be eligible for re-election at, the next annual general meeting following his or her appointment.

(b) Election of Directors

Except where a Director retires under clause 4.3(b) or 4.3(c) or has been appointed by the Directors under clause 4.2(a) and stands for re-election, a person is only eligible for appointment as a Director by resolution of the Members in general meeting if the Company receives at least thirty five (35) days before the relevant general meeting (or thirty (30) days in the case of a meeting requisitioned by Members under the Corporations Act) both:

- (i) a nomination of the person by a Member; and
- (ii) a consent to that nomination signed by the person nominated for election as a Director.

4.3 Resignation, cessation and termination of a Director

(a) Vacation of office

- (i) A Director vacates office if the Director:
 - (1) retires from office under clause 4.3(b) or 4.3(c);
 - (2) resigns their office by written notice to the Company under clause 4.3(d);
 - (3) is removed from the office of Director by a resolution of the Members in accordance with clause 4.3(e);
 - (4) fails to attend Board meetings for a continuous period of three (3) months without leave of absence from the Board;
 - (5) becomes of unsound mind or a person who is, or whose estate is, liable to be dealt with in any way under the law relating to mental health;
 - (6) becomes bankrupt or insolvent or makes any arrangement or composition with his or her creditors generally;
 - (7) is convicted on an indictment for an offence and the Directors do not within one month after that conviction resolve to confirm the Director's appointment or election (as the case may be) to the office of Director;
 - (8) is an executive Director under an employment or services agreement with the Company and that agreement terminates or otherwise ends, unless the Board determines otherwise; or
 - (9) ceases to be a Director or becomes prohibited from being a Director under the Corporations Act or the Listing Rules.
- (ii) A Director whose office is vacated under clause 4.3(a)(i)(9) is not eligible for re-election until the relevant prohibition no longer applies.

- (b) Director must retire after three years
- (i) Whilst the Company remains listed on the Official List and subject to the Corporations Act, the Listing Rules and this Constitution, a Director must retire from office or seek re-election by no later than the later of:
 - (1) the third annual general meeting following his or her appointment or election; or
 - (2) three (3) years.
 - (ii) This clause does not apply to the Managing Director where one Managing Director has been appointed by the Board in accordance with clause 4.4(a). Where there is more than one Managing Director appointed, only one of them, being the Managing Director nominated by the Board, is exempted from the requirement to retire from office under this clause.
- (c) Retirement by rotation
- (i) Unless otherwise determined by a resolution of the Members, while the Company is admitted to the Official List, one third of the Directors for the time being, or if their number is not a multiple of three, then the whole number nearest one third, must retire from office at each annual general meeting.
 - (ii) The Directors to retire under clause 4.3(c)(i) will be those who have been longest in office since their last election but as between persons who became Directors on the same day, those to retire will, unless they otherwise agree among themselves, be determined by drawing lots.
 - (iii) A Director retiring under clause 4.3(c)(i) may act as a Director throughout the meeting at which he or she retires and at any adjournment of that meeting.
 - (iv) This clause does not apply to a Managing Director where one Managing Director has been appointed by the Board in accordance with clause 4.4(a). Where there is more than one Managing Director appointed, only one of them, being the Managing Director nominated by the Board, is exempted from the requirement to retire from office by rotation under this clause.
- (d) Director may resign
- (i) A Director may resign as a Director of the Company by written notice to the Company.
 - (ii) If the resignation of a Director under clause 4.3(d)(i) will cause the number of Directors to fall below the minimum number required by this Constitution or by the Corporations Act, the Director must not resign or otherwise vacate their office voluntarily until another Director has been appointed.
- (e) Removal of a Director by Members

- (i) The Company may, by resolution of the Members in general meeting:
 - (1) remove a Director from office; and
 - (2) appoint another person as a Director in that Director's place.
- (ii) If a Director was appointed to represent the interests of particular Members, their removal under clause 4.3(e)(i) has no effect until a replacement to represent the interests of those Members has been appointed.
- (iii) If the removal of a Director under this clause will cause the number of Directors to fall below the minimum required by this Constitution or the Corporations Act, the removal under clause 4.3(e)(i) has no effect until a replacement has been appointed.
- (iv) Notice of intention to move the resolution referred to in clause 4.3(e)(i) must be given to the Company at least two (2) months before the meeting is to be held except if a general meeting is called after the notice of intention is given under this clause.
- (v) The Company must give the Director a copy of the notice referred to in clause 4.3(e)(iv) as soon as practicable after it is received.
- (vi) The Director is entitled to put their case to Members by:
 - (1) giving the Company a written statement for circulation to Members; and
 - (2) speaking to the motion at the general meeting (whether or not the Director is a Member of the Company).
- (vii) The written statement in clause 4.3(e)(vi) is to be circulated by the Company to Members by:
 - (1) sending a copy to every person to whom notice of the general meeting is sent if there is time to do so; or
 - (2) if there is not time to comply with clause 4.3(e)(vii)(1), having the statement distributed to Members attending the general meeting and read out at the meeting before the resolution is voted on.
- (viii) The Director's statement is not required to be circulated to Members if it is more than 1,000 words long or defamatory.
- (ix) If a person is appointed to replace a Director removed under this clause, the time at which the replacement Director or any other Director is to retire is to be worked out as if the replacement Director had become Director on the day on which the replaced Director was last appointed a Director.

