

# PARADIGM GOLD LIMITED

## Constitution

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### Preliminary

1. The Company is a public company limited by shares.
2. The replaceable rules in the Corporations Act do not apply to the Company.
3. In this Constitution:

**"Alternate Director"** means a person for the time being holding office as an alternate director of the Company under Clause 15.

**"Business Day"** means a day except a Saturday, Sunday or public holiday in the jurisdiction under the Corporations Act which the Company is taken to be registered.

**"Corporations Act"** means the Corporations Act, 2001 (Commonwealth), as modified or re-enacted from time to time, and where appropriate, includes any regulations issued under it.

**"Directors"** means the directors of the Company for the time being.

**"Holder"** means in respect of a Share, the person whose name is entered in the Register as the holder of that Share.

**"Legal Costs"** of a person means legal costs incurred by that person in defending an action for a Liability of that person.

**"Liability"** of a person means any liability incurred by that person as an officer of the Company or a subsidiary of the Company.

**"Member"** means a person who is a Holder of a Share.

**"Personal Representative"** means the legal personal representative, executor or administrator of the estate of a deceased person.

**"Register"** means the register of Members kept under the Corporations Act and, where appropriate, includes any branch register.

**"Relevant Officer"** means a person who is, or has been, an officer of the Company (including a Director or Secretary) or an officer of a subsidiary of the Company.

**"Secretary"** means a company secretary of the Company for the time being.

**"Share"** means a share in the issued capital of the Company.

**"Transmission Event"** means:

- (a) if a Member is an individual, death or bankruptcy of that Member, or that Member becoming of unsound mind or becoming a person whose property is liable to be dealt with under a law about mental health; or
- (b) if a Member is a body corporate, the deregistration of that Member.

4. In this Constitution:

- (a) a reference to a call or an amount called in respect of a Share includes a reference to an amount that, by the terms of the issue of a Share or otherwise, is payable at one

or more fixed times;

- (b) a reference to a meeting of Members includes a meeting of any class of Members;
  - (c) a Member is taken to be present at a meeting of Members if the Member is present in person or by proxy, attorney or representative; and
  - (d) a reference to a notice or document in writing includes a notice or document given by fax or another form of written communication.
5. In this Constitution, unless the context indicates a contrary intention, words importing the singular include the plural (and vice versa), words indicating a gender include every other gender, and the word "**person**" includes a corporation.
6. Unless the context indicates a contrary intention, an expression in a provision of this Constitution that deals with a matter dealt with by a provision of the Corporations Act has the same meaning as in that provision of the Corporations Act and an expression in a provision of this Constitution that is defined in section 9 of the Corporations Act has the same meaning as in that section.

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## Directors

7. The Company must have not less than 3 Directors. The Company in general meeting may by ordinary resolution alter the maximum or minimum number of Directors provided that the minimum is not less than 3.
8. If the number of Directors is below the minimum fixed by this Constitution, the Directors must not act except:
- (a) in emergencies;
  - (b) for appointing one or more directors in order to make up a quorum for a meeting of Directors; or
  - (c) to call and arrange to hold a meeting of Members.
9. Subject to the Corporations Act, the Directors may appoint any person as a Director.
10. The Company in general meeting may by ordinary resolution appoint any person as a Director.
11. A Director need not be a Member.
12. A Director may resign from office by giving the Company notice in writing.
13. Subject to the Corporations Act, the Company in general meeting may by ordinary resolution remove any Director, and if thought fit, appoint another person in place of that Director.
14. A Director ceases to be a Director if:
- (a) the Director becomes of unsound mind or a person whose property is liable to be dealt with under a law about mental health;
  - (b) the Director resigns or is removed under this Constitution;
  - (c) the Director becomes an insolvent under administration; or
  - (d) the Corporations Act so provides.
15. With the approval of a majority of the other Directors, a Director may appoint a person as an



alternate director of that Director for any period. An Alternate Director need not be a Member.

16. The appointing Director may terminate the appointment of his Alternate Director at any time. A notice of appointment, or termination of appointment, of an Alternate Director is effective only if the notice is in writing, the notice is signed by the Director who appointed that Alternate Director, and the Company is given a copy of the notice.
17. If the Director who appointed an Alternate Director is not present at a meeting of Directors, that Alternate Director may, subject to this Constitution and the Corporations Act, exercise all powers (except the power under Clause 15) that the appointing Director may exercise. However, an Alternate Director cannot exercise any powers of his appointing Director if that appointing Director ceases to be a Director.
18. Subject to Clause 20, the Company is not required to pay any remuneration to an Alternate Director.
19. The Company may pay to the Directors any remuneration determined by the Company in general meeting, or until so determined, as the Directors resolve.
20. The Company must pay all reasonable travelling, accommodation and other expenses that a Director or Alternate Director properly incurs in attending meetings of Directors or any meetings of committees of Directors, in attending any meetings of Members, and in connection with the business of the Company.
21. A Director may:
  - (a) hold an office or place of profit (except as auditor) in the Company, on any terms as the Directors resolve;
  - (b) hold an office or otherwise be interested in any related body corporate of the Company or other body corporate in which the Company is interested; or
  - (c) act, or the Director's firm may act, in any capacity for the Company (except as auditor) or any related body corporate of the Company or other body corporate in which the Company is interested,and retain the benefits of doing so if the Director discloses in accordance with the Corporations Act the interest giving rise to those benefits.
22. Subject to the Corporations Act, if a Director discloses the interest of the Director in accordance with the Corporations Act, the Director may:
  - (a) contract or make an arrangement with the Company, or a related body corporate of the Company or a body corporate in which the Company is interested, in any matter in any capacity;
  - (b) be counted in a quorum for a meeting of Directors considering that contract or arrangement, and vote on whether the Company enters into the contract or arrangement, and on any matter that relates to the contract or arrangement;
  - (c) sign on behalf of the Company, or witness the fixing of the common seal of the Company (if any) to, any document in respect of the contract or arrangement; and
  - (d) retain the benefits under the contract or arrangement.

