

Disclosure of movement of 1% or more in substantial holding
or change in nature of relevant interest, or both

Sections 277 and 278, Financial Markets Conduct Act 2013

To NZX Limited

and

To AFT Pharmaceuticals Limited (*AFT*)

Relevant event being disclosed: Increase in holding

Date of relevant event: 20 May 2020

Date this disclosure made: 20 May 2020

Date last disclosure made: 23 December 2015

Substantial product holder(s) giving disclosure

Full name(s):

- 1 Capital Royalty Partners II – Parallel Fund “B” (Cayman) LP (*LP 1*);
- 2 Capital Royalty Partners II (Cayman) LP (*LP 2*);
- 3 Capital Royalty Partners II – Parallel Fund “A” LP (*LP 3*);
- 4 Capital Royalty Partners II LP (*LP 4*),
(together, the *Tier 1 LPs*);
- 5 Capital Royalty Partners II Cayman GP LP;
- 6 Capital Royalty Partners II Parallel Fund “A” GP LP;
- 7 Capital Royalty Partners II GP LP,
(together, the *Tier 2 LPs*);
- 8 Capital Royalty Partners II (Cayman) GP LLC;
- 9 Capital Royalty Partners II Parallel Fund “A” GP LLC;
- 10 Capital Royalty Partners II GP LLC,
(together, the *LLC GPs*); and
- 11 Mr Nathan Hukill,

1 – 11 above together being the *CRG Persons*.

Summary of substantial holding

Class of quoted voting products: Fully paid ordinary shares in AFT (ISIN: NZAFTE0001S4)

Summary for: the CRG Persons

For **this** disclosure,—

- (a) total number held in class: 16,067,045
- (b) total in class: 100,496,049
- (c) total percentage held in class: 15.988%

For **last** disclosure,—

- (a) total number held in class: 12,999,015
- (b) total in class: 96,834,838
- (c) total percentage held in class: 13.424%

Details of transactions and events giving rise to relevant event

Details of the transactions or other events requiring disclosure:

On 20 May 2020, AFT issued 3,068,030 ordinary shares to the Tier 1 LPs, comprising:

- (a) 2,600,000 ordinary shares created upon the conversion of 2,600,000 redeemable preference shares (at the option of the Tier 1 LPs); and
- (b) 468,030 ordinary shares issued in respect of accumulated dividends on the redeemable preference shares in (a),

in accordance with the terms of issue of the redeemable preference shares in AFT issued and settled on 24 March 2017, **attached** as an 8 page document at the end of this notice (*Terms*).

The ordinary shares referred to in (b) are subject to a 12 month escrow period, in which those shares may not be sold or transferred, nor may any interest in or option over them be granted issued or transferred in the 12 month period following their issue, except to the extent permitted by the Terms (the *Escrow Shares*). The numbers of new ordinary shares not subject to escrow, and Escrow Shares issued to each Tier 1 LP is listed in the table below.

Shareholder	New ordinary shares not subject to escrow issued	Escrow Shares issued
LP 1	1,300,000	234,015
LP 2	152,360	27,427

LP 3	662,220	119,207
LP 4	485,420	87,381
TOTAL:	2,600,000	468,030

Details after relevant event

Details for CRG Persons

Nature of relevant interest(s): Each CRG Person has the same relevant interest as each other CRG Person by virtue of section 237 of the Financial Markets Conduct Act 2013.

More specifically:

- (a) The Tier 1 LPs are the registered holders and beneficial owners of the following AFT ordinary shares:

Shareholder	Ordinary shares held	Number of ordinary shares held which are also Escrow Shares
LP 1	8,033,523	234,015
LP 2	949,290	27,427
LP 3	4,067,016	119,207
LP 4	3,017,216	87,381
TOTAL:	16,067,045	468,030

As above, Tier 1 LPs' relevant interests in respect of the Escrow Shares are qualified by the Terms. The Escrow Shares are subject to a 12 month escrow period, in which those shares may not be sold or transferred, nor may any interest in or option over them be granted issued or transferred in the 12 month period following their issue, except to the extent permitted by the Terms.

- (b) Each Tier 2 LP is general partner of one or more of the Tier 1 LPs. Each LLC GP is in turn general partner of one or more of the Tier 2 LPs. Mr Nathan Hukill is the sole member of each of the LLC GPs. These relationships are illustrated in the table below.

