

West Australian
Newspapers
Holdings Limited

ABN 91 053 480 845



Notice of Annual General Meeting 2010

Notice is hereby given that the 2010 Annual General Meeting of shareholders will be held at the Hyatt Regency Hotel, 99 Adelaide Terrace, Perth, Western Australia on Thursday 18 November 2010, commencing 10am.

ORDINARY BUSINESS

Financial Statements

1. To receive and consider the financial statements and reports of the Directors for the year ended 30 June 2010, together with the Directors' and Auditors' report for that period.

Election of Directors

2. To consider and, if thought fit, pass the following ordinary resolution:
That shareholders re-elect as a director Mr Kerry Stokes AC (who, in accordance with the Company's constitution retires by rotation and, being eligible, offers himself for re-election).
3. To consider and, if thought fit, pass the following ordinary resolution:
That shareholders re-elect as a director Mr Peter Gammell (who, in accordance with the Company's constitution retires by rotation and, being eligible, offers himself for re-election).

Remuneration Report

4. To consider and, if thought fit, pass the following non-binding resolution:
That the Remuneration report for the year ending 30 June 2010 be adopted.

SPECIAL BUSINESS

5. Amendment to the Company's Constitution
To consider and, if thought fit, pass the following special resolution:
That the Company's Constitution be amended to reflect the changes which have been fully disclosed in the Information Memorandum, which is included in the Notice of Annual General Meeting.
6. Increase in Non-Executive Director Aggregate Fee Pool
To consider and, if thought fit, pass the following ordinary resolution:
That, for all purposes including ASX Listing Rule 10.17 and rule 8.3(a) of the Company's Constitution, the total aggregate amount available to pay non-executive directors for their services each year be increased from \$1,200,000 to \$1,500,000.

OTHER BUSINESS

7. To consider any other business that may be legally brought before the meeting.

VOTING ENTITLEMENT

The Board has determined that a person's entitlement to vote at the Annual General Meeting will be taken to be the entitlement of that person shown in the Register of Members at 5pm (WDST) on Tuesday, 16 November 2010.

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast on item 6 above by a director of the Company or any of their associates. However, the Company need not disregard a vote if:

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

BY ORDER OF THE BOARD



Peter Bryant

Chief Financial Officer & Company Secretary

Dated this 7th day of September 2010

Information memorandum

Information memorandum to the Notice of Annual General Meeting to be held on 18 November 2010.

This Information Memorandum is presented to Shareholders to provide them with information concerning each of the resolutions to be considered at the Company's 2010 Annual General Meeting.

With the exception of the resolution to amend the Company's Constitution, each of the resolutions to be considered by Shareholders are ordinary resolutions, requiring the approval of 50% of Shareholders present in person, or by an attorney, representative or proxy at the Annual General Meeting. The resolution to amend the Company's Constitution is a special resolution, requiring the approval of 75% of Shareholders present in person, or by an attorney, representative or proxy at the Annual General Meeting.

ITEMS 2 & 3 – ELECTION OF DIRECTORS

In accordance with the Company's Constitution, at every Annual General Meeting, one third of the Company's Directors, excluding Directors appointed since the last AGM, must retire from office and are eligible for re-election. The Directors to retire are those who have been longest in office since their last re-appointment.

On this basis Mr Kerry Stokes AC and Mr Peter Gammell retire, and offer themselves for re-election.

Brief biographical details are set below:

Kerry Stokes AC – Chairman – Non-executive director

Mr Stokes, 70, has been the Executive Chairman of Seven Group Holdings Limited since its formation in May 2010, prior to which he was the Executive Chairman of Seven Network Limited, from July 1999, and Non Executive Chairman from June 1995.

He is Chairman of Australian Capital Equity Pty Limited, which has significant interests in activities which include media and entertainment, research and technology development, property and industrial activities.

Mr Stokes is a Companion in the General Division of the Order of Australia (AC).

Peter Gammell – Non-executive director

Mr Gammell, 53, is the Deputy Chairman of Australian Capital Equity Pty Limited, the holding company associated with Mr Kerry Stokes. He was the Managing Director for the last 20 years.

Mr Gammell was recently appointed Chief Executive Officer of Seven Group Holdings Limited, a public company listed on the Australian Stock Exchange which was formed as a result of the merger of Seven Network Limited and WesTrac Holdings Pty Ltd.

Mr Gammell served as a Director of Seven Network Limited for the last 14 years. He was Chairman of the Seven Network Limited Finance Committee and was a member of the Audit committee. He is the Chairman of Coates Hire, Australia's largest equipment hire company.