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## Officers

23. The Directors may appoint one or more of themselves to the office of managing director, for any period and on any terms (including as to remuneration) the Directors resolve. Subject to



any agreement between the Company and a managing director, the Directors may remove or dismiss a Director from the office of managing director at any time, with or without cause. The Directors may revoke or vary the appointment of a Director to the office of managing director or any power delegated to a managing director. A person ceases to hold the office of managing director if the person ceases to be a Director.

24. The Directors may delegate any of their powers (including the power to delegate) to a managing director. A managing director must exercise the powers delegated to him or her in accordance with any directions of the Directors. The exercise of a power by a managing director is as effective as if the Directors exercised the power.
25. The Directors may appoint one or more Secretaries, for any period and on any terms (including as to remuneration) the Directors resolve. Subject to any agreement between the Company and a Secretary, the Directors may remove or dismiss a Secretary at any time, with or without cause. The Directors may revoke or vary the appointment of a Secretary.
26. To the extent permitted by law, the Company may (by agreement or deed) indemnify each Relevant Officer against a Liability of that person and Legal Costs of that person. To the extent permitted by law, the Company may also make a payment (whether by way of advance, loan or otherwise) to a Relevant Officer in respect of Legal Costs of that person.
27. To the extent permitted by law, the Company may pay, or agree to pay, a premium for a contract insuring a Relevant Officer against a Liability of that person and Legal Costs of that person.

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## **Powers of the company and directors**

28. The Company may exercise in any manner permitted by the Corporations Act any power which a public company limited by shares may exercise under the Corporations Act. The business of the Company is managed by or under the direction of the Directors. The Directors may exercise all the powers of the Company except any powers that the Corporations Act or this Constitution requires the Company to exercise in general meeting.
29. If the Company has a common seal, the Company may execute a document if that seal is fixed to the document and the fixing of that seal is witnessed by 2 Directors, a Director and a Secretary, or a Director and another person appointed by a resolution of the Directors for that purpose.
30. The Company may execute a document without a common seal if the document is signed by 2 Directors, a Director and a Secretary, or a Director and another person appointed by a resolution of the Directors for that purpose.
31. The Company may execute a document as a deed if the document is expressed to be executed as a deed and is executed in accordance with Clauses 29 or 30.
32. The Directors may resolve, generally or in a particular case, that any signature on certificates for securities of the Company may be affixed by mechanical or other means.
33. Negotiable instruments may be signed, drawn, accepted, endorsed or otherwise executed by or on behalf of the Company in the manner and by the persons as the Directors resolve.
34. The Directors may delegate any of their powers (including this power to delegate) to a committee of Directors, a Director, an employee of the Company or any other person. The Directors may revoke or vary any power so delegated. A committee or delegate must exercise the powers delegated in accordance with any directions of the Directors. The exercise of a power by the committee or delegate is as effective as if the Directors exercised the power. Clauses 38 to 44 apply with the necessary changes to meetings of a committee of Directors.



35. The Directors may appoint any person to be attorney or agent of the Company for any purpose, for any period and on any terms (including as to remuneration) the Directors resolve. The Directors may delegate any of their powers (including the power to delegate) to an attorney or agent. The Directors may revoke or vary that appointment or any power delegated to an attorney or agent.
36. Any act done by a person as a Director or Secretary is effective even if the appointment of that person, or the continuance of that appointment, is invalid because the Company or that person did not comply with this Constitution or any provision of the Corporations Act. This Clause does not deal with the question whether an effective act by a person binds the Company in its dealings with other people or makes the Company liable to another person.

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## Meetings of directors

37. The Directors may pass a resolution without a meeting of the Directors being held if a document containing the resolution is sent to all Directors and a majority of the Directors entitled to vote on the resolution sign that document containing a statement that they are in favour of the resolution set out in the document. Separate copies of that document may be used for signing by Directors if the wording of the resolution and the statement is identical in each copy.
38. The Directors may meet, adjourn and otherwise regulate their meetings as they think fit. A meeting of Directors may be held using any technology consented to by a majority of the Directors. A Director may only withdraw that consent within a reasonable period of time before the meeting. Any Director may call a meeting of Directors at any time. On request of any Director, a Secretary of the Company must call a meeting of the Directors.
39. Reasonable notice of a meeting of Directors must be given to each Director and Alternate Director.
40. A quorum for a meeting of Directors must be present at all times during the meeting. Subject to the Corporations Act, a quorum for a meeting of Directors is, if the Directors have fixed a number for the quorum, that number of Directors, and in any other case, 2 Directors entitled to vote on a resolution that may be proposed at that meeting. In determining whether a quorum for a meeting of Directors is present:
- (a) where a Director has appointed an Alternate Director, that Alternate Director is counted if the appointing Director is not present;
  - (b) where a person is present as Director and an Alternate Director for another Director, that person is counted separately provided that there is at least one other Director or Alternate Director present; and
  - (c) where a person is present as an Alternate Director for more than one Director, that person is counted separately for each appointment provided that there is at least one other Director or Alternate Director present.
41. If there are not enough persons to form a quorum for a meeting of Directors, one or more of the Directors (including those who have an interest in a matter being considered at that meeting) may call a general meeting and the general meeting may pass a resolution to deal with the matter.
42. The Directors may appoint a Director to the office of chairperson of Directors for any period they resolve, or if no period is specified, until that person ceases to be a Director. The Directors may remove a Director from the office of chairperson of Directors at any time.
43. The chairperson of Directors must (if present within 5 minutes after the time appointed for the holding of the meeting and willing to act) chair each meeting of Directors. If there is no



