



**Rubicor Group Ltd**  
**ACN 110 913 365**

**Level 16**  
**1 York Street**  
**SYDNEY NSW 2000**

**T: 02 8061 0000**  
**F: 02 8061 0001**  
**W: [www.rubicor.com.au](http://www.rubicor.com.au)**

22 October 2010

Dear Shareholder,

On behalf of the Board of Directors, I have pleasure in enclosing the Notice of Meeting for the Rubicor Group Ltd 2010 Annual General Meeting to be held at the offices of Baker & McKenzie, Level 27, A.M.P. Centre, 50 Bridge Street, Sydney on Thursday, 25 November 2010 from 2:30pm (Sydney time).

At the Meeting, Ms Jane Beaumont and I will comment on the Company's performance during the year to 30 June 2010 prior to consideration of the business as detailed in the Notice of Meeting.

A copy of each address will be posted on the Rubicor website.

If you are able to attend the Meeting, please bring the proxy form with you as the bar coding on this form will enable shareholders to be easily registered. Registration will be available from 2:00pm.

If you are unable to attend the Meeting, I encourage you to vote either by using the attached proxy form or lodging your vote on line at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

A person intending to attend the Meeting and vote on shares held in the name of a company must bring an authority from the company, signed by the company in favour of the person attending.

I look forward to seeing you at the Meeting.

Yours sincerely,

John Pettigrew  
Chairman

**Rubicor Group Limited**  
**ABN 74 110 913 365**

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is given that the 2010 Annual General Meeting (**Meeting**) of shareholders of Rubicor Group Limited (**Company**) will be held at the offices of Baker & McKenzie, Level 27, A.M.P. Centre, 50 Bridge Street, Sydney on Thursday, 25 November 2010 commencing at 2:30pm (Sydney time) for the purpose of transacting the business set out in this Notice of Annual General Meeting (**Notice**).

The Explanatory Statement to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Statement and the Proxy Form, form part of this Notice.

### **BUSINESS OF THE MEETING**

#### **1. Financial Statements and Reports**

To receive and consider the Financial Report, the Directors' Report and the Independent Auditor's Report of the Company for the financial year ended 30 June 2010.

#### **2. Remuneration Report**

To consider and, if thought fit, to pass the following as a non-binding ordinary resolution of the Company:

*"That, the Company's Remuneration Report for the financial year ended 30 June 2010 be adopted."*

#### **3. Amendments to Constitution**

To consider and, if thought fit, to pass the following as a special resolution of the Company:

*"That the Constitution of Rubicor Group Limited be amended as follows:*

- (a) *Clause 29.3 is deleted and replaced with the following new clause 29.3:*

***Circumstances in which a dividend may be paid***

29.3 *Dividends of the Company may be paid in accordance with the Corporations Act 2001 (Cth).*

- (b) *The words "determining or" are inserted before "declaring a dividend" in clause 29.4."*

#### **4. Reinstatement of proportional takeover provision in Constitution**

To consider and, if thought fit, to pass the following as a special resolution of the Company:

*"That the whole of the existing clause 13 is deleted and replaced with a new clause 13 in the same terms as specified in the Explanatory Statement to this Notice of Meeting."*

**5. Re-election of Robert Aitken**

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

*"That Robert Aitken, who retires in accordance with clause 20.1 of the Company's Constitution, and having offered himself for re-election and being eligible, is re-elected as a Non-Executive Director of the Company."*

**6. Re-election of Russel Pillemer**

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

*"That Russel Pillemer, who retires in accordance with clause 20.1 of the Company's Constitution, and having offered himself for re-election and being eligible, is re-elected as a Non-Executive Director of the Company."*

**7. Approval of the Employee Share Option Plan**

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

*"That, for the purposes of Exception 9(b) of ASX Listing Rule 7.2, section 260C(4) of the Corporations Act 2001 (Cth), and for all other purposes, shareholders approve the issue of securities under the "Employee Share Option Plan" as described in the Explanatory Statement accompanying and forming part of this Notice of Meeting."*

**VOTING EXCLUSION STATEMENT**

In accordance with ASX Listing Rule 14.11.1, the Company will disregard any votes cast on Resolution 7 by any Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the entity) on the basis that they are eligible to participate in the Employee Share Option Plan, and any associate of those Directors.