Mr Gammell is a former Director of Federal Capital Press Pty Ltd, the publisher of the Canberra Times (1989 – 1998) and is

a former Director of the Community Newspaper Group (1996 – 1998).

Mr Gammell is a member of the Institute of Chartered Accountants of Scotland and holds a Bachelor of Science degree from the University of Edinburgh.

The Board, excluding the Director to whom each resolution relates, recommends that Shareholders vote in favour of the appointment of Mr Kerry Stokes AC and Mr Peter Gammell as Directors.

ITEM 4 – REMUNERATION REPORT

Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report is contained within the Directors' Report section of the 2010 Annual Report.

The Remuneration Report:

- Explains the Board's policies in relation to the objectives and structure of remuneration;
- Discusses the relationship between the policies and the Company's performance;
- Provides a summary of performance conditions, why they were chosen and how performance is measured against them; and
- Sets out the remuneration details for each Director and other key management personnel.

Shareholders should note that Item 4 is advisory only and does not bind the Directors or the Company.

ITEM 5 – AMENDMENT TO THE COMPANY'S CONSTITUTION

The Company's current Constitution was adopted in 1999 and has been amended on two occasions, in 2000 and 2002.

In accordance with the principles of good Corporate Governance, and in order to ensure the Company's Constitution is both compliant and consistent with current legislation and best practice, the Company has commissioned a review of its Constitution, which was performed by an independent legal firm.

The review proposed 19 changes.

With the exception of the following two changes, the recommended changes simply ensure the use of correct names and references. As an example, updating the Constitution to reference the Corporations Act (2001) as opposed to the existing reference to the Corporations Law.

The two changes that do not fit into the above category are :

- Changes to Clause 4 are recommended to give the Company the flexibility to pay dividends other than from profits. This change reflects amendments made to the Corporations Act, in June 2010.
- Changes to Clause 7.6 are recommended to provide increased flexibility to the Chairman to conduct the general meetings. This change provides the Chairman with the power to conclude a debate at a general meeting once all Shareholders have had a fair and reasonable opportunity to express their views.

ITEM 5 – AMENDMENT TO THE COMPANY'S CONSTITUTION (continued)

A table, summarising the proposed changes and the reason for the change is located on Pages 4 to 6 of this Notice of Meeting.

The Board recommends that the Shareholders vote in favour of the recommended changes to the Constitution.

ITEM 6 - INCREASE IN NON-EXECUTIVE DIRECTOR AGGREGATE FEE POOL

Under both Listing Rule 10.17 and rule 8.3(a) of the Company's Constitution, the total aggregate remuneration per annum that may be paid to non-executive Directors can only be increased by ordinary resolution of a general meeting of Shareholders of the Company.

The current approved pool of aggregate fees to be paid to non-executive Directors is \$1,200,000 per annum which was set by the shareholders in general meeting at the 2008 AGM.

Based on the recommendation of the Company's Remuneration Committee, the Board wishes to increase the size of the aggregate remuneration pool for non-executive Directors from \$1,200,000 to \$1,500,000 per annum, to allow for a potential increase in the number of non-executive Directors and/or an increase in Directors' remuneration levels. The Committee has not recommended an increase in fees, but notes that Directors' fees were last increased in 2007.

Details of recommended changes to constitution

Rule	Proposed Change	Reason for Change
1.1(a)(ASX)	Delete and replace definition of ASX to "ASX means ASX Limited, Australian Securities Exchange or the Australian Stock Exchange as appropriate"	This is to update the reference to ASX.
1.1(a)(SCH Business Rule)	Delete definition of SCH Business Rule	This terminology is no longer used in the Corporations Act.
1.1(a) (new definition ASTC Settlement Rules)	Insert new definition "ASTC Settlement Rules means the operating rules of ASX Settlement and Transfer Corporation Pty Ltd and if applicable, the operating rules of the ASX and the Australian Clearing House Pty Ltd."	This is to update the reference to current settlement rules.
1.1(a) (new definition Corporations Act)	Insert new definition "Corporations Act means Corporations Act 2001 (Cth)"	This is to update the reference to the Corporations Act (as opposed to Corporations Law as currently used in the constitution).
1.1(a) (new definition Proper ASTC Transfer)	Insert new definition "Proper ASTC Transfer means a proper ASTC Transfer as defined in the Corporations Regulations 2001 (Cth)"	This is a consequential change as a result of updating the reference to SCH Business Rule.
Generally throughout the Constitution	All references to "Corporations Law" are replaced with "Corporations Act"	This is to update the terminology used consistent with the current corporate legislation.
Generally throughout the constitution	All references to SCH Business Rules (other than in rule 1.1(a)) are to be replaced with "ASTC Settlement Rules"	This is a consequential change as a result of deleting the definition of SCH Business Rule.
2.2(d)(1) Preference Shares	Delete rule 2.2(d)(1) and replace with "the right to payment out of the profits of the company or from another source if the company so determines of a cumulative preferential dividend at the rate and at the times specified in, or determined in accordance with, the terms of issue for the share in priority to the payment of any dividend on any other class of shares; and"	This is to give effect to the new section 254T of the Corporations Act.