chairperson of Directors, or the chairperson of Directors is not present within 5 minutes after the time appointed for the holding of a meeting of Directors or is present within that time but is not willing to chair all or part of that meeting, then the Directors present must elect one of themselves to chair all or part of the meeting of Directors.

44. A resolution of Directors is passed if more votes are cast in favour of the resolution than against it. Subject to Clause 22 and this Clause, each Director has one vote on a matter arising at a meeting of the Directors. In determining the number of votes a Director has on a matter arising at a meeting of Directors:
- (a) where a person is present as Director and an Alternate Director for another Director, that person has one vote as a Director and, subject to Clause 17, one vote as an Alternate Director; and
  - (b) where a person is present as an Alternate Director for more than one Director, that person has, subject to Clause 17, one vote for each appointment.
45. Subject to the Corporations Act, in case of an equality of votes on a resolution at a meeting of Directors, the chairperson of that meeting has a casting vote on that resolution in addition to any vote the chairperson has in his capacity as a Director in respect of that resolution.

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## Meetings of members

46. While the Company has only one Member, the Company may pass a resolution by that Member signing a record in writing of that resolution.
47. Subject to the Corporations Act, the Directors may call a meeting of Members. The Directors must call and arrange to hold a general meeting on the request of Members, and the Members may call and arrange to hold a general meeting, as provided by the Corporations Act.
48. The Company must hold an annual general meeting if required by, and in accordance with, the Corporations Act.
49. Subject to the Corporations Act, the Company must give not less than 21 days notice of a meeting of Members. The Company may call an annual general meeting on shorter notice if all Members entitled to attend and vote at the annual general meeting agree beforehand. The Company may call a general meeting (not being an annual general meeting) on shorter notice if Members with at least 95% of the votes that may be cast at the meeting agree beforehand.
50. Notice of a meeting of Members must be given to each Member, each Director, each Alternate Director and any auditor of the Company.
51. A notice of a meeting of Members must:
- (a) set out the place, date and time for the meeting (and if the meeting is to be held in 2 or more places, the technology that will be used to facilitate this);
  - (b) state the general nature of the business of the meeting; and
  - (c) set out or include any other information or documents specified by the Corporations Act.
52. Subject to the Corporations Act, anything done (including the passing of a resolution) at a meeting of Members is not invalid if either or both:
- (a) a person does not receive notice of the meeting; or
  - (b) the Company accidentally does not give notice of the meeting to a person.



53. A meeting of Members may be held in 2 or more places linked together by any technology that gives the Members as a whole in those places a reasonable opportunity to participate in proceedings, enables the chairperson to be aware of proceedings in each place, and enables the Members in each place to vote on a show of hands and on a poll.
54. Each Member and any auditor of the Company is entitled to attend any meetings of Members. Subject to this Constitution, each Director is entitled to attend and speak at all meetings of Members.
55. A quorum for a meeting of Members must be present at all times during the meeting. A quorum for a meeting of Members is 2 Members entitled to vote at that meeting. In determining whether a quorum for a meeting of Members is present:
- (a) where more than one proxy, attorney or representative of a Member is present, only one of those persons is counted;
  - (b) where a person is present as a Member and as a proxy, attorney or representative of another Member, that person is counted separately for each appointment provided that there is at least one other Member present; and
  - (c) where a person is present as a proxy, attorney or representative for more than one Member, that person is counted separately for each appointment provided that there is at least one other Member present.
56. If a quorum is not present within 15 minutes after the time appointed for a meeting of Members:
- (a) if the meeting was called by the Directors at the request of Members or was called by the Members, the meeting is dissolved; and
  - (b) any other meeting is adjourned to the date, time and place as the Directors may by notice to the Members appoint, or failing any appointment, to the same day in the next week at the same time and place as the meeting adjourned.
57. If a quorum is not present within 15 minutes after the time appointed for an adjourned meeting of Members, the meeting is dissolved.
58. The chairperson of Directors must (if present within 15 minutes after the time appointed for the holding of the meeting and willing to act) chair each meeting of Members. If at a meeting of Members, there is no chairperson of Directors, or the chairperson of Directors is not present within 15 minutes after the time appointed for the holding of a meeting of Members, or is present within that time but is not willing to chair all or part of that meeting, the Members present must elect another person present and willing to act to chair all or part of that meeting.
59. Subject to the Corporations Act, the chairperson of a meeting of Members is responsible for the general conduct of that meeting and for the procedures to be adopted at that meeting.
60. Subject to the Corporations Act, a resolution is passed if more votes are cast in favour of the resolution by Members entitled to vote on the resolution than against the resolution. Unless a poll is requested in accordance with Clauses 62 and 63, a resolution put to the vote at a meeting of Members must be decided on a show of hands.
61. A declaration by the chairperson of a meeting of Members that a resolution on a show of hands is passed, passed by a particular majority, or not passed, and a record of that declaration in the minutes of the meeting, are sufficient evidence of that fact, unless proved incorrect.
62. A poll may be demanded on any resolution at a meeting of Members. A poll may be demanded by at least 5 Members present and entitled to vote on that resolution, one or more Members present and who are together entitled to at least 5% of the votes that may be cast on