However, the Company need not disregard a vote cast on Resolution 7 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,



**SHARAD LOOMBA**  
Company Secretary  
**22 October 2010**

## NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

### **EXPLANATORY STATEMENT**

The Company's shareholders (**Shareholders**) should read the Explanatory Statement accompanying, and forming part of, this Notice for more details on the resolutions to be voted at the Meeting.

### **ENTITLEMENT TO ATTEND AND VOTE**

In accordance with Reg 7.11.37 of the Corporations Regulations 2001, the Board has determined that persons who are registered holders of shares of the Company as at 7.00pm (Sydney time) on Tuesday, 23 November 2010 will be entitled to attend and vote at the Meeting as a Shareholder. This means that if you are not the registered holder of a relevant share in the Company at that time, you will not be entitled to vote in respect of that share.

### **HOW TO EXERCISE YOUR RIGHT TO VOTE**

You may vote in person, by proxy or by attorney. For example you may vote:

- by attending the Meeting and voting in person, or if you are a corporate shareholder, by having a corporate representative attend and vote for you; or
- by appointing a proxy to vote for you, by completing the proxy form provided with this Notice.

#### ***Voting By Proxy***

If you are a Shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act 2001 (**Corporations Act**) to exercise its powers as proxy at the Meeting.

If you appoint a proxy and also attend the Meeting, the proxy's authority to speak and vote at the Meeting will be suspended while you are present at the Meeting.

A proxy need not be a Shareholder of the Company.

A Shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the Shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the Shareholder's votes.

A proxy form is enclosed with this Notice. To be effective, the signed proxy form and the authority (if any) under which it is signed, or a certified copy of that authority, must be received by the Company's Share Registry no later than 2.30pm (Sydney time) on Tuesday, 23 November 2010 (being no later than 48 hours before the time for holding the Meeting). Proxies must be received before that time by one of the following methods:

- Online:** Log onto [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) and follow the instructions. You will need to put your Security Holder Reference Number (**SRN**) or Holder Identification Number (**HIN**), details and postcode.
- By post:** Rubicor Group Limited  
C/ - Link Market Services Limited  
Locked Bag A14  
SYDNEY SOUTH NSW 1235
- By facsimile:** In Australia (02) 9287 0309  
From outside Australia +61 2 9287 0309
- By delivery:** Link Market Services Limited  
Level 12  
680 George Street  
SYDNEY NSW 2000

To be valid, a proxy form must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

### ***Corporate Representatives***

A body corporate which is a Shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the Meeting. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative should bring to the Meeting a properly executed letter or other document confirming its authority to act as the company's representative.

### **SHAREHOLDER QUESTIONS**

If you wish a question to be put to the Chairman of the Meeting or Auditor and you are not able to attend the Meeting, please email your question to the Company Secretary at [sharad.loomba@rubicor.com.au](mailto:sharad.loomba@rubicor.com.au).

To allow time to collate questions and prepare answers, questions are to be received by the **Company Secretary by 5:00pm (Sydney time), Thursday, 18 November 2010.**

**Rubicor Group Limited**  
**ABN 74 110 913 365**

## **EXPLANATORY STATEMENT**

This Explanatory Statement has been prepared for the information of Shareholders of the Company in relation to the business to be conducted at the Company's Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the resolutions. The Directors recommend that Shareholders read this Explanatory Statement before determining whether or not to support the Resolutions.

## **BUSINESS OF THE MEETING**

### **Item 1: Financial Statements and Reports**

The Financial Report, Directors' Report and the Independent Auditor's Report for the financial year ended 30 June 2010 will be laid before the Meeting.

Together, the Financial Report, Directors' Report and the Independent Auditor's Report constitute the Company's 2010 Annual Report. Unless the Company's Share Registry has been notified otherwise, Shareholders will not be sent a hard copy of the Annual Report. All shareholders can view the 2010 Annual Report on the Company's website ([www.rubicorgroup.com.au](http://www.rubicorgroup.com.au)) under Investor Information/Annual Report.

Following the consideration of the Reports, the Chairman will give Shareholders a reasonable opportunity to ask questions about or comment on the management of the Company.

The Chairman will also give Shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the Independent Auditor's Report;
- the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- the independence of the Auditor in relation to the conduct of the audit.

