

CONSTITUTION

OF

PERPETUAL LIMITED
ACN 000 431 827

CONTENTS

1.	DEFINITIONS AND INTERPRETATION.....	1
2.	PUBLIC COMPANY	4
3.	COMPANY SEAL	4
4.	ISSUING AND CONVERTING SHARES.....	5
5.	SHAREHOLDING STATEMENTS AND CERTIFICATES.....	5
6.	REGISTER	6
7.	PARTLY-PAID SHARES	7
8.	FORFEITURE	8
9.	LIEN	9
10.	LIMITATION OF SHAREHOLDING	10
11.	TRANSFER OF SHARES	14
12.	TRANSMISSION OF SHARES	16
13.	REDUCTION OF CAPITAL	17
14.	MODIFICATION OF RIGHTS	17
15.	CIRCULATING RESOLUTIONS OF SHAREHOLDERS	18
16.	CALLING MEETINGS OF SHAREHOLDERS	18
17.	HOLDING MEETINGS OF SHAREHOLDERS	19
18.	VOTING AT A SHAREHOLDERS' MEETING.....	23
19.	PROXIES.....	25
20.	DIRECTORS	25
21.	POWERS AND DISCRETIONS OF DIRECTORS	29
22.	DIRECTORS RESOLUTIONS AND MEETINGS.....	30
23.	ALTERNATE DIRECTORS.....	32
24.	MANAGING DIRECTOR AND OTHER EXECUTIVE DIRECTORS	33
25.	ASSOCIATE DIRECTORS	34
26.	SECRETARY	34
27.	DISTRIBUTION OF PROFITS	35
28.	ACCOUNTS AND AUDIT.....	39
29.	INSPECTION OF BOOKS	39
30.	NOTICES	40
31.	WINDING UP	41
32.	INDEMNITY.....	41
	SCHEDULE 1.....	44
	SCHEDULE 2.....	47
	SCHEDULE 3.....	48

**CONSTITUTION OF
PERPETUAL LIMITED ("COMPANY")**

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Constitution unless the context otherwise requires:

"ACN" means Australian Company Number.

"Act" means the *Corporations Act 2001* (Cth) as amended or re-enacted from time to time and includes any statutory instruments issued under the *Corporations Act*.

"address" means:

- (a) in the case of a shareholder, the address of the shareholder in the Register;
- (b) in the case of a director, an alternate director or the auditors of the company, such address of that person derived from information that is available to the public from the ASIC;
- (c) in the case of ASX, such address as provided by the Listing Rules; or
- (d) in the case of any recipient, such address (if any) whether within or outside New South Wales, as notified in writing to the company by the recipient for the purpose of serving notice on that recipient.

"ASIC" means the Australian Securities and Investments Commission or any successor body.

"Associate Director" means a person appointed as an associate director under clause 25.

"ASTC" means ASX Settlement and Transfer Corporation Pty Limited ACN 008 504 532.

"ASTC Settlement Rules" means the settlement rules of the ASTC for the purposes of the Act.

"ASX" means Australian Stock Exchange Limited.

"board" means the board of directors.

"Business Day" has the meaning given in the Listing Rules.

"Certificate" means a certificate in respect of shares.

"CHESS" and "CHESS Subregister" have the meanings given in the ASTC Settlement Rules.

"company" means the company named above.

"Constitution" means this document and includes any variation or replacement of it.

"director" means a person appointed as a director of the company or who is appointed to the position of an alternate director and is acting in that capacity.

"Dispose" has the meaning given in the Listing Rules.

"dividend" includes bonus.

"Eligible Shareholder" means, in relation to a meeting of shareholders, any person who is or was the registered holder of a share (which carries the right to vote at the meeting) at the time prescribed for the purpose of determining voting entitlements for the meeting.

"Eligible Voter" means, in relation to a meeting of shareholders:

- (a) an Eligible Shareholder;
- (b) a proxy of an Eligible Shareholder;
- (c) an attorney of an Eligible Shareholder; or
- (d) the representative of an Eligible Shareholder appointed under this Constitution or the Act.

"includes" means includes without limitation.

"Listed" means having been admitted to the official list of ASX and at the relevant time still being so admitted.

"Listing Rules" means the Listing Rules of ASX and any other rules of ASX which are applicable to the company while the company is Listed, 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.

"personal representative" means, in respect of a shareholder, a person who becomes entitled to a share in the company held by the shareholder by reason of the death, mental ill health or bankruptcy of the shareholder.

"Register" means the register of shareholders kept under the Act and, where appropriate, includes:

- (a) a subregister conducted by or for the company pursuant to the Act, Listing Rules, or ASTC Settlement Rules; and
- (b) any branch register.

"registered office" means the registered office of the company.

"regulations" means the *Corporations Regulations 2001*, as amended from time to time.

"Replaceable Rules" means the replaceable rules under, or as referred to in, the Act as amended or re-enacted from time to time.

"Restricted Securities" has the meaning given in the Listing Rules.

"Restriction Agreement" means, in relation to a security, the restriction agreement entered into by the company under the Listing Rules in respect of that security.

"Seal" means the common seal of the company.

"secretary" means any person appointed to perform the duties of secretary of the company.

"shareholder" or **"holder"** means the registered holder of any share in the company.

"special resolution" has the same meaning as in the Act.

"subsidiary" has the same meaning as in the Act.

"Trustee Companies Act" means the *Trustee Companies Act 1964* (NSW) as amended or re-enacted from time to time.

"Unmarketable Parcel" means a number of shares which is less than that required from time to time to constitute a Marketable Parcel of the shares.

"writing" or **"written"** include printing, lithography, photography and other modes of reproducing or representing words in a visible form.

1.2 **Replaceable Rules**

The Replaceable Rules do not apply in respect of the company except when they are expressly stated to apply.

1.3 **Application while Listed**

1.3.1 A reference to the Listing Rules, the ASTC Settlement Rules or ASX in this Constitution has effect if, and only if, at the relevant time the company is Listed.

1.3.2 For the purposes of this Constitution, if the provisions of:

(a) the Act and the Listing Rules; or

(b) the Act and the ASTC Settlement Rules,

conflict on the same matter, the provisions of the Act prevail.

1.4 **Determining percentage of votes**

Where a clause of this Constitution requires the percentage of votes a shareholder has to be worked out, that percentage must be worked out as at the midnight before the relevant event.

1.5 Written notice

Written notice includes notice given by way of:

- 1.5.1 facsimile; and
- 1.5.2 electronic transmission.

1.6 General interpretive provisions

1.6.1 Words importing:

- (a) the singular number include the plural number and vice versa;
- (b) any gender include every other gender;
- (c) or referring to a person include corporations.

1.6.2 Where an expression is defined, another part of speech or grammatical form of that expression has a corresponding meaning.

1.6.3 In this Constitution, any reference to a clause is a reference to a clause of this Constitution.

1.6.4 Headings to clauses in this Constitution are added for convenience only and do not affect interpretation.

1.6.5 Unless the contrary intention appears:

- (a) an expression in a clause that deals with a matter dealt with by a provision of the Act, the Listing Rules or the ASTC Settlement Rules has the same meaning as in that provision; and
- (b) subject to clause 1.6.5(a), an expression in a clause that is used in the Act has the same meaning in this Constitution as in the Act.

1.6.6 A reference in this Constitution to a shareholder present at a general meeting is a reference to a shareholder present in person or by proxy, attorney, representative or, except in any rule that specifies a quorum, a shareholder who has duly lodged a valid direct vote in relation to the general meeting under clause 18.8.

2. PUBLIC COMPANY

The company is a public company.

3. COMPANY SEAL

If the company has a Seal, the directors must provide for the safe custody of the Seal, which may only be used on the authority of the directors or of a committee of the directors authorised by the directors.

4. ISSUING AND CONVERTING SHARES

4.1 Terms of issue

4.1.1 The power of the company to issue shares is to be exercised by the directors.

4.1.2 The directors may determine:

- (a) the terms on which shares are issued; and
- (b) subject to this Constitution, the rights and restrictions attaching to the shares.

4.1.3 Unless otherwise specified in this Constitution or the terms of issue, all issued shares rank, from the date of issue, equally in respect of capital and income entitlements, irrespective of the issue price of the shares.

4.2 Power to issue bonus, partly-paid, preference and redeemable preference shares

The directors' power under clause 4.1 to issue shares includes the power to issue:

4.2.1 bonus shares;

4.2.2 preference shares (including, subject to the Act, redeemable preference shares on terms including those set out in schedule 1); and

4.2.3 partly-paid shares.

4.3 Conversion of shares

Subject to the Act, the directors may determine the terms on which the shares of a class convert to shares of another class or classes.

5. SHAREHOLDING STATEMENTS AND CERTIFICATES

5.1 Uncertificated holdings and holding statements

5.1.1 Notwithstanding any other provision of this Constitution, the directors may determine:

- (a) not to issue Certificates; or
- (b) to cancel existing Certificates without issuing any replacement Certificates,

provided that such practice is not contrary to the Act, the Listing Rules and the ASTC Settlement Rules.

5.1.2 Where the directors have made a determination, a shareholder will be entitled to receive such statements of the holdings of shares of the shareholder as the company is required to give pursuant to the Act, the Listing Rules and the ASTC Settlement Rules.

5.2 Entitlement to share certificate

Subject to clause 5.1, every person whose name is entered in the Register is entitled without payment to receive a Certificate unless the share is held jointly by several people, in which case the issue and delivery of a Certificate to one of the several joint holders is sufficient delivery to all of those joint holders. The company will dispatch Certificates to shareholders in accordance with the requirements of the Act, the Listing Rules and the ASTC Settlement Rules.

6. REGISTER

6.1 Registered holder absolute owner

Except as required by the Act, the ASTC Settlement Rules or as otherwise determined by this Constitution, the company:

- 6.1.1 is entitled to treat the registered holder of any share as the absolute owner of that share; and
- 6.1.2 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 the company has notice of that claim or interest.

6.2 Transferor is holder until transfer registered

A transferor of shares remains the registered holder of the shares transferred until the earlier of:

- 6.2.1 a proper ASTC transfer for those shares has taken effect in accordance with the ASTC Settlement Rules; or
- 6.2.2 the transfer for those shares is registered and the name of the transferee and is entered in the Register in respect of them.

6.3 Non-closure and audit of Register

- 6.3.1 The company must not close the Register in contravention of the Listing Rules or the ASTC Settlement Rules.
- 6.3.2 While the company is Listed, the Register will be audited at such intervals, by such persons and in such manner as required by the Listing Rules and the ASTC Settlement Rules.