Tier 1 LP (AFT shareholder)	Tier 2 LP (general partner of Tier 1 LP)	LLC GP (general partner of Tier 2 LP)	Sole member of LLC GP
Capital Royalty Partners II – Parallel	Capital Royalty Partners II	Capital Royalty Partners II	Mr Nathan Hukill

Fund "B" (Cayman) LP	(Cayman) GP LP	(Cayman) GP LLC	
Capital Royalty Partners II (Cayman) LP			
Capital Royalty Partners II – Parallel Fund "A" LP	Capital Royalty Partners II Parallel Fund "A" GP LP	Capital Royalty Partners II Parallel Fund "A" GP LLC	
Capital Royalty Partners II LP	Capital Royalty Partners II GP LP	Capital Royalty Partners II GP LLC	

Each of the Tier 2 LPs, LLC GPs and Mr Nathan Hukill has the power to exercise, or to control the exercise of, the rights to vote attached to the AFT shares held by its corresponding Tier 1 LP.

For those relevant interests,—

- (a) number held in class: 16,067,045
- (b) percentage held in class: 15.988%
- (c) current registered holder(s): The Tier 1 LPs in the proportions set out above.
- (d) registered holder(s) once transfers are registered: N/A

For a derivative relevant interest, also—

- (a) type of derivative: N/A
- (b) details of derivative: N/A
- (c) parties to the derivative: N/A
- (d) if the substantial product holder is not a party to the derivative, the nature of the relevant interest in the derivative: N/A

Additional information

Addresses of substantial product holder(s): 1000 Main Street, Suite 2500, Houston, TX 77002, United States of America

Contact details: Andrei Dorenbaum, Partner, CRG +1 (713) 209-7350, adorenbaum@crglp.com.

Nature of connection between substantial product holders: Each CRG Person has the same relevant interest as each other CRG Person by virtue of section 237 of the Financial Markets Conduct Act 2013.

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Financial Markets Conduct Act 2013 in relation to the financial products to which this disclosure relates: N/A

Certification

I, Andrei Dorenbaum, certify that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.

AFT PHARMACEUTICALS LIMITED

Redeemable Share Terms

1. DEFINITIONS

1.1 In these Terms, the following definitions apply:

“**Act**” means the Companies Act 1993.

“**Board**” means the board of directors of the Company.

“**Bonus Issue**” means an issue of shares or other securities to holders of Ordinary Shares at no cost to those holders, whether by way of capitalisation of reserves of the Company or otherwise.

“**Capital Change**” means any alteration or variation of the shares, share capital, or capital structure of the Company, but does not include:

- (a) a Dividend Reinvestment Issue;
- (b) an Ordinary Dividend;
- (c) an issue of Ordinary Shares under a Share Purchase Plan (as defined in the NZX Listing Rules); or
- (d) a Placement.

“**Company**” means AFT Pharmaceuticals Limited.

“**Constitution**” means the constitution of the Company, as amended from time to time.

“**Conversion**” means the process specified in clause 7 and “**Convert**” has a corresponding meaning.

“**Conversion Shares**” means Ordinary Shares issued by the Company upon Conversion of Redeemable Shares, including under clause 7.2(b) or clauses 9 or 11, but for clarity does not include Ordinary Shares coming into existence by reason of the operation of clause 7.2(a).

“**Dividend**” means the dividend payable in respect of Redeemable Shares in accordance with clause 4.

“**Dividend Payment Date**” means the last day of each Dividend Period.

“**Dividend Period**” means each consecutive period ending on the last Working Day of March, June, September and December, commencing from the Issue Date.

“**Dividend Reinvestment Issue**” means an issue of Ordinary Shares:

- (a) in accordance with the terms of a plan available to holders of Ordinary Shares generally (other than holders who are resident in such jurisdictions outside New Zealand as the Company may elect) under which holders of Ordinary Shares are entitled to subscribe for Ordinary Shares by applying all or part of dividends payable to those holders, or are issued Ordinary Shares in lieu of dividends payable to those holders; and
- (b) which relates to or arises from an Ordinary Dividend.

“**Expert**” has the meaning given to that term in clause 11.3.

“Holder” means a person whose name is entered in the Share Register as the holder for the time being of one or more Redeemable Shares.