that resolution on a poll, or the chairperson of that meeting. A poll may be demanded before a vote on that resolution is taken, or before or immediately after the results of the vote on that resolution on a show of hands are declared. A demand for a poll may be withdrawn.

63. A poll demanded on a resolution at a meeting of Members for the election of a chairperson of that meeting or the adjournment of that meeting must be taken immediately. A poll demanded on any other resolution must be taken in the manner and at the time and place the chairperson directs. The result of a poll demanded on a resolution of a meeting of Members is a resolution of that meeting. A demand for a poll on a resolution of a meeting of Members does not prevent the continuance of that meeting or that meeting dealing with any other business.
64. Subject to the Corporations Act, the chairperson may adjourn a meeting of Members to any day, time and place, and must adjourn a meeting of Members if the Members present with a majority of votes that may be cast at that meeting agree or direct the chairperson to do so. The chairperson may adjourn that meeting to any day, time and place. The Company is only required to give notice of a meeting of Members resumed from an adjourned meeting if the period of adjournment exceeds 21 days. Only business left unfinished is to be transacted at a meeting of Members resumed after an adjournment.
65. Subject to the Corporations Act, the Directors may at any time postpone or cancel a meeting of Members by giving notice not less than 5 Business Days before the time at which the meeting was to be held to each person who is, at the date of the notice a Member, a Director or Alternate Director; or auditor of the Company. A general meeting called by the Directors at the request of Members or called by the Members must not be cancelled by the Directors without the consent of the Members who requested or called the meeting.
66. Subject to this Constitution and any rights or restrictions attached to a class of Shares, at a meeting of Members, every Member present has:
  - (a) on a show of hands, one vote; and
  - (b) on a poll, one vote for each fully paid up Share that the Member holds and a fraction of one vote for each partly paid up Share that the Member holds. The fraction is equal to the proportion which the amount paid or credited on that Share (excluding any amounts paid up in advance of the applicable due date for payment) is to the total amounts paid and payable (including amounts credited) on that Share.
67. If the total number of votes to which a Member is entitled on a poll does not constitute a whole number, the Company must disregard the fractional part of that total.
68. In the case of an equality of votes on a resolution at a meeting of Members, the chairperson of that meeting does not have a casting vote on that resolution either on a show of hands or on a poll.
69. If a Share is held jointly and more than one Member votes in respect of that Share, only the vote of the Member whose name appears first in the Register counts.
70. A person may vote in respect of a Share at a meeting of Members if the person is entitled to be registered as the holder of that Share because of a Transmission Event, and the person satisfied the Directors of that entitlement not less than 48 hours before that meeting.
71. A Member present at a meeting of Members is not entitled to vote on any resolution in respect of any Shares on which any calls or any other amount due and payable in respect of those Shares have not been paid, or where that vote is prohibited by the Corporations Act or an order of a court of competent jurisdiction. The Company must disregard any vote on a resolution purported to be cast by a Member present at a meeting of Members where that person is not entitled to vote on that resolution.
72. The authority of a proxy or attorney for a Member to speak or vote at a meeting of Members in



respect of the Shares to which the authority relates is suspended while the Member is present in person at that meeting.

73. If more than one proxy or attorney for a Member is present at a meeting of Members, none of them is entitled to vote on a show of hands, and on a poll, the vote of each one is of no effect where the aggregate number or proportion of the Member's votes for which they have been appointed exceeds the total number or proportion of votes that could be cast by the Member.
74. An objection to the qualification of any person to vote at a meeting of Members may only be made at that meeting (or any resumed meeting if that meeting is adjourned), to the chairperson of that meeting. Any objection must be decided by the chairperson of the meeting of Members, whose decision, made in good faith, is final and conclusive.
75. A Member, who is entitled to attend and cast a vote at a meeting of Members, may vote on a show of hands and on a poll:
- (a) in person or, if the Member is a body corporate, by its representative appointed in accordance with the Corporations Act; or
  - (b) by proxy or attorney, or if the Member is entitled to cast two or more votes at the meeting, by not more than 2 proxies or attorneys.
76. A proxy, attorney or representative of a Member need not be a Member. A Member may appoint a proxy, attorney or representative for all or any number of meetings of Members, or a particular meeting of Members.
77. An instrument appointing an attorney or representative must be in a form as the Directors may prescribe or accept. An instrument appointing a proxy is valid if it is signed by the Member making the appointment and contains the name and address of that Member, the name of the Company, the name of the proxy or the name of the office of the proxy, and the meetings of Members at which the proxy may be used. The chairperson of a meeting of Members may determine that an instrument appointing a proxy is valid even if it contains only some of this information.
78. Subject to the Corporations Act, the decision of the chairperson of a meeting of Members as to the validity of an instrument appointing a proxy, attorney or representative is final and conclusive.
79. If the name of the proxy or the name of the office of the proxy in a proxy form of a Member is not filled in, the proxy of that Member is the person specified by the Company in the form of proxy in the case the Member does not choose, or if no person is so specified, the chairperson of that meeting.
80. A Member may specify the manner in which a proxy or attorney is to vote on a particular resolution at a meeting of Members. The appointment of a proxy or attorney by a Member may specify the proportion or number of the Member's votes that the proxy or attorney may exercise.
81. If a Member appoints 2 persons as proxy or attorney, and the appointment does not specify the proportion or number of the Member's votes those persons may exercise, those persons may exercise one half of the votes of the Member. If the total number of votes to which a proxy or attorney is entitled to exercise does not constitute a whole number, the Company must disregard the fractional part of that total.
82. Unless otherwise provided in the Corporations Act or in the appointment, a proxy or attorney may demand or join in demanding a poll on any resolution at a meeting of Members on which the proxy or attorney may vote.
83. An appointment of proxy or attorney for a meeting of Members is effective only if the