6.4 Branch registers

- 6.4.1 Subject to the Act and this Constitution, the directors may, on behalf of the company, keep a branch register of shareholders at a place outside Australia and may comply with the requirements of any law applying in the place where the branch register is kept.
- 6.4.2 Subject to the Act, the Listing Rules and the ASTC Settlement Rules, the directors may make provision for the transfer of shares between the Register and any branch register of shareholders.

6.4.3 The directors may empower any officer of the company or any other person to establish and keep any branch register in a manner that the directors determine and may delegate the following duties:

- (a) examining, passing or refusing transfers;
- (b) approving or refusing to approve transferees of shares; and
- (c) giving Certificates.

6.5 Subregisters

6.5.1 The company will:

- (a) authorise ASTC as its agent to establish and administer a CHES subregister; and
- (b) establish and administer an issuer sponsored subregister (as defined in the Listing Rules),

for securities of the company to the extent required by the Act, the Listing Rules and the ASTC Settlement Rules.

6.5.2 The company will not provide for a certificated subregister (as defined in the Listing Rules) in contravention of the Listing Rules.

6.5.3 The company will comply with all obligations imposed on the company under the Listing Rules and the ASTC Settlement Rules in respect of conversions of securities of the company from one subregister of the Register to another subregister of the Register.

6.6 Joint holders

If two or more persons are the holders of a share, the person whose name first appears in the Register in respect of that share is to be treated as the sole owner of the share in relation to all matters concerning the company (including the giving of notice) except in relation to the transfer of the share, right to vote, receipt of dividends, delivery of certificates and liability for instalments or calls.

7. PARTLY-PAID SHARES

7.1 Differentiation between holders as to the amount to be paid on calls

The directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment.

7.2 Directors may make calls on shares

7.2.1 The directors may, subject to the Listing Rules, make calls on shareholders in respect of any money unpaid on their shares which is not, by the conditions of issue, payable at fixed times.

7.2.2 Each shareholder must (subject to receiving at least 14 days notice specifying the time or times and place of payment) pay to the company, at the time or times and place so specified, the amount called on the shareholder's shares.

7.2.3 A call may, subject to the Listing Rules, be revoked or postponed as the directors may determine.

7.3 Joint and several liability for payment of calls

The joint holders of a share are jointly and severally liable for the payment of all instalments and calls due in respect of the share.

7.4 When a call is made

7.4.1 A call is made at the time when the resolution of the directors authorising the call was passed and may be required to be paid by instalments.

7.4.2 Any sum which by the terms of issue of a share becomes payable on a specified date is, for the purposes of this Constitution, a call duly made, notified and payable on that date.

7.5 Interest to be paid on early payment of calls

The directors may accept from any shareholder in advance all or any part of the money uncalled and unpaid on any shares held by the shareholder, and on all or any part of the money so advanced may (until the unpaid amount would, but for the advance, become payable) pay interest at such rate, not exceeding (unless the company in general meeting otherwise directs) 15% per annum, as may be agreed between the directors and the shareholder paying the sum in advance.

8. FORFEITURE

8.1 Directors may forfeit shares

8.1.1 If a shareholder fails to pay any call or instalment of a call or other money payable under the terms of issue of a share on the due date, the directors may give 14 days notice to the shareholder that the share will be forfeited if payment is not made.

8.1.2 If a shareholder fails to comply with a notice provided under clause 8.1.1 within 14 days of receipt of the notice, the directors may, by resolution, forfeit the share together with any dividends declared on the share but not paid.

8.1.3 A share forfeited under this clause becomes the property of the company and may be sold, re-issued or otherwise disposed of in such manner as the directors think fit. Any time before a sale or disposition of a share under this clause, the forfeiture may be cancelled on such terms as the directors think fit. In the event of sale, the company must account to the shareholder for the residue (if any) after satisfaction of the money due to the company.

8.2 Consequences of forfeiture

A person whose shares have been forfeited ceases to be a shareholder in respect of the forfeited shares. However, the shareholder remains liable to pay to the company all

money which, at the date of forfeiture, was payable by the person to the company in respect of the shares (together with interest at the rate of 10% per annum from the date of forfeiture, on the money for the time being unpaid if the directors think fit to enforce payment of such interest). That person's liability to pay ceases if and when the company receives payment in full of all such money in respect of the shares.

8.3 Proof of forfeiture

A statutory declaration in writing that the declarant is a director or the secretary of the company and a share in the company has been duly forfeited on a date stated in the declaration, is conclusive evidence of the facts stated in the declaration, as against all persons claiming to be entitled to the share.

8.4 Sale of forfeited share

The company may receive the consideration, if any, given for a forfeited share on any sale or disposition of the share and may execute a transfer of the share in favour of the transferee. The transferee must be registered as the holder of the share. The transferee is not bound to see to the application of the purchase money, if any, and the transferee's title to the share is not affected by any irregularity or invalidity in the proceedings in relation to the forfeiture, sale or disposal of the share.

9. LIEN

9.1 Lien over partly paid shares

The company has a first and paramount lien on shares registered in the name of each shareholder (whether solely or jointly with others) in respect of all money (whether presently payable or not) due to the company by the shareholder or the shareholder's estate either alone or jointly with any other person. The company's lien, if any, on a share extends to all dividends payable on the share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

9.2 Lien in respect of money owing under statute or legislative enactment

The company has a first and paramount lien and charge on all the shares registered in the name of each shareholder (whether solely or jointly with others) in respect of all money (with interest) which the company under any present or future statute or legislative enactment of the Commonwealth of Australia or any of the Australian States or any other country or place may become liable to pay:

9.2.1 in respect of the shares registered in the name of the shareholder; or

9.2.2 otherwise in the connection with the holding of the shareholder.

Any such money paid by the company may also be recovered by action from the shareholder or the shareholder's personal representative as a debt due by the shareholder or the shareholder's estate to the company. The company may charge and recover interest at such rate not exceeding 10% as the directors may determine on any money so paid by the company from the date when such money was so paid until repayment.

9.3 Sale of shares subject to a lien

9.3.1 For the purpose of enforcing any lien the directors may sell the shares subject to the lien in such manner as they think fit provided that:

- (a) a sum in respect of which the lien exists is presently payable;
- (b) notice in writing of the intention to sell has been served on the holder of the shares or the holder's personal representative; and
- (c) the holder or the holder's personal representative has not paid all money for which the lien exists within 14 days after such notice.

9.3.2 To give effect to any such sale the directors may authorise any person to transfer the shares sold to the transferee and to sign a transfer on behalf of the transferor. The transferee must be registered as the holder of the shares comprised in the transfer and the transferee is not bound to see to the application of the purchase money. The transferee's title to the shares is not affected by any irregularity or invalidity in the proceedings in relation to the sale.

9.3.3 The proceeds of the sale received by the company must be applied in payment of the amount in respect of which the lien exists as is presently payable, and the residue, if any, must (subject to a like lien for sums not presently payable as existed on the shares before the sale) be paid to the person entitled to the shares immediately before the sale.

10. LIMITATION OF SHAREHOLDING

10.1 Paramount Article

Where there is any inconsistency between a provision of this clause 10 and any other provision in this Constitution this clause prevails to the extent of the inconsistency.

10.2 Restriction on acquisition of shares

Except as provided by the Trustee Companies Act a shareholder may not, either alone or together with another person or other persons, acquire shares in the company:

10.2.1 if any person (whether a shareholder or not) who is not entitled to any voting shares in the company or is entitled to less than 10% of the voting shares in the company would, immediately after acquisition, be entitled to more than 10% of the voting shares in the company; or

10.2.2 if any person (whether a shareholder or not) who is entitled to not less than 10% of the voting shares in the company would, immediately after the acquisition, be entitled to a greater percentage of the voting shares in the company than the percentage to which that person was entitled immediately before the acquisition.

10.3 Contravention of the Trustee Companies Act

Notwithstanding a requirement of the Listing Rules that the company may not prevent, delay or interfere with the issue of securities, and the fact that a person has

been entered in the Register as the holder of a share in the company (including as a result of a Market Transfer or a Market Allotment), if a person becomes or continues to be a shareholder where, by reason of any person or all of the persons holding any shares in the company and any other relevant circumstance, the person or some other person would or might contravene clause 10.2 or (in circumstances giving rise to an offence) section 31A of the Trustee Companies Act, that contravention occurs and continues.

10.4 Obligations of the board

The board must not:

10.4.1 issue a share in the company (except for a Market Allotment) if, in its opinion, that issue; or

10.4.2 register any transfer or transmission of a share in the company (except for a Market Transfer) if, in its opinion, that registration,

would or might result in a contravention of clause 10.2 or (in circumstances giving rise to an offence) under section 31A of the Trustee Companies Act.

10.5 Shareholder to give declaration

A shareholder must, whenever requested by the board by notice, give to the company within one month of being requested by the board to do so, a statutory declaration made by the shareholder giving information on any matter specified by the board in that notice which the board considers desirable for the board to determine the eligibility of the shareholder to continue to hold shares having regard to the provisions of section 31A of the Trustee Companies Act.

10.6 Effect of declaration

Where a shareholder has given a statutory declaration under clause 10.5:

10.6.1 the shareholder is treated as having repeated each statement made in that statutory declaration on each occasion that the shareholder requests in any way to become the shareholder in respect of any further shares in the company; and

10.6.2 the shareholder must, immediately upon becoming aware of any information which would mean that any statement made in that statutory declaration is not true, complete and accurate in every particular, give to the company a statutory declaration made by the shareholder giving full particulars of that information and indicating what the true, complete and accurate statement in the previous statutory declaration would be as a consequence of that information.

10.7 Board powers

Where the board considers it necessary or desirable to prevent the occurrence or continuance of a contravention of clause 10.2 or a contravention giving rise to an offence under section 31A of the Trustee Companies Act, or where a person does not give the statutory declaration as required by clause 10.5, the board may do either or both of the following:

- 10.7.1 give a notice to any relevant shareholder (a "**Suspension Notice**") that with effect from a date specified in the Suspension Notice (which may be either the date of the Suspension Notice or an earlier or later date) all rights and interests to which the shareholder is entitled (including rights to vote, dividends or return of capital) in relation to shares in the company specified in the Suspension Notice (the "**Specified Shares**") are suspended until a date specified in, or determined in accordance with, the Suspension Notice or, if no date is specified or can be so determined in accordance with, the Suspension Notice or, if no date is specified or can be so determined, until the board gives notice that the period of suspension has finished, and where the board gives a Suspension Notice, the suspension in relation to the Specified Shares takes effect in accordance with the terms of that Suspension Notice; and
- 10.7.2 subject to clauses 10.8 to 10.10, whether or not a Suspension Notice has previously been given by the board the company may dispose of a share in the company held by a shareholder to the extent that the board considers it necessary or desirable to prevent the occurrence or continuation of the relevant contravention.

