



>> 365  
Days of Progress

# NOTICE OF ANNUAL GENERAL MEETING 2009

Wednesday 4 November 2009 at 10.00am

Notice is given that the 5th Annual General Meeting of Transpacific Industries Group Ltd (*Transpacific or the Company*) will be held in the Queens Ballroom at the Hilton Hotel, 190 Elizabeth Street Brisbane, on Wednesday 4 November 2009 commencing at 10.00am (Brisbane time).

## ORDINARY BUSINESS

### 1. Financial Report

To receive and consider the Financial Report of the Company and the Reports of the Directors and Auditor for the financial year ended 30 June 2009.

### 2. Remuneration Report

To consider the Remuneration Report as it appears on pages 24 to 31 of the Directors' Report for the financial year ended 30 June 2009, and if thought fit, pass the following non-binding resolution as an ordinary resolution in accordance with section 250R of the Corporations Act 2001 (Cth):

*"That the Remuneration Report as it appears on pages 24 to 31 of the Directors' Report for the financial year ended 30 June 2009 be adopted."*

Note – the vote on this resolution is advisory only and does not bind the Directors or the company.

### 3. Election of Directors

In accordance with the Company's constitution, one third of the Directors (excluding the Managing Director) must retire each year and are eligible for re-election.

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

*"That Mr Bruce Brown, a Non-executive Director retiring in accordance with clause 6.3 of the Constitution, being eligible, is re-elected as a Director of the Company."*

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

*"That Mr Trevor Coonan, an Executive Director retiring in accordance with clause 6.3 of the Constitution, being eligible, is re-elected as a Director of the Company."*

In accordance with ASX Listing Rule 14.4 and the Company's Constitution a Director who was appointed by the Directors as an addition to the Board must not hold office (without re-election) past the next Annual General Meeting:

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

*"That Mr Rajiv Ghatalia, a Non-executive Director retiring in accordance with clause 6.3 of the Constitution, being eligible, is elected as a Director of the Company."*

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

*"That Mr Gene Tilbrook, a Non-executive Director retiring in accordance with clause 6.3 of the Constitution, being eligible, is elected as a Director of the Company."*

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

*"That Mr Martin Hudson, a Non-executive Director retiring in accordance with clause 6.3 of the Constitution, being eligible, is elected as a Director of the Company."*

#### **4. General Ratification of Previous Issues of Securities**

In accordance with ASX Listing Rule 7.4 and for all other purposes, to consider and, if thought fit, pass the following resolution as an ordinary resolution:

*"That for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify the issue of 2,229,001 fully paid ordinary shares in the Company since 31 October 2008 and the issue of one Equity Security issued by the Company on 15 July 2009 (which converted into an additional 35,818,663 fully paid ordinary shares on 5 August 2009), details of which are set out in the Explanatory Memorandum attached to and forming part of this Notice of Annual General Meeting."*

#### **5. Scrip Settlement of Warrants**

In accordance with Item 7 of section 611 of the Corporations Act 2001 (Cth) and for all other purposes, to consider and, if thought fit, pass the following resolution as an ordinary resolution:

*"That for the purposes of Item 7 of section 611 of the Corporations Act 2001 (Cth) and for all other purposes, the acquisition by WPX Holdings B.V. and its associates of up to 71,637,326 fully paid ordinary shares in the Company on settlement of the Warrants issued to WPX Holdings B.V. on 5 August 2009 on the terms of the Equity Warrant Deed, details of which are set out in the Explanatory Memorandum attached to and forming part of this Notice of Annual General Meeting."*

#### **6. Appointment of Auditor**

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

*"That Ernst and Young, having been nominated by a shareholder and consented in writing to act in the capacity of auditor, be appointed as auditor of the Company."*