4.4 Executive Directors

(a) Appointment of Managing Director and other executive Directors

The Directors:

- (i) may appoint one or more of themselves to the office of Managing Director or to any other executive office for a period and on the terms (including, subject to the Corporations Act and the Listing Rules, as to remuneration) as the Directors see fit;
- (ii) may confer on a Managing Director or other executive Director any of the powers that the Directors may exercise; and
- (iii) subject to the terms of appointment, may revoke or vary:
 - (1) the appointment of the Managing Director or other executive Director; or
 - (2) any of the powers conferred on the Managing Director or other executive Director.

(b) Consequence of cessation as Director or executive Director

- (i) A person ceases to be Managing Director or other executive Director if they cease to be a Director.
- (ii) A person ceases to be a Director if they cease to be the Managing Director or other executive, unless the Board determines otherwise.

4.5 Alternate Director

(a) Power to appoint Alternate Director

Each Director may at any time appoint any individual approved for that purpose by the Directors to act as an Alternate Director in the appointor's place and with such powers as are specified in the notice of appointment (being some or all of the appointor's powers as a Director).

(b) Suspension of appointment of Alternate Director

The appointor may vary, suspend or terminate the appointment of his or her Alternate Director.

(c) Notice of appointment of Alternate Director

Notice of each appointment, suspension or termination must be made in writing to the Alternate Director, signed by the appointor, and a copy served on the Company.

(d) Remuneration of Alternate Director

An Alternate Director's only rights (if any) as to remuneration for ordinary service as a Director are against the appointor and not the Company.

(e) Multiple votes

A Director or any other individual may act as Alternate Director to represent more than one Director, and have as many votes accordingly, but for the purpose of forming a quorum counts as only one Director.

(f) Termination of appointment

The appointment of an Alternate Director will be terminated by any of the following events:

- (i) if the Alternate Director gives written notice to the Company that he or she resigns the appointment;
- (ii) if the appointment of the Alternate Director is terminated by the appointor under clause 4.5(c);
- (iii) if a majority of the remaining Directors withdraw the approval of the individual to act as an Alternate Director;
- (iv) if the appointment is to act as Alternate Director for one or more Directors and those Directors have vacated office as Directors;
or
- (v) on the happening of any event which, if the Alternate Director were a Director, would cause the Alternate Director to vacate the office of Director.

4.6 Remuneration of Directors

(a) Remuneration to be in accordance with Listing Rules

Any remuneration that is payable to Directors must be in accordance with the Corporations Act and, whilst the Company remains listed on the Official List, the Listing Rules and in particular, whilst the Company remains listed on the Official List:

- (i) fees payable to non-executive Directors must be by way of a fixed sum and not by way of a commission on, or a percentage of, profits or operating revenue;
- (ii) remuneration (including Director's fees and salary) payable to executive Directors must not include a commission on, or percentage of, operating revenue; and
- (iii) the total fees payable to the Directors must not be increased without the Members in general meeting first giving their approval.

(b) Director fees

- (i) The Company may pay Directors fees for carrying out the duties and responsibilities of the office of Director required by the Corporations Act.
- (ii) Subject to clause 4.6(a), the Members in general meeting may determine the maximum aggregate cash remuneration to be paid to all the Directors under clause 4.6(b)(i) (excluding any remuneration payable to any Director under any executive service contract with the Company or a related body corporate)

(Remuneration). Until a different amount is determined, the Remuneration is AUD\$300,000 per annum.

- (iii) The Directors may determine how the total fees are divided among them, and, if no determination is made, the total fees must be divided among them equally.
- (iv) The Company must not increase the total amount of fees to be paid to the Directors without the approval of the Members in general meeting.
- (v) The notice calling the general meeting at which any increase is to be proposed must comply with the Corporations Act and the Listing Rules and include the amount of the increase and the maximum amount of fees that may be paid to the Directors as a whole.
- (vi) The fees determined by the Members to be paid under clause 4.6(b)(ii) or 4.6(b)(iv) is a debt due to the Directors, which accrues from day to day.
- (vii) Subject to clause 4.6(b)(ii), fees under this clause may be provided in any manner the Directors see fit.
- (viii) In determining the total fees paid or to be paid to Directors under clause 4.6(b)(ii), , any remuneration paid or to be paid under clauses 4.4(a), 4.6(c), 4.6(d), 4.6(e), 4.6(f), clause 13 and any superannuation payments, are ignored.

(c) Remuneration of Directors for extra services

Subject to the Corporations Act, in addition to or substitution for the fees paid under clause 4.6(a), if the Directors or Members request a Director to perform services or undertake special exertions (such as living overseas) in addition to those required by the Corporations Act, the Directors may resolve that the Company should remunerate the Director for those services.

(d) Remuneration for other offices held by a Director or Managing Director

Subject to the Corporations Act, a Director may hold any other office or position of profit in the Company (other than Auditor) together with the directorship on such conditions including additional remuneration (in addition to or substitution for the fees paid under clause 4.6(a)) as the Directors determine by resolution.