Company receives the appointment (and any authority under which the appointment was signed or a certified copy of the authority) before the time scheduled for commencement of that meeting (or any adjournment of that meeting).

84. Unless the Company has received notice in writing of the matter before the time scheduled for the commencement of a meeting of Members, a vote cast at that meeting by a person appointed by a Member as a proxy, attorney or representative is, subject to this Constitution, valid even if, before the person votes there is a Transmission Event in respect of that Member, that Member revokes the appointment of that person, that Member revokes the authority under which the person was appointed by a third party, or that Member transfers the Shares in respect of which the appointment is made.

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## Shares

85. Subject to the Corporations Act and any rights and restrictions attached to a class of Shares, the Directors may allot and issue unissued shares in the Company, and grant options over unissued shares in the Company, on any terms, at any time and for any consideration, as the Directors resolve.
86. The Directors may allot and issue preference shares, including redeemable preference shares.
87. The Company may convert an ordinary Share into a preference Share and convert a preference Share into an ordinary Share.
88. Subject to the Corporations Act and the terms of issue of Shares in a particular class, the Company may vary or cancel rights attached to Shares in that class, or convert Shares from one class to another, by special resolution of the Company and either:
- (a) a special resolution passed at a meeting of Members holding Shares in that class; or
  - (b) the written consent of Members who are entitled to at least 75% of the votes that may be cast in respect of those Shares in that class.
- The provisions in this Constitution concerning meetings of Members (with the necessary changes) apply to a meeting held under Clause 88(b).
89. The Company may by ordinary resolution passed at a general meeting convert all or any of its Shares into a larger or smaller number of Shares.
90. Subject to the Corporations Act, the Company may reduce its share capital, or buy-back Shares in itself, on any terms and at any time.
91. Except as required by law or this Constitution, the Company is not required to recognise any interest in, or right in respect of, a Share except an absolute right of legal ownership of the Member registered as the holder of that Share.
92. The Company must issue to each Member, free of charge and in accordance with the Corporations Act, one certificate in respect of each class of Shares registered in the Member's name. If a Share is jointly held, the Company is not required to issue more than one certificate for the Share and delivery of a certificate for the Share to any one of the joint holders of the Share is delivery to all the joint holders.
93. Subject to the Corporations Act, the Company must issue a replacement certificate for a Share if the Company receives and cancels the existing certificate or the Company is satisfied that the existing certificate is lost or destroyed, and the Member complies with all conditions set out in the Corporations Act and pays any fee as the Directors resolve.



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## Calls

94. Subject to the Corporations Act and the terms of issue of a Share, the Directors may at any time make calls on the Members of a Share for all or any part of the amount unpaid on the Share. The Directors may make calls payable for one or more Members for different amounts and at different times, and subject to the terms of issue of a Share, a call may be made payable by instalments. The Directors may revoke or postpone a call or extend the time for payment of a call.
95. A call is made when the Directors resolve to make the call.
96. The Company must give Members at least 10 Business Days notice of a call. A notice of a call must be in writing and specify the amount of the call, and the time and place of payment of the call. A call is not invalid if a Member does not receive notice of the call.
97. A Member must pay to the Company the amount of each call made on the Member at the times and places specified in the notice of the call. If an amount unpaid on a Share is payable, by the terms of issue of the Share or otherwise, in one or more fixed amounts on one or more fixed dates, the Holder of that Share must pay to the Company those amounts on those dates.
98. A Member must pay to the Company interest at the rate of 10% per annum on any amount referred to in Clause 97 which is not paid on or before the time appointed for its payment, from the time appointed for payment to the time of the actual payment, and expenses incurred by the Company because of the failure to pay or late payment of that amount. The Directors may waive payment of all or any part of an amount payable under this Clause 98.
99. The joint holders of a Share are jointly and severally liable for the payment of all calls due in respect of that Share.
100. The Company may recover an amount due and payable under Clauses 97 and 98 from a Member by commencing legal action against the Member for all or part of the amount due, enforcing a lien on the Share in respect of which the call was made, or forfeiting the Share in respect of which the call was made.
101. The debt due in respect of an amount payable under Clauses 97 and 98 in respect of a Share is sufficiently proved by evidence that the name of the Member sued is entered in the Register as one or more of the holders of that Share and there is a record in the minute books of the Company of the resolution making the call or the fixed amount referred to in Clause 97.
102. The Company may accept from any Member all or any part of the amount unpaid on a Share held by the Member before that amount is called for. The Company may pay interest at any rate the Directors resolve on the amount paid before it is called (from the date of payment until and including the date the amount becomes actually payable) and the Company may repay the amount so paid to that Member.
103. An amount paid in advance pursuant to Clause 102 does not confer a right to participate in a dividend determined to be paid from the profits of the Company or any surplus of the Company in a winding up of the Company, for the period before the date when the amount paid would have otherwise become payable.