10.8 **Time to give declaration**

Notwithstanding clause 10.7, where a Suspension Notice is given to a shareholder in respect of a failure by that shareholder to give a statutory declaration in accordance with clause 10.5 or 10.6, the company may not exercise its rights under clause 10.7.2 unless the board has given a Suspension Notice to the relevant shareholder and a period of 10 Business Days has elapsed after the date of that Suspension Notice.

10.9 **Board power to require disposal**

Where the board reasonably believes that circumstances exist which permit the company to dispose of shares under clause 10.7.2, the board may, by giving notice, complying (where compliance is required) with the ASTC Settlement Rules, signed by a director or secretary ("**Disposal Notice**") to the shareholder holding the shares at the date of the Disposal Notice and specifying those shares, require that those shares be, within one month (or any longer period specified in the Disposal Notice not exceeding 4 months), disposed of by sale in any manner specified in the Disposal Notice (including by the company buying back those shares, if and to the extent that it is permitted to do so by the Act and the Trustee Companies Act.)

10.10 **Board power to dispose**

If the requirements of the Disposal Notice are not met within the time limit specified in the Disposal Notice, the board may:

- 10.10.1 appoint a person to execute all documents (including any instrument of transfer) and do all things necessary to procure the transfer, or to give effect to a Market Transfer, of the shares specified in the Disposal Notice as agent of the shareholder and to receive and give a good discharge for the purchase price; and
- 10.10.2 register the transfer of those shares notwithstanding that the Certificate (if any) for those shares may not have been delivered to the company and, if necessary, issue a new Certificate to the transferee,

and on the name of any purchaser of the shares (or in the case of buy-back, the company) being entered in the Register in purported exercise of the powers of this clause 10.10, the validity of the sale (or buy-back) may not be challenged by any person.

10.11 Proceeds of sale

The proceeds of any sale (or buy-back under clause 10.10 (after discharge of any costs incurred as a consequence of the sale (or buy-back))) must be paid to the shareholder by whom the shares sold were held but only where the shareholder has delivered to the company for cancellation the Certificate (if any) relating to those shares. If the shareholder does not promptly deliver the Certificate the company may proceed against the shareholder for recovery of it and the shareholder may not dispute or deny the company's right to possession of, or to cancel, the certificate.

10.12 Form of declaration

Any statutory declaration to be made under this clause 10 must be made:

- 10.12.1 in the case of a single natural person, by that person;
- 10.12.2 in the case of two or more natural persons acting jointly, unless the board otherwise allows, by each of those persons; and
- 10.12.3 in the case of one or more corporations, by a director, secretary or other proper officer of each corporation.

10.13 Interpretation

In this clause 10:

"**Market Allotment**" means an allotment of a share in the company as a result of the exercise of any rights, options or convertible notes which are traded on a stock market operated by the ASX where the ASTC Settlement Rules, the Listing Rules or the Act does not allow the board to refuse to issue that share;

"**Market Transfer**" means:

- (a) any ASTC Transfer; and
- (b) any other transfer of a share where the transfer is pursuant to, or connected with, a transaction entered into on a stock market operated by the ASX,

where in either case, the ASTC Settlement Rules, the Listing Rules, or the Act does not allow the board to refuse to register the transfer.

Expressions used in clause 10.2 have the same meanings as they have in section 31A of the Trustee Companies Act; and

Nothing in this clause 10 limits or otherwise affects the operation of any restriction or prohibition under Part 3 of the Trustee Companies Act, whether in relation to a shareholder or to a person who is not a shareholder.

11. TRANSFER OF SHARES

11.1 Forms of transfer

Subject to this Constitution, a shareholder may transfer any shares the shareholder holds by:

- 11.1.1 a proper ASTC transfer or any other method of transferring or dealing in shares introduced by the ASX or operated in accordance with the ASTC Settlement Rules or Listing Rules and, in any such case, recognised under the Act; or
- 11.1.2 a written instrument of transfer in any usual form or in any other form approved by either the directors or the ASX, that is otherwise permitted by law.

11.2 CHESS transfer

- 11.2.1 The directors may do anything they consider necessary or desirable and which is permitted under the Law, the Listing Rules and the ASTC Settlement Rules to facilitate involvement by the company in any system established or recognised by the Law and the Listing Rules or the ASTC Settlement Rules in respect of the transfers of, or dealings, in marketable securities.
- 11.2.2 The company will comply with all obligations imposed on the company under the Act, the Listing Rules and the ASTC Settlement Rules in respect of a proper ASTC transfer or any other transfer of shares.
- 11.2.3 Notwithstanding any other provision in this Constitution, the company will not prevent, delay or interfere with the generation of, or registration of, a proper ASTC transfer except as expressly permitted by the Act, the Listing Rules or the ASTC Settlement Rules.

11.3 Registration process

The following provisions apply to instruments of transfer referred to in clause 11.1.2.

- 11.3.1 Unless the instrument of transfer is otherwise a sufficient transfer under the Act, the instrument will be signed by, or executed by or on behalf of:
 - (a) the transferor; and
 - (b) if required by the company, the transferee.
- 11.3.2 The instrument of transfer will be left at the place where the Register is kept, accompanied by the Certificate (if any) in respect of the shares to be transferred and such other evidence as the directors require to prove the transferor's title to, or right to transfer, the shares; and
- 11.3.3 on registration of a transfer of shares, the company will cancel the old Certificate (if any).

11.4 Directors to register transfer

Subject to clauses 11.3, 11.5, 11.9, 11.11 and 11.15 the directors will not refuse to register or fail to register or give effect to a transfer of a share except if a call remains outstanding in respect of the share.

11.5 Refusal to register transfers other than proper ASTC transfer

11.5.1 The directors may refuse to register any transfer of shares (other than a proper ASTC transfer) where the Listing Rules permit the company to do so.

11.5.2 The directors will refuse to register any transfer of shares (other than a proper ASTC transfer) where:

- (a) the Act or the Listing Rules require the company to do so, or the transfer is in breach of the Listing Rules; or
- (b) those shares are Restricted Securities and the transfer is in breach of any Restriction Agreement in respect of those shares.

11.6 Notice of refusal to register

11.6.1 Where the directors refuse to register a transfer of shares under clause 11.5, the company will give written notice of the refusal and the reasons for the refusal to the transferee and the person who lodged the transfer, if not the transferee, within 7 days after the date on which the transfer was lodged with the company.

11.6.2 Failure by the company to give notice under clause 11.6.1 will not invalidate the refusal to register the transfer in any way.

11.7 Retention of transfer by company

11.7.1 All instruments of transfer of shares which are registered will be retained by the company.

11.7.2 Except in the case of fraud, any instrument of transfer of shares which the directors decline or refuse to register will, on demand, be returned to the transferee.

11.8 Powers of attorney

Any power of attorney granted by a shareholder empowering the donee to transfer shares which may be lodged, produced or exhibited to the company or any officer of the company:

11.8.1 will be taken and deemed to continue to remain in full force and effect as between the company and the grantor of that power; and

11.8.2 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 with the company or at the place where the Register is kept.

11.9 Proportional Takeovers

A transfer giving effect to a contract resulting from a takeover bid that is made or purports to be made under section 618(1)(b) of the Act in respect of securities included in a class of securities of the company (“**Proportional Takeover Bid**”) must not be registered unless a resolution to approve the Proportional Takeover Bid has been passed or is taken to be passed in accordance with the provisions of Schedule 2.

11.10 Unmarketable Parcels

If a shareholder holds an Unmarketable Parcel of shares, the provisions of Schedule 3 apply to those shares.

11.11 Restricted Securities

Except as permitted by the Listing Rules or ASX:

11.11.1 the registered holder of a security which is a Restricted Security will not Dispose of that security during the escrow period specified in the Restriction Agreement in respect of that security; and

11.11.2 the company will refuse to acknowledge a Disposal (including registering a transfer) of a security which is a Restricted Security during the escrow period specified in the Restriction Agreement in respect of that security.

11.12 Holding locks

The company may, or may request ASTC to, apply a holding lock (as defined in the Listing Rules) to securities where permitted to do so under the Listing Rules and ASTC Settlement Rules.

11.13 Suspension of Transfers

The directors may suspend registration of transfers of shares in the company at the times and for the periods they determine. The periods of suspension must not exceed 30 days in any one calendar year.

11.14 Transfers to minors

The directors may permit a share to be transferred to, or by, a minor.

11.15 Options

This clause 11 applies, with necessary alterations, to options and other securities to the extent required by the Act, Listing Rules or ASTC Settlement Rules.

12. TRANSMISSION OF SHARES

12.1 If a shareholder who does not own shares jointly dies, the company will recognise only the personal representative of the deceased shareholder as being entitled to the deceased shareholder's interest in the shares.

12.2 If a personal representative gives the directors the information they reasonably require to establish their entitlement to be registered as the holder of the shares they:

- (a) may, by giving written and signed notice to the company, elect to be registered as the holder of the shares; or
- (b) may, by giving a completed transfer to the company, transfer the shares to another person; and
- (c) will be entitled, whether or not registered as the holder of the shares, to the same rights as the shareholder.

12.3 On receiving a notice under clause 12.2(a) and subject to the power of directors under clauses 11.5 and 11.13 the company must register the person as the holder of the shares.

12.4 A transfer under clause 12.2(b) is subject to the same rules as apply to transfers generally under clauses 6.2, 11.4, 11.5 and 11.14.

12.5 This clause has effect subject to the *Bankruptcy Act 1966* and section 1072C of the Act.

13. REDUCTION OF CAPITAL

13.1 Subject to the Act, the company may from time to time by resolution reduce its share capital in any way.

13.2 Without limiting the generality of clause 13.1, the company when reducing its share capital, may resolve that such reduction be effected wholly or in part by the distribution of specific assets (whether held in the name of the company or in the name of any wholly owned subsidiary of the company) and in particular shares, debentures, debenture stock or other securities or interests in such securities of any other company or in any one or more of such ways.

13.3 Where the company pursuant to a reduction of its share capital distributes to its shareholders shares in another company:

13.3.1 the shareholders will be deemed to have agreed to become members of that company; and

13.3.2 each of the shareholders appoints the company or any of its directors as its agent to execute any transfer of shares or other document to effect the distribution of shares to that shareholder.