(e) Reimbursement of expenses incurred by Director

Subject to the Corporations Act, in addition to the fees set out in clause 4.6(a), a Director is entitled to reimbursement of the travelling and other expenses that the Director properly incurs:

- (i) in attending Board meetings or any meetings of a committee of Directors;
- (ii) in attending any general meeting of the Company;
- (iii) in connection with the Company's business; and

- (iv) in the case of a Managing Director or other executive Director, in connection with carrying out or managing the Company's business.
- (f) Payment of retirement benefit to Director
 - (i) Subject to the Corporations Act and the Listing Rules, the Board may determine that, in addition to the remuneration paid or payable under clause 4.6(a), the Company pay a former Director, or the personal representative, spouse, relative or dependant of a Director who dies in office, a retirement benefit or pension in recognition of past services of an amount determined by the Board, or make contributions to a superannuation, retirement or pension fund for that purpose (including any amount paid or payable for the avoidance of any penalty, charge, tax or other impost on the Company under any applicable legislation which imposes a penalty, charge, tax or other impost on employers if a minimum level of superannuation contributions are not paid for an employee (within the meaning of the legislation)).
 - (ii) Subject to the Corporations Act and the Listing Rules, the Directors may also resolve that the Company enter into a contract with a Director providing for payment of a retirement benefit.
- (g) Financial benefit
 - (i) A Director must ensure that the requirements of the Corporations Act are complied with in relation to any financial benefit given by the Company to the Director or to any other related party of the Director.
 - (ii) The Company must not make loans to Directors or provide guarantees or security for obligations undertaken by Directors unless permitted by the Corporations Act.

4.7 Conflicts of interest

- (a) Prohibition on being present or voting

Except where permitted by the Corporations Act, a Director who has a material personal interest in a matter that is being considered at a Board meeting:

 - (i) must not be counted in a quorum;
 - (ii) must not vote on the matter; and
 - (iii) must not be present while the matter is being considered at the meeting.
- (b) Directors' interests

Subject to this Constitution, the Corporations Act and the Listing Rules:

 - (i) a Director or a body or entity in which a Director has a direct or indirect interest may:

- (1) enter into any agreement or arrangement with the Company;
 - (2) hold any office or place of profit (other than Auditor) in the Company; and
 - (3) act in a professional capacity (other than as Auditor) for the Company,

and the Director or the body or entity may receive and keep beneficially any remuneration, profits or benefits under any agreement or arrangement with the Company or from holding an office or place of profit in or acting in a professional capacity with the Company;
- (ii) the fact that a Director holds office as a Director and has fiduciary obligations arising out of that office:
 - (1) does not void or render voidable a contract made by the Director with the Company;
 - (2) does not void or render voidable a contract or arrangement entered into by or on behalf of the Company and in which the Director may have an interest; and
 - (3) does not require the Director to account to the Company for any profit realised by or under any contract or arrangement entered into by or on behalf of the Company and in which the Director may have an interest;
- (iii) a Director may be or become a Director or other officer of, or otherwise be interested in:
 - (1) any related body corporate of the Company; or
 - (2) any other body corporate promoted by the Company or in which the Company may be interested as a Member or otherwise, and
 - (3) is not accountable to the Company for any remuneration or other benefits received by the Director from having an interest in that body corporate, provided that, in the case of a related body corporate, any such remuneration or other benefits were approved by the Board; and
- (iv) any Director:
 - (1) may exercise the voting power conferred by the Shares or other interests held by the Company in another company in favour of a resolution appointing themselves or any Director as a Director or other officer of the other company;
 - (2) may vote at a Board meeting in favour of a resolution that the Company exercises its voting power conferred by the Shares or other interest

held by the Company in the other company to appoint that Director as a Director or other officer of the other company;

(3) may be appointed as representative of the Company and may vote at a general meeting of the other company in favour of a resolution appointing that Director as a Director or other officer of the other company; and

(4) if also a Director of the other company, may vote as a Director of the other company in whatever manner he or she sees fit, including voting in favour of a resolution appointing the Director to any other office in the other company and a resolution appointing any other Directors as Directors or other officers of the other company.

(c) Material personal interest - Director's duty to disclose

(i) If a Director has a material personal interest in a matter that relates to the affairs of the Company, the Director must give the other Directors notice of the interest unless an exception in the Corporations Act applies.

(ii) A notice required by clause 4.7(c)(i) must:

(1) include details of:

A. the nature and extent of the interest;
and

B. the relationship of the interest to the affairs of the Company; and

(2) be given at a Board meeting as soon as practicable after the Director becomes aware of his or her interest in the matter.

(d) Director may give standing notice about a material personal interest

(i) A Director required to give notice under clause 4.7(c) may give standing notice of the nature and extent of the interest in the matter.

(ii) The notice may be given at any time and whether or not the matter relates to the affairs of the Company at the time the notice is given.

(iii) A notice under clause 4.7(d)(i) may be given:

(1) at a Board meeting either orally or in writing; or

(2) to the other Directors individually in writing.