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## Forfeiture and Liens

104. The Directors may resolve that a Share of a Member is forfeited if:
- (a) that Member does not pay a call or instalment on that Share on or before the date for its payment; and
  - (b) the Company gives that Member notice in writing requiring the Member to pay that



call or instalment, any interest on it and all expenses incurred by the Company by reason of the non-payment and stating that the Share is liable to be forfeited if that Member does not pay to the Company, at the place specified in the notice, the amount specified in the notice, within 10 Business Days (or any longer period specified) after the date of the notice; and

(c) that Member does not pay that amount in accordance with that notice.

105. When any Share has been forfeited, the Company must give notice in writing of the forfeiture to the Member registered as its holder before the forfeiture, and record the forfeiture with the date of forfeiture in the Register. Failure by the Company to comply with these requirements does not invalidate the forfeiture.
106. The forfeiture of a Share extinguishes all interests in that Share of the former Member, and all claims against the Company in respect of that Share by the former Member, including all dividends determined to be paid in respect of that Share and not actually paid.
107. A former Member of a forfeited Share must pay to the Company all calls, instalments, interest and expenses in respect of that Share at the time of forfeiture, and interest at the rate of 10% per annum on those amounts from the time of forfeiture until and including the date of payment of those amounts.
108. The Company may sell, otherwise dispose of or reissue, a Share which has been forfeited on any terms and in any manner as the Directors resolve.
109. The Company may by ordinary resolution passed at a general meeting cancel a Share which has been forfeited under the terms on which the Share is on issue.
110. A certificate in writing from the Company signed by a Director or Secretary that a Share was forfeited on a specified date is sufficient evidence of the forfeiture of that Share and the right and title of the Company to sell, dispose or reissue that Share.
111. Subject to the Corporations Act, the Directors may waive any or all the rights of the Company under Clauses 104 to 110 and at any time before a sale, disposition, reissue or cancellation of a forfeited Share, cancel the forfeiture on any terms as the Directors resolve.
112. The Company has a first ranking lien on each Share registered in the name of a Member, the proceeds of sale of those Shares, and all dividends determined to be payable in respect of those Shares, for each unpaid call or instalment which is due but unpaid on those Shares, all amounts which the Company is required by law to pay and has paid in respect of those Shares or the forfeiture or sale of those Shares, and all interest and expenses due and payable to the Company under Clauses 104 and 107.
113. A Member or, if the Member is deceased, the Member's Personal Representative, must:
  - (a) indemnify the Company against any liability which the Company has under any law to make a payment (including payment of a tax) in respect of that Member, a Share held by that Member (whether solely or jointly), a transfer or transmission of Shares by that Member, or a dividend or other money which is or may become due or payable to that Member; and
  - (b) pay to the Company immediately on demand the amount required to reimburse the Company for a payment referred to in Clause 113(a) and pay to the Company interest at the rate of 10% per annum on any amount referred to in Clause 113(a) paid by the Company, from the date of payment by the Company until and including the date the Company is reimbursed in full for that payment.
114. The Company may refuse to register a transfer of any Shares by a Member referred to in Clause 113, or that Member's Personal Representative, until all money payable to the



Company under Clause 113 has been paid.

115. The powers and rights of the Company under Clauses 113 and 114 are in addition to any right or remedy that the Company may have under the law which requires the Company to make a payment referred to in Clause 113.
116. The Company may recover an amount due and payable under Clause 113 from the Member or the Member's Personal Representative by any or all of deducting all or part of that amount from any other amount payable by the Company to that person in respect of the Shares of that person, commencing legal action against that person for all or part of that amount, or enforcing a lien on one or more of the Shares of that person.
117. The Company may sell a Share of a Member to enforce a lien on that Share if:
- (a) an amount secured by that lien is due and payable;
  - (b) the Company gives that Member or the Member's Personal Representative notice in writing requiring payment of that amount, any interest on it and all expenses incurred by the Company by reason of the non-payment and stating that the Share is liable to be sold if that person does not pay to the Company, at the place specified in the notice, the amount specified in the notice within 10 Business Days (or any longer period specified) after the date of the notice; and
  - (c) that Member or the Member's Personal Representative does not pay that amount in accordance with that notice.
118. Registration of a transfer of a Share by the Company releases any lien of the Company on that Share in respect of any amount owing on that Share, unless the Company gives notice in writing, to the person to whom that Share is transferred, of the amount owing.
119. The Directors may waive any or all the rights of the Company under Clauses 112 to 116.
120. The Company may receive the purchase money or consideration for Shares sold or disposed of under Clauses 108 and 117, appoint a person to sign a transfer of Shares sold or disposed of under those Clauses, and enter in the Register the name of the person to whom Shares are sold or disposed.
121. The person to whom a Share is sold or disposed under Clauses 108 and 117 need not enquire whether the Company properly exercised its powers under those Clauses in respect of that Share or properly applied the proceeds of sale or disposal of those Shares. The title of that person is not affected by those matters.
122. A certificate in writing from the Company signed by a Director or Secretary that a Share was sold, disposed of or reissued in accordance with Clauses 108 and 117 is sufficient evidence of those matters.
123. The Company must apply the proceeds of any sale, other disposal or reissue of any Shares under Clauses 108 and 117 in the following order:
- (a) the expenses of the sale, other disposal or reissue;
  - (b) the amounts due and unpaid in respect of those Shares; and
  - (c) the balance (if any) to the former Member or the former Member's Personal Representative.