Dated: 2 October 2009

By Order of the Board



Kellie Smith  
Company Secretary

## NOTES TO THE NOTICE OF MEETING

1. A shareholder entitled to attend and vote is entitled to appoint not more than two proxies. A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at general meetings of Transpacific or in the capacity of a shareholder's proxy at general meetings of Transpacific. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a general meeting or in voting on a resolution.
2. A shareholder who appoints two proxies may state on the Proxy Form what proportion or number of the shareholder's votes each proxy is being appointed to exercise. If a shareholder appoints two proxies and does not specify the proportion or number of votes each proxy may exercise, each of the proxies may exercise half the shareholder's votes. If both proxies are present at a general meeting, neither may vote on a show of hands.
3. If a share is held jointly, only one joint holder may vote. If more than one joint shareholder votes, only the vote of the first person named on the register counts.
4. A proxy need not be a shareholder of Transpacific.
5. Either the original, facsimile or electronic transmission of the Proxy Form(s) and any Power of Attorney or authority under which they are signed must be received at least 48 hours prior to the AGM (ie by no later than 10:00am on Monday 2 November 2009) or any adjournment. Any Proxy Form received after this deadline, including at the AGM, will be invalid.
6. A Proxy Form accompanies this Notice of Meeting.
7. Additional Proxy Forms will be supplied by the Transpacific Share Registry (Computershare Investor Services Pty Ltd) on request.
8. If a corporate representative is to attend the AGM on behalf of a corporation, a formal Notice of Appointment must be brought to the AGM.
9. In accordance with Regulation 7.11.37 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the AGM will be the entitlement of that person set out in the register of shareholders as at 7:00pm (Brisbane time) on Monday 2 November 2009. Accordingly, transactions registered after that time will be disregarded in determining shareholders entitled to attend and vote at the AGM.
10. If you have a question to put to the Chairman or Auditor please complete the Question form which is attached to this Notice of Meeting or visit our website [www.transpacific.com.au](http://www.transpacific.com.au).
11. Either the original, facsimile transmission or on-line version of the Question Form must be received at least 5 business days prior to the AGM (ie by no later than 5:00pm on Tuesday 27 October 2009) or any adjournment. This is to allow time to collate questions and to prepare answers.

## EXPLANATORY NOTES ON ITEMS OF BUSINESS

The Chairman will address the meeting and make a presentation on the performance of the Company during the financial year ended 30 June 2009 as well as other strategic and operational activities of the Company. The Chairman will also respond to questions raised by shareholders at or before the meeting. You are invited to submit questions prior to the AGM by completing the enclosed form or visit the investor section of our website [www.transpacific.com.au](http://www.transpacific.com.au).

### Item 1: Financial Report

The Corporations Act 2001 (Cth) requires the following reports in respect of the financial year ended 30 June 2009 to be laid before the Annual General Meeting:

- Financial Report (which includes financial statements and Directors' declaration); and
- The Directors' Report (which includes the Remuneration Report) and the Auditor's Report.

There is no requirement either in the Corporations Act or the Constitution for shareholders to approve the Financial Report, the Directors' Report (other than a non-binding vote on the Remuneration Report) or the Auditor's Report.

The Reports referred to above are included in the Annual Report sent to those shareholders who elected to receive a hard copy. A copy of the report is also available in the investor section on our website [www.transpacific.com.au](http://www.transpacific.com.au). Shareholders will be provided with the opportunity to ask questions about the reports. The Company's auditor will be available at the meeting to answer any questions in relation to the conduct of the audit and the preparation and content of the Auditor's Report.

### Item 2: Remuneration Report

A resolution for the adoption of the Remuneration Report is required to be considered and voted on in accordance with section 250R of the Corporations Act 2001 (Cth). Prior to holding this vote, the Chair will allow a reasonable opportunity for shareholders to ask questions or make comments on the Remuneration Report.

The Remuneration Report as it appears on pages 24 to 31 of the Directors Report for the financial year ended 30 June 2009 includes information on how the Company's Directors and executives are remunerated.

The Remuneration Report includes, amongst other things, disclosure of all elements of the remuneration package received by the Company's Directors and key executives of the corporate group.

The Report also includes a discussion of the Board's policy for determining director and executive remuneration and a discussion of the relationship between the Board's policy for determining such remuneration and the Company's performance.

The vote on this resolution is advisory only and the outcome will not be binding on the Board or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company. Whilst there is no legal requirement to abstain from voting, Transpacific believes it appropriate that neither the Directors or executives named in the Remuneration Report nor their associates should vote on this advisory resolution, except as directed by any proxies.

The Board recommend that you vote in favour of this advisory resolution.

### Item 3: Election of Directors

#### ***Re-election of Directors - Resolutions 3(a) and 3(b)***

Resolutions 3 (a) and (b) seek approval for the re-election of Directors who are retiring by rotation under Clause 6.3(c) of the Company's constitution. This clause states that one third of the Directors (rounded down to the nearest whole number) must retire at each Annual General Meeting.