“Issue Date” means the date on which the Redeemable Shares are issued.

“Issue Price” means the price at which Redeemable Shares are issued.

“NZX Listing Rules” means the listing rules of the NZX Main Board in force from time to time.

“Ordinary Dividend” means a dividend paid in cash by the Company in respect of the Ordinary Shares which is paid from earnings of the Company.

“Ordinary Shares” means the shares issued or to be issued by the Company known as ordinary shares.

“Placement” means an issue of Ordinary Shares other than:

- (a) a Bonus Issue;
- (b) an issue made under NZX Listing Rule 7.3.4(a); or
- (c) an issue that would fall within NZX Listing Rule 7.3.4(a) if it were “Renounceable” (as defined in the NZX Listing Rules).

“Redeemable Shares” means the shares of the Company governed by these Terms.

“Redeemable Share Amount” means, on any day in respect of a Redeemable Share, the aggregate of the Issue Price and all Dividends accumulated in respect of that Redeemable Share up to that day in accordance with clause 4.4, less any applicable Taxes.

“Relevant Period” means the period during which any Redeemable Shares are in existence.

“Special Approval Notice” means a notice in writing (the proposed form of which has first been circulated to all Holders) in substantially the same manner as a notice of meeting of Holders (and which notice may comprise more than one document) which has (or counterparts of which have) been signed by and on behalf of Holders holding at least 75% of the total number of Redeemable Shares on issue instructing the Company that the Holders approve the Company to take a particular action under, and in accordance with, these Terms.

“Special Resolution” means a resolution approved (whether by vote or on a poll), at a meeting of Holders duly convened and held in accordance with the provisions of the Constitution and (except to the extent modified by the Constitution) the Act, by a majority of 75% of the votes of those Holders entitled to vote and voting on the resolution.

“Takeovers Code” means the Takeovers Code set out in the schedule to, and approved pursuant to, the Takeovers Code Approval Order 2000.

“Takeover Offer” means any:

- (a) offer relating to Shares to which the Takeovers Code applies;
- (b) proposal to effect an amalgamation under Part 13 of the Act;
- (c) proposal to effect an arrangement under Part 15 of the Act; or

- (d) transaction or arrangement having substantially the same effect as any of them, which
- (e) is recommended or supported by the Board; and
- (f) if successful, will have the effect that a person or group of associates (as defined in the Takeovers Code) will hold or control more than 50% of the voting rights (as defined in the Takeovers Code) of the Company.

“**Tax**” means any tax required to be deducted or withheld by the Company from Dividends or other amounts payable to Holders.

1.2 **Working Day:** If anything is required to be done, or period would end, on a day which is not a Working Day, that thing shall be done, or period shall end, on the next succeeding Working Day.

1.3 **Constitution:** Expressions used but not defined in these Terms, but which are defined in the Constitution, bear the same meanings as in the Constitution.

2. **RIGHTS**

2.1 **Terms:** The Redeemable Shares shall have the rights, privileges, limitations and conditions, and shall be issued subject to the conditions, set out in these Terms and in the Constitution.

2.2 **Conflict:** If there is any inconsistency between these Terms and the Constitution, these Terms shall prevail.

3. **ISSUE**

3.1 **Issue price:** Redeemable Shares may be issued for cash at an issue price determined from time to time by the Board.

4. **DIVIDEND**

4.1 **Dividend:** Each Redeemable Share shall be entitled to a Dividend of 9.4% per annum calculated on the Issue Price of that Redeemable Share.

4.2 **Calculation and payment:** Dividends shall be calculated on a daily basis on the basis of a year of 365 days and (subject to clause 4.3) shall be paid in cash on each Dividend Payment Date.

4.3 **Non-payment:** The Company may determine at its absolute discretion whether or not to pay a Dividend on any Dividend Payment Date, and may elect to pay part of a Dividend on a Dividend Payment Date, but not pay the balance, so long as all Holders are treated in the same way. The Company shall notify all Holders of its election not later than 10 Working Days before each Dividend Payment Date. If the Company does not notify Holders, the Company will be deemed to have elected not to pay any Dividend on that Dividend Payment Date. If the Company does not pay any Dividend in accordance with this clause on a Dividend Payment Date then that accumulated Dividend may be paid prior to the next Dividend Payment Date if the Company so determines.