The Chairman will also give the Auditor a reasonable opportunity to answer written questions submitted by Shareholders that are relevant to the content of the Independent Auditor's Report or the conduct of the audit. A list of written questions, if any, submitted by Shareholders will be made available at the start of the Meeting and any written answer tabled by the Auditor at the Meeting will be made available as soon as practicable after the Meeting.

## Item 2: Remuneration Report

Section 250R(2) of the Corporations Act requires the shareholders to vote on an advisory resolution that the Remuneration Report be adopted.

The Remuneration Report:

- explains Rubicor's remuneration policy and the correlation between the remuneration of employees and Rubicor's performance;
- reports the remuneration arrangements for Directors, Key Management Personnel and other Executives; and
- makes clear that the basis for remunerating Non-Executive Directors is distinct from the basis for remunerating Executives, including Executive Directors.

The Report is available from page 21 in the Company's 2010 Annual Report which is available on the Company's website ([www.rubicorgroup.com.au](http://www.rubicorgroup.com.au)) under Investor Information" then "Annual Reports".

*The Directors unanimously recommend that Shareholders vote in favour of this Resolution.*

## Item 3: Amendments to Constitution

### (a) Replacement of clause 29.3

New dividend laws came into effect on 28 June 2010 under the Corporations Act which apply to all Australian incorporated companies. The previous law which required dividends to be only paid from profits (**Profits Test**) has been abolished.

This has now been replaced with a three tiered solvency test which requires:

- the Company's assets to exceed its liabilities immediately before the dividend is declared and the excess to be sufficient for the payment of the dividend (Net Asset Test); and
- the payment of the dividend to be fair and reasonable to the Company's shareholders as a whole (Fair and Reasonable Test); and
- the payment of the dividend to not materially prejudice the Company's ability to pay its creditors (No Material Prejudice Test).

Although the Profits Test has been abolished under the Corporations Act, the Company may not be able to take advantage of the new dividend requirements because it would still be constrained by the Profit Test restriction contained in clause 29.3 of the Company's Constitution. The Directors believe it is in the interests of the Company and its shareholders to have the flexibility to be able to take advantage of new dividend requirements.

Therefore it is proposed that the clause 29.3 of the Constitution of Rubicor Group Limited be amended as follows:

### ~~Dividends only payable out of profits~~

### **Circumstances in which a dividend may be paid**

- 29.3 ~~No dividend is payable except out of the Company's profits. The declaration of the Directors as to the amount of the Company's profits is conclusive. Dividends of the Company may be paid in accordance with the Corporations Act 2001 (Cth).~~

Shareholder approval of Resolution 3 will allow the Company to pay a dividend subject to satisfying the three tiered test set out above, without the requirement for the Company to pay a dividend only out of profits.

When considering the payment of dividends in the future, the Directors will still consider a number of factors in addition to the new dividend tests referred to above, including the operating results, financial position, franking credit position, available cash flows and future capital requirements of the Company.

**(b) Amendment to clause 29.4**

Clause 29.1 of the Company's Constitution enables the Directors to determine that a dividend is payable or to declare dividends.

Clause 29.4 of the Company's Constitution currently outlines a number of circumstances applicable where Directors *declare* a dividend, such as the distribution of specific assets and directing that the dividend be payable to particular members (to the extent permitted by law). In order to extend the application of that clause to the determination of dividends, it is proposed that clause 29.4 of the Company's Constitution be amended so that the words "determining or" are inserted before "declaring a dividend".

The distinction between the declaration and determination of a dividend in the Company's Constitution is the result of the Corporations Act. Section 254V of the Corporations Act distinguishes between determining a dividend and declaring a dividend, in that if the Company declares a dividend, the Company incurs a debt when the dividend is declared. However, if the Company determines the amount, and time, of payment of a dividend, the debt arises only when the time fixed for payment arrives, since the decision to pay the dividend may be revoked at any time before then.

The Directors believe that just as clause 29.1 increases the Company's flexibility in relation to dividends, clause 29.4 should have the same flexibility.

**(c) Voting Requirements**

Section 136(2) of the Corporations Act requires that an amendment to the constitution of a company be approved by a special resolution of the shareholders of the company. For a special resolution to be passed, at least 75% of the votes cast by shareholders entitled to vote on Resolution 3 must be in favour of the resolution.

*The Directors unanimously recommend that Shareholders vote in favour of this Resolution.*

**Item 4: Reinstatement of proportional takeover provision in Constitution**

Under the Corporations Act, a company may include in its constitution a provision to enable the company to refuse to register shares acquired under a proportional takeover bid unless a resolution is passed by shareholders in a general meeting approving the offer.