Those Directors retiring under Clause 6.3(c) are eligible for election and offer themselves for re-election as Directors of the Company.

a) *Bruce Brown, Non-Executive Director*

Chairman of the Audit and Risk Management and Compliance Committee

Bruce has been a non-executive director of Transpacific since March 2005 and was last re-elected on 8 November 2007. He is currently a non-executive director of Campbell Brothers Limited, an ASX listed company with diversified operations including the manufacture and distribution of chemicals and the provision of analytical laboratory services. Mr Brown held finance and senior management positions with that company since 1976.

The Board (with Bruce Brown abstaining) recommend that you vote in favour of this ordinary resolution.

b) *Trevor Coonan, Chief Executive Officer and Executive Director*

Trevor Coonan has been an executive director of Transpacific since 25 July 2007 and was last re-elected on 8 November 2007. Trevor joined Transpacific as Chief Financial Officer in 2004 prior to its listing on the ASX. Since that time Trevor has overseen and been actively involved in Transpacific's strategy and acquisitions and delivering expectations and results to shareholders and the market generally. On 1 July 2007, Trevor was appointed Chief Executive Officer. On 25 July 2007, the Board appointed Trevor Coonan as a Director.

The Board (with Trevor Coonan abstaining) recommend that you vote in favour of this ordinary resolution.

**Election of Directors - Resolutions 3(c), 3(d) and 3(e)**

Resolutions 3 (c), (d) and (e) seek approval for the election of Directors who have been appointed to the Board since the last Annual General Meeting under Clause 6.2(a) of the Company's constitution. This clause states that the Board has the power to appoint any person as a Director. Any Director appointed under this clause may hold office only until the next Annual General Meeting and is then eligible for election at that meeting. ASX Listing Rule 14.4 also requires all Directors who were appointed throughout the year by the current Directors of the company to retire from their position.

The following Directors, having been appointed to the Board under Clause 6.2(a), retire as required by Clause 6.3(j) and ASX Listing Rule 14.4 and, being eligible, offer themselves for election as a Director of the Company.

c) *Rajiv Ghatalia – Non-executive Director*

On 1 September 2009, the Board appointed Rajiv Ghatalia as a Non-executive Director. Rajiv is a Managing Director of Warburg Pincus Asia LLC. He focuses on the firm's leveraged buy-out and special situations activities including financial services in Asia. Prior to joining Warburg Pincus in 2005, he was at Goldman Sachs, where he was a partner and co-head of investment banking, Asia Pacific (excluding Japan). Rajiv received a B.A. in economics from the University of Pennsylvania, a B.S. in accounting from The Wharton School at the University of Pennsylvania and an M.B.A. from Harvard Business School. He is a director of Nikko Asset Management and Titan Group Investment Limited.

The Board (with Rajiv Ghatalia abstaining) recommend that you vote in favour of this ordinary resolution.

d) *Gene Tilbrook – Non-executive Director*

On 3 September 2009, the Board appointed Gene Tilbrook as a Non-executive Director. Gene was Finance Director at Wesfarmers Limited until his retirement in May 2009. He joined Wesfarmers in 1985 and has held a number of commercial positions in its Business Development Department and at Wesfarmers Energy. He previously worked in corporate finance and in systems engineering. He led Wesfarmers' business development group, becoming Executive Director, Business Development in 2002 and Finance Director in 2005. Gene holds Bachelor of Science and Master of Business Administration degrees and a Diploma in Computing Science from the University of Western Australia. He completed the Advanced Management Program at the Harvard Business School in 1998.

The Board (with Gene Tilbrook abstaining) recommend that you vote in favour of this ordinary resolution.

e) *Martin Hudson – Non-executive Director*

On 14 September 2009, the Board appointed Martin Hudson as a Non-executive Director. Martin Hudson was Senior VP Commercial Affairs (Chief Legal Officer / Company Secretary) at Foster's Group until his retirement in July 2009. Martin joined Foster's in 2005, and as part of his role was responsible for Foster's worldwide risk functions, comprising legal, risk management, internal audit, insurance and intellectual property groups. Prior to Foster's, Martin held various senior roles, including Company Secretary and Chief General Counsel at Southcorp Limited, Chief General Counsel to the Pacific Dunlop Group of Companies and a partner (& then Managing Partner/Chairman in the Melbourne Office) of national law firm Freehills. At both Foster's and Southcorp he was responsible to the Board for corporate governance matters. Martin is currently a non-executive Director of NM Superannuation Pty Ltd (the Trustee of Axa Asia Pacific Holdings Limited's public superannuation funds) and was previously a member of Freehill's National Board and a non-executive director MLC Building Society as well as numerous companies in the Foster's and Southcorp Groups. Martin holds Bachelor of Jurisprudence and Bachelor of Laws degrees from Monash University, and is a Member of the Australian Institute of Company Directors. He has over 39 years of international legal and senior management experience.

