
2011

Notice of Annual General Meeting



Notice is hereby given that an Annual General Meeting of shareholders of BUDERIM GINGER LIMITED (the "Company") will be held in the Yandina Room, 50 Pioneer Road, Yandina, Queensland on 27 April 2012 at 10.00 am (Brisbane time).

Note: For the purposes of the Corporations Act, the Company has determined that the voting entitlements for the purposes of the Annual General Meeting will be based on the registered holdings as at 7.00pm (Sydney time) on 25 April 2012. Accordingly, those persons will be entitled to attend and vote at the Annual General Meeting.



ORDINARY BUSINESS

1. Financial Statements and Reports

To receive and consider the following reports in respect of the financial year of the Company ended 31 December 2011:

- The Financial Report (which includes the balance sheet, income statement, cash flow statement and Directors' declaration); and
- The Directors' Report and the Auditor's Report.

2. Election of Director (Resolution 1)

To consider and, if thought fit, to pass the following Ordinary Resolution:

- That Mr Shane Tyson Templeton, who retires by rotation in accordance with the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director.

3. Election of Director (Resolution 2)

To consider and, if thought fit, to pass the following Ordinary Resolution:

- That Mr George Vasili, who was appointed as a director by the Board on 1 July 2011 to fill a casual vacancy in accordance with the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director.

4. Directors' Remuneration Report (Resolution 3)

To consider and, if thought fit, to pass the following Ordinary Resolution under section 250R of the Corporations Act:

- That the section of the Directors' Report dealing with the remuneration of the Company's Directors and senior executives ('Remuneration Report') be adopted.

SPECIAL BUSINESS

5. Consolidation of Shares (Resolution 4)

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

- That, in accordance with section 254(H) of the Corporations Act, the share capital of the Company be consolidated through the conversion of every four (4) fully paid ordinary shares in the Company on issue into one (1) fully paid ordinary share in the Company and that any resulting fractions of a share be rounded up to the next whole number of shares.

6. Amendment to the Constitution (Resolution 5)

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

- That the Constitution of the Company be amended by inserting as new clause 10A, immediately after clause 10 thereof, the clause set out in the Explanatory Statement accompanying this Notice of Meeting in respect of this Resolution.

NOTE:

This resolution must be passed by at least 75% of members voting in person or by proxy at the meeting. An Explanatory Note as to the amendment to the Constitution accompanies this Notice.

7. Other Business

To transact any other business which may be brought forward in conformity with the Company's Constitution.

Karon Rogers
Company Secretary
Yandina – 21 March 2012

**Explanatory Note to Item 2
(Resolution 1)**

Clause 18.1 of the Company's Constitution states that a Director (other than a Managing Director) must not retain office for more than 3 calendar years or beyond the third annual general meeting following his appointment, without submitting himself for re-election.

Mr Templeton was last re-elected as a Director at the AGM in April 2009 and accordingly retires at this Meeting, and offers himself for re-election.

The Directors (with Mr Templeton abstaining) recommend that shareholders vote in favour of this resolution.

**Explanatory Note to Item 3
(Resolution 2)**

Clause 15.4 of the Company's Constitution states that the Board may at any time (except during the period from the opening to the closing of a general meeting) appoint any person as a Director (other than an Alternate Director) to fill a casual vacancy or as an addition to the Board but so that the number of those Directors does not at any time exceed the maximum number set under clause 15.1. A person appointed to fill a casual vacancy shall hold office until the next general meeting of the Company and shall then be eligible for re-election.

Mr Vasili was appointed as a Director by the Board on 1 July 2011 to fill a casual vacancy and accordingly holds office only until the forthcoming annual general meeting and, being eligible for re-election, offers himself for re-election.

The Directors (with Mr Vasili abstaining) recommend that shareholders vote in favour of this resolution.

**Explanatory Note to Item 4
(Resolution 3)**

The Corporations Act requires that the section of the Directors' Report dealing with the remuneration of Directors and senior executives ('Remuneration Report') be put to the vote of shareholders for adoption.

Following consideration of the Remuneration Report, the Chairman will give shareholders a reasonable opportunity to ask questions about or to make comments on the Remuneration Report.

The vote on this resolution is advisory only and does not bind the Company or its Directors.

The Chairman intends to vote all open proxies in favour of this resolution.

**Explanatory Note to Item 5
(Resolution 4)**

Consolidation of Shares

The Company proposes to consolidate the Company's share capital through the conversion of every four (4) fully paid ordinary share in the Company Shares into one (1) fully paid ordinary share in the Company. The consolidation is being proposed as a matter of good governance in order to bring the Company's capital structure in line with other comparable ASX listed companies. Importantly, there will be no change to the proportionate interests held by each shareholder as a result of the consolidation.

Section 254H of the Corporations Act permits a company to consolidate all or any of its shares if the consolidation is approved by an ordinary resolution of the company's shareholders at a general meeting.

Timing

If the consolidation is approved, the consolidation will take effect on and from 1 May 2012 in accordance with the timetable in the explanatory note to item 5 below.

Treatment of fractions of shares

Where the consolidation of a shareholder's holding results in an entitlement to a fraction of a share, the fraction will be rounded up to the next whole number of shares.

If the Company reasonably believes that a shareholder has been a party to the division of a shareholding in an attempt to obtain an advantage from this treatment of fractions, the Company may take appropriate action having regard to the Company's constitution and the ASX listing rules. In particular, the Company reserves the right to disregard the division of the shareholding for the purposes of dealing with fractions so as to round up any fraction to the nearest whole number of shares that would have been received but for the division.

Reasons for proposing the consolidation

The Company has 82,592,707 ordinary shares on issue as at the date of this Explanatory Statement. This is a relatively high number of shares on issue having regard to the Company's market capitalisation.

The Board believes that the share consolidation has the following benefits:

- the number of shares on issue will decrease reflective of other ASX listed companies with similar market capitalisations;
- it is likely to improve the market perception and attractiveness of investing in the Company;
- it will establish a share price and various financial measures (for example, EPS and dividends per share) that are more appropriate for a listed entity of the Company's size; and
- it is hoped the improved capital structure will result in an enhancement of the trading liquidity of the Company's shares and reduced volatility of the Company's share price.

Effect of the consolidation

If the proposed share consolidation is approved the number of the Company's shares on issue will be reduced from 82,592,707 shares to 20,648,177 million shares (subject to rounding of fractions).

As the share consolidation will apply equally to all of the Company's shareholders, each shareholder's holding will be reduced in the same ratio as the total number of Shares (subject only to the rounding of fractions of shares). It follows that the share consolidation will not materially affect the percentage interest of each shareholder.

Similarly, the aggregate value of each shareholder's holding should not change (subject to the rounding of fractions of shares) solely as a result of the share consolidation. The consolidation will not, of itself directly impact on the Company's market capitalisation. The price per share can however be expected to increase to reflect the reduced number of shares on issue.

The actual effect of the share consolidation on the per share market price will depend on a number of factors outside the Company's control. The Company is not able to predict other market movements or impacts on the price of the Company's shares after the share consolidation.

Taxation implications

The summary in this section below is of a general nature only. Particular taxation implications will depend on each shareholder's individual circumstances. Shareholders should therefore seek their own professional advice in relation to their tax position. Neither the Company nor any of its officers, employees or advisers assumes any liability or responsibility for advising shareholders about the effect of the proposed share consolidation on their individual tax position.

The share consolidation will be undertaken in accordance with section 254H of the Corporations Act. Subject only to rounding, there will be no change to the proportionate interests held by each shareholder in the Company as a result of the consolidation.

If shareholders remain the beneficial owners of the original and newly consolidated shares in the same proportions, there should be no capital gains tax event as a result of the share consolidation and therefore there will be no taxation implications for shareholders.

Holding Statements

From the date of the share consolidation, all existing holding statements for the Company's shares will cease to have any effect, except as evidence of entitlement to a certain number of shares on a post-consolidation basis. After the share consolidation becomes effective, the Company will arrange for new holding statements to be issued to shareholders.

No other material information

Other than as set out in this Explanatory Statement and as previously disclosed to the Company's shareholders, there is no other information that is known to the Company's Directors which may reasonably be expected to be material to the making of a decision by shareholders whether or not to vote in favour of the share consolidation.

Directors' recommendation

The Company's Directors unanimously recommend that shareholders vote in favour of the resolution to consolidate the Company's shares.

Each Director intends to vote all shares they hold or control in favour of the share consolidation resolution.

Timetable for the Share Consolidation

Last day of trading on a pre-consolidated basis	30 April 2012
First day of trading on a post-consolidated basis (on a deferred settlement basis)	1 May 2012
Last day to register transfers on a pre-consolidation basis	7 May 2012
First day to register transfers on a post-consolidated basis Share consolidation takes place	8 May 2012
Date for dispatch of new holding statements	14 May 2012
Normal T+3 trading in consolidated shares commences	15 May 2012
Settlement of trades conducted on a deferred settlement basis and first settlement of trades conducted a normal T+3 basis	18 May 2012

These dates are indicative and may change.