(iv) If the standing notice is given to the other Directors individually in writing:

- (1) the notice is effective when it has been given to every Director; and
 - (2) the notice must be tabled at the next Board meeting after it is given.
 - (v) The Director must ensure that the nature and extent of the interest is recorded in the minutes of the meeting at which the standing notice is given or tabled.
 - (e) Wholly owned subsidiary

If the Company is a wholly owned subsidiary, a Director may act in the best interests of the holding company if:

 - (i) the Director acts in good faith;
 - (ii) the Company is not insolvent at the time; and
 - (iii) the Company does not become insolvent as a result of the Director's act.
-

5. Management of business by Directors

5.1 Powers of Directors

- (a) The business of the Company is to be managed by or under the direction of the Directors.
- (b) The Board may exercise all of the powers of the Company except any powers that any provision of the Corporations Act or this Constitution require the Company to exercise in general meeting.
- (c) Without limiting the generality of clause 5.1(b), the Board may exercise all the powers of the Company to borrow money, to charge any property or business of the Company or all or any of its uncalled capital and to issue debentures or Shares or give any other security for a debt, liability or obligation of the Company or of any other person.

5.2 Directors must keep transactions secret

Every Director and other agent or officer of the Company must:

- (a) keep confidential all aspects of all transactions of the Company, except:
 - (i) to the extent necessary to enable the person to perform his or her duties to the Company;
 - (ii) as required by law; or
 - (iii) when requested by the Board to disclose information to the Auditor or a general meeting; and
- (b) if requested by the Board, sign and make a declaration that he or she will not disclose or publish any information regarding any transaction of the Company.

5.3 Appointment of attorney for Company

The Board may, by power of attorney, appoint any company, firm, person or body of persons to be the attorney or representative of the Company for:

- (a) any period; and
- (b) for the purposes and with the powers, authorities and discretions vested in or exercisable by the Board under this Constitution.

5.4 Delegation by the Directors

- (a) Subject to the Corporations Act, the Board may delegate any of its powers to:
 - (i) a committee of Directors;
 - (ii) a Director;
 - (iii) an employee of the Company; or
 - (iv) any other person.
- (b) The delegate must exercise the powers delegated to them in accordance with any directions of the Board.
- (c) The effect of the delegate so exercising a power is the same as if the Board had exercised it.
- (d) The Board may at any time revoke or vary any delegation to a person or committee.

5.5 Seals and execution of documents

- (a) The Directors must provide for the safe custody of any seal of the Company.
- (b) If the Company has a common seal or duplicate common seal:
 - (i) it must be used only by the authority of the Board, or of a committee of the Directors authorised by the Board to authorise its use; and
 - (ii) every document to which it is affixed must be signed by a Director and countersigned by another Director, a Secretary or another person appointed by the Board to countersign that document or a class of documents in which that document is included.
- (c) The Company may execute a document without using a common seal and the document will be taken to be duly executed by the Company if it is signed by a Director and countersigned by another Director, a Secretary or another person appointed by the Board to countersign that document or a class of documents in which that document is included.

5.6 Negotiable instruments

- (a) Any two Directors may sign, draw, accept, endorse or otherwise execute a negotiable instrument.

- (b) The Directors may determine that a negotiable instrument may be signed, drawn, accepted, endorsed or otherwise executed in a different way.

6. Board meetings

6.1 Directors' resolution without a meeting

- (a) The Directors may pass a resolution without a Board meeting being held if all of the Directors entitled to vote on the resolution sign a document (which may include a facsimile transmission) containing a statement that they are in favour of the resolution set out in the document.
- (b) Separate copies of a document may be used for signing by Directors if the wording of the resolution and statement is identical in each copy.
- (c) The resolution is passed when the last Director signs the document.

6.2 Calling Board meetings

A Director may at any time, and the Secretary on the request of a Director must, call a meeting of the Board.

6.3 Notice of meeting

Notice of every Board meeting must be given to each Director, other than a Director who is on a leave of absence approved by the Directors, but failure to give or receive that notice will not invalidate anything done or any resolution passed at the meeting provided the failure to give that notice occurred by accident or inadvertent error, or the Director who failed to receive notice attended the meeting or waived notice of the meeting either before or after the meeting.

6.4 Conduct of Board meetings

- (a) A Board meeting may be called and held:
 - (i) in person;
 - (ii) by telephone;
 - (iii) by audiovisual linkup; or
 - (iv) using any technology consented to by a majority of the Directors before or during the relevant meeting.
- (b) Any consent under clause 6.4(a)(iv) may be a standing consent.
- (c) If a Director gives his or her consent under clause 6.4(a)(iv), he or she may only withdraw such consent within a reasonable period before the meeting commences.
- (d) A Director is regarded as present at a meeting where the meeting is conducted by telephone, audiovisual linkup or other technology if the Director is able to hear, and to be heard by, all others attending the meeting.
- (e) A meeting conducted by telephone, audiovisual linkup or other technology will be deemed to be held at the place agreed on by the Directors attending that meeting provided at least one (1) of the Directors present at the meeting was at that place for the duration of the meeting.