The Board (with Martin Hudson abstaining) recommend that you vote in favour of this ordinary resolution.

**Item 4: General ratification of previous issues of securities**

ASX Listing Rule 7.1 limits the number of securities that a company may issue or agree to issue in a twelve month period (without obtaining approval of shareholders) to 15% of the issued capital (after making allowances for the securities issued under the exceptions to the listing rule).

ASX Listing Rule 7.4 provides that an issue of securities made without approval under rule 7.1 is treated as having been made with approval for the purposes of rule 7.1 if each of the following applies:

- The issue did not breach rule 7.1 (rule 7.4.1); and
- Holders of ordinary securities subsequently approve it (rule 7.4.2).

Under this resolution the Company seeks from shareholders ratification of the issue of securities so as to limit the restrictive effect of ASX Listing Rule 7.1 on any further issues of securities over the next twelve months.

Resolution 4 therefore seeks approval under ASX Listing Rule 7.4 to ratify the issue of 2,229,001 fully paid ordinary shares and one Equity Security (which converted into an additional 35,818,663 ordinary shares) for the purposes of ASX Listing Rule 7.1. Details of the share issues as required under listing rule 7.5 are as follows:

Date of issue	No.	Type and terms of securities	Issue price (per security)	Allottees	Use of funds raised
14/11/2008	861,538	Ordinary shares	\$3.90	HSBC Custody Nominees (Australia) Ltd - A/C 2	Repurchase of convertible bonds
17/11/2008	864,300	Ordinary shares	\$3.75	HSBC Custody Nominees (Australia) Ltd - A/C 2	Repurchase of convertible bonds
22/12/2008	503,163	Ordinary shares	\$2.80	Twigg Investments Pty Ltd	Satisfaction of deferred payment for acquisition
15/07/2009	1	Equity Security*	\$1.00	WPX Holdings B.V., a company registered in The Netherlands	To retire debt and terminate certain interest rate swap contracts as stated in the prospectus dated 20 July 2009

\* As set out in the Company's prospectus dated 20 July 2009, the Equity Security was an unsecured convertible note with a face value of AUD\$1.00 which provided for the issue on conversion of 35,818,663 fully paid ordinary shares upon payment of AUD\$1.80 per ordinary share. Conversion occurred on 5 August 2009 for an amount of AUD\$64,473,593.40. The Equity Security entitled the

holder to participate in the entitlement offer of the Company announced on 15 July 2009 and completed in August 2009 on a pro rata basis as if the ordinary shares to be issued on conversion had been issued prior to the record date for the entitlement offer. The details of the entitlement offer were set out in the Company's prospectus dated 20 July 2009. The holder of the Equity Security, WPX Holdings B.V., took up its full entitlement under the entitlement offer at the entitlement offer price of \$1.20 per ordinary share. The Equity Security did not carry any voting or dividend rights nor any entitlement to interest or to any distribution of profits or assets of the Company.

The Board (with Rajiv Ghatalia abstaining) believes that the ratification of these issues is beneficial for the Company. The Board recommends shareholders vote in favour of Resolution 4 as it allows the Company to ratify the above issues of securities and retain the flexibility to issue further securities representing up to 15% of the Company's share capital during the next twelve months.

The Company will disregard any votes cast on this resolution by any person who participated in the issues and any of their associates.

However, the Company need not disregard a vote if:

- It is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

#### **Item 5: Scrip settlement of Warrants**

##### ***Background and rationale for the Resolution***

Section 606(1) of the Corporations Act 2001 (Cth) (**Corporations Act**) contains a general prohibition on a person acquiring issued voting shares in a listed company if, as a result of that acquisition, any person's voting power in the company increases from a starting point that is above 20% and below 90%. Section 611, Item 7 of the Corporations Act provides an exception from such general prohibition where the acquisition is approved by a general meeting of members of the listed company at which no votes are cast in favour of the resolution by the person proposing to make the acquisition and their associates.