14. MODIFICATION OF RIGHTS

14.1 The procedure to vary or cancel class rights

14.1.1 If at any time the share capital is divided into different classes of shares, the rights attached to any class unless otherwise provided by the terms of issue of the shares of that class, may be varied or modified with the consent in writing of the holders of 75% of the issued shares of that class or with the sanction of a special resolution passed at a meeting of the holders of shares of that class.

14.1.2 Clauses relating to general meetings apply to such meetings except that any shareholder holding shares of the class may demand a poll.

14.2 Adjustments

The board may do anything which it considers necessary to give effect to any resolution or other action authorising or effecting the alteration of the share capital of the company or the variation or abrogation of rights attaching to any class of shares or to adjust the rights of all parties and, in particular, may:

- 14.2.1 round or disregard any fraction of shares or any fractional entitlement;
- 14.2.2 sell fractions of shares or fractional entitlements and distribute the proceeds of sale;
- 14.2.3 issue any fractional certificate required; and
- 14.2.4 determine that as between the holders of shares or other entitlements one or more of them has a preference or special advantage as regards dividends, capital, voting or otherwise.

15. CIRCULATING RESOLUTIONS OF SHAREHOLDERS

15.1 Circulating resolutions when more than 1 shareholder

- 15.1.1 Except in the case of a resolution under section 329 of the Act to remove an auditor, or any other resolution which the Act or this Constitution requires to be passed at a general meeting, the company may pass a resolution without a general meeting being held if all the shareholders entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document. If a share is held jointly, each of the joint shareholders must sign the document.
- 15.1.2 Separate copies of a document may be used for signing by shareholders if the wording of the resolution and statement is identical in each copy.
- 15.1.3 The resolution is passed when the last shareholder signs the document.
- 15.1.4 This clause does not affect any rule of law relating to the assent of shareholders not given at a general meeting.

16. CALLING MEETINGS OF SHAREHOLDERS

16.1 Calling of meetings of shareholders by a director

A director may call a meeting of the company's shareholders.

16.2 Notice of meetings of shareholders to shareholders and directors

- 16.2.1 Notice to joint shareholders must be given to the joint shareholder named first in the register of shareholders.
- 16.2.2 A notice of meeting sent by post is taken to be given 2 days after it is posted. A notice of meeting sent by facsimile, or other electronic means, is taken to be given on the day on which the sender obtains machine acknowledgment of successful transmission.

16.2.3 A person may waive notice of any general meeting by written notice to the company.

16.2.4 A person's attendance at a general meeting waives any objection that person may have to:

- (a) the failure to give notice, or the giving of a defective notice, of the meeting unless the person at the beginning of the meeting objects to the holding of the meeting; and
- (b) the consideration of a particular matter at the meeting which is not within the business referred to in the notice of meeting, unless the person objects to considering the matter when it is presented.

16.2.5 Failure to give a shareholder or any other person notice of a general meeting or proxy form, does not invalidate anything done or resolution passed at the general meeting if:

- (a) the failure occurred by accident or inadvertent error; or
- (b) before or after the meeting, the person notifies the company of the person's agreement to that thing or resolution.

16.3 Notice of adjourned meetings

When a meeting is adjourned, new notice of the resumed meeting must be given if the meeting is adjourned for 1 month or more.

16.4 Cancelling meetings

Where notice of a meeting has been given, the board may, by notice given to all persons entitled to be given notice of the meeting, postpone or cancel the meeting. Notice under this clause can be given in the same manner as set out in clause 16.2.

17. HOLDING MEETINGS OF SHAREHOLDERS

17.1 Entitlement to attend

Subject to this Constitution and the terms of issue of any share, each shareholder and each director is entitled to be present and to speak at a general meeting of the company.

17.2 Admission to general meetings

17.2.1 The chair of a general meeting may take any action he or she considers appropriate for the safety of persons attending the meeting and the orderly conduct of the meeting and may refuse admission to, or require to leave and remain out of, the meeting any person:

- (a) in possession of a pictorial-recording or sound-recording device;
- (b) in possession of a placard or banner;

- (c) in possession of an article considered by the chair to be dangerous, offensive or liable to cause disruption;
- (d) who refuses to produce or permit examination of any article, or the contents of any article, in the person's possession;
- (e) who behaves or threatens to behave in a dangerous, offensive or disruptive way; or
- (f) who is not entitled to receive notice of the meeting.

The chair may delegate the powers conferred by this rule to any person he or she thinks fit.

17.2.2 A person, whether a shareholder or not, requested by the directors or the chair to attend a general meeting is entitled to be present and, at the request of the chair, to speak at the meeting.

17.2.3 If the chair of a general meeting considers that there is not enough room for the shareholders who wish to attend the meeting, he or she may arrange for any person whom he or she considers cannot be seated in the main meeting room to observe and attend the general meeting in a separate room. Even if the shareholders present in the separate room are not able to participate in the conduct of the meeting, the meeting will nevertheless be treated as validly held in the main room.

17.2.4 If a separate meeting place is linked to the main place of a general meeting by an instantaneous audio-visual communication device which, by itself or in conjunction with other arrangements:

- (a) gives the general body of shareholders in the separate meeting place a reasonable opportunity to participate in proceedings in the main place;
- (b) enables the chair to be aware of proceedings in the other place; and
- (c) enables the shareholders in the separate meeting place to vote on a show of hands or on a poll,

a shareholder present at the separate meeting place is taken to be present at the general meeting and entitled to exercise all rights as if he or she was present at the main place.

17.2.5 If, before or during the meeting, any technical difficulty occurs whereby one or more of the matters set out in clause 17.2.4 is not satisfied, the chair may:

- (a) adjourn the meeting until the difficulty is remedied; or
- (b) continue to hold the meeting in the main place (and any other place which is linked under clause 17.2.4) and transact business, and no shareholder may object to the meeting being held or continuing.

17.2.6 Nothing in this clause 17.2 or in clause 17.5 is to be taken to limit the powers conferred on the chair by law.

17.3 Quorum

17.3.1 No business may be transacted at any general meeting unless a quorum of shareholders entitled to vote is present at the time when the meeting proceeds to business. A quorum is constituted by:

- (a) if there is only 1 shareholder, that shareholder;
- (b) if there are 2 or more shareholders, then subject to clause 17.3.2, 2 shareholders.

For the purposes of this clause and clause 17.3.2, "shareholder" includes a person attending as a proxy or a body corporate representative. If a person has appointed more than 1 proxy or representative, only 1 of those proxies or representatives is to be counted in determining whether a quorum is constituted.

17.3.2 If within 15 minutes from the time appointed for the meeting a quorum is not present, the meeting stands adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the directors may determine, and if at the adjourned meeting a quorum is not present within 15 minutes from the time appointed for the meeting, the shareholder or shareholders present constitute a quorum.

17.4 Chair of meetings of shareholders

17.4.1 The chair, if any, of the board is to be the chair at every general meeting of the company. If the chair of the board cannot or will not chair a general meeting or is not present within 15 minutes after the time appointed for the holding of the meeting the directors present may elect 1 of their number to be the chair of the meeting but if they do not do so the shareholders present must elect the chair of the meeting.

17.4.2 If the chair of a general meeting is unwilling or unable to be the chair for any part of the business of the meeting:

- (a) the chair may withdraw as chair for that part of the business and may nominate any person who would be entitled under clause 17.4.1 to chair the meeting for that part of the business; and
- (b) after that part of the business is completed, the person so nominated must cease to chair the meeting and the chair resumes as chair of the meeting.

17.5 Conduct at meetings of shareholders

17.5.1 The chair of a general meeting is responsible for the general conduct of the meeting and for these purposes may:

- (a) prescribe the procedures to be adopted at the meeting for making rulings and otherwise; and
- (b) in addition to other powers to adjourn, adjourn the meeting or any item of business of the meeting to a later time at the same meeting or to an

adjourned meeting without the concurrence of the meeting if the chair determines it is desirable for the orderly conduct of the meeting or the conduct of a poll.

- 17.5.2 The chair may at any time the chair considers it necessary or desirable for the orderly conduct of the meeting:
- (a) impose a limit on the time that a person may speak on each motion or other item of business and terminate debate or discussion on any business, question, motion or resolution being considered by the meeting and require the business, question, motion or resolution to be put to a vote of the shareholders present; and
 - (b) adopt any procedures for casting or recording votes at the meeting whether on a show of hands or on a poll, including the appointment of scrutineers.
- 17.5.3 A decision by the chair under clauses 17.5.1 or 17.5.2 is final.
- 17.5.4 The chair may postpone the meeting before it has started, whether or not a quorum is present, if, at the time and place appointed for the meeting, he or she considers that:
- (a) there is not enough room for the number of shareholders who wish to attend the meeting; or
 - (b) a postponement is necessary in light of the behaviour of persons present or for any other reason so that the business of the meeting can be properly carried out.
- 17.5.5 A postponement under clause 17.5.4 will be to another time, which may be on the same day as the meeting, and may be to another place (and the new time and place will be taken to be the time and place for the meeting as if specified in the notice which called the meeting originally.)
- 17.5.6 For the purposes of allowing any poll to be taken or determined, the chair may at any time during the course of the meeting suspend the proceedings of the meeting for such period or periods as he or she decides without effecting an adjournment. No business may be transacted and no discussion may take place during any suspension of proceedings unless the chair otherwise allows.
- 17.5.7 The chair's rights under clauses 17.5.1(b), 17.5.4 and 17.5.6 are exclusive and, unless the chair requires otherwise, no vote may be taken or demanded by the shareholders present concerning any postponement, adjournment or suspension of proceedings.
- 17.5.8 The chair must adjourn a meeting of the company's shareholders if the shareholders present with a majority of votes at the meeting agree or direct that the chair must do so.
- 17.5.9 Where a meeting is postponed or adjourned under this clause 17.5, notice of the postponed or adjourned meeting must be given to the ASX, but, except as provided by clause 16.3, need not be given to any other person.

17.5.10 Where a meeting is postponed or adjourned, the directors may, by notice to the ASX, postpone, cancel or change the place of the postponed or adjourned meeting.

17.5.11 Only unfinished business is to be transacted at a meeting resumed after an adjournment.

18. VOTING AT A SHAREHOLDERS' MEETING

18.1 How many votes a shareholder has

Subject to any rights or restrictions attached to any class of shares, at a shareholders' meeting:

18.1.1 on a show of hands each shareholder has 1 vote;

18.1.2 on a poll, each shareholder has 1 vote for each share they hold;

18.1.3 if, on a resolution proposed as an ordinary resolution there is an equality of votes (whether on a show of hands or a poll), the chair has, subject to clause 18.10), a casting vote in addition to any vote they have as a shareholder.