The Company's Constitution adopted before the Company's listing on ASX contained a proportional takeover provision in clause 13 "Proportional Takeover Bids". However that provision automatically ceased to have effect three years after the date of its adoption. The provision is designed to assist shareholders to receive proper value for their shares if a proportional takeover bid is made for the Company. Accordingly, the Directors consider that it is in the best interests of Shareholders to reinstate that provision into the Company's Constitution. If the proposed resolution in Item 4 is passed, the proportional takeover provision (on the same terms as clause 13 of the Company's current Constitution) will be reinstated for a period of three years from the time the resolution is passed.

The Corporations Act requires that the following information be provided to shareholders when they are considering the inclusion of a proportional takeover provision in a company's constitution.

*Effect of proposed provision*

The effect of clause 13 is that if a proportional takeover bid is made to shareholders, the Directors are obliged to convene a meeting of shareholders to be held before the 14<sup>th</sup> day before the last day of the bid period (**approving resolution deadline**). The purpose of the meeting is to vote upon a resolution to approve the proportional takeover bid. For the resolution to be approved, more than 50 per cent of the votes must be cast in favour of the resolution. The bidder and its associates are not entitled to vote on the resolution. Each other person who, as at the end of the day on which the first offer under the proportional takeover bid was made, held bid class shares, is entitled to vote on the resolution.

If no such resolution is voted on before the approving resolution deadline, the resolution is deemed to have been approved. This, in effect, means that shareholders as a body may only prohibit a proportional takeover bid by rejecting such a resolution.

If the resolution is approved or deemed to have been approved, transfers of shares under the proportional takeover bid (provided they are in all other respects in order for registration) must be registered.

If the resolution to approve the bid is voted on before the approving resolution deadline and is rejected, registration of any transfer of shares resulting from that proportional takeover bid are prohibited and the offer is deemed by the Corporations Act to have been withdrawn. If the bid is approved (or taken to be have been approved) the transfers must be registered if they comply with the Corporations Act and the Company's Constitution.

The renewed clause 13 will expire three years after its adoption unless renewed by a further special resolution of shareholders.

A proportional takeover provision does not apply to full takeover bids.

*Reasons for proposing the resolution*

Without the proportional takeover provision, a proportional takeover bid may enable control of the Company to pass without shareholders having the opportunity to sell all of their shares to the bidder. Shareholders may be exposed to the risk of being left as minority shareholders in the Company and of the bidder being able to acquire control of the Company without payment of an adequate control premium for their shares.

The proposed proportional takeover provision lessens this risk because it allows shareholders to decide whether a proportional takeover bid is acceptable (in principle) and should be permitted to proceed.

*No knowledge of any acquisition proposals*

As at the date of this Notice, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

*Potential advantages and disadvantages for the Directors and shareholders*

While the reinstatement of clause 13 will allow Directors to ascertain the view of shareholders on any proportional takeover bid, it does not otherwise offer any advantage or disadvantage to the Directors who remain free to make their own recommendations as to whether the bid should be accepted.

The Directors consider that it is a potential advantage to all shareholders that they have the opportunity to consider and vote on any proposed proportional takeover bid at a general meeting. For a proportional takeover bid to be approved, it must be approved by more than half of the shares voted at the meeting excluding the shares of the bidder and its associates. This may assist to ensure a potential bidder formulates its offer in a way that would be attractive to a majority of shareholders, including appropriate pricing. It may also have the effect of not allowing control of the Company to pass without payment of a control premium.

As to the possible disadvantages of clause 13, it may be perceived that the provision may impose a hurdle on the success of, and may discourage the making of, proportional takeover bids for shares in the Company. This may be thought to potentially remove or reduce any speculative element of the market price of the Company's shares arising from the possibility of a proportional takeover bid and reduce opportunities for shareholders to sell some of their shares at a premium. The presence of clause 13 may also be considered an additional restriction on the ability of individual shareholders to deal freely with their shares.

During the period in which the previous proportional takeover provision was in effect, the advantages and disadvantages outlined above have applied.

The Board considers that the potential advantages for shareholders of the proportional takeover bid provision outweigh the potential disadvantages.