If shareholder approval is granted under Item 7 of section 611, Exception 16 to ASX Listing Rule 7.2 provides that the approved issue is exempt from the 15% limit under ASX Listing Rule 7.1.

As set out in the Company's prospectus dated 20 July 2009 (**Prospectus**), a wholly owned subsidiary of the Company, Transpacific Sustain Pty Ltd ACN 137 370 015 (**Transpacific Sustain**) issued 71,637,326 warrants (**Warrants**) to WPX Holdings B.V. on 5 August 2009 on the terms and conditions of an equity warrant deed entered into between Transpacific Sustain, WPX Holdings B.V. and the Company on 5 August 2009 (**Equity Warrant Deed**). The monetary obligations of Transpacific Sustain in connection with the Warrants are guaranteed by the Company.

Shareholder approval is sought to enable scrip settlement of the Warrants.

The Warrants are currently required to be cash-settled. The exercise price upon cash settlement of the Warrants is \$1.20 per Warrant, subject to any future adjustments as provided for under the terms of the Equity Warrant Deed.

Under the Equity Warrant Deed, if approval is granted under Item 7 of section 611 of the Corporations Act, the Warrants are to be scrip settled by the issue or transfer to the Warrant holder of 1 fully paid ordinary share of the Company per Warrant, subject to any future adjustments.

If the proposed resolution is not approved, the Warrants will remain subject to being cash-settled, unless and until shareholder approval under Item 7 of section 611 of the Corporations Act is obtained.

Prior to such shareholder approval being obtained, the Company will be required to account for the Warrants as "Financial Instruments", and mark their carrying value to market at the end of each reporting season. This requirement has the potential to increase the volatility of the carrying value of the Company's total liabilities and earnings.



Under the terms of the amended finance facility agreement for the Company's syndicated debt facilities, if the Warrants are cash-settled or settled by the transfer rather than issue of shares, the Company will be required to issue additional equity to fund the settlement of the Warrants.

### **Summary of the Warrants**

As set out in the Prospectus, the Warrants consist of three tranches:

- 23,879,109 Warrants exercisable from 5 August 2010;
- 23,879,109 Warrants exercisable from 1 July 2011; and
- 23,879,110 Warrants exercisable from 1 July 2012.

Any unexercised Warrants expire on 30 June 2014 (**Expiry Date**), unless the expiry date is brought forward by the occurrence of a takeover event, insolvency event or a delisting of the Company's shares. Exercise of the Warrants is subject to exercise restrictions relating to blackout periods and a capped number of exercise notices per calendar quarter.

Under the cash settlement mechanism which currently applies, if Warrants are exercised, WPX Holdings B.V. (or any subsequent transferee of the Warrants) is entitled to receive in cash from Transpacific Sustain the applicable "**warrant settlement amount**", being an amount which is equal to the number of Warrants exercised multiplied by the underlying entitlement (being initially one, but subject to adjustment) multiplied by the product of the current market value of the Company's ordinary shares (based on the 20 day volume weighted average price of the shares prior to the exercise of the Warrants) minus the exercise price (being initially \$1.20, but subject to adjustment). If the exercise price is greater than the 20 day volume weighted average price of the ordinary shares prior to the relevant exercise date, the amount payable by Transpacific Sustain will be zero.

If the proposed resolution is passed to approve scrip settlement of the Warrants, WPX Holdings B.V. (or any subsequent transferee of the Warrants) will not be entitled to receive the warrant settlement amount, payable in cash, on exercise of the Warrants. Instead, Transpacific Sustain will be required to settle each Warrant by transferring or procuring the issue or transfer of fully paid ordinary shares in the Company to WPX Holdings B.V. (or any subsequent transferee).

If a takeover event occurs, WPX Holdings B.V. (or any subsequent transferee) may exercise the Warrants during the applicable takeover event period, being the period commencing immediately upon the occurrence of the takeover event and ending on the earlier of 60 calendar days after the occurrence of the takeover event (or, if later, Transpacific Sustain giving notice of the takeover event) and the expiry date for the Warrants.