18.2 Jointly held shares

If a share is held jointly and more than 1 shareholder votes in respect of that share, only the vote of the shareholder whose name appears first in the Register counts.

18.3 Objections to right to vote at a meeting of the company's shareholders

A challenge to a right to vote at a shareholders' meeting:

18.3.1 may only be made at the meeting; and

18.3.2 must be determined by the chair, whose decision is final.

18.4 How voting is carried out

18.4.1 A resolution put to the vote at a shareholders' meeting must be decided on a show of hands unless a poll is demanded.

18.4.2 On a show of hands, a declaration by the chair is conclusive evidence of the result. Neither the chair nor the minutes need to state the number or proportion of the votes recorded in favour or against the resolution.

18.4.3 Subject to this Constitution and the Act, resolutions of shareholders are to be decided by simple majority of votes cast in respect of the relevant resolution.

18.5 Matters on which a poll may be demanded

18.5.1 A poll cannot be demanded on any resolution concerning:

(a) the election of the chair of a meeting; or

(b) the adjournment of a meeting.

18.5.2 A demand for a poll may be withdrawn.

18.6 When a poll is effectively demanded

At a shareholders' meeting a poll may be demanded by:

18.6.1 at least 5 shareholders entitled to vote on the resolution;

18.6.2 shareholders with at least 5% of the votes that may be cast on the resolution on a poll; or

18.6.3 the chair.

18.7 When and how polls must be taken

18.7.1 A poll demanded on a matter must be taken when and in the manner the chair directs.

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

18.8 Direct voting

The directors may decide that, at any general meeting or class meeting, a shareholder who is entitled to attend and vote on a resolution at that meeting is entitled to a direct vote in respect of that resolution. A "direct vote" includes a vote delivered to the company by post, fax or other electronic means approved by the directors. The directors may prescribe regulations, rules and procedures in relation to direct voting, including specifying the form, method and timing of giving a direct vote at a meeting in order for the vote to be valid.

18.9 No vote if call unpaid or in breach of Restriction Agreement

An Eligible Voter will not be entitled to vote on any resolution, whether on a show of hands or on a poll, in respect of shares on which any calls due and payable in respect of those shares have not been paid, or which are Restricted Securities where there is a subsisting breach of any Restriction Agreement in respect of those shares.

18.10 No vote if contrary to Act or Listing Rules

Notwithstanding anything contained in this Constitution to the contrary, an Eligible Voter will not be entitled to vote, and the company will disregard any vote purported to be cast by an Eligible Voter, on a particular resolution where such a vote is prohibited by the Act, Listing Rules or ASX.

18.11 Personal representative's right to vote

A personal representative of a shareholder may vote at any general meeting in respect of the share in the same manner as if the personal representative was the holder of the share, if at least 48 hours before the time of holding the meeting (or adjourned meeting), at which the personal representative proposes to vote, the personal representative has satisfied the directors of the personal representative's entitlement or

the directors have previously admitted the personal representative's right to vote at such meeting in respect of the share.

19. PROXIES

19.1 Appointing a proxy

The chair of the board may determine in its absolute discretion that a proxy is valid even if it does not contain all of the information referred to in section 250A(1) of the Act.

19.2 Clarifying instructions

The company is entitled to clarify, by written or verbal communication with a shareholder, any instruction on an appointment of proxy which is received by the company by written or verbal communication within a period referred to in this Constitution, the Act or the Listing Rules for the receipt of proxies. The company, at its discretion, is entitled to amend the contents of any appointment of proxy to reflect any clarification in instruction and the shareholder at that time is taken to have appointed the company as its attorney for this purpose.

19.3 Validity of proxy vote

Unless the company has received written notice of the matter before the start or resumption of the meeting at which a proxy votes, a vote cast by the proxy will be valid even if, before the proxy votes:

19.3.1 the appointing shareholder dies;

19.3.2 the shareholder is mentally incapacitated;

19.3.3 the shareholder revokes the proxy's appointment;

19.3.4 the shareholder revokes the authority under which the proxy was appointed by a third party;

19.3.5 the shareholder transfers the share in respect of which the proxy was given; or

19.3.6 the shareholder has issued a clarifying instruction under clause 19.2.

20. DIRECTORS

20.1 Number of Directors

20.1.1 The board may determine the number of the directors from time to time but subject to clause 20.1.2, the number must be not less than 3 nor more than 10.

20.1.2 The company in general meeting may by resolution increase or reduce the number of directors referred to in clause 20.1.1, but the number must not be reduced below 3.

20.2 Appointment and removal of directors

20.2.1 Directors may appoint other directors

The directors may appoint a person as a director. A person can be appointed as a director in order to make up a quorum for a directors' meeting even if the total number of directors of the company is not enough to make up a quorum.

20.2.2 Appointment to be confirmed by shareholders

Any person so appointed and who is not a managing director must be confirmed in office at the company's next annual general meeting. If the appointment is not confirmed, the person ceases to be a director of the company at the end of the annual general meeting.

20.2.3 Company may appoint directors

The company in general meeting may by resolution appoint a director.

20.3 Notice of nomination

The company must accept nominations for the election of directors up to 45 Business Days, but no more than 90 Business Days, before the date of a general meeting at which directors may be elected.

20.4 Notice of resolution to remove

The company must:

- 20.4.1 give to a director the subject of a removal resolution notice of the proposed resolution at least 5 Business Days before notice of the general meeting at which the resolution is to be considered is dispatched; and
- 20.4.2 if the director in the period of three Business Days after the director has been given notice under clause 20.4.1, gives the company a written statement of not more than 1,500 words containing no defamatory material relating to the proposed resolution, send a copy of that statement with the notice of general meeting at which the removal resolution is to be considered.

20.5 Interested directors

- 20.5.1 The directors may make regulations requiring the disclosure of interests that a director, and any person deemed by the directors to be related to or associated with the director, may have in any matter concerning the company or a related body corporate. Any regulations made under this Constitution bind all directors and no act, transaction, agreement, instrument, resolution or other thing is invalid or voidable only because a person fails to comply with any such regulation.

- 20.5.2 A director is not disqualified from contracting or entering into an arrangement with the company as vendor, purchaser or in another capacity, merely because the director holds office as a director or because of the fiduciary obligations arising from that office.
- 20.5.3 No such contract, transaction or arrangement entered into by or on behalf of the company or any other contract, transaction or arrangement in which a director is in any way interested is avoided or rendered voidable merely because the director holds office as a director or because of the fiduciary obligations arising from that office.
- 20.5.4 A director who is interested in any arrangement involving the company is not liable to account to the company for any profit realised under the arrangement merely because the director holds office as a director or because of the fiduciary obligations arising from that office, provided that the director complies with the disclosure requirements applicable to the director under clause 20.5.1 and under the Act regarding that interest.
- 20.5.5 A director may hold any office or position of profit (other than that of auditor) under the company or under any company promoted by the company or in which the company is a shareholder or otherwise interested and may be appointed to that office or position on terms (including remuneration and tenure) the directors decide.
- 20.5.6 A director may be or become a director or other officer of, or interested in, any company promoted by the company or in which the company is a shareholder or otherwise interested and, with the consent of the company, need not account to the company for any remuneration or other benefits the director receives as a director or officer of, or from having an interest in, that body corporate.
- 20.5.7 A director who has an interest in a matter that is being considered at a meeting of directors may, despite that interest, vote, be present and be counted in a quorum at the meeting, unless that is prohibited by the Act. No act, transaction, agreement, instrument, resolution or other thing is invalid or voidable only because a director fails to comply with that prohibition.
- 20.5.8 The directors may exercise the voting rights given by shares in any corporation held or owned by the company in any way the directors decide. This includes voting for any resolution appointing a director as a director or other officer of that corporation or voting for the payment of remuneration to the directors or other officers of that corporation. A director may, if the law permits, vote for the exercise of those voting rights even though he or she is, or may be about to be appointed, a director or other officer of that corporation and, in that capacity, may be interested in the exercise of those voting rights.
- 20.5.9 A director who is interested in any contract or arrangement may, despite that interest, witness the fixing of the Seal to any document evidencing or otherwise connected with that contract or arrangement.

20.6 Remuneration of directors

- 20.6.1 The directors (including a managing director or any other executive director, acting in their capacity as a director) are entitled to be:

- (a) paid for their services an annual sum to be determined by the company in general meeting, divided between them in such proportions as they may determine;
- (b) reimbursed for all expenses properly incurred in attending or in connection with their attendance at any meeting of the company or of the board or any committee of directors.

20.6.2 In addition to the remuneration referred to in clause 20.6.1 a director may receive a special remuneration and expense reimbursement for performing extra services in and about the company's business.

20.7 Share Qualification

- 20.7.1 Subject to clauses 20.7.2, 20.7.3 and 20.7.4, a director must hold at least 500 ordinary shares in the company.
- 20.7.2 A director who has held office for three years or more must hold at least 1,000 ordinary shares in the company.
- 20.7.3 A director must ensure that the director complies with clause 20.7.1 or 20.7.2 (as applicable) as soon as possible after being appointed or re-appointed as a director (as applicable).
- 20.7.4 Alternate directors are not required to hold any shares in the company.

20.8 Vacation of office

The office of a director becomes vacant if the director:

- 20.8.1 resigns by giving written notice to the company at its registered office;
- 20.8.2 becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under a law relating to mental ill health;
- 20.8.3 either in person or by an alternate director appointed by the director, fails to attend board meetings for a continuous period of three months without leave of absence from the board.

20.9 Compulsory retirement

- 20.9.1 Subject to clauses 20.9.3 and 20.9.4, a director must not hold office (without re-appointment) past the third annual general meeting following the director's appointment or 3 years, whichever is longer.
- 20.9.2 A director appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-appointment) past the next annual general meeting of the company.
- 20.9.3 A director who retires in accordance with clause 20.9.1 or 20.9.2 is eligible for re-appointment.
- 20.9.4 This clause does not apply to the managing director.

20.10 Defect in appointment

Notwithstanding that it is afterwards discovered that there was some defect in the appointment of a person to be a director, or a member of a committee, or to act as a director, or that a person so appointed was disqualified, all acts done by any meeting of the directors or of a committee of directors or by any person acting as a director are valid as if the person had been duly appointed and was qualified to be a director or to be a member of the committee.

20.11 Wholly owned subsidiary

Each director is expressly authorised to act in the best interests of any holding company of the company.

21. POWERS AND DISCRETIONS OF DIRECTORS

21.1 Business of the company

The business of the company must be managed by or under the direction of the directors who may exercise all the powers of the company except any powers that the Act, the Listing Rules or this Constitution, require to be exercised by the company in general meeting. No resolution made by the company in general meeting invalidates any prior act of the directors which would have been valid if the resolution had not been made.

21.2 Appointment of attorneys

The directors may by power of attorney appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the directors, to be the attorney or attorneys of the company for such purposes, with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors), for the period and subject to such conditions as the directors think fit.

21.3 Directors may execute security over the assets of the company

If the directors or any of them or any other person becomes personally liable for the payment of any sum primarily due from the company, the directors may execute or cause to be executed any mortgage, charge 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.

21.4 Negotiable instruments

All cheques, bills of exchange, promissory notes and other negotiable instruments will be signed, drawn, accepted, made or endorsed as the case may be for and on behalf of the company in such manner as the directors may from time to time determine.

21.5 Directors discretion

Unless otherwise provided, if the directors are given a power or discretion under this Constitution, subject to law they may exercise the power or discretion in any manner that they, in their absolute discretion, see fit.

21.6 Meetings of committees

The meetings and proceedings of a committee appointed by the board must be carried out in accordance with the provisions in this Constitution relating to the meetings and proceedings of directors, subject to any necessary changes and any directions made by the directors.

22. DIRECTORS RESOLUTIONS AND MEETINGS

22.1 Written resolutions

22.1.1 If:

- (a) all of the directors (other than any director on leave of absence approved by the directors and any director not present in Australia, any director who disqualifies himself or herself from considering the resolution in question and any director who would be prohibited by the Act from voting on the resolution in question) sign or consent to a written resolution; and
- (b) the directors who sign or consent to the resolution would have constituted a quorum at a meeting of directors held to consider that resolution,

then the resolution is taken to have been passed by a meeting of the directors.

22.1.2 A director may consent to a resolution by:

- (a) signing the document containing the resolution (or a copy of that document);
- (b) giving to the company at its registered office a written notice (including by fax or other electronic means) addressed to the secretary or to the chair signifying assent to the resolution and either setting out its terms or otherwise clearly identifying them; or
- (c) telephoning the secretary or the chair and signifying assent to the resolution and clearly identifying its terms.

22.1.3 Separate copies of a document may be used for signing by directors if the wording of the resolution and statement is identical in each copy.

22.1.4 The resolution is passed when the last director signs or otherwise consents to the resolution under clause 22.1.2.

22.2 Proceedings of directors

22.2.1 The directors may meet together to attend to business and adjourn and otherwise regulate their meetings as they decide.

22.2.2 The contemporaneous linking together by telephone or other electronic means of a sufficient number of directors to constitute a quorum, constitutes a meeting of the directors. All the provisions in this Constitution relating to

meetings of the directors apply, as far as they can and with any necessary changes, to meetings of the directors by telephone or other electronic means.

22.2.3 A meeting by telephone or other electronic means is to be taken to be held at the place where the chair of the meeting is or at such other place the chair of the meeting decides on, as long as at least one of the directors involved was at that place for the duration of the meeting.

22.2.4 A director taking part in a meeting by telephone or other electronic means is to be taken to be present in person at the meeting.

22.2.5 If, before or during the meeting, any technical difficulty occurs whereby one or more directors cease to participate, the chair may adjourn the meeting until the difficulty is remedied or may, where a quorum of directors remains present, continue with the meeting.

22.3 Calling directors' meetings

A director may at any time, and the secretary on the request of a director must, convene a board meeting.

22.4 Notice of meetings of directors

22.4.1 Notice of a meeting of directors must be given to each person who is at the time the notice is given:

- (a) a director, except a director on leave of absence approved by the directors; or
- (b) an alternate director appointed under clause 23.1 if the appointing director has requested the company to give the alternate director notice of directors' meetings under clause 23.2.

22.4.2 A notice of a meeting of directors:

- (a) must specify the time and place of the meeting;
- (b) need not state the nature of the business to be transacted at the meeting;
- (c) may, if necessary, be given immediately before the meeting;
- (d) may be given in person or by post or by telephone, fax or other electronic means; and
- (e) will be taken to have been given to an alternate director if it is given to the director who appointed that alternate director, unless the appointing director has made a request under clause 23.2.

22.4.3 A director or alternate director may waive notice of a meeting of directors by giving notice to that effect in person or by post or by telephone, fax or other electronic means.

22.4.4 Failure to give a director or alternate director notice of a meeting of directors does not invalidate anything done or any resolution passed at the meeting if:

- (a) the failure occurred by accident or inadvertent error; or
- (b) the director or alternate director attended the meeting or waived notice of the meeting (whether before or after the meeting).

22.4.5 A person who attends a meeting of directors waives any objection that person may have to a failure to give notice of the meeting.

22.5 Chairing directors' meetings

22.5.1 The directors may elect a director to chair their meetings and determine the period for which the chair is to hold office, but if no such chair is elected, or if at any meeting the chair is not present within 15 minutes after the time appointed for holding the meeting, the directors may elect 1 of their number present to chair the meeting.

22.5.2 The directors may elect a director to the office of deputy chair, and determine the period for which the deputy chair is to hold office.

22.6 Quorum at directors' meetings

22.6.1 Subject to the Act, a quorum for a meeting of the board is constituted by 2 directors or such other number determined by the board.

22.6.2 The quorum must be present at all times during the meeting.

22.7 Passing of directors' resolutions

22.7.1 Questions arising at any board meeting must be decided by a majority of votes.

22.7.2 Subject to clause 23.1.2, each director present at a board meeting has 1 vote.

22.7.3 In the case of an equality of votes, subject to clause 22.7.4 the chair has a second or casting vote.

22.7.4 The chair does not have a casting vote where there are only 2 directors present at a directors' meeting or where there are only 2 directors entitled to vote on a resolution put to a meeting.

23. ALTERNATE DIRECTORS

23.1 Appointment

23.1.1 A director may appoint an alternate, in the form required by the company, to exercise some or all of the director's powers for a specified period.

23.1.2 If a director appoints another director as their alternate director to vote at a meeting of the directors, the alternate director has, as a result of that appointment, 1 vote at that meeting in addition to any other vote that the alternate director has at that meeting.

23.2 Notice of directors' meeting

If the appointing director requests the company to give the alternate notice of directors' meetings, the company must do so.

23.3 Exercise of powers by alternate

The exercise of a director's power by an alternate director has the same effect as would the exercise of the power by the director.

23.4 Termination of appointment

The appointing director may terminate the alternate's appointment at any time.

23.5 Procedure for termination

An appointment or its termination must be in writing. A copy must be given to the company.

23.6 Automatic vacation of office

An alternate director automatically vacates office if the appointor vacates office as a director or terminates the alternate's appointment.

23.7 Entitlements

An alternate director is entitled to be paid the expenses provided in this Constitution but is not entitled to receive directors' fees.

24. MANAGING DIRECTOR AND OTHER EXECUTIVE DIRECTORS

24.1 Appointment

24.1.1 The directors may appoint 1 or more of themselves to the office of managing director of the company for the period and on the terms (including as to remuneration) as the directors see fit.

24.1.2 The directors may determine the terms (including as to remuneration) of the appointment of any other executive director.

24.2 Effect of cessation of directorship

A person ceases to be managing director if they cease to be a director.

24.3 Powers

The directors may confer on a managing director or any other executive director any of the powers that the directors can exercise and may withdraw or alter those powers.

24.4 Revocation or variation of appointment or powers

The directors may revoke or vary:

24.4.1 an appointment of; or

24.4.2 any of the powers conferred on,
the managing director.

25. ASSOCIATE DIRECTORS

25.1 Appointment of Associate Directors

The board may:

- 25.1.1 appoint any person to be an Associate Director;
- 25.1.2 determine the term of appointment, powers, duties and remuneration of that person as an Associate Director;
- 25.1.3 vary any determinations when made; and
- 25.1.4 terminate or suspend any appointment of a person as an Associate Director.

25.2 Powers of Associate Directors

No Associate Director, by virtue of appointment as such is:

- 25.2.1 a director;
- 25.2.2 entitled to attend board meetings without invitation;
- 25.2.3 to be counted in determining if a quorum is present at a board meeting; or
- 25.2.4 entitled to vote on any question at any board meeting.

26. SECRETARY

26.1 Terms and conditions of office of secretary

- 26.1.1 A secretary holds office on the terms and conditions (including as to remuneration) that the directors determine.

26.2 Acting secretary

- 26.2.1 If there is no secretary, or no secretary is capable of acting, any act or thing required or authorised to be done by or in relation to the secretary may be done by or in relation to any assistant or deputy secretary.
- 26.2.2 If there is no assistant or deputy secretary, or no assistant or deputy secretary is capable of acting, by or in relation to any act or thing required or authorised to be done by, or in relation to, the secretary, an officer of the company may be authorised by the directors to act as secretary, either generally or in relation to the doing of that act or thing.
- 26.2.3 The board may terminate or suspend any appointment of a person as a secretary.

27. DISTRIBUTION OF PROFITS

27.1 Dividends

- 27.1.1 The directors may pay any interim and final dividends that, in their judgement, the financial position of the company justifies.
- 27.1.2 The directors may rescind a decision to pay a dividend if they decide, before the payment date, that the company's financial position no longer justifies the payment.
- 27.1.3 The directors may pay any dividend required to be paid under the terms of issue of a share.
- 27.1.4 Paying a dividend does not require confirmation at a general meeting.
- 27.1.5 Subject to any rights or restrictions attached to any shares or class of shares:
 - (a) all dividends must be paid equally on all shares, except that a partly paid share confers an entitlement only to the proportion of the dividend which the amount paid (not credited) on the share is of the total amounts paid or payable (excluding amounts credited);
 - (b) for the purposes of clause 27.1.5(a), unless the directors decide otherwise, an amount paid on a share in advance of a call is to be taken as not having been paid until it becomes payable; and
 - (c) interest is not payable by the company on any dividend.
- 27.1.6 Subject to the ASTC Settlement Rules, the directors may fix a record date for a dividend, with or without suspending the registration of transfers from that date under clause 11.13.
- 27.1.7 Subject to the ASTC Settlement Rules, a dividend in respect of a share must be paid to the person who is registered, or entitled to be registered, as the holder of the share:
 - (a) where the directors have fixed a record date in respect of the dividend, on that date; or
 - (b) where the directors have not fixed a record date in respect of that dividend, on the date fixed for payment of the dividend,and a transfer of a share that is not registered, or left with the company for registration under clause 11.3.2, on or before that date is not effective, as against the company, to pass any right to the dividend.
- 27.1.8 When resolving to pay a dividend, the directors may:
 - (a) direct payment of the dividend wholly or partly by the distribution of specific assets, including paid-up shares or other securities of the company or of another body corporate, either generally or to specific shareholders; and

- (b) unless prevented by the Listing Rules, direct payment of the dividend to particular shareholders wholly or partly out of any particular fund or reserve or out of profits derived from any particular source, and to the other shareholders wholly or partly out of any other particular fund or reserve or out of profits derived from any other particular source.

27.1.9 Subject to the ASTC Settlement Rules, where the personal representative of a shareholder is entitled:

- (a) to become a shareholder by transmission of a share; or
- (b) to transfer a share,

the directors may, but need not, retain the dividends payable on that share until the personal representative becomes the holder of that share or transfers that share.

27.1.10 Any one of several persons who are registered as the joint holders of any share may give effectual receipts for all dividends and payments in respect of such shares.

27.1.11 The directors may retain from any dividend payable to a shareholder any amount presently payable by the shareholder to the company and apply the amount retained to the amount owing.

27.1.12 The directors may decide the method of payment of any dividend or other amount in respect of a share. Different methods of payment may apply to different shareholders or groups of shareholders (such as overseas shareholders). Without limiting any other method of payment which the company may adopt, payment in respect of a share may be made:

- (a) by cheque sent to the address of the shareholder shown in the register of shareholders or, in the case of joint holders, to the address shown in the register of shareholders of any of the joint holders, or to such other address as the shareholder or any of the joint holders direct in writing; or
- (b) by such electronic or other means approved by the directors directly to an account (of a type approved by the directors) nominated in writing by the shareholder or the joint holders.

27.1.13 A cheque sent under clause 27.1.12:

- (a) may be made payable to bearer or to the order of the shareholder to whom it is sent or any other person the shareholder directs; and
- (b) is sent at the shareholder's risk.

27.1.14 If the directors decide that payments will be made by electronic transfer into an account (of a type approved by the directors) nominated by a shareholder, but no such account is nominated by the shareholder or an electronic transfer into a nominated account is rejected or refunded, the company may credit the amount payable to an account of the company to be held until the shareholder nominates a valid account.

- 27.1.15 Where a shareholder does not have a registered address or the company believes that a shareholder is not known at the shareholder's registered address, the company may credit an amount payable in respect of the shareholder's shares to an account of the company to be held until the shareholder claims the amount payable or nominates an account into which a payment may be made.
- 27.1.16 An amount credited to an account under clauses 27.1.14 or 27.1.15 is to be treated as having been paid to the shareholder at the time it is credited to that account. The company will not be a trustee of the money and no interest will accrue on the money.
- 27.1.17 If a cheque for an amount payable under clause 27.1.12 is not presented for payment for 11 calendar months after issue or an amount is held in an account under clauses 27.1.14 or 27.1.15 for 11 calendar months, the directors may reinvest the amount, after deducting reasonable expenses, into shares in the company on behalf of, and in the name of, the shareholder concerned and may stop payment on the cheque. The shares may be acquired on market or by way of new issue at a price the directors accept is market price at the time. Any residual sum which arises from reinvestment may be carried forward or donated to charity on behalf of the shareholder, as the directors decide. The company's liability to pay the relevant amount is discharged by an application under this clause 27.1.17. The directors may do anything necessary or desirable (including executing any document) on behalf of the shareholder to effect the application of an amount under this clause 27.1.17. The directors may determine other rules to regulate the operation of this clause 27.1.17 and may delegate their power under this clause to any person.

27.2 Capitalising profits

- 27.2.1 Subject to the Listing Rules, any rights or restrictions attached to any shares or class of shares and any special resolution of the company, the directors may capitalise and distribute among those shareholders who would be entitled to receive dividends and in the same proportions, any amount:
- (a) forming part of the undivided profits of the company;
 - (b) representing profits arising from an ascertained accretion to capital or a revaluation of the assets of the company;
 - (c) arising from the realisation of any assets of the company; or
 - (d) otherwise available for distribution as a dividend.
- 27.2.2 The directors may resolve that all or any part of the capitalised amount is to be applied:
- (a) in paying up in full, at an issue price decided by the resolution, any unissued shares in or other securities of the company;
 - (b) in paying up any amounts unpaid on shares or other securities held by the shareholders; or

- (c) partly as specified in clause 27.2.2(a) and partly as specified in clause 27.2.2(b).

The shareholders entitled to share in the distribution must accept that application in full satisfaction of their interest in the capitalised amount.

27.2.3 Clauses 27.1.5, 27.1.6 and 27.1.7 apply, so far as they can and with any necessary changes, to capitalising an amount under this clause 27.2 as if references in those clauses to:

- (a) a dividend were references to capitalising an amount; and
- (b) a record date were references to the date the directors resolve to capitalise the amount under this clause 27.2.

27.2.4 Where in accordance with the terms and conditions on which options to take up shares are granted (and being options existing at the date of the passing of the resolution referred to in clause 27.2.2) a holder of those options will be entitled to an issue of bonus shares under this clause 27.2, the directors may in determining the number of unissued shares to be so issued, allow in an appropriate manner for the future issue of bonus shares to options holders.

27.3 Ancillary powers

27.3.1 To give effect to any resolution to reduce the capital of the company, to satisfy a dividend as set out in clause 27.1.8(a) or to capitalise any amount under clause 27.2, the directors may:

- (a) settle as they think expedient any difficulty that arises in making the distribution or capitalisation and, in particular, make cash payments in cases where shareholders are entitled to fractions of shares or other securities and decide that amounts or fractions of less than a particular value decided by the directors may be disregarded in order to adjust the rights of all parties;
- (b) fix the value for distribution of any specific assets;
- (c) pay cash or issue shares or other securities to any shareholder in order to adjust the rights of all parties;
- (d) vest any of those specific assets, cash, shares or other securities in a trustee on trust for the persons entitled to the distribution or capitalised amount that seem expedient to the directors; and
- (e) authorise any person to make, on behalf of all the shareholders entitled to any specific assets, cash, shares or other securities as a result of the distribution or capitalisation, an agreement with the company or another person which provides, as appropriate, for the distribution or issue to them of shares or other securities credited as fully paid up or for payment by the company on their behalf of the amounts or any part of the amounts remaining unpaid on their existing shares or other securities by applying their respective proportions of the amount resolved to be distributed or capitalised.

- 27.3.2 Any agreement made under an authority referred to in clause 27.3.1(e) is effective and binds all shareholders concerned.
- 27.3.3 If a distribution or issue of specific assets, shares or securities to a particular shareholder or shareholders is in the directors' discretion considered impracticable or would give rise to parcels of securities which do not constitute a marketable parcel, the directors may make a cash payment to those shareholders or allocate the assets, shares or securities to a trustee to be sold on behalf of, and for the benefit of, those shareholders, instead of making the distribution or issue to those shareholders.
- 27.3.4 If the company distributes to shareholders (either generally or to specific shareholders) securities in the company or in another body corporate or trust (whether as a dividend or otherwise and whether or not for value), each of those shareholders appoints the company as his or her agent to do anything needed to give effect to that distribution, including agreeing to become a shareholder of that other body corporate.

27.4 Reserves

- 27.4.1 The directors may set aside out of the company's profits any reserves or provisions they decide.
- 27.4.2 The directors may appropriate to the company's profits any amount previously set aside as a reserve or provision.
- 27.4.3 Setting aside an amount as a reserve or provision does not require the directors to keep the amount separate from the company's other assets or prevent the amount being used in the company's business or being invested as the directors decide.

27.5 Carrying forward profits

The directors may carry forward any part of the profits remaining that they consider should not be distributed as dividends or capitalised, without transferring those profits to a reserve or provision.

28. ACCOUNTS AND AUDIT

28.1 Accounting records

The board must cause the company to keep the accounting records of the company and to prepare the financial statements for the company required by the Act.

28.2 Audit

The board must cause the accounts of the company to be audited by the Auditor as required by the Act.

29. INSPECTION OF BOOKS

The directors may determine whether and to what extent, and at what times and places, and under what conditions or regulations, the accounting and other records of the company, or any of them, are to be opened to the inspection of shareholders not being directors, and no

shareholder (not being a director) has any right of inspecting any account or book or paper of the company, except as conferred by statute or authorised by the directors.

30. NOTICES

30.1 Notice to personal representative

Any notice or document given in accordance with this Constitution, notwithstanding that the share in respect of which it is given is then subject to any clause relating to personal representatives, is to be treated as validly given to each personal representative entitled to be registered in respect of the share and all persons who claim through such person.

30.2 Notices to persons on the Register

Any person entitled to a share (whether by transfer, operation of law or otherwise) is to be treated as having duly received every notice in respect of that share which was duly given to the person from whom that person derives that entitlement before the person entitled is entered in the Register as the holder of the shares.

30.3 When notice is given

Where a specified period (including a particular number of days) must elapse or expire from or after the giving of a notice before an action may be taken, neither the day on which the notice is given or the day on which the action is to be taken may be counted in calculating the period.

30.4 Notice by shareholders of address for service

Each shareholder must notify the company in writing of an address in Australia for service of notice. Subject to this Constitution and the Act, if the shareholder fails to do so, the shareholder is not entitled to any notice.

30.5 How notices are given

Subject to the Act and this Constitution, the company may give notice and a person may give notice to the company:

30.5.1 personally;

30.5.2 by post, to the last known address of the recipient;

30.5.3 by facsimile number or electronic address (if any) nominated by the recipient;

30.5.4 by any other means consented to by the sender and the recipient.

30.6 When notices are taken to be given

A notice sent by post is taken to be given 2 days after it is posted. A notice by facsimile or other electronic means is taken to be given on the day on which the sender obtains machine acknowledgment of successful transmission.

30.7 Jointly held shares

If a share is held jointly, notice need only be given to the shareholder whose name appears first in the Register.

30.8 Obligation of confidentiality

Except the disclosure made (either confidentially or not as the board considers appropriate) to the ASX as required by the Listing Rules and except for any other disclosure required by law or otherwise in the proper course and performance of the duties of an officer or the Auditor of the company, every officer of the company and the Auditor must:

30.8.1 keep confidential all transactions and affairs of and accounts of and all information concerning the company; and

30.8.2 if so required by the board, sign a declaration accepting the obligation of confidentiality and undertaking not to disclose any information within the officer's or Auditor's knowledge the subject of the obligation to any person, except in the proper course and performance of the officer's or Auditor's duties (as the case may be) as required by law or as required by the board.