#### **Item 5: Re-election of Robert (Rob) Aitken**

The ASX Listing Rules require that the Company hold an election of Directors at least once per year. The Company's Constitution requires that a Director, excluding the Managing Director, must retire each year. The retiring Director is then eligible to offer themselves for re-election by shareholders.

Rob was re-elected as Director at the 2007 Annual General Meeting. Pursuant to clause 20.1 of the Company's Constitution, Rob will retire by rotation at the Meeting – but will remain acting as a Director during the Meeting, and being eligible, offers himself for re-election as a Director at the Meeting. Rob brings to the Board extensive commercial and non-executive director experience.

Rob is a Non-Executive Director of the Company and a member of the Audit and Risk Management Committee and Chair of the Remuneration and Human Resources Committee and a member of the Nomination and Corporate Governance Committee. Rob was Chairman of the Company until his retirement from the position on 1 April 2010. Rob joined the Company in May 2005.

Rob has over 25 years experience in senior international management roles. Throughout his career, Rob has worked across the manufacturing, industrial marketing and distribution business sectors including roles as Executive General Manager Southcorp Limited and President Formica Corporation, USA. Rob is also currently a Director of Alesco Corporation Limited, and Chairman of Nuplex Industries Limited.

*The Directors, with Robert Aitken abstaining, unanimously recommend that Shareholders vote in favour of this Resolution.*

#### **Item 6: Re-election of Russel Pillemer**

The ASX Listing Rules require that the Company hold an election of Directors at least once per year. The Company's Constitution requires that a Director, excluding the Managing Director, must retire each year. The retiring Director is then eligible to offer themselves for re-election by shareholders.

Russel was re-elected as Director at the 2007 Annual General Meeting. Pursuant to clause 20.1 of the Company's Constitution, Russel will retire by rotation at the Meeting – but will remain acting as a Director during the Meeting, and being eligible, offers himself for re-election as a Director at the Meeting. Russel brings to the Board extensive commercial and financial markets experience.

Russel is a Non-Executive Director of the Company and is the Chair of the Audit and Risk Management Committee. He was one of the initial founders and sponsors of Rubicor.

He is CEO and a Director of Pengana Capital Limited.

Russel has 16 years experience in the investment banking industry. In 1994 he joined Goldman Sachs & Co, where he had responsibility for leading the financial institutions effort in Australia. In 1999 he relocated to New York working in the Financial Institutions Group for Goldman Sachs & Co, specialising in mergers and acquisitions, capital raisings and the provision of general strategic advice to asset managers until 2002. Previously, Russel worked in the Corporate Finance Division of Ernst & Young. He is a member of the Institute of Chartered Accountants in Australia.

*The Directors, with Russel Pillemer abstaining, unanimously recommend that Shareholders vote in favour of this Resolution.*

#### **Item 7: Approval of the Employee Share Option Plan**

In February 2006 (and as amended on 24 April 2007), the Board of the Company established an Employee Share Option Plan (**ESOP**) to attract, retain and motivate eligible employees by offering them an opportunity to participate in the Company's future performance through awards of Options.

The ESOP had been designed to provide specific recognition to employees whose ongoing commitment contributes to the long term success of the Company. The award of options to acquire ordinary shares in the capital of the Company (**Options**) gives eligible employees the opportunity to become shareholders in the Company and acknowledges and rewards those employees' contributions to the Company.

Since the establishment of the ESOP, the Company has granted 2,805,427 Options under the ESOP.

#### **Summary of key terms of ESOP**

##### *Participants in the Plan*

- The Board may award Options (**Award**) to any full-time or permanent part-time employee or Director of the Company or a subsidiary of the Company (**Eligible Employees**), in the form of an "Award Invitation" at the discretion of the Board.

##### *Terms of Options*

- An Award Invitation need not be the same for each Eligible Employee.

- The Board may make an Award to any Eligible Employee (or is or her nominees, as approved by the Board) on receipt of an acceptance of an Award Invitation in a form approved by the Board.
- Awards will generally be made for no more than nominal consideration.
- In issuing Award Invitations, the Board may determine, in relation to each Award Invitation:
  - the number of Options to be awarded to any Eligible Employees;
  - the dates on which the Options are to be granted (as stated in the Award Invitation);
  - the exercise price of an Option;
  - the period during which the Options may be exercised; and
  - and all other terms and conditions of the Award (including any performance conditions applicable to the Award).
- An Option may only be exercised at or during the time determined by the Board, as set out in the relevant Award Invitation (which may be at one time, from time to time, periodically or otherwise). The Options will vest and become exercisable upon satisfaction of the conditions specified in the Award Invitation and in accordance with the ESOP.
- Ordinary shares issued on the exercise of an Option entitle its holder to be issued fully paid ordinary shares (**Shares**).
- If a Participant who receives Options under the ESOP suffers a change of control or ownership, then the Board may require that the Option be immediately transferred to a person determined by the Board.