A takeover event occurs if either:

- an offer is made, or a person announces an intention to make an offer (other than by WPX Holdings B.V. or any of its associates), to all (or as nearly all as may be practicable) shareholders of the Company, or all (or as nearly all as may be practicable) shareholders other than the offeror and/or any associate of the offeror, to acquire the whole or any part of the issued share capital of the Company; or
- any person (other than WPX Holdings B.V. or any of its associates) proposes a scheme of arrangement involving a person acquiring the whole of any part of the issued share capital of the Company,

and upon the successful consummation of such offer or scheme the right to cast more than 50% of the votes which may ordinarily be cast on a poll at a general meeting of the Company would be vested in the offeror and/or such associates or an event occurs which has a like or similar effect.

An insolvency event will occur if:

- an application is made or an order is made or a resolution is passed for the winding up of Transpacific Sustain;
- an administrator is appointed, or a resolution is passed to appoint an administrator to Transpacific Sustain;
- Transpacific Sustain is deregistered, or any steps are taken to deregister Transpacific Sustain under the Corporations Act;
- Transpacific Sustain suspends payment of its debts generally; or
- Transpacific Sustain is unable to pay its debts when they are due or presumed to be insolvent under the Corporations Act.

If an insolvency event occurs or if a determination is made by the Company or ASX that the ordinary shares of the Company should be delisted, WPX Holdings B.V. (or subsequent transferee) will have the immediate right to exercise the Warrants unless the Warrants are exchanged for replacement equity warrants issued by a subsidiary of the Company that have the same economic value and terms as the Warrants.

The exercise price for the Warrants is currently \$1.20 per Warrant. However the terms and conditions of the Warrants contain provisions for the adjustment of the exercise price, the underlying entitlement and other terms of the Warrants upon the occurrence of certain dilutive events. Those dilutive events include, amongst others, share subdivisions or consolidations or reclassification, stock dividends, rights offerings and equity issuances at less than the prevailing market price, bonus issues and other analogous dilutive events.

In addition, the exercise price may be adjusted further in the event of a payment of an **“extraordinary dividend”**. An extraordinary dividend is any dividend or distribution (including any distribution of assets in specie and including any buy-back or return of capital) by the Company other than a dividend paid in cash in respect of any financial year out of the net profits after tax of the Company for that financial year or any dividend in respect of any financial year (whenever paid or made and however described) that, when taken together with any other dividend or dividends previously made or paid by the Company in respect of that financial year, equals or exceeds 30% of the net profit after tax of the Company for that financial year.

Variations to the terms of the Warrants, including the exercise price, are possible in other circumstances to ensure that the economic value of the Warrants is not adversely affected by those circumstances. Any such variations will be determined by an independent investment bank appointed for that purpose under the terms of the Equity Warrant Deed.

The Warrants are not listed on ASX or on any other exchange and are subject to restrictions on their transferability. WPX Holdings B.V. is only entitled to transfer a Warrant if the transfer complies with all applicable laws and the transfer is to an affiliate of WPX Holdings B.V. The Warrants may also be transferred if the prior written consent of Transpacific Sustain is obtained or the transfer is necessary to ensure that WPX Holdings B.V. complies with all laws applicable to it (including on the exercise of the Warrants) provided that there may, at no time, be more than five Warrant holders who are non-affiliates of WPX Holdings B.V. Transferees are subject to similar transfer restrictions.

#### **Warrant holder, associates and voting power**

For the purposes of section 611 Item 7 of the Corporations Act:

*Person proposing to make the acquisition and their associates:* WPX Holdings B.V. and any transferee of Warrants that is an associate of WPX Holdings B.V.. WPX Holdings B.V. currently holds all of the Warrants.

*Maximum increase in that person's and its associates' voting power:* WPX Holdings B.V. has relevant interests in voting shares of the Company by virtue of being the registered owner of 297,076,953 fully paid ordinary shares in the Company representing approximately 30.92% voting power.

As at the date of this notice, no associates of WPX Holdings B.V. hold relevant interests in voting shares of the Company.

If shareholder approval is granted to enable scrip settlement and 71,637,326 fully paid ordinary shares are issued or transferred to WPX Holdings B.V. or its associates on settlement of the Warrants, based on the number of shares on issue in the Company at the date of this notice, WPX Holdings B.V. and its associates would obtain a maximum resulting increase in voting power in the Company of approximately 4.8%. This equates to approximately 1.6% voting power per tranche.