- (f) Subject to the Corporations Act, and provided a majority of the Directors agree, a Board meeting may be held outside Australia.
- (g) An original document, or a photocopy, facsimile or electronic copy of that document, which is in the possession of, or has been seen by, all Directors attending the Directors' meeting before, or at the time of, that meeting, is deemed to be a document tabled at that meeting.
- (h) Subject to this clause 6, the Directors may adjourn and otherwise regulate Board meetings as they think fit.

6.5 Chairing Board meetings

- (a) The Directors may elect a Director to the office of Chair of the Board.
- (b) The Directors may determine the period for which the Chair is to hold office.
- (c) The Directors present at a Board meeting may elect one of the Directors present to chair that meeting, or part of it, if:
 - (i) no Chair has been elected; or
 - (ii) the Chair is not available or declines to act as Chair for the meeting or part of it.

6.6 Voting by Chair at Board meetings

In case of an equality of votes on a resolution at a Board meeting, the Chair will have a second or casting vote on that resolution in addition to any deliberative vote the Chair has in his or her capacity as a Director in respect of that resolution.

6.7 Quorum at Board meetings

- (a) Unless the Directors determine otherwise, the quorum for a Board meeting is two (2) Directors and the quorum must exist at all times during the meeting.
- (b) Subject to clause 4.5(e), in determining whether a quorum is present at a Board meeting, an Alternate Director is to be counted.
- (c) If, and so long as, a quorum does not exist for the consideration of a particular matter at a Board meeting because one or more of the Directors is prohibited from voting under clause 4.7(a), the Directors, including the Director or Directors prohibited, are entitled to vote on a resolution to call, and put the matter before, a general meeting.

6.8 Meeting competent to exercise all powers

A Directors' meeting at which a quorum is present will be competent to exercise all or any of the powers and discretions vested in or exercisable by the Directors generally.

6.9 Passing of Directors' resolutions

A resolution of the Directors will be passed if a majority of votes cast by Directors entitled to vote on the resolution are in favour of the resolution.

6.10 Resolution passed deemed to be a determination of the Board

Any resolution properly passed at a duly called Directors' meeting at which a quorum is present will be deemed to be a determination by all the Directors or the Board for the purposes of this Constitution.

6.11 Committee powers and meetings

- (a) Any committee of Directors may exercise the powers delegated to it in accordance with any directions that may from time to time be imposed on it by the Board.
- (b) The meetings and proceedings of any committee consisting of two (2) or more Directors will be governed by the provisions of this Constitution regulating the meetings and proceedings of the Directors so far as they are applicable except to the extent they are superseded by any direction made by the Board under this clause.

6.12 Validity of acts of Directors

If it is discovered that:

- (a) there was a defect in the appointment of a person as a Director or committee of Directors; or
- (b) a person appointed to one of those positions or acting as a Director was disqualified or had vacated office or was otherwise not entitled to vote or act,

all acts of the Director, the Board or the committee of Directors (as the case may be) before the discovery was made are as valid as if the person had been duly appointed and was not disqualified and was entitled to vote or act.

7. Directors' and Members' minutes

7.1 Minutes

The Directors must cause to be entered in minute books of the Company within one (1) month of the relevant meeting, minutes containing details of:

- (a) the names of the Directors present at each Board meeting and of any committee of Directors;
- (b) all declarations made or notices given by any Director (either generally or specifically) of his or her interest in any contract or proposed contract or of his or her holding any office or property where any conflict of duty or interest may arise; and
- (c) all resolutions and proceedings of general meetings of the Company, meetings of the Directors and meetings of any committee of the Directors.

7.2 Minutes to be signed by chair

Any minutes of any general meetings of the Company, meetings of the Directors or meetings of any committee of the Directors must be signed by the chair of the meeting or by the chair of the next succeeding meeting and once signed will constitute prima facie evidence of the matters stated in the minutes.

7.3 Members' access to minutes

- (a) The Directors must ensure that the minute books for general meetings are open for inspection by Members free of charge.
- (b) If requested by a Member in writing, the Directors must ensure the Company sends a copy of any minutes or extract of minutes requested within ten (10) Business Days after the request or, if the Directors determine that payment should be made for the copies, within ten (10) Business Days after the Company receives the payment.

8. Secretary

8.1 Appointment of Secretary

The Directors must appoint one (1) or more persons to the office of secretary to the Company.

8.2 Notification to ASIC

- (a) If a Secretary is appointed, the Secretary must notify ASIC of the appointment.
- (b) The Directors may suspend or remove a Secretary from that office, subject to any agreement between the Company and the Secretary.

8.3 Terms and conditions of appointment

- (a) A Secretary holds office on the terms and conditions (including as to remuneration) and with the powers, duties and authority as the Directors determine.
- (b) The exercise of those powers and authorities and the performance of those duties by a Secretary is subject at all times to the control of the Directors.

9. Auditor

9.1 Appointment of Auditor

The Directors must appoint one (1) or more persons to the office of Auditor to the Company unless the Members at general meeting have appointed an Auditor.

9.2 Auditor and meetings of Members

- (a) The Auditor is ineligible to be elected or appointed as a Director.
- (b) The Auditor is entitled to receive notice of, attend, and be heard at general meetings.

10. Dividends and capital reserves

10.1 Payment of dividend

Subject to the Corporations Act, this Constitution and to the terms on which Shares are on issue, the Board may determine that a dividend or other distribution (**Dividend**) is or will be payable.