4.4 **Accumulation:** Dividends not paid in cash shall accumulate and capitalise so that Dividends shall be payable, and accumulate on each Dividend Payment Date on a compounding basis, on the amount of accumulated Dividends itself.

- 4.5 **Ordinary dividend:** The Company may not make or pay or credit any dividends or other distributions on Ordinary Shares or other shares of the Company during any period in which Dividends on any Redeemable Shares (including any Dividends accumulated and capitalised in accordance with clause 4.4) are unpaid.

5. **VOTING**

- 5.1 **Voting rights:** Redeemable Shares do not carry any right to vote, except at a meeting of an interest group required in terms of section 117 of the Act.

6. **REDEMPTION**

- 6.1 **Redemption:** Redeemable Shares may at any time two years or more after the Issue Date (subject to clause 6.3), be redeemed at the option of the Company in accordance with sections 69 to 72 of the Act. If the Company decides to redeem Redeemable Shares, it shall give notice to Holders at least 20 Working Days before the date of redemption. In accordance with section 69(1)(a) of the Act, the option to redeem must be exercised in a manner that will leave unaffected relative voting and distribution rights of Holders. Each Redeemable Share may only be redeemed in whole and not in part.
- 6.2 **Redemption amount:** Upon redemption of a Redeemable Share the Company shall pay to the Holder of that Redeemable Share the Redeemable Share Amount as at the date of redemption in respect of that Redeemable Share.
- 6.3 **Conversion:** The Company may not give notice under clause 6.1 to redeem Redeemable Shares in respect of which the Holder has given notice to Convert under clause 7.1.

7. **CONVERSION**

- 7.1 **Notice:** Any Holder may at any time three years or more after the Issue Date by notice to the Company elect to Convert all or some in multiples of 100,000 of the Redeemable Shares of that Holder. Those Redeemable Shares shall Convert to Ordinary Shares on the day 20 Working Days after that notice is given.
- 7.2 **Nature of conversion:** Upon Conversion:
- (a) in respect of Redeemable Shares themselves, the rights, privileges, limitations and conditions attaching to Redeemable Shares to be Converted shall, without the need for any act by the Company or the Holder, change, so that they are the same in all respects as the rights, privileges, limitations and conditions attaching to all other Ordinary Shares, and so that those Redeemable Shares shall thereupon rank equally in all respects with all other Ordinary Shares; and
 - (b) in respect of accumulated Dividends, the Company shall issue to the Holder (for no additional consideration) a number of Ordinary Shares, with the same rights, privileges, limitations and conditions attaching to all other Ordinary Shares in all respects and ranking equally in all respects with all other Ordinary Shares, calculated as follows:

$$N = \frac{AD}{IP}$$

where:

N is the number of Ordinary Shares to be issued;

AD is Dividends accumulated in accordance with clauses 4.1 and 4.4 in respect of the Redeemable Shares to be Converted; and

IP is the Issue Price.

Fractions of an Ordinary Share shall be disregarded.

7.3 **No sale for 12 months:** A Holder of Conversion Shares shall not, subject to the next sentence, within a period of 12 months after the issue of the Conversion Shares, sell or transfer those Conversion Shares, or grant, issue, or transfer interests in, or options over, those Conversion Shares. A Holder may however sell Conversion Shares in an off market transaction to a person in respect of which disclosure under Part 6D.2 of the Corporations Act 2001 (Cth) of Australia is not required, if before the sale the Holder obtains from that person a covenant in favour of the Company, enforceable by the Company and in a form satisfactory to the Company, to be bound by this clause 7.3.

7.4 **Reservation of Conversion Shares:** Each Holder of Conversion Shares consents to the Company causing the Share Registrar to impose a reservation on Conversion Shares in accordance with, and subject to, clause 7.3 so that they cannot be transferred or traded from the date of issue of the Conversion Shares until the date 12 months and one Working Day after the issue of the Conversion Shares.

7.5 **Registration:** The Board may pursuant to clause 12.5 of the Constitution refuse to register a transfer of a Conversion Share which is in breach of clause 7.3.

8. LIQUIDATION

8.1 **Priority:** In a liquidation of the Company each Holder shall subject to clause 8.2 be entitled to receive, in priority to any payment to the holders of Ordinary Shares or any other shares in the Company that by their terms are expressed to rank behind the Redeemable Shares, and equally with the rights of a holder of any other shares that by their terms are expressed to rank equally with the Redeemable Shares, the Redeemable Share Amount in respect of each Redeemable Share.

8.2 **Optional conversion:** If:

- (a) a resolution of Shareholders to liquidate the Company is proposed; or
- (b) an application is made to the High Court for the liquidation of the Company,

in circumstances where the Company is solvent, any Holder may elect to Convert all of the Redeemable Shares held by that Holder, and clause 7 shall apply, except that Conversion shall take place immediately following notice by the Holder, rather than after a period of 20 Working Days.

9. ADJUSTMENTS

9.1 **Bonus Issue:** If a Bonus Issue occurs during the Relevant Period then, when and if any Redeemable Shares are Converted, the Holder shall be allotted, in addition to the Ordinary Shares to which the Holder is entitled on Conversion, the shares or other securities which would have been allotted to the Holder if at the record date for the Bonus Issue the Holder had been the holder of:

- (a) the Ordinary Shares arising upon Conversion; and

- (b) any shares or other securities which would have been issued on any previous Bonus Issue if the Holder had been the holder of the Ordinary Shares referred to in (a) on the record date for that previous Bonus Issue.

9.2 **Subdivision or Consolidation:** If, during the Relevant Period, a consolidation or subdivision of Ordinary Shares occurs:

- (a) the Redeemable Shares shall be consolidated or subdivided in the same ratio; and
- (b) the Issue Price shall be deemed adjusted in the same ratio.

10. **OPTIONAL CONVERSION EVENTS**

10.1 **Optional conversion events:** If, during the Relevant Period:

- (a) the Company raises any equity capital equal to or more than the aggregate New Zealand dollar equivalent of \$20,000,000 in a transaction or a series of transactions;
- (b) the price of Ordinary Shares quoted on the NZX Main Board exceeds (on a volume weighted average basis measured across a period of no less than five trading days) the Issue Price by 20% or more, or Ordinary Shares are issued by the Company at a premium of 20% or more to the Issue Price;
- (c) the Company issues equity interests (or debt securities or similar equity or convertible securities) in the Company in one or a series of related transactions, the principal purpose of which is to raise capital, and which are listed on any exchange in the United States, the European Union or United Kingdom;
- (d) a Takeover Offer occurs;
- (e) following the Issue Date, a person other than the trustees of the Atkinson Family Trust, either alone or together with its associates (as defined in the Takeovers Code), acquires directly or indirectly beneficial ownership of shares in the capital of the Company carrying more than 20% of the voting rights in the Company;
- (f) the Company offers, or takes any steps to offer, to any person shares in the capital of the Company (including, without limitation, preference shares) which rank in respect of distributions or in a liquidation of the Company in priority to the Redeemable Shares (subject at all times to compliance with clause 17); or
- (g) the Company enters into any transaction or series of linked or related transactions to sell, transfer or otherwise dispose of assets of the Company or any subsidiary of the Company:
 - (i) which would change the essential nature of the business of the Company; or
 - (ii) in respect of which the gross value is in excess of 50% of the Average Market Capitalisation (as that term is defined in the NZX Listing Rules) of the Company; or
 - (iii) which is a “major transaction” (as that term is defined in the Act) in respect of the Company, or if the group of companies consisting of the Company and its subsidiaries were one company, would be a major transaction in respect of that company,

any Holder may elect to Convert all of the Redeemable Shares held by that Holder, and clause 7 shall apply except that Conversion shall take place immediately following notice by the Holder, rather than after a period of 20 Working Days.

11. OTHER ADJUSTMENTS

- 11.1 **Other Capital Changes:** If, during the Relevant Period, any Capital Change occurs which is not dealt with by clause 9 or 10, the terms on which Holders are entitled to Convert their Redeemable Shares shall be adjusted in accordance with clauses 11.2 to 11.4.
- 11.2 **Determination and objection:** If clause 11.1 applies, the Board shall without delay determine any appropriate adjustment and give notice of that adjustment (if any), to Holders. The purpose of any adjustment shall be to ensure that, if Conversion occurs, Holders' rights relative to those of holders of Ordinary Shares will not be impacted as a result of the Capital Change. Within 15 Working Days after that notice is given, any Holder may give notice to the Company objecting to the Board's determination and any adjustment proposed by the Board and requiring the matter be determined in accordance with clauses 11.3 and 11.4. If no Holder gives notice under this clause 11.2, the determination by the Board shall be final.
- 11.3 **Expert determination:** If notice is given under clause 11.2, the matter shall be referred to the determination of a single expert to be appointed by the Board ("**Expert**"). That Expert shall be a member of the New Zealand Institute of Chartered Accountants, who is independent in all respects of the Company and Holders.
- 11.4 **Decision:** The Expert shall determine if any adjustment shall be made and, if so, the adjustment, having regard to the purpose expressed in clause 11.2, and deliver a written decision. The decision shall be final and binding on the Company and all Holders. Referral of the adjustment to the Expert is not an arbitration agreement for the purposes of the Arbitration Act 1996, and the provisions of that Act shall not apply to or govern the referral. The costs and expenses of the Expert shall be borne in a manner determined by the Expert.

12. TAXES

- 12.1 **Taxes:** Without limiting any other provision of these Terms, the Company may deduct from Dividends or other amounts payable to Holders all Taxes. Dividends which accumulate in accordance with clause 4.4 shall accumulate after deduction of any applicable Taxes.

13. OTHER RIGHTS

- 13.1 **No participation:** Except as expressly provided in these Terms, Holders shall not be entitled, by virtue of holding Redeemable Shares, to participate in any offer or issue of shares or other securities, payment, or other benefit made or provided to holders of Ordinary Shares.

14. VARIATIONS

- 14.1 **Board authority:** The Board may at any time make any alteration, modification, variation or addition to these Terms if in the opinion of the Board:
- (a) it is made to correct an unintended outcome or a manifest error or is of a formal or technical nature; and

- (b) it is not likely to become prejudicial to the interests of the holders of the Redeemable Shares or the holders of any other class of shares in the Company.

- 14.2 **Other amendments:** All other amendments to the terms of the Redeemable Shares that do not come within clause 14.1 may only be made by the Board with the prior approval of a Special Resolution or Special Approval Notice.

15. TRANSFER OF REDEEMABLE SHARES

- 15.1 **Redeemable Shares may be transferred:** Subject to the provisions of the Constitution, a Holder of Redeemable Shares may transfer any Redeemable Shares held by it by a written instrument of transfer in usual or common form signed by the transferee. However, the Company may decline to register a transfer of Redeemable Shares if the transfer is made after the record date in respect of any Dividend Payment Date (as fixed by the board of directors of the Company) or after the giving of a redemption or a conversion notice.

16. PAYMENTS

- 16.1 **Payments due on a day not a Working Day:** Where any amount payable on or in respect of the Redeemable Shares is due on a day which is not a Working Day, then the payment shall be made (without adjustment for delay) on the first following day that is a Working Day.
- 16.2 **Payments in immediately available funds:** All payments made in respect of any Redeemable Share shall be made in immediately available funds on the due date in such manner and to such account at such bank as the recipient may, by notice to the payer, specify from time to time.
- 16.3 **Payment defaults:** If for any reason, a person fails to pay any part of payment on the date it is due in accordance with these Terms, then that person will pay interest at the rate of 9.4% per annum calculated on the unpaid amount and calculated on a daily basis on the basis of a year of 365 days from the due date until the date of payment. For clarity, non-payment of a Dividend in accordance with clause 4.3 is not a failure to pay in accordance with this clause.

17. OTHER SHARE ISSUES

- 17.1 **No share issues:** No shares in the Company ranking in priority to the Redeemable Shares as to distributions (other than Ordinary Shares) shall be issued unless approved by a Special Resolution or a Special Approval Notice. The Company may issue further shares (including, without limitation, preference shares (whether having terms and conditions that are the same as, or different from, these Conditions)) ranking as to distributions equally with, or behind, the Redeemable Shares, without the consent or approval of the Holders.

18. MEETINGS OF HOLDERS

- 18.1 **Rules applicable to meetings of Holders:** All meetings of the Holders are to be convened and proceedings at such meetings conducted in the manner prescribed in the Constitution and (except to the extent modified by the Constitution) section 121 and the First Schedule of the Act.