Based on current shareholdings, the scrip settlement of all Warrants would result in WPX Holdings B.V. and its associates having voting power in the Company of 35.72%.

#### **Other information**

Other information material to shareholders' decision:

*Appointment of directors:* No changes to the Board are proposed as part of the proposal to scrip settle the Warrants.

*Intentions of WPX Holdings B.V. and its associates:* As set out in the Prospectus, WPX Holdings B.V. has advised the Company at this stage that it does not have any specific intentions relating to the governance of the Company. WPX has advised the Company that this remains the case.

*Use of proceeds:* If the Warrants are scrip settled by the issue of new shares, the Company intends to use the proceeds to further reduce indebtedness and for the general working capital requirements of the Company.

### **Directors' Recommendation**

The Board (with Rajiv Ghatalia abstaining) considers that the adoption of scrip settlement for the Warrants in place of cash settlement and the consequent potential increase in voting power of WPX Holdings B.V. and its associates, is fair and reasonable and in the best interests of the shareholders not associated with WPX Holdings B.V. for the following key reasons:

- to the extent that the Warrants are scrip settled by the issue of new shares, scrip settlement will enable the Company to settle the Warrants without utilising the cash reserves of the Company;
- approval for scrip settlement will enable the Warrants to be accounted for as "Equity" rather than as "Debt". The carrying value of "Debt" must be marked to market at the end of each reporting season, which has the potential to increase the volatility of the carrying value of the Company's total liabilities and earnings;
- in light of the existing shareholding of WPX Holding B.V., the potential increase in voting power of WPX Holdings B.V. and its associates is not likely to constitute a material difference to the prospect of a third party making a takeover bid for the Company; and

Mr Rajiv Ghatalia has been appointed to the Board as a nominee of WPX Holdings B.V. and accordingly makes no recommendation in respect of this resolution.

### **Voting on Item 5**

The Company will disregard any votes cast in favour of this resolution by WPX Holdings B.V and any of its associates.

However, the Company need not disregard a vote if:

- It is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

### **Item 6: Appointment of Auditor**

The Company's current auditor, Bentleys Brisbane Partnership, was appointed as auditor by shareholders prior to the Company's listing on the ASX.

Following a review process the Board concluded that it was appropriate to recommend the appointment of Ernst and Young as auditor.

Subject to approval by shareholders, the appointment of Ernst and Young at the AGM will be effective for the 2009/2010 financial year. Bentleys Brisbane Partnership remained responsible for the completion of the audit for the 2008/2009 financial year. If Ernst and Young are appointed as auditor, arrangements are in place between the Company, Ernst and Young and Bentleys Brisbane Partnership to ensure a smooth transition.

Ernst and Young has consented in writing to act as the auditor of the Company as required by section 328A of the Corporations Act. In accordance with section 328B of the Corporations Act, notice in writing nominating Ernst and Young for appointment as auditor has been given to the Company by a shareholder. A copy of this notice of nomination is shown in Attachment 1 to this Explanatory Memorandum.

The Board recommend that you vote in favour of this ordinary resolution.

**Attachment 1 to Explanatory Memorandum - Notice of Nomination of Auditor**

22 September 2009

The Secretary  
Transpacific Industries Group Ltd  
Level 1  
159 Coronation Drive  
Milton Q 4064

Dear Ms Smith

For the purposes of Section 328B(1) of the Corporations Act 2001, I, Lynn Brown being a member of Transpacific Industries Group Ltd hereby nominate Ernst & Young as auditor of the company at the Annual General Meeting to be held on 4 November 2009.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Lynn Brown', with a horizontal line extending to the right.

Lynn Brown



**TRANSPACIFIC**  
INDUSTRIES GROUP LTD

**QUESTIONS FROM SHAREHOLDERS**

Your concerns as shareholders are important to us. Please use this form to submit any questions about Transpacific Industries Group Ltd ("Transpacific") that you would like us to respond to at Transpacific's 2009 Annual General Meeting. Your questions should relate to matters that are relevant to the business of the meeting, as outlined in the accompanying Notice of Meeting and Explanatory Memorandum.

You may also use this form to submit a written question to Transpacific's auditor if the question is relevant to the content of the auditor's report, or the conduct of the audit of Transpacific's financial report, for the year ended 30 June 2009.