10.2 Determination of Dividend particulars

Without limiting the Board's discretion under clause 10.1, the Board may:

- (a) fix:
 - (i) the amount of the Dividend;
 - (ii) whether or not the Dividend is franked, the franking percentage and franking class;
 - (iii) the time for determining entitlements to the Dividend;
 - (iv) the time for payment of the Dividend; and
 - (v) the method of payment of the Dividend;
- (b) determine that the Dividend be paid by the Company:
 - (i) paying cash;
 - (ii) issuing Shares;
 - (iii) granting options; or
 - (iv) transferring assets;
- (c) determine that the Dividend be paid:
 - (i) on Shares of one class but not another class; or
 - (ii) at different rates for different classes of Shares; and
- (d) set aside or carry forward profits of the Company before paying the Dividend.

10.3 Board's discretion

Without limiting the Board's discretion under clause 10.1, the Board may resolve to:

- (a) determine that a Dividend be paid on a stated future date;
- (b) determine that, unless revoked, a Dividend will be payable on a stated future date but not before; or
- (c) declare that a Dividend is payable, whether immediately or on a stated future date.

10.4 No confirmation at general meeting

Paying a Dividend does not require confirmation at a general meeting.

10.5 Interest not payable

Interest is not payable on a Dividend.

10.6 Entitlement to receive Dividends

A Dividend in respect of a Share must be paid to the person who is entitled to have his or her name entered in the Register of Members as the holder of that Share:

- (a) where the Board has set a date under clause 10.2(a)(iii), on that date; or
- (b) where the Board has not set a date under clause 10.2(a)(iii):
 - (i) if the Board has determined that a Dividend is to be paid under clause 10.3(a) or clause 10.3(b), on the date the Dividend is paid; or
 - (ii) if the Board has declared that a Dividend is payable under clause 10.3(c), on the date of the declaration.

10.7 Date Dividend is payable

A Dividend in respect of a Share must be paid to the person entitled to receive the Dividend under clause 10.6:

- (a) where the Board has fixed a time under clause 10.2(a)(iv), at that time; or
- (b) in any other case, on the date the Dividend is paid.

10.8 Dividends proportional to paid up capital

- (a) Subject to the Corporations Act, this Constitution and any rights or restrictions attached to a class of Shares, the person entitled to a Dividend on a Share is entitled to:
 - (i) if the Share is fully paid, the entire Dividend; or
 - (ii) if the Share is partly paid, a proportion of that Dividend equal to the proportion which the amount paid on that Share is of the total amounts paid or payable on that Share.
- (b) Amounts paid in advance of a call on a Share are ignored when calculating the proportion under clause 10.8(a)(ii).

10.9 Deductions from Dividends

The Board may deduct from any Dividend payable to, or at the direction of, a Member all money (if any) presently payable by that Member to the Company whether on account of calls or otherwise in relation to Shares in the Company or otherwise.

10.10 Unclaimed Dividends

The Board may invest unclaimed Dividends as they think fit for the benefit of the Company until claimed or until required to be dealt with under any law relating to unclaimed money.

10.11 Dividend plans

- (a) The Board may establish a dividend selection plan or bonus share plan on any terms, under which participants may elect in respect of all or some of their Shares:
 - (i) to receive a Dividend from the Company paid in whole or in part out of a particular fund or reserve or out of profits derived from a particular source; or
 - (ii) to forego a Dividend from the Company and receive some other form of distribution or entitlement (including securities) from the Company or another body corporate or a trust.
- (b) The Board may establish a Dividend reinvestment plan on any terms, under which participants may elect in respect of all or some of their Shares to apply the whole or any part of a Dividend from the Company in subscribing for securities of the Company or a related body corporate of the Company.
- (c) The Board may implement, amend, suspend or terminate a plan established under this clause 10.11.

10.12 Payment of Dividends using assets or securities

- (a) Without limiting clause 10.2(b), the Board may resolve when determining or declaring a Dividend that the Dividend is to be paid wholly or in part by the distribution of specific assets, including paid up Shares, debentures, or other securities of the Company or of any other body corporate, and the Directors must give effect to that resolution.
- (b) If the Company is required to distribute to its Members, by way of Dividend, Shares in another body corporate:
 - (i) the Members shall be deemed to have agreed to become members of that body corporate; and
 - (ii) each of the Members appoints the Company or any of the Directors as its agent to execute any transfer of Shares or other document required to give effect to the distribution of Shares to the Member.
- (c) If a dispute arises in relation to a distribution under this clause 10.12, the Board may:
 - (i) settle the matter as they consider (acting reasonably) expedient;
 - (ii) fix the value for distribution of the specific assets or any part of those assets;
 - (iii) determine that cash payments must be made to any Members on the basis of the value so fixed in order to adjust the rights of all parties; and
 - (iv) vest any specific assets in trustees as the Board considers expedient.
- (d) If the distribution of specific assets to a particular Member is illegal or, in the Board's reasonable opinion, impracticable, the Board may make a cash

distribution to that Member equal to the cash value of the proposed distribution of specific assets.