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Rule	Proposed Change	Reason for Change
2.4(d) Joint holder of shares	Delete rule 2.4(d) and replace with "except where otherwise required under Listing Rules or the ASTC Settlement Rules, the company is not bound to register more than 3 persons as joint holders of the share."	
4.1(a) Dividends	Delete rule 4.1(a) and replace with "(a)(i) The directors may pay any interim and final dividends as, in their judgment, the financial position of the company justifies and subject to any restrictions or conditions as to when dividend may be declared or paid under the Corporations Act. (ii) Dividends may be paid other than from profits. (iii) The directors may rescind a decision to pay a dividend if they decide before the payment date that the company's financial position no longer justifies the payment."	This is to give the company the flexibility to pay a dividend other than from profits, as a result of the change to section 254T of the Corporations Act on 28 June 2010. Section 254T removes the requirement to only pay dividends out of profits of a company. Section 254T now sets out a 3 tiered test. A company must not pay a dividend unless: <ol style="list-style-type: none"> 1. The company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend; and 2. The payment of the dividend is fair and reasonable to the company's shareholders as a whole; and 3. Payment of the dividend does not materially prejudice the company's ability to pay its creditors
4.1(g)(2) Dividends	Delete rule 4.1(g)(2) and replace with "(g)(2) direct that the dividend be paid to particular shareholders wholly or partly out of any particular source, fund or reserve or out of profits derived from any particular source and to the remaining shareholders wholly or partly out of any other particular source, fund or reserve or out of profits derived from any other particular source or generally."	This is to give consequential effect to the proposed change to rule 4.1(a) above.
5.1(a) Transfer of shares	Delete rule 5.1(a)(1) and replace with "(1) a proper ASTC transfer"	This is to update the reference to SCH transfer.
5.5(h)(4) Unmarketable parcels	Delete the reference to "sub-section 1089(2) of the Corporations Law" and replace with "sub-section 1070D(5) of the Corporations Act."	This is to update the subsection reference in the Corporations Act.
5.5(h)(5) Unmarketable parcels	Delete the reference to "10 years" and replace with "6 years."	This is for consistency with section 1341(1) of the Corporations Act where a company must deal with monies in the Companies and Unclaimed Monies Special Account within 6 years of monies originally credited to that account.
5.6(a)	Delete the reference to "proper SCH transfer" and replace with "proper ASTC transfer"	This is to update the reference to SCH transfer
7.2(b) Notice of general meetings	Add new rule 7.2(b)(4). Add at the end of rule 7.2(b)(3) ";and" Add a new rule 7.29(b)(4) "(4) anything else required for a notice of meeting under the Corporations Act and where applicable, the Listing Rules."	Rule 7.2(b) does not fully set out all the requirements under the Corporations Act and Listing Rules for a notice of general meeting. The addition of rule 7.29(b)(4) is to ensure that attention is given to the full content requirements for a notice of meeting, for example under section 249L of the Corporations Act.

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Rule	Proposed Change	Reason for Change
7.6(b) Conduct of general meetings	Delete rule 7.6(b)(2) and replace with “(2) allow debate or discussion on any business, question, motion or resolution being considered by the meeting to continue; or” Insert new rule 7.6(b)(3) “(3) form the view that a fair and reasonable debate and discussion on any business, question, motion or resolution being considered by the meeting, has taken place and conclude such debate and discussion, subject to the Corporations Act (including sections 250S and 250T).”	This new rule will give increased flexibility to the chairman to conduct general meetings. By virtue of rule 7(d), the decision of the chairman under the proposed new rule 7.6(b)(3) is final.
8.1(j)(1) Appointment and removal of directors	Delete rule 8.1(j)(1) and replace with “(1) by resolution in accordance with the Corporations Act remove a director from office; and”	The reference to section 227 of the Corporations Law in the existing rule 8.1(j)(1) is now outdated. Subject to section 203D of the Corporations Act a public company can remove a director from office by resolution.
8.6(h) Interested directors	Delete the reference to “(including section 232A)”	The existing reference to section 232A is now outdated.

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