This form must be received by the Company Secretary by no later than 5:00pm on Tuesday 27 October 2009. The form may be lodged with Computershare Investor Services Pty Limited at GPO Box 2975 Melbourne VIC 3001 (in the return envelope provided) or by facsimile to Transpacific on (07) 33677878 in Australia or (+617) 33677878 if you are overseas. Alternatively, you can submit your question online at [www.transpacific.com.au](http://www.transpacific.com.au) by selecting "Questions for the AGM" from the Investor section of the home page and following the on-screen prompts.

Questions will be collated. During the course of the Annual General Meeting, the Chairman of the Meeting will endeavour to address as many of the more frequently raised shareholder topics as possible and, where appropriate, will give a representative of Bentleys Brisbane Partnership, Transpacific's auditor, the opportunity to answer written questions submitted to the auditor. However, there may not be sufficient time available at the meeting to address all topics raised. Please note that individual responses will not be sent to shareholders.

<b>Question(s)</b>		
<b>1. Question is for the</b>	<b>Chairman, or</b>	<b>Auditor</b>
<b>2. Question is for the</b>	<b>Chairman, or</b>	<b>Auditor</b>
<b>3. Question is for the</b>	<b>Chairman, or</b>	<b>Auditor</b>

000001 000 TPI  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

### Lodge your vote:



**Online:**  
[www.investorvote.com.au](http://www.investorvote.com.au)



**By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**  
(within Australia) 1300 552 270  
(outside Australia) +61 3 9415 4000

## Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

**[www.investorvote.com.au](http://www.investorvote.com.au)**

- Cast your proxy vote
- Access the annual report
- Review and update your securityholding

**Your secure access information is:**

**Control Number: 999999**

**SRN/HIN: I999999999**



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

 **For your vote to be effective it must be received by 10.00am (Brisbane time) Monday 2 November 2009**

### How to Vote on Items of Business

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

#### Appointment of Proxy

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

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

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

**A proxy need not be a securityholder of the Company.**

### Signing Instructions for Postal Forms

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

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

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

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

### Attending the Meeting

Bring this form 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 Computershare or online at [www.computershare.com](http://www.computershare.com).

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form →**

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

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



I 9999999999

I ND

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Transpacific Industries Group Ltd 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, as the proxy sees fit) at the Annual General Meeting of Transpacific Industries Group Ltd to be held in the Queens Ballroom at the Hilton Hotel, 190 Elizabeth Street Brisbane, on Wednesday 4 November 2009 commencing at 10.00am (Brisbane time) and at any adjournment of that meeting.

## 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
2. That the Remuneration Report as it appears on pages 24 to 31 of the Directors' Report for the financial year ended 30 June 2009 be adopted.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3(a). That Mr Bruce Brown, a Non-executive Director retiring in accordance with clause 6.3 of the Constitution, being eligible, is re-elected as a Director of the Company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3(b). That Mr Trevor Coonan, an Executive Director retiring in accordance with clause 6.3 of the Constitution, being eligible, is re-elected as a Director of the Company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3(c). That Mr Rajiv Ghatalia, a Non-executive Director retiring in accordance with clause 6.3 of the Constitution, being eligible, is elected as a Director of the Company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3(d). That Mr Gene Tilbrook, a Non-executive Director retiring in accordance with clause 6.3 of the Constitution, being eligible, is elected as a Director of the Company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3(e). That Mr Martin Hudson, a Non-executive Director retiring in accordance with clause 6.3 of the Constitution, being eligible, is elected as a Director of the Company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. That for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify the issue of 2,229,001 fully paid ordinary shares in the Company since 31 October 2008 and the issue of one Equity Security issued by the Company on 15 July 2009 (which converted into an additional 35,818,663 fully paid ordinary shares on 5 August 2009), details of which are set out in the Explanatory Memorandum attached to and forming part of the Notice of Annual General Meeting.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. That for the purposes of Item 7 of section 611 of the Corporations Act 2001 (Cth) and for all other purposes, the acquisition by WPX Holdings B.V. and its associates of up to 71,637,326 fully paid ordinary shares in the Company on settlement of the Warrants issued to WPX Holdings B.V. on 5 August 2009 on the terms of the Equity Warrant Deed, details of which are set out in the Explanatory Memorandum attached to and forming part of the Notice of Annual General Meeting.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. That Ernst and Young, having been nominated by a shareholder and consented in writing to act in the capacity of auditor, be appointed as auditor of the Company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /