

**CONSTITUTION**

**OF**

**Macmin Silver Ltd**

*Incorporating amendments approved at the General Meeting held 27 June 2000*

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Corporations Law

CONSTITUTION

of

MACMIN SILVER LTD

1 **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

In this Constitution unless the context otherwise requires the following words and expressions shall have the meanings assigned to them:

**“Alternate Director”** means a person for the time being holding office as an alternate director of the Company under Article 21.

**“Appointor”** means in respect of an Alternate Director the Director who appointed the Alternate Director under Article 21.

**“Article”** means a provision of this Constitution as amended from time to time.

**“ASX”** means Australian Stock Exchange Limited.

**“Board”** means the directors of the Company acting together as a board of directors.

**“Business Day”** has the meaning given in the Listing Rules if the Company is Listed, and otherwise means a day which is not a Saturday, Sunday or public holiday in the State.

**“Company”** means Macmin Silver Ltd

**“Constitution”** means this Constitution as amended from time to time. A reference to the Memorandum and Articles of Association of the Company as in existence prior to the commencement of the Company Law Review Act, 1998 shall be taken to be a reference to this Constitution.

**“Corporation”** means any body corporate, whether formed or incorporated within or outside the State.

**“Director”** means a director for the time being of the Company but does not include a Technical Director.

**“Executive Director”** means a Director other than a Managing Director who is an employee (whether full-time or part-time) of the Company or of any related body corporate of the Company.

**“Executive of the Company”** means a person employed (whether full-time or part-time) by the Company or a related body corporate of the Company in connection with the management of the affairs of the Company or the related body corporate.

**“Home Branch”** has the meaning given in the Listing Rules.

**“Listed”** refers to the Company as having been admitted to the Official List of the ASX at the relevant time.

**“Listing Rules”** means the Listing Rules of ASX and any other rules of the ASX which are applicable while the Company is admitted to the Official List of ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX.

**“Marketable Parcel”** has the meaning given in the Listing Rules.

**“Managing Director”** means a person holding office as a managing director of the Company under Article 19.1.

**“Member”** means a registered holder of Shares.

**“Non-Executive Directors”** means all Directors other than Executive Directors and Managing Directors.

**“Office”** means the registered office for the time being of the Company.

**“Officer”** means an officer as defined in section 82A of the Corporations Law.

**“paid up”** includes credited as paid up.

**“Register”** means the register of Members kept under the Corporations Law and (as the context allows) includes any branch register.

**“Representative”** means a person appointed under Article 14.9 read with section 250D of the Corporations Law.

**“Restricted Securities”** has the meaning given by the Listing Rules.

**“SCH”** means Securities Clearing House

**“Seal”** means the common seal of the Company and as the context allows includes a duplicate seal.

**“Secretary”** means the secretary for the time being of the Company, and if there are joint secretaries, any one or more of such joint secretaries.

**“Section”** means a section of the Corporations Law.

**“Security”** has the meaning given by the Listing Rules.

“**Shares**” means issued shares of the Company.

“**State**” means the State of Queensland.

“**Technical Director**” means a person for the time being holding office as an associate director of the Company under Article 22.

## 1.2 **Listing Rule 15.11.1**

1.2.1 If the Company is admitted to the Official List of ASX, the following clauses apply:

- (a) Notwithstanding anything contained in this Constitution, if the Listing Rules prohibit an act being done, the act shall not be done.
- (b) Nothing contained in this Constitution prevents an act being done that the Listing Rules require to be done.
- (c) If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be).
- (d) If the Listing Rules require this Constitution to contain a provision and it does not contain such a provision, this Constitution is deemed to contain that provision.
- (e) If the Listing Rules require this Constitution not to contain a provision and it contains such a provision, this Constitution is deemed not to contain that provision.
- (f) If any provision of this Constitution is or becomes inconsistent with the Listing Rules, this Constitution is deemed not to contain that provision to the extent of the inconsistency.

## 1.3 **Interpretation**

In this Constitution:

- (a) Headings are for convenience only and do not affect the meaning and unless the contrary intention appears;
- (b) words importing the singular number include the plural number and vice versa;
- (c) words importing any gender include all other genders;
- (d) a reference to a person includes a corporation, a partnership, a body corporate, an unincorporated association and a statutory authority;
- (e) an expression used in this Constitution that deals with a matter dealt with by a particular provision of the Law has the same meaning as in that provision of the Law;

- (f) where any word or phrase is given a defined meaning any other part of speech or grammatical form in respect of that word or phrase has a corresponding meaning; and
- (g) a reference to an Article is a reference to an article of this Constitution.

#### 1.4 **Listing Rules and SCH Business Rules**

A reference to the Listing Rules or SCH Business Rules in this Constitution is to have effect, if, and only if, at the relevant time the Company is Listed and must otherwise be disregarded.

#### 1.5 **Replaceable Rules**

The provisions of the Corporations Law listed in Section 141 and described as replaceable rules do not apply to the Company except where repeated in this Constitution.

### 2 **SHARES**

#### 2.1 **Control of Directors**

The unissued shares of the Company and all options over unissued shares will be under the control of the Directors who, subject to:

- (a) the Corporations Law;
- (b) the Listing Rules; and
- (c) any rights for the time being attached to the Shares in any special class of such Shares,

may on behalf of the Company:

- (d) allot, issue or otherwise dispose of those unissued shares of the Company to such persons on such terms and conditions, at such times, with such preferred, deferred, qualified or other rights or restrictions including the right to have any amounts payable to the holder whether by way of or on account of dividends, repayment of capital or participation in surplus assets or profits of the Company paid in the currency of a country other than Australia, and at such premium or discount, if any, as the Directors think fit; and
- (e) grant such options during such time and for such consideration as the Directors think fit.

## 2.2 **Directors may not participate in certain securities issues**

Notwithstanding anything contained in this Constitution no Director, and no person associated with a Director in terms of Chapter 1, Part 1.2, Division 2 of the Corporations Law, may participate directly or indirectly in an issue by the Company of unissued shares of the Company, options or other securities to the extent that his or her doing so would contravene the Listing Rules or the Corporations Law.

## 2.3 **Preference shares**

- (a) The Company may issue preference Shares including preference Shares which are, or at the option of the Company are, liable to be redeemed.
- (b) Holders of preference Shares issued by the Company have the same rights as holders of ordinary Shares in relation to receiving notices, reports and audited accounts, and attending general meetings of the Company.
- (c) Holders of preference Shares have the right to vote at any general meeting of the Company convened to consider a reduction of the capital of the Company, an application to wind up the Company, a resolution to approve a sale of the undertaking of the Company, or any resolution or matter which directly affects the preference shareholders' rights or privileges, or when the meeting is held at a time when any dividend on the relevant preference Shares is in arrears by more than 6 months.

## 2.4 **Differentiation among Members as to calls on Shares**

The Directors may differentiate between the holders of Shares as to the amounts of calls to be paid on the Shares and as to the times for payment of those calls.

## 2.5 **Brokerage and commission on subscriptions for unissued shares**

Subject to the provisions of the Corporations Law:

- (a) the Company may exercise the power to make payments by way of brokerage or commission in connection with subscriptions for unissued shares in the Company in the manner provided by the Corporations Law; and
- (b) payments by way of brokerage or commission may be satisfied by the payment of cash, by the allotment of fully or partly paid Shares or partly by the payment of cash and partly by the allotment of fully or partly paid Shares.

## **2.6 Restricted Securities**

The Company shall comply in all respects with the requirements of the Listing Rules with respect to Restricted Securities. Without limiting the generality of the foregoing, the Company shall refrain to acknowledge, deal with, accept or register any sale, assignment or transfer of Restricted Securities which is or might be in breach of the Listing Rules or any escrow agreement entered into by the company under the Listing Rules in relation to the Restricted Securities.

## **3 SHARE CERTIFICATES**

### **3.1 Issue of Share Certificates**

Share certificates must contain the information required by the Corporations Law and may be issued under the Seal or in such other manner permitted under the Corporations Law and the Listing Rules, as the Directors from time to time may determine, but except as provided by Article 3.4, no fee will be charged by the Company for the issue of share certificates.

### **3.2 Member's entitlement to share certificates**

Subject to Article 7.10, every Member will be entitled to one certificate, without payment, in respect of the Shares registered in the Member's name, or to several certificates in reasonable denominations, to be despatched in accordance with the requirements of the Listing Rules.

### **3.3 Duplicate certificate if original damaged or defaced**

If any share certificate, letter of allotment, transfer, receipt or any other document of title to Shares is worn out or defaced, then on production thereof to the Directors, the Directors may order the same to be cancelled and may issue a duplicate in lieu thereof.

### **3.4 Duplicate certificate if original lost or destroyed**

If any share certificate, letter of allotment, transfer, receipt or any other document of title to Shares is lost or destroyed, a duplicate thereof may be issued on the conditions set out in the Corporations Law and the Listing Rules and on payment of the fee (not exceeding that prescribed in the Corporations Law) as the Directors from time to time determine.

### **3.5 Certificate of joint holders**

In the case of Shares held jointly by 2 or more persons, the Company is required to issue only the same number of certificates which it would be required to issue in respect of those Shares if those Shares were held by one person. Delivery of a certificate in respect of a Share to any one of several joint holders named on the Register is deemed to be delivery to all the joint holders.

## 4 REGISTER

### 4.1 Registered holder absolute owner

Except as required by law or as otherwise provided in this Constitution, the Company is entitled to treat the registered holder of any Share as the absolute owner thereof, and accordingly is not bound to recognise any equitable or other claim to or interest in that Share on the part of any other person whether or not it has notice of same.

### 4.2 Transferor is holder until transfer registered

A transferor remains the holder of a Share until the name of the transferee is entered in the Register in respect of that Share.

### 4.3 Closure and audit of Registers and transfer books

- (a) The Register, transfer books and any other register required to be kept by the Company may be closed during such time or times as the Directors think fit, but no such book or register will be closed for more than 30 days in the aggregate in any calendar year.
- (b) While the Company is Listed, each register will be audited at intervals of not more than 3 months.

### 4.4 Share Register

The Directors may delegate the function of maintaining the Register to any person of their choice in accordance with an agreement between that person and the Company for the provision of Share registry services. Subject to the terms of that person's agreement with the Company, any person so appointed may keep the Register anywhere in Australia.

### 4.5 Branch Register

The Company may exercise the powers conferred by section 178 of the Corporations Law, which powers are vested in the Directors. In exercising those powers, and subject to section 178 of the Corporations Law, the Directors may apply such provisions as they think fit in relation to the subject matter thereof and may comply with the requirements of any local law. Subject to the Corporations Law and the Listing Rules, the Directors may make a provision for the transfer of Shares between the Register and any branch register of Members.

## 5 CALLS ON SHARES

### 5.1 Directors' power to make calls

Subject to compliance with the provisions of the Corporations Law and the Listing Rules, the Directors may from time to time make such calls as they think fit on the

Members in respect of all money unpaid on Shares held by them unless the conditions of issue of the Shares make that money payable at fixed times.

## 5.2 **Notice of call**

- (a) Notice of any call will be given within the time limits allowed by the Listing Rules specifying the amount of the call, the time and place of payment, to whom that call will be paid, and giving such other information as may be required by the Listing Rules.
- (b) The non-receipt of a notice of any call or the accidental omission to give notice of any call to any of the Members will not invalidate the call.

## 5.3 **Payment of call: when and where due**

Subject to Article 5.2, each Member will pay the amount of every call so made on the Member to the persons and at the times and places appointed by the Directors. The joint holders of a share are jointly and severally liable to pay all calls in respect of the share.

## 5.4 **Terms of call**

A call may be made payable by instalments. Subject to the Listing Rules, the Directors may revoke or postpone any call.

## 5.5 **When call deemed to be made**

A call is deemed to have been made when the Directors resolve to make the call.

## 5.6 **Call deemed to have been made when instalment of capital payable under terms of issue**

If by the terms of issue of any Share, or otherwise, any amount is made payable at any fixed time or by instalments at fixed times, every such amount or instalment will be payable as if it were a call duly made by the Directors and of which due notice had been given. All of the provisions of this Constitution relating to calls relate to such amount or instalment accordingly.

## 5.7 **Interest upon default**

If a sum called in respect of a share is not paid before or on the day appointed for payment of the sum, the person from whom the sum is due must pay interest on the sum from the day appointed for payment of the sum to the time of actual payment at such rate not exceeding 10% per annum as the directors determine, but the directors may waive payment of that interest wholly or in part by an express notice in writing.

## 5.8 **Payment of calls in advance**

The Company may accept from any Member willing to advance the same all or any part of the sum due upon the Shares held by the Member beyond the sum actually called for. The Company may pay interest on any advance payment to the extent that the amount paid for the time being exceeds the amount of the calls made on the Shares in respect of which the advance payment is made, at such rate as the Member who makes the advance payment and the Directors may agree. Any such advance payment shall not confer a right to participate in a dividend. The Directors may at any time repay the amount advanced upon giving to the Member at least 14 days' notice in writing.

## **6 FORFEITURE AND SALE OF SHARES**

### **6.1 Forfeiture**

Any Share upon which a call is unpaid at the end of 14 days after the day for its payment is thereupon forfeited.

### **6.2 Notice of forfeiture**

When any Share has been forfeited, notice of the forfeiture will be given to the Member in whose name it stood immediately before the forfeiture and an entry of the forfeiture with the date thereof will forthwith be made in the Register. Omission or neglect to give notice or to make an entry as specified in this Article 6.2 will not invalidate a forfeiture in any way.

### **6.3 Sale of forfeited Shares**

A forfeited Share shall, subject to the Corporations Law, be offered for sale by public auction not more than 6 weeks after the day on which the call is payable.

### **6.4 Advertisement of sale**

- (a) Such sale shall be advertised not less than 14 and not more than 21 days before the day appointed for the sale in a daily newspaper circulating generally throughout Australia.
- (b) Subject to the requirements of the Listing Rules an intended sale of forfeited Shares that has been duly advertised may be postponed for not more than 21 days from the advertised date of sale, provided the date to which the sale has been postponed is advertised in a daily newspaper circulating generally in Australia.

### **6.5 Validity of sale**

Where a sale is not held because of error or inadvertence, the sale, if it is held in due course as soon as practicable after the discovery of the error or inadvertence, is not invalid.

## 6.6 **Shares may be credited**

At any such sale, a Share forfeited for non-payment of any call may, if the Directors so determine, be offered for sale and sold credited as paid up to the sum of:

- (a) the amount paid up on the Share at the time of forfeiture;
- (b) the amount of such call; and
- (c) the amount of any other calls becoming payable on or before the day of sale.

## 6.7 **Transferee's title to forfeited Shares**

The title of the transferee to the Share is not affected by any irregularity or invalidity in connection with the forfeiture, sale or disposal of the Share.

## 6.8 **Application of proceeds of sale**

The proceeds of any sale will be applied in payment of:

- (a) first, the expenses of the sale;
- (b) second, any expenses necessarily incurred in respect of the forfeiture; and
- (c) third, the calls then due and unpaid,

and the residue (if any) will be paid to the Member or the Member's executors and administrators or assigns (as the case requires) or as such person (or if more than one such person, as such persons) directs in writing within 5 Business Days of the Company receiving such satisfactory evidence as the Company may require that relates to ownership of the forfeited Shares.

## 6.9 **Reserve price**

The Directors may, in the case of a Share advertised for sale as forfeited for non-payment of a call, fix a reserve price not exceeding the sum of the amount of the call due and unpaid on the Share at the time of forfeiture and the amount of any other calls becoming payable on or before the date of the sale.

## 6.10 **Withdrawal from sale**

If a bid at least equal to the reserve price so fixed is not made for the Share, the Share may be withdrawn from sale.

## 6.11 **Disposal of Shares withdrawn from sale**

A Share so withdrawn from sale or a Share for which no bid is received at the sale shall be held by the Directors in trust for the Company and shall be disposed of in such a

manner as the Directors determine and the proceeds of sale shall be dealt with in accordance with Article 6.8 provided that the Shares to be so disposed of shall first be offered to shareholders for a period of 14 days before being disposed of in any other manner.

#### **6.12 Transferee's title to forfeited Shares**

- (a) The title of the transferee to the Share is not affected by any irregularity or invalidity in connection with the forfeiture, sale or disposal of the Share.
- (b) The transferee is not bound to determine the regularity of the proceedings or the application of the purchase money (if any), and after the transferee's name has been entered in the Register in respect of those Shares, the validity of the sale or other disposal will not be impeached by any person. The remedy of any person aggrieved by the sale or other disposal will be in damages only and against the Company exclusively.

#### **6.13 Execution of transfer of Shares sold**

On any sale or other disposal after forfeiture or on enforcing a lien in purported exercise of the powers in this Article 6, the Directors may appoint a person to execute an instrument of transfer of the Shares sold or otherwise disposed of, and cause the transferee's name to be entered in the Register in respect of the Shares sold or otherwise disposed of.

#### **6.14 Proof of due forfeiture**

A certificate in writing under the hands of 2 Directors or of one Director and the Secretary that a call in respect of any Shares was made, that notice of the call was served, that default in payment of the call was made and that forfeiture of the Shares was made by resolution of the Directors to that effect, will be sufficient evidence of the facts therein stated as against all persons claiming to be entitled to those Shares and of the right and title of the Company to dispose of the same.

#### **6.15 Purchase of forfeited Shares by Directors**

The Directors or any persons who would for the purpose of Chapter 1, Part 1.2, Division 2 of the Corporations Law be regarded as a person associated with any Director, will not purchase any forfeited Shares otherwise than in accordance with the Listing Rules.

### **7 TRANSFER OF SHARES**

#### **7.1 Instrument of transfer**

No transfer of Shares will be registered unless a proper instrument of transfer has been delivered to the Company. The instrument of transfer must be signed by the transferor unless the instrument is otherwise a sufficient instrument of transfer under the

Corporations Law. The instrument of transfer must be signed by the transferee if required by the Company.

## **7.2 Directors to register transfer**

Subject to Article 7.3, the Directors will not refuse to register or fail to register or give effect to a transfer of Shares in registrable form.

## **7.3 Directors may refuse to register transfer**

Subject to the SCH Business Rules, the Directors may refuse to register any transfer of Shares where:

- (a) such refusal is permitted by the Listing Rules or registration would result in a contravention of or failure to observe the provisions of the Listing Rules or the Corporations Law or any other law of the Commonwealth or any State or Territory of the Commonwealth;
- (b) the company has a lien on the shares the subject of the transfer;
- (c) the transfer is in respect of a partly paid Share in respect of which a call has been made and is unpaid;
- (d) the transfer would at the date of acquisition result in a new holding of less than a Marketable Parcel;
- (e) more than 3 persons are to be registered as joint holders except in the case of executors or trustees of a deceased shareholder;

## **7.4 Notice of refusal to register**

Where the Directors refuse to register a transfer of Shares under Article 7.3, the Company will give written notice of the refusal and the precise reasons for the refusal to the transferee within 5 Business Days after the date on which the transfer was lodged with the Company.

## **7.5 Form of Share transfers**

Share transfers will be in any usual form or in any other form approved either by the Directors or by ASX.

## **7.6 Delivery of transfers and Share certificates to Company's office**

Every instrument of transfer will be left at the Office or in the place where a Share register is kept, accompanied by such evidence as the Directors require to prove the transferor's title to or right to transfer the Shares.

## **7.7 Retention of transfers by Company**

All instruments of transfer which are registered will be retained by the Company, but any instrument of transfer which the Directors decline or refuse to register (except in the case of fraud) shall on demand be returned to the transferee.

#### **7.8 Powers of Attorney**

Any power of attorney granted by a Member empowering the donee to transfer Shares which may be lodged, produced or exhibited to the Company or any Officer of the Company will be taken and deemed to continue and remain in full force and effect as between the Company and the grantor of that power, and the power of attorney may be acted on until express notice in writing that it has been revoked or notice of the death of the grantor has been given and lodged at the Office.

#### **7.9 Charges in respect of registration**

The Company must register all proper SCH transfers, registrable transfer forms, renunciations and transfers, and transmission receipts, effect conversions between subregisters, issue statements showing the opening balance of the holding on the issuer sponsored subregister, issue a routine statement to a security holder on the issuer sponsored subregister, send a security holder details of a change to the holding which arises from an issue of securities or on acquisition of rights and mark or note transfer forms without charge, or as permitted by the Listing Rules.

#### **7.10 Approved security transfer systems**

- (a) Whenever in their absolute discretion they consider it expedient to do so, the Directors may cause the Company to participate in any system established for dealing in marketable securities introduced by ASX or operated in accordance with the Listing Rules or the rules of any body (including SCH) recognised under the Corporations Law.
- (b) Where the Company participates in any such system or acts in accordance with any such rules, then notwithstanding any other provision of this Constitution:
  - (i) Shares may be transferred with or without an instrument of transfer and with or without certificates, and the transfers may be registered in a manner permitted or recognised by the Corporations Law or the Listing Rules;
  - (ii) the Directors may permit the transfer of securities by any means approved by them and they may decide not to issue certificates for Shares or may decide to cancel certificates without issuing any replacement certificates wherever such a practice is not contrary to any applicable law, any rules of any body recognised by the Corporations Law relating to any computerised or electronic system of dealing in marketable securities or the Listing Rules; and
  - (iii) the Company will comply with the rules from time to time governing the operation of the system.

## 8 TRANSMISSION OF SHARES

### 8.1 Title to Shares of deceased Member and deceased joint holder

- (a) The executors or administrators of a deceased Member, not being one of several joint holders, will be the only persons recognised by the Company as having any title to the Shares registered in the name of that Member or any benefits accruing in respect of the Shares, and in the case of the death of any one or more of the joint registered holders of any Shares, the survivors will be the only persons recognised by the Company as having any title to or interest in those Shares or any benefits accruing in respect thereof.
- (b) Where 2 or more persons are jointly entitled to any Share in consequence of the death of the registered holder of that Share, for the purpose of these Articles they will be deemed to be joint holders of the Shares.

### 8.2 Title to Shares on death, bankruptcy or incapacity of Member

Subject to the Bankruptcy Act 1966, any person becoming entitled to Shares in consequence of:

- (a) the death or bankruptcy of any Member; or
- (b) any Member through mental or physical infirmity becoming incapable of managing his or her affairs,

on producing proper evidence that he or she sustains the character in respect of which he or she proposes to act under this Article or of his or her title to the Shares, may by notice in writing signed by him or her and delivered or sent to the Company, elect to be registered as a Member in respect of the Shares or may transfer the Shares. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of Shares are applicable to any such notice or transfer as if the death, bankruptcy, mental infirmity or physical infirmity of the Member had not occurred and the notice or transfer were a signed transfer signed by that Member.

### 8.3 Dividends payable to person entitled to Shares on death, bankruptcy or incapacity of Member

A person becoming entitled to a Share in the circumstances referred to in Article 8.2 will be entitled to the same dividends and other advantages to which the person would be entitled if registered as the holder of the Share, but, before being registered as a holder of the Share, the person will not be entitled to exercise any right conferred by membership in relation to general meetings in respect of the Share.

## 9 ALTERATION OF CAPITAL

### 9.1 Ordinary resolution to alter share capital

By ordinary resolution passed at a general meeting, the Company may:

- (a) **Consolidate Shares:** by consolidating and dividing all or any of its Share capital into Shares of lesser number than its existing Shares; and
- (b) **Subdivide Shares:** by subdividing its Shares or any of them into Shares of larger number than is fixed by the Constitution but so that in the subdivision the proportion between the amount paid and the amount (if any) unpaid on each share remains the same as it was in the case of the Share from which the subdivided Shares are derived.

### 9.2 How new Shares to be dealt with

A general meeting may determine that before the issue of any new Shares, those new Shares or any of them will be offered in the first instance to all the then holders of any class of Shares in proportion to the amount of the capital held by them, or make any other provisions as to the issue of the new Shares. Failing any such determination or as far as the same does not extend, the new Shares will be subject to the provisions of this Constitution and may be dealt with as if they form part of the capital as at the date of adoption of this Constitution.

### 9.3 Special resolution to reduce capital

Subject to the Corporations Law and the Listing Rules, the Company may by special resolution reduce its Share capital and without limiting the generality of the foregoing, the Company when reducing the share capital may resolve that such reduction be effected wholly or in part by the distribution of specific assets and in particular paid up Shares of any other corporation, Shares in any other corporation being a no liability company irrespective of the amount paid up or credited as paid up on the Shares, or debentures or debenture stock of any other corporation or in any one or more of such ways.

### 9.4 Buy-Back authorisation

Subject to the Corporations Law, the Company may buy ordinary Shares in itself on terms and at times determined by the Directors.

## 9.5 **Additional Rights**

Where Shares are consolidated or subdivided under Articles 9.1(a) and (b), the Company in general meeting may determine by special resolution that as between the Shares resulting from that consolidation or subdivision, one or more of the Shares has some preference or special advantage in relation to dividends, capital, voting or anything else over or compared with one or more of the others.

## 10 **VARIATION OF CLASS RIGHTS**

### 10.1 **Consent or special resolution of Members in class**

If at any time the Share capital is divided into different classes of Shares, the rights attached to any class may be varied or abrogated unless otherwise provided by this Constitution or by the terms of issue of the Shares of that class:

- (a) with the consent in writing of the holders of three-fourths of the issued Shares included in that class; or
- (b) with the sanction of a special resolution passed at a separate meeting of the holders of those Shares.

### 10.2 **Rules applying to meetings of class Members**

The provisions from time to time contained in this Constitution concerning meetings will apply, so far as they are capable of application and with the necessary changes, to every meeting held under Article 10.1 but so that the necessary quorum is 2 or more persons who, between them, hold or represent by proxy or attorney or Representative at least one-fourth of the issued Shares of the class. Any holder of Shares of the class present in person or by proxy, attorney or Representative may demand a poll.

### 10.3 **No variation of rights by further issue**

The rights conferred upon the holders of the Shares of any class issued with preferred or other rights will not be deemed to be varied by the creation or issue of further Shares ranking equally with the firstmentioned Shares, unless otherwise expressly provided by the terms of issue of the Shares of that class.

### 10.4 **Deemed variation of preference shareholders rights**

Any issue by the Company of Shares ranking in priority to, and any conversion of any Shares to Shares ranking equally or in priority to, a class of preference shares is deemed to be a variation of the rights attached to that class of preference shares.

## 11 GENERAL MEETINGS

### 11.1 Convening of general meetings

The Directors may convene a general meeting whenever they think fit, and the Directors must convene a general meeting on a requisition of Members as provided by the Corporations Law.

### 11.2 Annual General meetings

Annual general meetings will be held in compliance with the Corporations Law and the Listing Rules.

### 11.3 Notice period

Subject to the Listing Rules and the provisions of the Corporations Law relating to agreements for shorter notice, not less than 28 days' notice of a general meeting must be given to the Members.

### 11.4 Contents of notice

A notice of a general meeting will specify the place, day and hour of meeting, and in the case of special business, the general nature of that business, and in the case of an election of Directors, the names of the candidates for election.

### 11.5 Failure to give notice

The accidental omission to give notice of any general meeting to or the non-receipt of that notice by any of the Members will not invalidate any resolution passed at that meeting.

### 11.6 Notice of adjourned meeting in certain circumstances only

Whenever a general meeting is adjourned for less than 21 days, no further notice of the time and place of the adjourned meeting need be given; but whenever a general meeting is adjourned for 21 days or more, at least 3 days' notice of the time and place of the adjourned meeting must be given to Members.

### 11.7 Persons entitled to attend general meetings

- (a) The following persons are entitled to attend general meetings of the Company:
  - (i) all Members and any other persons entitled to attend under the Corporations Law; and
  - (ii) all persons entitled to attend under the requirements of the Listing Rules, including without limitation of the holder of partly paid ordinary Shares in respect of any such Share upon which all calls due to the Company have been paid.

- (b) The chairperson may refuse admission to, or require to leave and remain out of, any general meeting any person in possession of any device for taking pictures or recording sound (including a person referred to in paragraph (a) of this Article) if that person refuses to hand the device to the chairperson for the duration of the general meeting.

#### 11.8 **Postponement or Cancellation of Meeting**

The Directors may postpone or cancel any general meeting, other than a meeting convened as a result of a requisition under Article 11.1, whenever they think fit.

### 12 **PROCEEDINGS AT GENERAL MEETINGS**

#### 12.1 **Business of annual general meeting**

The business of an annual general meeting is:

- (a) to receive and consider the profit and loss account, the balance sheet, and any other accounts, reports and statements as are required to be laid before the meeting;
- (b) to elect Directors in the place of those retiring;
- (c) to determine the remuneration of the Directors;
- (d) to declare dividends; and
- (e) to transact any other business which under this Constitution or by the provisions of the Corporations Law ought to be or may be transacted at an annual general meeting.

#### 12.2 **Special business**

All other business transacted at an annual general meeting and all business transacted at any other general meeting will be deemed special.

#### 12.3 **Quorum**

A quorum for a general meeting is 3 persons, each being a Member, or a proxy of a Member, or attorney of a Member, or a Representative entitled to vote at that meeting. No business can be transacted at any general meeting unless the requisite quorum is present at the commencement of the meeting. If a quorum is present at the beginning of a general meeting it is deemed present throughout the meeting unless the chairperson otherwise declares on the chairperson's own motion or at the instance of a Member, the attorney of a Member, the proxy of a Member, or a Representative.

#### 12.4 **Chairperson**

The chairperson of Directors or in the chairperson's absence the deputy chairperson, if any, will preside as chairperson at every general meeting of the Company, or, if there is no such chairperson, or deputy chairperson, or if at any general meeting neither the chairperson nor the deputy chairperson are present at the time appointed for holding the meeting or willing to act, the Director or Directors present may choose a Director (other than the chairperson or the deputy chairperson) as chairperson. If no Director is present or if all Directors present decline to take the chair, the Members present will choose one of their number to be chairperson.

#### 12.5 **If quorum absent**

If half an hour after the time appointed for a general meeting a quorum is not present, a meeting convened by the Directors on a requisition of Members or by such requisitionists as is provided by the Corporations Law will be dissolved, but in any other case the meeting will be adjourned to such other day, time and place as the Directors may by notice to the shareholders appoint, but failing such appointment, then to the same day in the next week at the same time and place as the meeting adjourned.

#### 12.6 **Quorum for adjourned general meeting**

If at any adjourned general meeting a quorum is not present after half an hour from the time appointed for that adjourned general meeting, then notwithstanding Article 12.3, 2 persons each being either a Member, a proxy of a Member, the attorney of a Member, or a Representative, will constitute a quorum.

#### 12.7 **Chairperson has casting vote**

In the case of an equality of votes at any general meeting, the chairperson has a casting vote both on a show of hands and on a poll, in addition to the vote or votes to which the chairperson is entitled as a Member, proxy of a Member or Representative.

#### 12.8 **Voting: show of hands or poll**

At any general meeting a resolution put to the vote of the meeting will be decided on a show of hands unless before or on the declaration of the result of the show of hands a poll is demanded:

- (a) by the chairperson;
- (b) by at least 5 Members, present in person or by proxy or attorney or by a Representative, having the right to vote at the meeting;
- (c) by any Member or Members, present in person or by proxy or attorney or by a Representative, who are together entitled to at least 10% of the total voting rights of all the Members having the right to vote at the meeting; or

- (d) by a Member or Members, present in person or by proxy or attorney or by a Representative, holding Shares in the Company conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to at least 10% of the total sum paid up on all the Shares conferring that right,

but no poll will be demanded on the election of a chairperson or the adjournment of any meeting.

#### 12.9 **Questions decided by majority**

Subject to the requirements of the Corporations Law in relation to special resolutions, a resolution will be taken to be carried if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution exceeds one-half.

#### 12.10 **Declaration by chairperson that resolution carried**

A declaration by the chairperson that a resolution has on a show of hands been carried or carried by a particular majority or lost or not carried by a particular majority and an entry to that effect in the book of proceedings of the Company will be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

#### 12.11 **Conduct of poll**

If a poll has been demanded under this Article 12, it will be taken in such manner and at such time and place as the chairperson directs, and either at once or after an interval or adjournment or otherwise. The result of the poll will be deemed to be the resolution of the general meeting at which the poll was demanded. The demand for a poll may be withdrawn.

#### 12.12 **Continuation of meeting notwithstanding poll**

The demand for a poll will not prevent the continuance of the meeting or the transaction of any business other than the question on which a poll has been demanded.

#### 12.13 **Adjournment of general meetings**

If so directed by the general meeting, the chairperson will adjourn the meeting from time to time and from place to place; but no business will be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

#### 12.14 **Powers of chairperson**

The chairperson is responsible for the general conduct of a general meeting and may without limitation:

- (a) make rulings;

- (b) in addition to exercising any general power to adjourn, adjourn the meeting without putting the question (or any question) to the vote if such action is required to ensure the orderly conduct of the meeting; and
- (c) determine conclusively any dispute concerning the admission validity or rejection of a vote.

## 13 **VOTES AT GENERAL MEETINGS**

### 13.1 **Number of votes**

Subject to any special rights or restrictions for the time being attaching to any class of Shares in the capital of the Company:

- (a) on a show of hands at a general meeting every person present who is either a Member, a proxy, an attorney or a Representative of a Member has one vote; and
- (b) on a poll at a general meeting every Member (not being a corporation) present in person or by proxy or attorney and every Member (being a corporation) present by a Representative or by proxy or attorney has one vote for each Share that Member holds, but:
  - (i) if at any time there is on issue any Share which has not been fully paid up as that Share on a poll will confer only that fraction of one vote which the amount paid up on that Share excluding any amounts paid up in advance of the due date for payment thereof bears to the total issue price thereof; and
  - (ii) if the total of the whole votes and fractions of votes to which a Member is entitled on a poll does not constitute a whole number, then that fractional part will be disregarded.

### 13.2 **Votes of incapacitated Member**

If a Member is of unsound mind or is a person whose person or estate is liable to be dealt with in any way under the law relating to mental health, the Member's committee or trustee or such other person as properly has the management of the Member's estate may exercise any rights of the Member in relation to a general meeting as if the committee, trustee or other person were the Member.

### 13.3 **No vote if call unpaid or breach of escrow agreement**

Notwithstanding this Article 13, a holder of Shares will not be entitled to be present or to vote on any question either personally, by proxy, by attorney, or by a Representative at any general meeting, or on a poll, or be counted in a quorum in respect of any Shares:

- (a) on which any calls due or other sums payable by the Member in respect of the Shares to the Company have not been paid; or
- (b) if there is, and for so long as there is, a subsisting breach of any escrow agreement entered into by the Company under the Listing Rules in relation to those Shares when those Shares are classified under the Listing Rules or by ASX as Restricted Securities.

#### **13.4 Chairperson to determine disputes re votes**

In the case of any dispute as to the admission or rejection of a vote the chairperson may determine the dispute and such determination made in good faith will be conclusive.

#### **13.5 Objections to qualification to vote**

No objection to the qualification of any voter will be raised except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at that meeting is valid for all purposes. Any objection made in due time will be referred to the chairperson, whose decision made in good faith is final and conclusive.

#### **13.6 Vote of joint holders**

Where there are joint registered holders of any Shares, any one of them may vote at any general meeting personally, by proxy, by attorney, or by Representative in respect of those Shares as if that person was solely entitled thereto. If more than one of the joint holders is present at any general meeting personally, by proxy, by attorney, or by Representative, only the person present whose name stands first in the Register in respect of the Shares is entitled to vote in respect thereof personally, by proxy, by attorney, or by Representative. Several executors or administrators of a deceased Member in whose sole name any Shares stand for the purposes of this Article 13.6 will be deemed joint holders thereof.

#### **13.7 Proxy not to vote if Member present**

If a Member is present at a meeting of the Company and a proxy or attorney for such Member is also present, the proxy or attorney is not entitled to vote on a show of hands or on a poll.

#### **13.8 When numerous proxies or Representatives are present**

If more than one proxy or attorney or Representative for a Member is present at a meeting of the Company, that proxy or attorney or Representative is not entitled to vote on a show of hands, and on a poll the vote of each one is of no effect unless each such person is appointed to exercise a specified proportion of the Member's voting rights and such proportions do not in aggregate exceed 100%.

### 13.9 **No vote if contrary to Listing Rules or Corporations Law**

Where under the Listing Rules or the Corporations Law a Member is not entitled to vote on a resolution or, if the Member does so vote, the resolution will not validly be passed, then for all purposes under this Constitution the Member is not entitled to vote on that resolution. Any vote which the Member or any proxy, attorney or Representative for the Member purports to cast on behalf of the Member will be disregarded.

## 14 **PROXIES AND REPRESENTATIVES**

### 14.1 **Right to appoint proxy**

A member who is entitled to attend and vote at a general meeting of the Company or at a meeting of any class of Members of the Company is entitled to appoint not more than 2 other persons (whether Members or not) as the Member's proxy or proxies to attend and vote instead of the Member at the meeting. A proxy has the same right to speak at a meeting as the appointer would have had if personally present. Where a Member appoints 2 proxies, the appointment is of no effect unless each proxy is appointed to represent a specified proportion of the Member's voting rights.

### 14.2 **Proxy must be written**

An instrument appointing a proxy must be in writing under the hand of the appointer or of the appointer's attorney duly authorised in writing; or if the appointer is a corporation under its common seal or the hand of its duly authorised attorney. The proxy may contain directions as to the manner in which the proxy is to vote in respect of any particular resolution or resolutions. An instrument appointing a proxy is deemed to confer authority to demand or join in demanding a poll.

### 14.3 **Power of attorney and proxy form to be deposited at registered office before meeting**

An instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a copy of that power or authority certified as a true copy by statutory declaration must be deposited at the Office not less than 48 hours before the time scheduled for commencement of the meeting at which the person named in the instrument intends to vote.

### 14.4 **Vote by proxy valid notwithstanding intervening death etc. of Member**

A vote given in accordance with the terms of an instrument of proxy will be valid notwithstanding the previous death or unsoundness of mind of the principal, or revocation of the proxy or transfer of the Share in respect of which the vote is given, if no intimation in writing of the death, unsoundness of mind, revocation or transfer has been received at the Office or by the chairperson before the vote is given.

**14.5 Member may indicate whether proxy is to vote for or against resolution**

Any form of proxy sent out by the Company to Members in respect of a proposed general meeting of Members will make provision for the Member to indicate whether the Member wishes to vote for or against any resolution. The Member need not give that indication. Where an indication is given, the proxy is not entitled to vote on the resolution except in accordance with that indication.

**14.6 Only blank proxy forms to be sent out by Company**

Proxy forms sent out by the Company will be blank so far as the person primarily to be appointed proxy is concerned.

**14.7 Form of proxy**

Every instrument of proxy whether for a specified meeting or otherwise will be in such form as the Directors may from time to time prescribe or accept.

**14.8 Failure to name appointee**

Any instrument of proxy in which the name of the appointee is not filled in will be deemed to be given in favour of the chairperson.

**14.9 Appointment of Representative by Corporation**

Any corporation which is a Member of the Company by a resolution of its directors may authorise any person it thinks fit to act as its Representative at any or all meetings held during the continuance of the authority, whether the meeting is of the Company or of any class of Members of the Company. That person, acting in accordance with his or her authority until it is revoked by the corporation, is entitled to exercise the same powers on behalf of that corporation as that corporation could exercise if it were a natural person who was a Member of the Company.

**14.10 Proof of appointment or revocation of appointment of Representative**

A certificate executed by the Company or such other document as the chairperson of the meeting in his or her sole discretion considers sufficient will be prima facie evidence of the appointment or of the revocation of the appointment (as the case may be) of a Representative under Article 14.9.

**15 DIRECTORS: APPOINTMENT AND REMOVAL**

**15.1 Number of Directors**

There will be 3 Directors (excluding Executive Directors); or such other number (not being less than 3 or more than 10 without the prior sanction of a general meeting) as the Directors from time to time determine. A vacancy created by any such determination will be a casual vacancy in terms of Article 15.4. No such determination may at any

time take effect if it is of a number which is less than the number of Directors (excluding Executive Directors) then holding office.

**15.2 Limited ability of Directors to act during vacancies**

The continuing Directors may act notwithstanding any vacancy in their number; but for as long as the number of Directors is below the minimum fixed by, this Constitution the Directors will not act except in emergencies or for the purpose of filling up vacancies or convening a general meeting of the Company.

**15.3 Director need not be Member**

A Director need not be a Member of the Company. A Director is entitled to receive all notices of meetings and is entitled to attend and speak at all meetings the subject of such notices and at every meeting of the holders of every class of Shares.

**15.4 Directors may fill casual vacancies and may appoint additional Directors**

In addition to the Directors' powers to appoint Executive Directors under Article 19.3, the Directors have power at any time and from time to time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Directors, but the total number of Directors must not at any time exceed the maximum number fixed by this Constitution. Any Director so appointed will retire at the next following general meeting of the Company and will then be eligible for re-election.

**15.5 Resignation of Directors**

A director may resign from office on giving the Company notice in writing.

**15.6 Removal of Directors by general meeting**

Subject to the Corporations Law, a general meeting may remove any Director before that Director's period of office expires, by ordinary resolution, and on due notice may by like resolution appoint another qualified person in place of that Director.

**15.7 Suspension of Director guilty of prejudicial behaviour**

If the conduct or position of any Director is such that continuance in office appears to a majority of the Directors to be prejudicial to the interests of the Company, a majority of the Directors at a meeting of the Directors specially convened for that purpose may suspend that Director. Within 14 days of the suspension, the Directors will call a general meeting, at which the Members may either confirm the suspension and remove that Director from office, or annul the suspension and reinstate that Director.

## 15.8 **Vacation of office of Director: automatic**

The office of a Director is vacated if that Director:

- (a) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;
- (b) is absent without the consent of the Directors from meetings of the Directors held during a period of 3 months;
- (c) resigns the office of Director in accordance with Article 15.5;
- (d) is removed under the provisions of Article 15.6; or
- (e) otherwise ceases to be, or becomes prohibited from being, a Director by virtue of the Corporations Law.

## 16 **ROTATION OF DIRECTORS**

### 16.1 **Retirement of Directors at annual general meetings**

For the purposes of this Article, all Directors are “**relevant Directors**” except for:

- (a) any Director appointed to fill a casual vacancy and any Executive Director who by reason of Article 15.4 or Article 19.3 holds or hold office only until (or pending ratification of his or her appointment) that general meeting; and
- (b) one Managing Director appointed by the Directors.

At every annual general meeting, one-third of the relevant Directors (or if their number is not 3 or a multiple of 3 then the next lowest whole number of Directors) will retire from office and be eligible for re-election; but if and for so long as there are fewer than 3 relevant Directors, one relevant Director will retire each year.

### 16.2 **Each Director must retire at every third annual general meeting**

Notwithstanding Article 16.1, each Director, including each Executive Director but excluding the Managing Director appointed by the Directors for the purposes of Article 16.1(b), must retire from office no later than at the third annual general meeting following his or her last election or appointment by a general meeting, but may submit himself or herself for and will be eligible for re-election.

### 16.3 **Order of retirement of Directors at annual general meetings**

The one-third or, if their number is not 3 or a multiple of 3 then the next lowest whole number of Directors to retire will be the one-third or other next lowest whole number who have been longest in office. As between 2 or more Directors who have been in office an equal length of time, the Directors to retire will be determined by lot, failing

agreement between them. The length of time a Director has been in office will be computed from the Director's last election or appointment by a general meeting, where the Director has previously vacated office.

**16.4 Retiring Director stays for meeting**

A retiring Director will retain office until the dissolution or adjournment of the general meeting at which that Director retires.

**16.5 Election of Directors by general meeting**

Subject to the provisions of this Constitution, the Company in general meeting (including any general meeting at which any Director retires or at the conclusion of which any Director ceases to hold office) may:

- (a) appoint new Directors; and
- (b) fill up all or any of the vacated offices by electing a like number of persons to be Directors.

**16.6 Director may continue if place not filled**

If at any general meeting at which an election of Directors ought to take place the place of any Director retiring is not filled, that Director is willing to continue in office and is not of or over the age of 72 years, that Director will continue in office until the next annual general meeting and so on from year to year until that Director's place is filled, unless it is determined at that meeting to reduce the number of Directors in office, or unless a resolution for the re-election of that Director has been put to the meeting and lost.