10.13 Capitalisation of reserves and profits

The Board may:

- (a) resolve to capitalise any sum, being the whole or a part of the amount for the time being standing to the credit of any reserve account or the profit and loss account or otherwise available for distribution to Members; and
- (b) resolve to apply the sum in any of the ways mentioned in clause 10.14 for the benefit of Members in the proportions to which those Members would have been entitled in a distribution of that sum by way of Dividend.

10.14 Applying a sum for the benefit of Members

The ways in which a sum may be applied for the benefit of Members under clause 10.13 are:

- (a) in paying up any amounts unpaid on Shares held by Members;
- (b) in paying up in full unissued Shares or debentures to be issued to Members as fully paid; or
- (c) partly in the manner referred to in clause 10.14(a) and partly in the manner referred to in clause 10.14(b).

10.15 Implementing the resolution

The Board may do all things necessary to give effect to a resolution made under clause 10.13 and, in particular, to the extent necessary to adjust the rights of the Members among themselves, may:

- (a) make cash payments in cases where Shares or debentures become issuable in fractions; and
- (b) authorise any person to make, on behalf of all or any of the Members entitled to any further Shares or debentures on the capitalisation, an agreement with the Company providing for:
 - (i) the issue to them, credited as fully paid up, of any further Shares or debentures; or
 - (ii) the payment by the Company on their behalf of the amounts or any part of the amounts remaining unpaid on their existing Shares by the application of their respective proportions of the sum resolved to be capitalised,and any agreement made is effective and binding on all the Members concerned;
- (c) fix the value of specific assets; and
- (d) vest property in trustees.

11. Inspection

- (a) A request by a Member to inspect the financial records of the Company must be in writing and must be delivered to the Company at its Registered Office.
- (b) Subject to the Corporations Act, a majority of the Directors or the Members by special resolution may decide whether and to what extent and at what times and places and under what conditions a Member may inspect the financial records and other books of the Company.
- (c) This clause does not limit the rights of a Director or former Director to inspect the books of the Company under the law.

12. Service and payments

12.1 Service

- (a) Document includes notice

In clauses 12.1(b) to 12.1(h), a reference to a document includes a notice.
- (b) Giving a document to Members
 - (i) The Company may give a document to a Member:
 - (1) in person;
 - (2) by sending it by post to the address of the Member in the Register of Members or the alternative address (if any) nominated by that Member;
 - (3) by sending it to the fax number or electronic address (if any) nominated by that Member;
 - (4) by sending it to the Member by other electronic means (if any) nominated by the Member; or
 - (5) by notifying the Member in accordance with section 249J(3A) of the Corporations Act.
 - (ii) If the address of a Member in the Register of Members is not within Australia, the Company must send all documents to that Member by airmail, air courier or by fax or any other means permitted by the Listing Rules.
 - (iii) The Company must give any document to Members who are joint holders of a Share to the person named first in the Register of Members in respect of that Share, and that document is deemed received by all holders of that Share.
- (c) Giving a document to a person entitled to Shares

A person whom, by operation of law, transfer or other means whatsoever becomes entitled to any Share is absolutely bound by every document given in accordance with clause 12.1(b) to the person from whom that person

derives title prior to registration of that person's title in the Register of Members.

(d) Evidence of service of a document on a Member

A certificate in writing signed by a Director or Secretary stating that a document was sent is prima facie evidence of service.

(e) Giving a document to a Director

The Company may give a document to a Director:

- (i) in person;
- (ii) by sending it by post to the usual residential address of that person or the alternative address (if any) nominated by that person;
- (iii) by sending it to the fax number or electronic address (if any) nominated by that person; or
- (iv) by any other means agreed between the Company and that person.

(f) Giving a document to the Company

A person may give a document to the Company:

- (i) by leaving it at the Registered Office;
- (ii) by sending it by post to the Registered Office;
- (iii) by sending it to the fax number at the Registered Office;
- (iv) by sending it to the electronic address (if any) nominated by the Company for that purpose; or
- (v) by any other means prescribed by the Corporations Act.

(g) Time of service of a document

- (i) A document sent by post to an address within Australia is taken to be given:
 - (1) in the case of a notice of meeting, one (1) Business Day after it is posted; or
 - (2) in any other case, at the time at which the document would be delivered in the ordinary course of post.
- (ii) A document sent by post or air-mail to an address outside Australia is taken to be given:
 - (1) in the case of a notice of meeting, one (1) Business Day after it is posted; or

- (2) in any other case, at the time at which the document would be delivered in the ordinary course of post.
 - (iii) A document sent by air courier to a place outside Australia is taken to be given one (1) Business Day after delivery to the air courier.
 - (iv) A document sent by fax or to an electronic address, or by other electronic means, is taken to be given on the Business Day it is sent, provided that the sender's transmission report shows that the whole document was sent to the correct fax number or electronic address,
 - (v) A document given to a Member under clause 12.1(b)(i)(5) is taken to be given on the day on which the Member is notified that the document is available.
- (h) Signatures
- Where, by a provision of this Constitution, a document is required to be signed, that requirement may be satisfied in relation to an electronic communication of the document in any manner permitted by the Corporations Act relating to electronic transmissions or in any other manner approved by the Directors.

12.2 Payments

- (a) Form of payments
- The Company may pay a person entitled to an amount payable in respect of a Share (including a Dividend) by:
- (i) crediting an account nominated in writing by that person;
 - (ii) cheque made payable to bearer, to the person entitled to the amount or any other person the person entitled to the amount directs in writing; or
 - (iii) any other manner as the Directors resolve.
- (b) Payment by cheque
- The Company may post a cheque referred to in clause 12.2(a)(i) to:
- (i) the address in the Register of Members of the Member in respect of the Share;
 - (ii) if that Share is jointly held, the address in the Register of Members of the Member named first in respect of the Share; or
 - (iii) any other address which that person directs in writing.
- (c) Receipt
- Any joint holder of a Share may give effective receipt for an amount (including a Dividend) paid in respect of the Share.

13. Proceedings involving officers

13.1 Indemnity

- (a) Company to indemnify officers
 - (i) Subject to clause 13.1(a)(ii), the Company must indemnify any current or former Director, Secretary or executive officer of the Company or of a related body corporate of the Company, out of the property of the Company against:
 - (1) every liability incurred by the person in that capacity (except a liability for legal costs) to another person (other than the Company or a related body corporate of the Company); and
 - (2) all legal costs incurred in defending or resisting (or otherwise in connection with) proceedings, whether civil or criminal or of an administrative or investigatory nature, in which the person becomes involved because of that capacity.
 - (ii) Clause 13.1(a)(i) does not apply to the extent that:
 - (1) the Company is prohibited by the Corporations Act or any other statute to indemnify the person against the liability or legal costs; or
 - (2) an indemnity by the Company of the person against the liability or legal costs would, if given, be made void by the Corporations Act or any other statute.
- (b) Company may indemnify employee

The Company may indemnify any employee of the Company at the discretion of Directors.

13.2 Payments and advances to officer

- (a) Payment of costs, losses and expenses

Subject to this Constitution, the Corporations Act, or any other statute, the Company may pay all costs, losses and expenses which any a person referred to in clause 13.1(a)(i) might incur or become liable to pay by reason of any contract entered into or act or thing done by them as such a person or in any way in discharge of their duties.
- (b) Advances on account of costs, losses and expenses
 - (i) Subject to the Corporations Act or any other statute, the Company may make an advance, on account of anticipated costs, losses and expenses, to a person referred to in clause 13.1(a)(i) to assist that person in defending any proceeding brought against them in that capacity.
 - (ii) If the Company makes an advance to an officer under clause 13.2(b)(i) the person must repay that advance if:

- (1) judgment is not given in the person's favour;
- (2) the person is not acquitted; or
- (3) a court subsequently determines that the indemnification is not permitted.

13.3 Insurance

- (a) Company may pay premium

Subject to clause 13.3(b), the Company may pay or agree to pay, whether directly or through an interposed entity, a premium for a contract insuring a person who is or has been a Director or Secretary or executive officer of the Company or of a related body corporate of the Company, or any person who takes or has taken part in, or is or has been concerned with, management of the Company or a related body corporate of the Company, against liability incurred by the person in that capacity, including a liability for legal costs.

- (b) Payment of premium prohibited in certain circumstances

Clause 13.3(a) does not apply to the extent that:

- (i) the Company is prohibited by the Corporations Act or any other statute to pay or agree to pay the premium; or
- (ii) the contract would, if the Company paid the premium, be made void by the Corporations Act or any other statute.

14. Winding up

14.1 Rights of Members on winding up

Subject to this Constitution, the Corporations Act and the rights and restrictions attached to any Shares or class of Shares:

- (a) if the Company is wound up and the property of the Company available for distribution among the Members is more than sufficient to pay:

- (i) all the debts and liabilities of the Company; and
- (ii) 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 them, irrespective of the amounts paid or credited as paid on the Shares, provided that a Member who is in arrears in the payment of a call on a Share, but whose Share has not been forfeited, is not entitled to participate in the distribution on the basis of holding that Share until the amount owing in respect of the call has been fully paid and satisfied; and

- (b) for the purpose of calculating the excess referred to in clause 14.1(a), any amount unpaid on a Share is to be treated as property of the Company.

14.2 Division of assets

- (a) If the Company is wound up, the liquidator, with the sanction of a special resolution of the Members:

- (i) may divide among the Members, in specie or in kind, any part of the assets of the Company available and may for that purpose set the value as the liquidator considers fair on any assets to be divided; and
 - (ii) may vest the whole or any part of the assets of the Company in a trustee or trustees on trust for the benefit of any of the Members as the liquidator thinks fit but so that no Member is compelled to accept any Shares or other securities in respect of which there is any liability on the part of the holder.
- (b) If the liquidator considers it expedient, any division of assets under clause 14.2(a) may be otherwise than in accordance with the legal rights of the Members and any class may be given preferential or special rights or may be excluded altogether or in part from a division of assets.
- (c) If any division is otherwise than in accordance with the legal rights of the Members, any Member who would be prejudiced by the division has a right to dissent under the law.
- (d) If a division involves Shares that have a liability to a call, the Members may direct the liquidator to satisfy the call out of the proportion of assets due to the Member and to pay any balance to the Member.