The Directors unanimously recommend that shareholders vote in favour of this resolution.

Explanatory Note to Item 6 (Resolution 5)

Amendment to the Constitution

The company currently has a substantial number of shareholders whose shareholding is less than a marketable parcel (\$500 for equity securities) for the purpose of trading on the ASX.

It is common for listed companies to have a provision in their constitution allowing the Company to sell securities held by Minority Holders in order to minimise the administrative costs to the Company associated with maintaining its securities. This resolution seeks shareholder approval to insert a new Clause 10A into the Company's Constitution that will enable the Company to dispose of Minority Holdings held by Minority Holders.

If the resolution is approved, the Company intends to undertake this process within the next 12 months. The gross proceeds of the sale of Minority Holdings will be paid to Minority Holders whose shares in the Company are sold. The Company bears the cost of sale including brokerage.

The proposed wording of the new Clause 10A to be inserted in the Constitution is:

"10A SALE ON NON-MARKETABLE PARCELS

10A.1 Definitions

In this Clause 10A.1:

CHESS means the clearing house electronic sub-register system operated by ASX Settlement Pty Ltd ACN 008 504 532.

Marketable Parcel means the number of Securities which in aggregate constitutes a marketable parcel of Securities in the Company under the Listing Rules.

Minority Holder means any Holder of Securities (including a Holder who holds Shares) who from time to time holds less than a Marketable Parcel of those Securities.

Minority Holding means the Securities in respect of which the Holder is a Minority Holder.

Non-Marketable Parcel means a parcel of Securities which is less than a Marketable Parcel.

Notice Date means the date of the Notice of Divestiture sent by the Company to a Minority Holder advising that the Company intends selling the Minority Holding under the provisions of Clause 10A.

Notice of Divestiture means a notice given to a Minority Holder in accordance with Clause 10A.4.

Sale Consideration has the meaning stated in Clause 10A.4a.

10A.2 Power to sell Non-Marketable Parcels

- a Subject to the provisions of the Listing Rules, the Company may and hereby is authorised to dispose of Minority Holdings in the manner prescribed by this Clause 10A. Subject to the provisions of Clause 10A.2(b), this Clause 10A may be invoked only once in any twelve (12) month period.
- b Clause 10A.2(a) automatically ceases to have effect following the announcement of a Takeover and begins to have effect once more after the close of the offers made under the Takeover.

10A.3 Notice

- a The Company must not sell a Minority Holding unless it has, not less than forty-two (42) days prior to the sale, given a Notice of Divestiture in writing to the Minority Holder of its intention to dispose of the Minority Holding.
- b Every Minority Holder on whom a Notice of Divestiture has been served may by notice in writing addressed to the Secretary and delivered to the registered office of the Company within forty-two (42) days after the Notice Date request the Company to exempt the Minority Holding from this Clause 10A, in which event the provisions of this Clause 10A will not apply to that Minority Holding.
- c If the Minority Holding is held on CHESS, the Notice of Divestiture must state that for the purpose of selling the Minority Holding pursuant to this Clause 10A that are in a CHESS holding, the Company may initiate a holding adjustment to move those Securities from the CHESS holding to:
 - i. a holding on an electronic sub-register maintained by the Company in accordance with the Listing Rules; or
 - ii. a certificated holding.

10A.4 Procedure

- a For the purposes of the sale of Securities under this Clause 10A, each Minority Holder:
 - i. appoints the Company as the Minority Holder's agent, to sell within a reasonable period after the period ending forty-two (42) days after the Notice Date all of the Securities in the Minority Holding in the ordinary course of trading on the stock market conducted by ASX acting in good faith and to receive the sale consideration on behalf of the Minority Holder; and
 - ii. appoints the Company, each of the Directors and the Secretaries severally from time to time as the Minority Holder's attorney in the name and on behalf of the Minority Holder to effect all transfers and execute all deeds or other documents or instruments necessary to transfer the Securities from the Minority Holder to the transferee.
- b The transferee of Securities sold pursuant to this Clause 10A will not be responsible for the regularity of proceedings or to the application of the purchase money in respect of the sale of a Minority Holder's Securities, and after the transferee's name has been entered in the register in respect of such Securities, the validity of the sale or other disposal may not be impeached by any person and the remedy of any person aggrieved by the sale or other disposal will be in damages only and against the Company exclusively. The Company may issue to the transferee such certificates as may be required in order to vest title in the transferee. The title of the transferee to Securities sold pursuant to this Clause 10A will not be affected by any irregularity or invalidity in connection with the sale or disposal of the Securities to the transferee.
- c If the relevant Securities are certificated, the Company must cancel the certificates of all Minority Holders whose Securities are sold under this Clause 10A.
- d If all the Securities of two (2) or more Minority Holders to whom this Clause 10A applies are sold to one purchaser, the transfer may be effected by one transfer document.