#### *Limit of Options*

- The Board may issue up to \$1,000 worth of Shares to each or any Eligible Employee for no consideration up to two times per calendar year (**Gift**).
- The maximum number of Options that may be granted under an Award Invitation or Gift offer at any one time (as calculated in accordance with the ESOP), must not exceed 5% of the Company's issued share capital.
- An Option under the ESOP expires on the earlier of:
  - the expiration date specified by the Board in the Award Invitation;
  - the date on which any conditions relating to the exercise of the Option can no longer be satisfied; and
  - the date that the holder of the Option ceases to be an Eligible Employee for any reason, and unless the Option has already been exercised or lapsed, the Option will automatically lapse on the expiration date.
- Unless otherwise permitted by the ASX Listing Rules, the number of Shares which a person who accepts an Award Invitation under the ESOP (**Participant**) is entitled to receive on exercise of an Option will only be adjusted in accordance with the ESOP.
- Shares allotted upon exercise of the Options will rank equally with the Company's other ordinary shares, and the Company will apply for quotation of those Shares.
- No dividends or other distribution will accrue or be paid in respect of the Options.

- Subject to the relevant Award Invitation, Options granted under the ESOP and any interest in those Awards or Options, are not transferable or assignable by the Participant (and no security interest may be granted over any Award or Option) otherwise than as determined by the Board.

#### *Future issues of Shares*

- A Participant under the ESOP will not be entitled to participate in new issues of Shares made by the Company to holders of its Shares without exercising the Option before the record date for determining entitlements to the relevant share issue.
- If, prior to the exercise of an Option, the Company makes a bonus issue to holders of its Shares and an Option is not exercised prior to the record date for determining entitlements to that bonus issue, the Option will, when exercised, entitle the Participant to one Share plus the number of bonus Shares which would have been issued to the Participant if the Option had been exercised prior to the relevant record date.

#### *Reorganisation of capital*

- If, prior to the exercise of an Option, the Company undergoes a reorganisation of capital (other than by way of a bonus issue or issue for cash), the terms of the Options of the Participant will be amended to the extent necessary to comply with the ASX Listing Rules as they apply at the relevant time.

#### *Takeover bid*

- If a takeover bid is made to acquire all of the issued Shares of the Company, or a scheme of arrangement, selective capital reduction or other transaction is initiated which has an effect similar to a full takeover bid for all of the issued Shares in the Company, then each Participant is entitled to accept the takeover bid or participate in the other transaction in respect of all or part of their Options. The Board may, in its discretion, waive unsatisfied conditions relating to some or all of the Options in the event of such a takeover or other similar transaction.

#### *Termination or amendment of ESOP*

- The Board may at any time terminate or amend the ESOP, in accordance with applicable laws and the ASX Listing Rules.

The full Terms and Conditions of the ESOP are available on the website of the Company ([www.rubicorgroup.com.au](http://www.rubicorgroup.com.au)), under “About Us” then “Corporate Governance”.

### **Corporations Act Requirements**

Section 260A of the Corporations Act provides that a company may financially assist a person to acquire shares (or units in shares) in the company or a holding company of the company only if:

- giving the assistance does not materially prejudice the interests of the company or its shareholders or the company's ability to pay its creditors;
- the assistance is approved by shareholders under section 260B; or
- the assistance is exempted under section 260C.

Section 260C(4) of the Corporations Act, provides that financial assistance is exempted from section 260A if it is given under an employee share scheme that has been approved by a resolution passed at a general meeting of the company adopting the employee share scheme. The definition of "employee share scheme" in section 9 of the Corporations Act extends to include a scheme such as the ESOP.

Resolution 7, if passed, will allow options to be granted (and shares to be issued on exercise of those options) under the ESOP for three years after the date of the general meeting without the requirement to obtain shareholder approval for the giving of financial assistance. In this context, the "financial assistance" under the ESOP is the granting of options for nil consideration to an eligible employee of the Company to obtain shares in the Company.