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## Transfer and transmission of shares

124. Subject to this Constitution, a Member may transfer one or more Shares the Member holds by



an instrument of transfer which is in writing, is in any usual form or in any other form approved by the Directors that is otherwise permitted by law, and is executed by or on behalf of both the transferor and the transferee.

125. An instrument of transfer of Shares must be delivered to the Company for registration at the place where the Register is kept together with the certificate (if any) of the Share to be transferred and any other evidence as the Directors require to prove the title of the transferor to that Share, the right of the transferor to transfer that Share, and the proper execution of the instrument of transfer.
126. A person transferring a Share remains the registered holder of that Share until the transfer for that Share is registered and the name of the person to whom the Share is being transferred is entered in the Register as the holder of that Share.
127. The Company may refuse to register a transfer of Shares if clause 124 or 125 is not complied with, or the shares are not fully paid, or the Company has a lien on the shares, or registration of the transfer may contravene a law or court order which applies to any of the shares or the person transferring the shares. The Company must refuse to register a transfer of Shares where the Corporations Act or a law about stamp duty requires the Company to do so. The Company must give notice in writing of any refusal to register a transfer of Shares to the person transferring those Shares within 2 months after the date on which the transfer was lodged with the Company. Failure by the Company to give that notice does not invalidate the refusal to register the transfer.
128. If a Member (not being one of several joint holders) dies, the Company must recognise only the Personal Representative of that Member as having any title to or interest in the Shares registered in the name of that Member or any benefits accruing in respect of those Shares. If a Member (being any one or more of the joint registered holders of any Share) dies, the Company must recognise only the surviving joint registered holders of that Share as having any title to or interest in, or any benefits accruing in respect of, that Share.
129. The estate of a deceased Member is not released from any liability in respect of the Shares registered in the name of that Member. Where 2 or more persons are jointly entitled to any Share as a consequence of the death of the registered holder of that Share, they are taken to be joint holders of that Share.
130. Subject to the Bankruptcy Act 1966 and the Corporations Act, if a person entitled to a Share because of a Transmission Event gives the Directors the information they reasonably require to establish the person's entitlement to be registered as the holder of any Shares, that person may elect to be registered as a Member in respect of those Shares by giving a signed notice in writing to the Company, or may transfer those Shares to another person. The Company may refuse to act on a notice given, or refuse to register a transfer made, pursuant to this Clause.
131. Provided that the Company has not refused to act on a notice or refused to register a transfer under Clause 130, a person who has given to the Directors the information referred to in Clause 130 in respect of a Share is entitled to the same rights to which that person would be entitled if registered as the holder of that Share.

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## Dividends and profits

132. Subject to any rights or restrictions attached to a class of Shares, the Company may pay dividends as the Directors resolve but only out of profits of the Company. The Directors may determine that a dividend is payable on Shares and fix the amount of the dividend, whether the dividend is franked, the franking percentage and the franking class, the time for determining entitlements to the dividend, the time for the payment of the dividend, and the method of payment of the dividend.
133. The method of payment of a dividend may include any or all of the payment of cash, the issue



of shares or other securities, the grant of options and the transfer of assets.

134. A dividend in respect of a Share must be paid to the person whose name is entered in the Register as the holder of that Share at the time (if any) fixed under Clause 132 or in any other case, on the date the dividend is paid.
135. The Directors may determine that dividends be paid on Shares of one class but not another class and at different rates for different classes of Shares.
136. Subject to any rights or restrictions attached to a class of Shares, the person entitled to a dividend on a Share is entitled to:
- (a) if the Share is fully paid (whether the issue price of the Share was paid or credited or both), the entire dividend; or
  - (b) if the Share is partly paid, a proportion of that dividend equal to the proportion which the amount paid (including amounts credited) on that Share is of the total amounts paid and payable (including amounts credited) on that Share.
137. Amounts paid in advance of a call on a Share are ignored when calculating the proportion under Clause 136.
138. If a transfer of a Share is registered after the time determined for entitlements to a dividend on that Share but before the dividend is paid, the person transferring that Share is entitled to that dividend.
139. The Company is not required to pay any interest on a dividend.
140. The Company may retain the whole or part of any dividend on which the Company has a lien and apply that amount in total or part satisfaction of any amount secured by that lien.
141. The Directors may capitalise any profits of the Company and distribute that capital to the Members, in the same proportions as the Members are entitled to a distribution by dividend. The Directors may fix the time for determining entitlements to a capitalisation of profits. The Directors may decide to apply capital under this Clause in paying up an amount unpaid on Shares already issued and/or in paying up in full any unissued shares or other securities in the Company. The Members must accept that application of capital in full satisfaction of their interests in that capital.
142. The Directors may settle any problem concerning a distribution under Clauses 133 to 141 in any way, including rounding amounts up or down to the nearest whole number, ignoring fractions, valuing assets for distribution, paying cash to any Member on the basis of that valuation, and vesting assets in a trustee on trust for the Members entitled.