10A.5 Sale consideration

- a The Company will receive the consideration (if any) in respect of the sale or disposal of Securities pursuant to this Clause 10A. The proceeds of any sale or other disposal of Securities pursuant to this Clause 10A (Sale Consideration) are to be paid to the Minority Holder or as the Minority Holder may direct. The Company must bear all costs as a result of the sale or disposal of Securities pursuant to this Clause 10A.
- b Payment by the Company of any consideration under the provisions of this Clause 10A will be at the risk of the Minority Holder to whom it is sent.
- c The Sale Consideration so received by the Company must be paid into a bank account opened and maintained by the Company for that purpose only.
- d The Company holds the Sale Consideration so received in trust for a Minority Holder whose Securities are sold pursuant to this Clause 10A, pending distribution of the Sale Consideration. The Company must as soon as practicable after the sale of the Securities of a Minority Holder, and to the extent that it may reasonably do so, distribute the Sale Consideration received to such Minority Holder entitled to the Sale Consideration provided that the Company has received any certificates issued to the Minority Holder with respect to the Security or in the case of loss or destruction of any such certificate, the statement and undertaking prescribed by Section 1070D(5) of the Corporations Act.
- e Where the Sale Consideration is held in trust by the Company for a Minority Holder under this paragraph and has been so held for not less than two (2) years, the Company must pay the money in accordance with applicable legislative requirements.

10A.6 Certificates

A certificate in writing under the hand of any two (2) Directors or of any one Director and a Secretary of the Company that:

- a any notice required to be served by or on the Company was or was not served, as the case may be;
- b any advertisement required to be published was published; and
- c any resolution of the Board required to be made was made,

will, for the purpose of this Clause 10A, be sufficient evidence of the facts stated as against all persons claiming to be entitled to such Securities and to the right and title of the Company to dispose of such Securities."

The Directors unanimously recommend that shareholders vote in favour of this resolution.

Copies of the Constitution are available upon request from:

Karon Rogers
Company Secretary
Buderim Ginger Limited
Telephone: (07) 5446 7100
Facsimile: (07) 5446 7520
Email: krogers@buderimginger.com

Karon Rogers

Company Secretary
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Facsimile: (07) 5446 7520
Email: krogers@buderimginger.com
(Proxy Information - Over)

APPOINTMENT OF PROXIES

A proxy form is enclosed for your use if required. Please note the following:

1. If a member is entitled to attend and vote at this meeting:
 - the member may appoint any person as his or her proxy to attend and vote for the member at the meeting.
 - a proxy need not be a member of the Company.
 - a member who is entitled to cast 2 or more votes at the meeting may appoint 2 proxies to attend on the same occasion. If 2 proxies are appointed and the appointment does not specify the proportion or number of the member's votes each proxy may exercise half of the member's votes, however, the appointment may specify the proportion of number of the votes that the proxy may exercise.
2. It is not necessary to fill in the name of the person appointed proxy unless it is desired to appoint some person other than the Chairman.
3. Where only one proxy is to be appointed complete the proxy form attached.
4. 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 and return it to Computershare Investor Services Pty Limited at the address below.
5. The form must be signed personally by the member or his/her attorney. A corporation must sign in accordance with its Constitution.
6. Where the proxy form is signed by an attorney, the power of attorney must be produced at the share registry or registered office not less than 24 hours before the time appointed for holding the Meeting.
7. If you desire your proxy/proxies to vote in a certain way place an 'x' in the appropriate box beside each resolution. If you do not direct your proxy/proxies on any resolution your proxy/proxies may vote as he/she/they think fit.
8. Proxies must be received by our Share Registry, Computershare Investor Services Pty Limited, at least 24 hours before the time of the holding of the meeting. Proxies can be:
 - delivered by post to the Share Registry of Buderim Ginger Limited, Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001; or
 - sent by fax to the Share Registry of Buderim Ginger Limited, Computershare Investor Services Pty Limited on 1800 783 447 (within Australia) or + 61 3 9473 2555 (outside Australia).
 - online by visiting www.investorvote.com.au and logging in using the control number found on the front of your accompanying proxy form. Intermediary Online subscribers (Institutions/Custodians) may lodge their proxy instruction online by visiting www.issueronline.com.



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