### **ASX Listing Rules Requirements**

Pursuant to ASX Listing Rule 7.1, a listed company is generally prevented from issuing more securities (including shares and options) than would equate to (when all other securities are aggregated) 15% of its share capital in any twelve month period, without first obtaining shareholder approval.

Under Exception 9(b) of ASX Listing Rule 7.2, an issue of securities under an employee incentive scheme is an exception to Listing Rule 7.1 if, within three years before the date of the issue, holders of ordinary securities have approved the issue of shares as an exception to Listing Rule 7.1.

If approved, any Options issued under the ESOP in the three years following the Meeting will not reduce the Company's capacity to issue further securities under ASX Listing Rule 7.1. Resolution 7 is being put to shareholders for this purpose and will allow the Company to utilise ASX Listing Rule 7.2 (Exception 9(b)) for three years from the date that Resolution 7 is passed.

Prior specific shareholder approval will be required before any Director or a related party of the Company can participate in the ESOP, pursuant to ASX Listing Rule 10.14.

A Voting Exclusion Statement is set out under the Resolution in the Notice of Meeting.

*The Directors unanimously recommend that Shareholders vote in favour of this Resolution.*



# Rubicor

CONNECTED PEOPLE

**Rubicor Group Limited**  
ABN 74 110 913 365

## LODGE YOUR VOTE



**ONLINE**

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)



**By mail:**  
Rubicor Group Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia



**By fax:** +61 2 9287 0309



**All enquiries to:** Telephone: 1800 817 266 Overseas: +61 2 8280 7491



**X99999999999**

## SHAREHOLDER VOTING FORM

I/We being a member(s) of Rubicor Group Limited and entitled to attend and vote hereby appoint:

### STEP 1

### APPOINT A PROXY

the Chairman  
of the Meeting  
(mark box)

☐

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 2:30pm (Sydney time) on Thursday, 25 November 2010, at the offices of Baker & McKenzie, Level 27, A.M.P. Centre, 50 Bridge Street, Sydney, NSW and at any adjournment or postponement of the Meeting.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an **X**

### STEP 2

### VOTING DIRECTIONS

#### Resolution 2

Remuneration Report

☐ For

☐ Against

☐ Abstain\*

#### Resolution 5

Re-election of Robert Aitken

☐ For

☐ Against

☐ Abstain\*

#### Resolution 3

Amendments to Constitution

☐ For

☐ Against

☐ Abstain\*

#### Resolution 6

Re-election of Russel Pillemer

☐ For

☐ Against

☐ Abstain\*

#### Resolution 4

Reinstatement of proportional takeover provision in Constitution

☐ For

☐ Against

☐ Abstain\*

#### Resolution 7

Approval of the Employee Share Option Plan

☐ For

☐ Against

☐ Abstain\*

**i** \* If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### STEP 3

### IMPORTANT - VOTING EXCLUSIONS

☐

If the Chairman of the Meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of Resolution 7 above, please place a mark in this box. By marking this box, you acknowledge that the Chairman of the Meeting may exercise your proxy even though he has an interest in the outcome of this Resolution and that votes cast by him for this Resolution, other than as proxyholder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Resolution 7 and your votes will not be counted in calculating the required majority if a poll is called on this Resolution. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 7.

### STEP 4

### SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the share registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

**RUB PRX002**



## HOW TO COMPLETE THIS PROXY FORM

### Your Name and Address

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

### Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together.

### Signing Instructions

You must sign this form as follows in the spaces provided:

- (a) **Individual:** where the holding is in one name, the holder must sign.
- (b) **Joint Holding:** where the holding is in more than one name, either shareholder may sign.
- (c) **Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.
- (d) **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 indicate the office held by signing in the appropriate place.

### Corporate Representatives

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry.

## Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by 2:30pm (Sydney time) on Tuesday, 23 November 2010, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



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

Select the 'Proxy Voting' option on the top right of the home page. Choose 'Rubicor Group Limited' from the drop down menu, enter your holding details as shown on this form, and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the proxy form).



**by mail:**

Rubicor Group Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



**by fax:**

+61 2 9287 0309



**by hand:**

delivering it to Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000.

**If you would like to attend and vote at the Annual General Meeting, please bring this form with you.  
This will assist in registering your attendance.**