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## Notices and payments

143. The Company may give notice to a Member in person, by sending it by post to the address of the Member in the Register or the alternative address (if any) nominated by that Member, or by sending it to the fax number or electronic address (if any) nominated by that Member.
144. The Company must give any notice to Members who are joint holders of a Share to the person named first in the Register in respect of that Share, and that notice is notice to all holders of that Share.
145. The Company may give notice to a person entitled to a Share because of a Transmission Event in any manner specified in Clause 143. Notice to a person entitled to a Share because of a Transmission Event is taken to be notice to the Member of that Share. Subject to the Corporations Act, a notice to a Member is sufficient, even if a Transmission Event occurs in respect of that Member (whether or not a joint holder of a Share) or that Member is an



externally administered body corporate, and regardless of whether or not the Company has notice of that event.

146. A notice of meeting sent by post to an address within Australia is taken to be given one Business Day after it is posted, or where to an address outside Australia, is taken to be given 5 Business Days after it is posted. Any other notice sent by post is taken to be given at the time of which the notice would be delivered in the ordinary course of post. A notice sent by fax is taken to be given on the Business Day it is sent, provided that the sender's transmission report shows that the whole notice was sent to the correct fax number.
147. The giving of a notice by post is sufficiently proved by evidence that the notice was addressed to the correct address of the recipient and was placed in the post.
148. The Directors may decide, generally or in a particular case, that a notice given by the Company be signed by mechanical or other means.
149. The Company may pay a person entitled to an amount payable in respect of a Share (including a Dividend) by crediting an account nominated in writing by that person, by cheque made payable to bearer, to the person entitled to the amount or any other person the person entitled directs in writing, or by any other manner as the Directors resolve. The Company may post a cheque under this Clause to the address in the Register of the Member of the Share, or if that Share is jointly held, to the address in the Register of the Member named first in the Register in respect of the Share, or to any other address which that person directs in writing. Any joint holder of a Share may give effective receipt for an amount (including a dividend) paid in respect of the Share.

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## Records

150. The Company must keep minute books in which it records within one month:
  - (a) proceedings and resolutions of meetings of Members;
  - (b) proceedings and resolutions of meetings of the Directors (including meetings of committees of Directors);
  - (c) resolutions passed by Members without a meeting; and
  - (d) resolutions passed by the Directors without a meeting.
151. The Company must ensure that minutes of a meeting are signed within a reasonable time after the meeting by the chairperson of that meeting or the chairperson of the next meeting. The Company must ensure that minutes of the passing of a resolution without a meeting are signed by a Director within a reasonable time after that resolution is passed. A minute recorded and signed in accordance with this Clause is evidence of the proceeding or resolution to which it relates, unless the contrary is proved.
152. The Company must establish and administer the Register in accordance with the Corporations Act. The Company may establish and administer a branch register of Members in accordance with the Corporations Act. The Company must allow inspection of the Register only as required by the Corporations Act. Unless proved incorrect, the Register is sufficient evidence of the matters shown in the Register.
153. The Company must keep the financial records required by the Corporations Act.
154. Unless authorised by a resolution of Directors or the Corporations Act, a Member is not entitled to inspect the books of the Company.



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## Winding up

155. Subject to any rights or restrictions attached to a class of Shares, on a winding up of the Company, any surplus must be divided among the Members in the proportions which the amount paid (including amounts credited) on the Shares of a Member is of the total amounts paid and payable (including amounts credited) on the Shares of all Members.
156. Subject to any rights or restrictions attached to a class of Shares, on a winding up of the Company, the liquidator may, with the sanction of a special resolution of the Members distribute among the Members the whole or any part of the property of the Company and decide how to distribute the property as between the Members or different classes of Members.
157. The liquidator of the Company may settle any problem concerning a distribution under Clause 156 in any way, including rounding amounts up or down to the nearest whole number, ignoring fractions, valuing assets for distribution, paying cash to any Member on the basis of that valuation, and vesting assets in a trustee on trust for the Members entitled.
158. A Member need not accept any property, including shares or other securities, carrying a liability.



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## Share Rights

159. Subject to the provisions (if any) of the Corporations Act or this Constitution and without prejudice to any special rights previously conferred on the holders of existing shares, any share may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of share capital or otherwise as the Directors may from time to time determine.

I/We, the person(s) specified in the application for the Company's registration as the person(s) who consent to become Member(s) of the Company, agree to the terms of the foregoing Constitution.

Name and Address

Signature

Stephen John LONERGAN  
1/61 Kangaroo Street  
Manly NSW 2095



Alan McDonald BROWN  
9 Cardinal Street  
Mosman NSW 2088



John Leonard GASKELL  
Unit 7, 79-81 Dover Road  
Rose Bay NSW 2029



Date: 6-10-02