**16.7 Nomination of Directors for office**

No person other than a retiring Director is eligible for election to the office of Director at any general meeting unless the case of a person whose nomination is recommended by the Directors, at least 10 Business Days, and in any other case, at least 30 Business Days before the meeting there has been left at the office:

- (a) a notice in writing signed by a Member duly entitled to attend and vote at the meeting for which such notice is given of that Member's intention to propose the person for election; and
- (b) a written consent of the nominee to act as a Director.

Members duly entitled to attend and vote at the meeting may also in this way propose themselves for election. Notice of each and every candidature will be given to all Members at least 10 Business Days before the meeting at which the election is to be held.

## 17 **REMUNERATION OF DIRECTORS**

### 17.1 **Remuneration of Non-Executive Directors**

The Non-Executive Directors will be paid out of the funds of the Company by way of remuneration for their services a fixed sum (not being a commission on or percentage of profits or operating revenue) as is determined by a general meeting from time to time, but until so determined that remuneration will be such sum as the Directors from time to time determine. Remuneration will be paid to or applied for the benefit of the Non-Executive Directors in such proportions and in such manner as the Non-Executive Directors determine, and will be paid to them equally failing such determination. The remuneration of the Non-Executive Directors will not be increased except at a general meeting convened by a notice which specified the intention to propose the increase, the amount of the increase and the maximum sum that may be paid.

### 17.2 **Remuneration of Managing Directors and Executive Directors**

The remuneration of the Managing Director and Executive Directors is subject to the provisions of any contract between each of them and the Company from time to time fixed by the Directors, and may be by way of fixed salary or commission on or percentage of profits of the Company or of any other corporation in which the Company is interested or partly in one way and partly in another or others, but must not be by way of commission on or percentage of operating revenue.

### 17.3 **Payments on retirement or death of Director**

Subject to compliance with section 237 of the Corporations Law, the Directors may on or at any time after a person ceases to be a Non-Executive Director or a director of a related body corporate of the Company whether by retirement, death or otherwise:

- (a) on the Company's behalf make a lump sum payment or other allowance in respect of past services to that person, or to the widow, dependants, or legal personal representatives of that person in such proportions as the Directors determine; and
- (b) cause the Company to enter into a contract with a Non-Executive Director for the purpose of providing for or giving effect to the payment.

For the purposes of this Article, "**dependant**" means a person who in the opinion of the Directors was financially dependent upon a Non-Executive Director at the time of the death of such Director, and a person is a "**Non-Executive Director**" if and for as long as that person is a Director or a director for the time being of a related body corporate of the Company but not an employee of the Company or of any related body corporate of the Company.

#### **17.4 Remuneration of Directors for extra services and payment of expenses**

If any Director is called upon to perform extra services or to make any special exertion in going or residing abroad or otherwise for any of the purposes of the Company, the Company may pay additional remuneration to that Director as the Directors determine. The additional remuneration must not be by way of commission on or percentage of operating revenue, or, except in the case of an Executive Director or Managing Director, by way of commission on or percentage of profits. The Directors are also entitled to be paid their reasonable travelling, accommodation and other expenses incurred in consequence of their attendance at meetings of Directors, and otherwise in the execution of their duties as Directors.

#### **17.5 Interests in staff funds**

Subject to the Corporations Law and Listing Rules, any Director may participate in any association, institution, fund, trust or scheme for the benefit of past or present employees or Directors of the Company, a related body corporate or any of their respective predecessors in business or for the benefit of the dependants of any such persons or for the benefit of persons connected with any of those persons.

### **18 DIRECTORS' CONTRACTS WITH COMPANY**

#### **18.1 Directors may hold other office of profit**

A Director may hold any other office or place of profit in the Company (except that of auditor) in conjunction with the office of Director, on such terms as the Directors arrange.

#### **18.2 Contract not avoided when Director interested**

If the nature of a Director's interest has been disclosed in the manner required by Article 18.7, that Director will not be disqualified by virtue of holding the office of Director from holding any office or place of profit under any corporation in which the Company is a shareholder or is otherwise interested; or from contracting with the Company either as vendor, purchaser or otherwise, and nor will any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be avoided; and a Director is not liable to account to the Company for any profit arising from that office or place of profit or realised by the contract or arrangement, or by any participation in an association or otherwise under Article 17.5 by reason only of the Director holding that office or of the fiduciary relations thereby established.

### 18.3 **Directors may not vote when interested**

A Director who has a material personal interest in a matter that is being considered at a meeting of the Directors:

- (a) must not vote on the matter or on a resolution referred to in Article 18.4(a); and
- (b) must not be present while the matter is being considered at the meeting.

If that Director does so vote, the vote must not be counted, but this prohibition may at any time or times be relaxed as provided in Article 18.4. Subject to the foregoing, a Director may vote in respect of any matter in which he or she is interested.

### 18.4 **Relaxation of rule that Director may not vote when interested**

Subject to the Listing Rules, the prohibition in Article 18.3 will not apply:

- (a) if the Board of Directors has at any time resolved that it is satisfied that the Director's interest in the matter (as specified by resolution of the Board) should not disqualify the Director from considering or voting on the matter;
- (b) if under section 232B of the Corporations Law, or any provision enacted in place of that provision, the Director is lawfully able to vote or to be present during consideration by the Board in relation to the matter; or
- (c) if the interest which the Director has in the matter arises by reason only that the Director is a member and has an interest in the matter in common with other Members.

### 18.5 **Quorum**

A Director who is not entitled to vote or to be present during the consideration of a matter will not be counted in any quorum required for a meeting of Directors while that matter is being considered, other than a quorum for the purposes of convening a special meeting of Members to deal with the matter under Article 20.7.

### 18.6 **Director may affix Seal notwithstanding interest**

Notwithstanding that a Director is interested in a contract or arrangement, that Director may be appointed as the Director to sign on behalf of the Company or in whose presence the Seal of the Company is to be affixed to any instrument to which the interest relates.

## 18.7 **Disclosure of interest**

- (a) A Director who is in any way, whether directly or indirectly, interested in a matter in which the Company has an interest will declare the nature of the interest at a meeting of the Directors, as soon as practicable after the relevant facts have come to the Director's knowledge.
- (b) For the purposes of Article 18.7(a), a general notice given to the Directors by a Director to the effect that the Director is an officer or member of a specified corporation or a member of a specified firm and is to be regarded as interested in any matter, after the date of the notice, in which that corporation or firm may have an interest, will be deemed to be a sufficient declaration of interest in relation to the matter if:
  - (i) the notice states the nature and extent of the Director's interest in the corporation or firm;
  - (ii) when the matter is first considered, the extent of the Director's interest in the corporation or firm is not greater than is stated in the notice; and
  - (iii) the notice is given at a meeting of the Directors or the Director takes reasonable steps to ensure that it is brought up and read at the next meeting of the Directors after it was given.
- (c) It is also the duty of a Director who holds any office or possesses any property the holding of which office or the possession of which property might, whether directly or indirectly, create duties or interests in conflict with his duties or interests as a Director of the Company to declare at the first meeting of Directors held after he becomes a Director, or if he is already a Director at the first meeting of Directors held after he commenced to hold any office or possess any property as aforesaid, the fact of his or her holding such office or possessing such property and the nature, character and extent of the conflict.

## 18.8 **Record of disclosures by Directors**

It is the Secretary's duty to record in the minutes any disclosure given by a Director under this Article 18.

## 19 **MANAGING DIRECTOR AND EXECUTIVE DIRECTORS**

### 19.1 **Appointment and removal of Managing Director**

The Directors may from time to time:

- (a) appoint one or more of their number as Managing Directors either for a fixed term or without any limitation as to the period for which the person appointed is to hold the office;

- (b) subject to the provisions of any contract between a Managing Director and the Company, remove or dismiss or suspend a Managing Director from that office and appoint another or others in his or her place, or appoint a temporary substitute for a Managing Director while that Managing Director is absent or unable to act. No Managing Director is entitled to attend or vote at any meeting of Directors while under suspension from office.

#### **19.2 Retirement of Managing Director**

One Managing Director appointed by the Directors and whilst holding office will not be subject to retirement by rotation and will not be taken into account in determining the rotation of retirement of Directors or the number of Directors to retire. All other Managing Directors will be subject to retirement in accordance with Article 16.1. Subject to the provisions of any contract between each Managing Director and the Company, a Managing Director is subject to the same provisions as to resignation and removal as the other Directors, and will immediately cease to be a Managing Director if for any reason he or she ceases to hold the office of Director.

#### **19.3 Appointment of Executive Directors**

The Directors have the power to appoint not more than 2 Executives of the Company as Executive Directors. Every Executive Director will hold office only until the close of the general meeting of the Company next succeeding that Executive Director's appointment, unless the appointment is ratified by that meeting, in which case the Executive Director will continue to hold office in accordance with the terms of the appointment but subject to rotational retirement under Article 16. Whenever the office of an Executive Director becomes vacant, the Directors may fill the vacancy by appointing as an Executive Director another person qualified for appointment under this Article 19.3. Any such vacancy will not be regarded as a casual vacancy for the purposes of Article 15.4. An Executive Director has the same rights, privileges and obligations as the other Directors except as provided in this Constitution.

#### **19.4 Managing Director and Executive Directors ceasing to be Executives of the Company**

Each Managing Director and each Executive Director ceases to be a Director on ceasing to be an Executive of the Company. A person ceasing to be a Director by virtue of this Article will not be rendered ineligible for appointment or election as a Director under any other Article.

#### **19.5 Powers of Managing Director and Executive Directors**

The Directors may from time to time entrust to and confer on each Managing Director and each Executive Director such of the powers exercisable under this Constitution by the Directors as they think fit. The Directors may confer any powers for the time and to be exercised for any objects and purposes and on any terms and conditions and with such restrictions as they think fit. The Directors may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary

all or any of the powers. Notwithstanding any provision of this Constitution, every Managing Director and Executive Director will at all times and in all respects be subject to the control of the Directors.

## 20 **PROCEEDINGS OF DIRECTORS**

### 20.1 **Meetings of Directors and quorum for same**

- (a) The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit, and may from time to time determine the quorum necessary for the transaction of business. Until otherwise determined, and subject to Articles 18.5 and 20.7, 2 persons each of whom is a Director or Alternate Director will be a quorum.
- (b) A Director may at any time and the Secretary must on the request of a Director convene a meeting of the Directors.

### 20.2 **Meetings by Electronic Means**

- (a) Without limiting the discretion of the Directors to regulate their meetings under Article 20.1, the Directors may, if they think fit, confer by radio, telephone, closed circuit television or other electronic means of audio or audio-visual communication. Notwithstanding that the Directors are not present together in one place at the time of the conference, a resolution passed by such a conference will be deemed to have been passed at a meeting of the Directors held on the day on which and at the time at which the conference was held. The provisions of this Constitution relating to proceedings of Directors apply to such conferences to the extent that they are capable of applying, and with the necessary changes.
- (b) A resolution will not be deemed to have been passed at a meeting of the Directors by the operation of Article 20.2(a) unless all of the following conditions are met:
  - (i) each of the Directors entitled to notice of a meeting of Directors has been sent notice of the conference; and
  - (ii) at the commencement of the conference each of the Directors taking part in the conference and entitled to vote acknowledges his or her presence for the purposes of the conference to each of the other Directors taking part; and
  - (iii) at the commencement of the conference, each of the Directors taking part in the conference and entitled to vote acknowledges that he or she is able to hear each of the other Directors taking part in the conference.
- (c) A Director may not cease to take part in a conference of the type described in Article 20.2(a) by disconnecting his or her radio, telephone, closed-circuit television or other electronic means of audio or audio-visual communication before the conclusion of the conference without the consent of the chairperson of the conference. A Director present at the commencement of the conference

will be conclusively presumed to have been present and, subject to other provisions of this Constitution, to have formed part of the quorum throughout the conference, unless that Director has obtained the consent of the chairperson of the conference to cease to take part in the conference or the chairperson of the conference has actual knowledge that the Director has ceased to take part in the conference.

- (d) Any minutes of a conference of the type referred to in Article 20.2(a) purporting to be signed by the chairperson of that conference or by the chairperson of the next succeeding meeting of Directors will be sufficient evidence of the observance of all necessary formalities regarding the convening and conduct of the conference.
- (e) When by the operation of Article 20.2(a) a resolution is deemed to have been passed at a meeting of the Directors, that meeting will be deemed to have been held at such place as is determined by the chairperson of the relevant conference, provided that at least one of the Directors who took part in the conference was at such place for the duration of the conference.

### **20.3 Notice of meetings of Directors**

Notice of every Directors' meeting will be given to each Director and Alternate Director who is within Australia, but it is not necessary to give notice to any Director or Alternate Director who is outside Australia. Notice of a meeting of Directors may be given in writing or by radio, telephone, closed-circuit television or other electronic means of audio or audio-visual communication.

### **20.4 Votes at meetings of Directors**

Questions arising at any meeting of the Directors will be decided by a majority of votes and, subject to the provisions of Article 18, each Director has one vote. A person who is an Alternate Director is entitled to one vote (in addition to the Alternate Director's own vote as a Director, if any) on behalf of each Appointor whose alternate the Alternate Director is and who is not personally present.

### **20.5 Casting vote for chairperson of Directors**

In case of an equality of votes the chairperson of a meeting of Directors will not have a second or casting vote unless 3 or more Directors take part in the meeting.

### **20.6 Chairperson and deputy chairperson of Directors**

The Directors may elect a chairperson of Directors. The Directors may also elect a deputy chairperson who in the absence of the chairperson at a meeting of the Directors may exercise all the powers and authorities of the chairperson. If no chairperson or deputy chairperson is elected or if at any meeting the chairperson or deputy chairperson is not present within half an hour of the time appointed for holding the same, the Directors present will choose one of their number to be chairperson of that meeting. The chairperson and the deputy chairperson hold office until otherwise determined by the Directors or until they cease to be Directors. When a Director who is the

chairperson or deputy chairperson retires at an annual general meeting either by rotation or otherwise and is re-appointed or re-elected as a Director at that meeting, that chairperson or deputy chairperson will not by that fact alone cease to be the chairperson or deputy chairperson as the case may be.

#### **20.7 Quorum empowered to exercise powers of Directors**

A meeting of the Directors during which a quorum is present is competent to exercise all or any of the authorities, powers and discretion under this Constitution for the time being vested in or exercisable by the Directors generally. A general meeting may deal with a matter insofar as the necessary quorum for a meeting of Directors is not satisfied by reason of Article 18.5.

#### **20.8 Committees of Directors**

The Directors may delegate any of their powers to committees consisting of one or more members who are Directors as they think fit, and the Directors may from time to time revoke that delegation. A committee will conform to any regulations that may from time to time be imposed upon it by the Directors in the exercise of its powers. So far as they are capable of application and with the necessary changes, the provisions of the Constitution for regulating the meetings and proceedings of the Directors govern the meetings and proceedings of committees of 2 or more members to the extent that the same are consistent with any regulations made by the Directors. Where a committee consists of 2 or more members, a quorum will be any 2 members or such larger number as the committee itself determines.

#### **20.9 Defects in appointment or qualifications of Director**

All acts done at any meeting of the Directors or of a committee of Directors or by any person acting as a Director will be as valid as if every such person or committee had been duly appointed and every Director was qualified and entitled to vote, notwithstanding that it is afterwards discovered that there was some defect in the appointment of a Director or of the committee or of the person acting as aforesaid, or that any Director was disqualified or not entitled to vote.

#### **20.10 Written resolutions approved by all Directors same as majority vote at meeting**

A resolution in writing approved by all the Directors entitled to receive notice of a meeting of Directors and to vote at that meeting on such a resolution, being not less than the number of Directors required to constitute a quorum for a meeting of the Directors, is as valid and effectual as if it had been passed at a meeting of the Directors duly convened and held. Approval may be given in writing, or by telex or facsimile to the Office (or other place agreed on by the Directors), or may be oral, and may be communicated by telephone to the chairperson of Directors. A statement in writing by the chairperson that approval has been communicated to the chairperson will be prima facie evidence thereof. An approval given by an Alternate Director need not also be given by the Alternate Director's Appointor and, if given by a Director who has appointed an Alternate Director, need not be given by the Alternate Director in that capacity.

## 20.11 **Further provisions regarding written resolutions**

Without limiting the generality of Article 20.10:

- (a) if all of the Directors entitled at a meeting of Directors to vote on a written resolution have signed a document containing a statement that they are in favour of a resolution of the Directors in terms set out in the document, a resolution in those terms will be deemed to have been passed at a meeting of the Directors held on the day on which the document was signed and at the time at which the document was last signed by a Director or, if the Directors signed the document on different days, on the day on which, and at the time at which, the document was last signed by a Director;
- (b) for the purposes of Article 20.11(a), 2 or more separate documents containing statements in identical terms each of which is signed by one or more Directors in the relevant category will together be deemed to constitute one document containing a statement in those terms signed by the Directors in that category on the respective days on which they signed the separate documents; and
- (c) a reference in Article 20.11(a) to all the Directors does not include a reference to a Director, who, at a meeting of Directors, would not be entitled to vote on the resolution.

## 21 **ALTERNATE DIRECTORS**

### 21.1 **Appointment and removal of Alternate Directors**

Each Director has power from time to time to appoint any person who is not an auditor of the Company or a partner or employer or employee of an auditor of the Company approved for that purpose by a majority of the other Directors to be the alternate of the Director in the Appointor's place during such times and from time to time as the Appointor determines, and will have power at the Appointor's discretion to remove that Alternate Director. An Alternate Director is not prohibited from voting or being present in respect of a matter by reason only that the Alternate Director's Appointor is prohibited by Article 18.3 from voting or being present in respect of that matter.

### 21.2 **Notice of appointment or removal of Alternate Directors**

Any appointment or removal of an Alternate Director must be effected by telegram, telex, cable, facsimile or other notice in writing to the Company.

### 21.3 **Rights and powers of Alternate Directors**

An Alternate Director:

- (a) may act in the place of his or her Appointor;
- (b) is entitled to attend and vote at any meeting of the Directors except while his or her Appointor is present;
- (c) has all the rights and powers (other than those conferred by this Article 21.3) and be subject to the duties of, his or her Appointor; and
- (d) will be subject in all respects to the conditions existing with reference to the other Directors, except that he or she is not entitled to be remunerated otherwise than out of the remuneration of his or her Appointor.

### 21.4 **Remuneration of Alternate Directors**

In respect of remuneration (if any), the rights of an Alternate Director lie against his or her Appointor only and not against the Company.

### 21.5 **Alternate Director is an officer of Company**

An Alternate Director is an officer of the Company and will not be deemed to be the agent of his or her Appointor. An Alternate Director need not be a Member of the Company.

### 21.6 **Voting rights of Alternate Directors**

If an Alternate Director is already a Director of the Company, the Alternate Director is entitled to vote at meetings of Directors both on behalf of his or her Appointor and separately as a Director, but for the purpose of determining whether a quorum is present will be counted only once.

### 21.7 **Alternate goes when appointor goes**

If any Appointor ceases to be a Director, his or her Alternate Director (if any) thereupon also ceases to be an Alternate Director, but when an Appointor retires at a general meeting either by rotation or otherwise under these Articles and is re-appointed as a Director at that meeting, his or her Alternate Director (if any) will remain an Alternate Director for that Director unless the instrument of appointment of the Alternate Director otherwise provides.

## 21.8 **Form of appointment of Alternate Director**

Any instrument appointing an Alternate Director will as nearly as circumstances will admit be in the following form or to the effect of the following:

“#01

I, the undersigned being a Director of the (insert name of Company), in accordance with the Constitution of the Company NOMINATE AND APPOINT \_\_\_\_\_ of \_\_\_\_\_ to act as Alternate Director in my place and to exercise and discharge all my duties as a Director.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 19 .”

or in such other form as the Directors may in particular cases accept.

## 22 **TECHNICAL DIRECTORS**

### 22.1 **Appointment and removal of Technical Directors**

The Directors may from time to time appoint any person to be a Technical Director and may from time to time cancel that appointment.

### 22.2 **Powers of Technical Directors**

The Directors may fix, determine and vary the powers, duties and remuneration of any person appointed as a Technical Director. A Technical Director need not be a Member of the Company, and does not have any right to attend at any meeting of the Directors except by the invitation of the Directors. If a Technical Director attends any Directors' meeting, he or she will not be counted in a quorum and does not have the right to vote.

## 23 **MINUTES**

### 23.1 **Minutes of all proceedings to be kept**

The Directors will cause minutes of all proceedings of general meetings and of the Directors, including committees, to be duly entered in books kept for that purpose in accordance with the Corporations Law.

### 23.2 **Inspection of minutes of general meetings**

Books containing the minutes of proceedings of general meetings will be open for inspection by any Member without charge.

## 24 **POWERS OF COMPANY AND ITS DIRECTORS**

### 24.1 **Directors have powers of the Company**

The management of the business and affairs of the Company is vested in the Directors. The Directors may exercise all powers and do all such acts and things which the Company is authorised or permitted to exercise and do and which are not by this Constitution or by statute directed or required to be exercised or done by the Company in general meeting. The operation and effect of this Article 24.1 is not limited in any way by the following provision of this Article 24.

### 24.2 **Directors may exercise Company's power to borrow**

The Directors may exercise all the powers of the Company to borrow or raise money, to charge any property or business of the Company and all or any of its unpaid capital, to issue debentures or give any other security for a debt, liability or obligation of the Company or of any other person, to guarantee or to become liable for the payment of money or the performance of any obligations by any other person, and may exercise all the powers of the Company in relation to any official seal for use outside the State and in relation to branch registers.

### 24.3 **Directors may exercise power to give security**

The Directors may exercise the powers conferred on them by Article 24.2 in such manner and upon terms and conditions in all respects as they think fit, and in particular but without limiting the generality of the foregoing, by the issue of any debenture, debenture stock (perpetual, redeemable or otherwise), bonds, notes, charge, bill of sale, debt instrument or other security on the whole or any part of the property of the Company (both present and future), including its uncalled capital for the time being.

### 24.4 **Debentures may be issued at discount or premium**

Any debentures, debenture stock, bonds, notes, other security or debt instrument may be issued by the Company with any special privileges as to redemption, surrender, drawings, allotment of Shares, attending and voting at general meetings of the Company, appointment of directors, or other matter.

### 24.5 **Assignment of debentures**

Debentures, debenture stock, bonds, notes, charges, bills of sale, other securities or debt instruments issued or given by the Company may be made assignable free from any equities between the Company and the person to whom the same may be issued.

#### **24.6 Commission on issue of debentures**

The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe for or procuring or agreeing to procure subscriptions for any debentures, debenture stock, bonds, notes, other securities or debt instruments of the Company.

#### **24.7 Security from Company to indemnify Directors**

If the Directors or any of them or any other person become or are about to become personally liable for the payment of any sum due from the Company, the Directors may execute or cause to be executed any mortgage, charge, bill of sale or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable from any loss in respect of such liability.

#### **24.8 Directors may appoint attorney or agent**

The Directors may, by resolution, power of attorney under seal, or other written instrument, appoint any person or persons, including any as described in Article 26.3, to be attorney or agent of the Company for such purposes, with such powers, authorities and discretions being powers, authorities and discretions vested in or exercisable by the Directors for such period and subject to such conditions as they think fit. The appointment may be on such terms for the protection and convenience of persons dealing with the attorney or agent as the Directors think fit and may also authorise the attorney or agent to delegate all or any of the powers, authorities and discretions vested in him.

#### **24.9 Execution of Company cheques, etc.**

All cheques, promissory notes, banker's drafts, bills of exchange and other negotiable instruments signed, drawn, accepted, endorsed or otherwise executed by the Company, and all receipts for money paid to the Company, must be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner and by such persons as the Directors determine from time to time.

### **25 SECRETARY**

#### **25.1 Appointment and removal of Secretary**

A Secretary or Secretaries will be appointed by the Directors in accordance with the Corporations Law for such term, at such remuneration and on such conditions as they think fit, and any Secretary so appointed may be removed by the Directors.

## 25.2 **Acting Secretary**

The Directors may also at any time appoint a person as an acting Secretary or as a temporary substitute for a Secretary who for the purpose of this Constitution will be deemed to be a Secretary.

## 26 **LOCAL MANAGEMENT**

### 26.1 **Management in specified localities**

The Directors may from time to time provide for the management and transaction of the affairs of the Company in any specified locality whether in the State or elsewhere in such manner as they think fit. The provisions contained in Articles 26.2, 26.3 and 26.4 are without prejudice to the general powers conferred by this Article.

### 26.2 **Local boards and management committees**

The Directors from time to time and at any time may establish any local boards, management committees or agencies for managing any of the affairs of the Company in the specified locality. They may appoint any persons to be members of local boards or any managers or agents, and may fix their remuneration. The Directors from time to time and at any time may delegate to those appointees any of the powers, authorities and discretions for the time being vested in the Directors other than the power of making calls, and may authorise some or all of the members for the time being of any local board to fill up any existing vacancies and to act notwithstanding vacancies. An appointment or delegation may be made on any terms and subject to any conditions as the Directors think fit. The Directors may at any time remove any appointee and revoke or vary that delegation.

### 26.3 **Members of local boards and management committees may be attorneys or agents of Directors**

An appointment of an attorney or agent under Article 24.8 if the Directors think fit may be made in favour of the members or any of the members of any local board or management committee or agency established as aforesaid or in favour of any corporation or of the members, directors, nominees or managers of any corporation or firm, or in favour of any fluctuating body of persons whether nominated directly or indirectly by the Directors.

### 26.4 **Power of sub-delegation**

Any such local board, management committee or agency established as aforesaid may be authorised by the Directors to sub-delegate all or any of the authorities and discretions for the time being vested in them.

## 27 **THE SEALS**

### 27.1 **Custody and use of Seal**

The Directors will provide a Seal for the Company and will provide for the safe custody of that Seal. The Seal will only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf. Every instrument to which the Seal is affixed, subject to any provisions contained in this Article, will be signed by a Director and countersigned by the Secretary, another Director, or by some other person appointed by the Directors for that purpose.

### 27.2 **Execution with Seal or without Seal**

Without limiting the manner in which the Company may execute any agreement, deed, or other document (“Document”), the Company may execute any Document either with or without the use of the Seal. Every document which is executed shall be signed by either two directors or alternatively a director and a secretary.

### 27.3 **Duplicate Seal**

The Directors may provide the Company with a duplicate Seal. The duplicate must be a copy of the Seal with the words “duplicate seal”, “share seal” or “certificate seal” added.

### 27.4 **Facsimile signature under Seals**

The Directors may determine either generally or in a particular case and in any event subject to such conditions as they think fit that wherever a signature is required by this on a document to or in which the Seal, is affixed or incorporated, that requirement will be satisfied by a facsimile of the signature affixed by mechanical or other means.

## 28 **RESERVE FUND AND DIVIDENDS**

### 28.1 **Establishment and purpose of reserve funds**

Subject to the Corporations Law, before declaring or recommending any dividend, the Directors may set aside out of the profits of the Company such sums as they think proper as a reserve fund to be applied, at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied, including but not limited to the following:

- (a) to meet contingencies;
- (b) for equalising dividends;
- (c) for special dividends;

- (d) for repairing, improving and maintaining any property of the Company; and
- (e) for such other purposes as the Directors in their absolute discretion think conducive to the interests of the Company.

**28.2 Power to invest reserve funds**

The Directors may invest any of the sums set aside on such investments as they think fit and from time to time deal with, vary such investments, and dispose of all or any part thereof for the benefit of the Company. The Directors may divide the reserve fund into such special funds as they think fit and employ the reserve fund or any part of it in the business of the Company without being bound to keep it separate from the other assets. Pending any such application, and at the discretion of the Directors, the reserves may be used in the business of the Company or be invested in such investments as the Directors think fit.

**28.3 Profits may be carried forward without going to reserve**

The Directors may carry forward so much of the profits remaining as they consider ought not to be distributed as dividends without transferring those profits to reserve.

**28.4 Profits to be distributed among Members in accordance with the amount paid up on their Shares**

Subject to any special rights or restrictions for the time being attaching to any Shares and subject to Article 28.1, the profits of the company will be divisible amongst the Members in proportion to the amount for the time being paid or credited as paid in respect of each Member's shares, provided that (for the purposes of this rule) no amount paid on a share in advance of calls is to be treated as paid on that share. A declaration by the Directors as to the amount of profits available for dividends is conclusive.

**28.5 Declaration of dividends**

A meeting of the Directors without the sanction of a general meeting or a general meeting on the recommendation of the Directors may declare an interim/a final dividend to be paid to the Members according to their rights and interests in the profits at the time of entitlement to dividend, and may fix the times for determining entitlements to and for the payment of the dividend. A general meeting cannot declare a larger dividend than is recommended by the Directors. Subject to the Corporations Law, the Directors may in their discretion declare and pay or recommend such dividends as in their opinion the position of the Company justifies.

**28.6 No interest on dividends**

No dividend will carry interest against the Company.

**28.7 Preferential dividends**

Without limiting the generality of their powers under Article 28.5, the Directors may pay any preferential dividends on shares issued on terms that preferential dividends are payable on those Shares, whether on fixed dates or otherwise, without the sanction of a general meeting.

**28.8 Payment of dividends with assets, Shares or debentures**

The Directors, or a general meeting on the recommendation of the Directors, may resolve when declaring a dividend that dividend be paid wholly or in part by the distribution of specific assets, including paid up Shares in or debentures of the Company or of any other corporation, and the Directors will give effect to that resolution. Where a dispute arises in regard to that distribution, the Directors may settle the matter as they consider expedient, fix the value for distribution of the specific assets or any part of those assets, determine that cash payments will be made to any Members on the basis of the value so fixed in order to adjust the rights of all parties, and may vest any specific assets in trustees as the Directors consider expedient. If distribution of specific assets to a particular Member is illegal or, in the Directors' opinion, impracticable, the Directors may make a cash distribution to the Member equal to the cash value of the proposed distribution of specific assets.

**28.9 Power of one joint holder to give receipt for dividends**

Any one of several persons who are registered as the joint holders of any Share may give effectual receipts for all dividends and payments on account of dividends in respect of the Share.

**28.10 Method of payment of dividends**

Unless otherwise directed, any dividend may be paid by cheque sent through the post to the registered address of the Member or person entitled, or in the case of joint holders, to the registered address of the person whose name stands first on the Register in respect of the joint holding. Every cheque so sent will be made payable to the person to whom it is sent and is at that Member's or person's risk. Money earned by the Company on the amount of a dividend pending clearance of a cheque or other collection by a Member will be for the benefit of the Company.

**28.11 Retention of dividends when Member dead etc.**

The Directors may retain the dividends payable on Shares in respect of which under Article 8.2 any person is entitled to become a Member, or which any person under that Article is entitled to transfer until that person becomes a Member in respect of those Shares or duly transfers the Shares.

**28.12 Effect on dividends of transfer of Shares**

A transfer of Shares will not pass the right to any dividend declared on those Shares and to which the entitlement has accrued before the registration of the transfer.

**28.13 Election to reinvest dividend**

The Directors may from time to time grant to Members or any class of Members the right to elect to reinvest cash dividends paid by the Company by subscribing for Shares on such terms and conditions as the Directors think fit.

**28.14 Election to accept bonus Shares in lieu of dividend**

- (a) The Directors may in their discretion resolve in respect of any dividend which it is proposed to pay or declare on any shares that holders of those Shares may elect to forego their right to participate in the whole or part of the proposed dividend, and to receive instead an issue of Shares credited as fully paid to the extent and within the limits and on the terms and conditions of this Constitution.
- (b) If the Directors resolve to allow the option in relation to the whole or part of any proposed dividend, each holder of Shares conferring a right to share in the proposed dividend may, by notice in writing to the Company given in such form and within such period as the Directors from time to time decide, elect to forego the whole or part of the dividend which otherwise would have been paid to the Member in respect of those Shares, and to receive instead Shares, to be allotted and issued to the Member credited as fully paid, on and subject to such terms and conditions as the Directors determine.
- (c) Following the receipt of duly completed notices of election under Article 28.15(b), the Directors must appropriate from any account or reserve of the Company, including accumulated profits or revenue reserves, an amount equal to the aggregate nominal amount of the Shares to be allotted, credited as fully paid to those Members who have given notice of their election, and must apply the same in paying up in full the number of shares required to be so allotted.
- (d) The powers given to the Directors by this Article 28.15 are additional to the provisions of capitalisation of profits provided for elsewhere in this Constitution.

**28.15 Unclaimed dividends**

In the discretion of the Directors, all dividends declared but unclaimed may be invested for the benefit of the Company until claimed or until required to be dealt with in accordance with any law relating to unclaimed money.

**28.16 Suspension of dividends**

If a breach occurs of any escrow agreement entered into by the Company under the Listing Rules in relation to Shares which are classified as Restricted Securities under the Listing Rules or by ASX, the Member holding the Shares in question will cease to be entitled to any dividends in respect of those Shares for as long as the breach subsists.

## 29 CAPITALISATION OF PROFITS

### 29.1 Profits and premiums may be capitalised

The Directors, or any general meeting on the recommendation of the Directors, may from time to time resolve that:

- (a) any money, investments or other assets forming part of the undivided profits of the Company standing to the credit of the reserve fund or in the hands of the Company are available for dividends; or

be capitalised and distributed amongst Members.

### 29.2 Proportionate distribution of amounts capitalised

A distribution will be made to the Members who would be entitled to receive the same if distributed by way of dividend and in the same proportions, on the footing that they become entitled thereto as capital, and that all or any part of the capitalised fund be applied on behalf of those Members:

- (a) in paying up in full, any unissued shares or debentures of the Company, which will be distributed accordingly;
- (b) in or towards payment of the uncalled liability on any issued Shares or debentures of the Company; or
- (c) partly as mentioned in Article 29.2(a) and partly as mentioned in Article 29.2(b),

and that distribution or payment will be accepted by Members in full satisfaction of their interest in the capitalised sum.

### 29.3 Determination of entitlements to distribution

The Article 29.1 resolution may fix the time at which entitlements to the distribution are determined.

### 29.4 Settlement of disputes about distribution

For the purpose of giving effect to any resolution under Article 29.3, the Directors may settle any dispute which arises in regard to the distribution as they think expedient, and in particular may:

- (a) in cases where Shares or debentures become issuable in fractions may issue fractional certificates, make cash payments or declare that fractions be ignored; and

- (b) authorise any person to make an agreement with the Company on behalf of all the Members entitled to any further Shares or debentures on the capitalisation, providing for the issue to them, credited as fully paid up, of any such further Shares or debentures or for the payment up by the Company on their behalf of the amounts or any part of the amounts remaining unpaid on their existing Shares by the application of their respective proportions of the sum resolved to be capitalised. Any agreement made under that authority will be effective and binding on all Members concerned.

## 30 ACCOUNTS

### 30.1 Company to keep

The Company will keep such accounting and other records of the business of the Company as it is required to keep by the Corporations Law and Listing Rules.

### 30.2 Annual accounts to be laid before annual general meeting

At the annual general meeting in every year the Directors will lay before the Company a profit and loss account and balance sheet for the last financial year of the Company, together with such other accounts, reports and statements as are required by the Corporations Law.

### 30.3 Copy of accounts financial reports to be sent

A copy of every document which is required to be laid before each annual general meeting by Article 30.2 will be sent to all persons entitled to receive notices of general meetings with the notice of meeting, or as required by the Corporations Law, and in any event not later than 4 months after the end of the financial year.

## 31 AUDITORS: APPOINTMENT AND REMOVAL

The auditors of the Company will be appointed and may be removed as provided in the Corporations Law. They will perform the duties and have the rights and powers as may be provided in the Corporations Law.

## 32 INSPECTION OF RECORDS

The Directors will determine whether and to what extent, at what time and place or places, and under what conditions, the accounting records and other documents of the Company will be open to the inspection of Members other than Directors, and except as provided by law or authorised by the Directors, a Member not being a Director does not have the right to inspect or to require or receive any information, or to require discovery of any record or document of the Company or any information respecting any detail of the Company's trading or business, including any matter which is or may be in the nature of a trade secret, mystery of trade or secret process relating to the conduct of the business of the Company.

## 33 NOTICES

### 33.1 Method of service of notices

A notice may be served by the Company on a Member or other person receiving notice under this Constitution by any of the following methods:

- (a) by serving it personally on the Member;
- (b) by leaving it at the Member's registered address;
- (c) by sending it by post in a prepaid letter, envelope or wrapper addressed to the member at the Member's registered address;
- (d) by sending it by facsimile transmission to a facsimile number nominated by the Member for the purpose of serving notices on the Member; or
- (e) by sending it by electronic mail to an electronic mail address nominated by the member for the purpose of serving notices on the Member.

For the purposes of Articles 33.1(b) and (c), a Member may provide the Company with an address other than that of the registered address for the purpose of serving notice on that Member.

### 33.2 Notification of address, facsimile number, or electronic mail address

- (a) Each Member whose registered address is not in Australia may at any time notify in writing to the Company an address, facsimile number or electronic mail address in Australia which will be deemed to be that Member's registered office, facsimile number or electronic mail address within the meaning of Article 33.1.
- (b) The Company will acknowledge receipt of all notifications of change of address by holders of partly paid Shares.

### 33.3 Air-mail postage or facsimile transmission to overseas members without Australian address

As regards Members who have no registered address in Australia, all notices will be posted by air-mail, sent by facsimile transmission, air courier, or sent by electronic mail.

### 33.4 Notices to joint holders

All notices with respect to any shares to which persons are jointly entitled will be given to the person named first in the Register, and notice so given will be sufficient notice to all holders of those Shares.

**33.5 Notice by advertisement**

Any notice by a court of law or otherwise required or allowed to be given by the Company to the Members or any of them by advertisement will unless otherwise stipulated be sufficiently advertised if advertised once in a daily newspaper circulating in the States and Territories of Australia.

**33.6 Time of service by post**

Any notice sent by post will be deemed to have been served on the day following than on which the letter, envelope or wrapper containing the notice is posted, and in proving service it will be sufficient to prove that the letter, envelope or wrapper containing the notice was properly addressed and put into the post office or other public postal receptacle. A certificate in writing signed by any manager Secretary or other officer of the Company that the letter envelope or wrapper containing the notice was so addressed and posted is conclusive evidence thereof.

**33.7 Time of service by facsimile transmission and electronic mail transmission**

A notice sent by facsimile or electronic mail will be taken to be received on production of a transmission report by the machine from which the facsimile or electronic mail was sent which indicates that the facsimile or electronic mail was sent in its entirety to the facsimile number or electronic mail address of the recipient.

**33.8 Service when member dead**

Any notice or document sent by post to or left at the registered address of any Member under this Constitution will notwithstanding that Member is then deceased, and whether or not the Company has notice of that Member's death, be deemed to have been duly served in respect of any Shares whether held solely or jointly with other persons by that Member until some other person is registered in place of the deceased Member as the holder or joint holder thereof. Service will for all purposes of this Constitution be deemed a sufficient service of that notice on the deceased's heirs, executors or administrators and all persons (if any) jointly interested with the deceased in those Shares.

**33.9 Persons entitled to notice of general meeting**

Notice of every general meeting of the Company must be given in a manner authorised by Article 33.1 and in accordance with the Corporations Law and Listing Rules to:

- (a) every member;
- (b) every Director and Alternate Director;
- (c) the Auditors; and
- (d) the Home Branch.

No other person is entitled to receive notices of general meetings.

**33.10 Unregistered transferees bound by notices**

Every person who by operation of law, transfer or any other means becomes entitled to any Share is bound by every notice in respect of the Share which before that person's name and address was entered on the Register was given to the person from whom that person derived title to that Share and to every previous holder thereof.

**33.11 Signatures on notices**

The signature to any notice to be given by the Company may be written or printed or a facsimile thereof may be affixed by mechanical or other means.

**34 WINDING UP**

**34.1 Distribution of property in specie**

Subject to Article 34.6, if the Company is wound up the liquidator may, with the sanction of a special resolution, divide among the Members in kind the whole or any part of the property of the Company, and may for that purpose set such value as the liquidator considers fair upon any property to be so divided, and determine how the division is to be carried out as between the Members or different classes of Members.

**34.2 Distribution to be in proportion to paid up capital in Shares**

If, on a winding up of the Company there remains a surplus, that surplus will be divided amongst the Members in proportion to the amount for the time being paid or credited as paid in respect of each Member's shares and this will be so:

- (a) subject to Article 34.6; and
- (b) whether or not the liquidator exercises the power under Article 34.1.

**34.3 Special rights prevail**

Articles 34.1 and 34.2 are without prejudice to the rights of holders of Shares issued on special terms and conditions.

**34.4 Vesting of property in trustees for contributories**

Subject to Article 34.5, the liquidator may with the sanction of a special resolution vest the whole or any part of the property in trustees on such trusts for the benefit of the contributories or any of them as the liquidator thinks fit.

**34.5 Encumbered property: Member not compelled to accept**

No Member will be compelled to accept any property, including Shares or other securities, in respect of which there is any liability under the provisions of this Article 34.

#### 34.6 **Restricted Shares rank last**

Where an order is made for the winding up of the Company, or it is resolved by special resolution to wind up the Company, Shares which are classified under the Listing Rules or by the ASX as Restricted Securities and which are subject to an escrow agreement at the commencement of the winding up of the Company will rank on a return of capital behind all other Share capital.

#### 35 **OFFICERS OF COMPANY: INDEMNITIES**

To the maximum extent possible under section 241 of the Corporations Law:

- (a) every Officer or auditor of the Company will be indemnified out of the property of the Company against any liability incurred by the Officer or auditor in the Officer's or auditor's capacity as officer or auditor of the Company in defending any proceedings, whether civil or criminal, in which judgement is given in the Officer's or auditor's favour, or in which the Officer or auditor is acquitted, or in connection with any application in relation to any such proceedings in which relief is granted to the Officer or auditor by the court under the Corporations Law;
- (b) every Officer or auditor of the Company will be indemnified out of the property of the Company against all costs, losses and expenses (including travelling expenses) incurred by the Officer or auditor, in the Officer's or auditor's capacity as an officer or auditor by reason of any contract entered into or other act or thing properly done by the Officer or auditor as an officer or auditor or in any way in the discharge of the Officer's or auditor's duties, unless the same arise from the Officer's or auditor's own negligence, default, breach of duty, or breach of trust, and it will be the duty of the Directors to pay the same out of the funds of the Company;
- (c) no Officer of the Company will be liable for the acts, receipts, neglects or defaults of any Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company; and
- (d) no Officer will be liable for the insufficiency or deficiency of any security in or upon which any of the money of the Company will be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any money, securities or effects are deposited, or for any loss occasioned by any error of judgement or oversight on the Officer's part, or for any other loss, damage or misfortune which occurs in the execution of the duties of the Officer's office or in relation thereto, unless the same arises from the Officer's own negligence, default, breach of duty, or breach of trust.

## 36 **OBLIGATION OF SECRECY**

### 36.1 **Officers of Company not to disclose information**

Every Director, managing director, manager, Secretary, auditor, trustee, member of a committee, agent, accountant or other Officer is bound to observe secrecy with respect to all transactions of the Company with its customers, the state of the account of any individual, and all related matters. If required by the Directors, every such person will, before commencing that person's duties or employment or at any time afterwards, sign and make a declaration in a book to be kept for that purpose that they will not reveal or make known any of the matters, affairs or concerns which may come to their knowledge as Director, managing director, manager, Secretary, auditor, trustee, member of a committee, agent, accountant or other Officer and whether relating to transactions of the Company with its customers or the state of the account of any individual or to anything else, to any person or persons except in the course and in the performance of their duties, or under compulsion or obligation of law, or when officially required so to do by the Directors or by the auditors for the time being, or by any general meeting of Members.

### 36.2 **Members not entitled to discovery**

Subject to the requirements of the Corporations Law and Listing Rules, no Member is entitled to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, confidential information or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will not be expedient in the interests of the Members of the Company to communicate.