31. WINDING UP

If the company is wound up, the liquidator may, with the approval of a special resolution of the company, divide amongst the shareholders in kind, the whole or any part of the assets of the company (whether they consist of property of the same kind or not and including shares). For this purpose the liquidator may set any such value as the liquidator deems fair on any property to be divided and may determine how the division is to be carried out as between the shareholders or different classes of shareholders and vest the whole or any part of any such assets in trustees on such trusts for the benefit of the shareholders, as the liquidator thinks fit, provided that no shareholder is compelled to accept any share or other securities on which there is any liability.

32. INDEMNITY

32.1 Indemnity against proceedings

Subject to clause 32.5, every person who is or has been a director, secretary or senior manager of the company or its related bodies corporate is indemnified, to the maximum extent permitted by law, out of the property of the company against any liabilities for costs and expenses incurred by that person:

32.1.1 in defending any proceedings relating to that person's position with the company, whether civil or criminal, in which judgment is given in that person's favour or in which that person is acquitted or which are withdrawn before judgment; or

32.1.2 in connection with any application in relation to any proceedings relating to that person's position with the company, whether civil or criminal, in which relief is granted to that person under the Act by the court.

32.2 Indemnity against liabilities

Subject to clause 32.5, every person who is or has been a director, secretary or senior manager of the company or its related bodies corporate is indemnified, to the maximum extent permitted by law, out of the property of the company against any liability incurred by the person as such a director, secretary or senior manager to another person (other than the company or its related bodies corporate) unless the liability arises out of conduct involving a lack of good faith.

32.3 Insuring officers of the company

The company may pay a premium for a contract insuring a person who is or has been a director, secretary or senior manager of the company or its related bodies corporate against:

32.3.1 any liability incurred by that person as such a director, secretary or senior manager which does not arise out of conduct involving a wilful breach of duty in relation to the company or a contravention of sections 182 or 183 of the Act; and

32.3.2 any liability for costs and expenses incurred by that person in defending proceedings relating to that person's position with the company, whether civil or criminal and whatever the outcome.

32.4 Company may make separate contracts and bring separate actions

32.4.1 The company may confirm the indemnities in clauses 32.1 and 32.2 by separate contract with, or on behalf of, one or more of the persons indemnified.

32.4.2 The indemnities given by the company in clauses 32.1 and 32.2 do not affect the right of the company to bring any demand or action against any director, secretary or senior manager of the company or its related bodies corporate, including any demand or action arising out of the negligence of that person.

32.5 Directors may resolve to not indemnify

The directors may resolve that the indemnities in clauses 32.1 and 32.2 are not to apply to a specified person or class of persons and the indemnities will not apply unless the company has confirmed the indemnity under clause 32.4.1 by a contract which is in force.

32.6 Interpretation

Nothing in clauses 32.1 to 32.4 is to be taken to limit the power of the company, as permitted by the Act, to indemnify or pay a premium for a contract insuring a person who is, or has been, an officer of the company or its related bodies corporate.

32.7 Payments not remuneration

Any payment made by the company under clauses 32.1 to 32.3 does not constitute remuneration for the purposes of this Constitution.

SCHEDULE 1 **(clause 4.2)**

PREFERENCE SHARES

1. In this schedule, unless the context otherwise requires:

"Dividend Date" means, in relation to a Preference Share, a date specified in the Issue Resolution on which a dividend in respect of that Preference Share is payable;

"Dividend Rate" means, in relation to a Preference Share, the terms specified in the Issue Resolution for the calculation of the amount of dividend to be paid in respect of that Preference Share on any Dividend Date, which calculation may be wholly or partly established by reference to an algebraic formula;

"Franked Dividend" has the meaning ascribed to it in section 160APA of the Tax Act;

"Issue Resolution" means the resolution specified in clause 4 of this schedule;

"Preference Share" means a share issued under clause 4.2.2 of the Constitution;

"Redeemable Preference Share" means a Preference Share which the Issue Resolution specifies as being, or being at the option of the company to be, liable to be redeemed;

"Redemption Amount" means, in relation to a Redeemable Preference Share, the amount specified in the Issue Resolution to be paid on redemption of the Redeemable Preference Share;

"Redemption Date" means, in relation to a Redeemable Preference Share, the date specified in the Issue Resolution for the redemption of that Preference Share; and

"Tax Act" means the *Income Tax Assessment Act* 1936.

2. Each Preference Share confers upon its holder:

- (a) the right in a winding up to payment in cash of the capital then paid up on it, and any arrears of dividend in respect of that Preference Share, in priority to any other class of shares;
- (b) the right in priority to any payment of dividend to any other class of shares to a cumulative preferential dividend payable on each Dividend Date in relation to that Preference Share calculated in accordance with the Dividend Rate in relation to that Preference Share; and
- (c) no right to participate beyond the extent specified in this clause 2 of this schedule in surplus assets or profits of the company, whether in a winding up or otherwise.

3. Each Preference Share also confers upon its holder the same rights as the holders of ordinary shares to receive notices, annual financial reports, directors' reports and auditor's reports of the company and to attend general meetings but does not confer upon its holder the right to vote at any general meeting of the company unless either:

- (a) at the date of the notice convening the meeting any dividend payable in respect of the Preference Share has been in arrears for more than six months; or

- (b) the business of the meeting includes the consideration of a resolution for reducing the capital of the company or for winding up the company or a resolution directly affecting any of the special rights or privileges attached to the Preference Share or for the sanctioning of a sale of the undertaking of the company,
 - (c) but in the latter case the holder of that Preference Share is not entitled to vote generally at that meeting, but only on the resolution in respect of which that Preference Share confers a vote on its holder.
- 4. The board may only issue a Preference Share where by resolution it specifies the Dividend Date, the Dividend Rate, and whether the Preference Share is or is not, or at the option of the company is to be, liable to be redeemed, and, if the Preference Share is a Redeemable Preference Share, the Redemption Amount and Redemption Date for that Redeemable Preference Share and any other terms and conditions to apply to that Preference Share.
- 5. The Issue Resolution in establishing the Dividend Rate for a Preference Share may specify that the dividend is to be:
 - (a) fixed;
 - (b) variable depending upon any variation of the respective values of any factors in an algebraic formula specified in the Issue Resolution; or
 - (c) variable depending upon such other factors as the board may specify in the Issue Resolution,and may also specify that the dividend is to be a Franked Dividend or not a Franked Dividend.
- 6. Where the Issue Resolution specifies that the dividend to be paid in respect of the Preference Share is to be a Franked Dividend the Issue Resolution may also specify:
 - (a) the extent to which such dividend is to be franked (within the meaning of the Tax Act); and
 - (b) the consequences of any dividend paid not being so franked, which may include a provision for an increase in the amount of the dividend to such an extent or by reference to such factors as may be specified in the Issue Resolution.
- 7. Subject to the Act, the company must redeem a Redeemable Preference Share on issue:
 - (a) on the specified date where the company, at least 15 Business Days before that date, has given a notice to the holder of that Redeemable Preference Share stating that the Redeemable Preference Share will be so redeemed on the specified date; and
 - (b) in any event, on the Redemption Date, but no Redeemable Preference Share may be redeemed and no notice of redemption may be given before the second anniversary of the date upon which that Redeemable Preference Share is issued.
- 8. The Certificate issued by the company in relation to any Preference Share must specify in relation to that Preference Share:
 - (a) the date of issue of the Preference Share;

- (b) the Dividend Rate and Dividend Dates;
 - (c) whether the Preference Share is a Redeemable Preference Share and if it is:
 - (i) the Redemption Amount and Redemption Date; and
 - (ii) the conditions of redemption (if any);
 - (d) the conditions of participation (if any) in respect of the Preference Share set out in clause 3 of this schedule; and
 - (e) any other matter the board determines.
9. On redemption of a Redeemable Preference Share, the company, after the holder has surrendered to the company the Certificate in respect of that Redeemable Preference Share, must pay to the holder the Redemption Amount in cash, by cheque or in any other form that the holder agrees to in writing.

SCHEDULE 2

PROPORTIONAL TAKEOVER BIDS (Clause 11.9)

In this Schedule:

Approving Resolution means, in relation to a Proportional Takeover Bid, a resolution to approve the Proportional Takeover Bid passed in accordance with this Schedule;

Approving Resolution Deadline means, in relation to a Proportional Takeover Bid, the day that is 14 days before the last day of the bid period, during which the offers under the Proportional Takeover Bid remain open or at a later day allowed by ASIC;

Relevant Class means, in relation to a Proportional Takeover Bid, the class of securities in the company in respect of which offers are made under the Proportional Takeover Bid.

1. Where offers have been made under a Proportional Takeover Bid for securities of the company, the Directors must, before the Approving Resolution Deadline:
 - (a) convene a meeting of the persons entitled to vote on the Approving Resolution for the purpose of considering and, if thought fit, passing a resolution to approve the Proportional Takeover Bid; and
 - (b) ensure that the resolution is voted on in accordance with this Schedule.
2. The provisions of this Constitution relating to general meetings apply, with such modification as the circumstances require, to a meeting that is convened under paragraph 1, as if that meeting were a general meeting of the company.
3. The bidder under a Proportional Takeover Bid and any associates of the bidder are not entitled to vote on the Approving Resolution and if they do vote, their votes must not be counted.
4. Subject to paragraph 3, a person who, as at the end of the day on which the first offer under the Proportional Takeover Bid was made, held securities of the relevant class, is entitled to vote on the Approving Resolution relating to the Proportional Takeover Bid.
5. An Approving Resolution that has been voted on is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%, and otherwise is taken to have been rejected.
6. If an Approving Resolution has not been voted on in accordance with this Schedule as at the end of the day before the Approving Resolution Deadline, an Approving Resolution will be taken to have been passed in accordance with this Schedule on the Approving Resolution Deadline.
7. Clause 11.9 and this Schedule will cease to have effect at the end of 3 years beginning:
 - (a) where they have not been renewed in accordance with the Act, on the date they were adopted by the company; or
 - (b) where they have been renewed in accordance with the Act, on the date last renewed.

SCHEDULE 3 **(clause 11.10)**

UNMARKETABLE PARCELS

1. If at any time a shareholder holds an Unmarketable Parcel of shares (including shares held jointly with other shareholders) (the "**Relevant Shares**"), the board may give a notice (the "**First Notice**") to that shareholder stating that unless the shareholder gives notice to the company by a specified date (being at least 45 days after the date of giving of the First Notice) requiring that the provisions of this schedule are not to apply to the Relevant Shares, then the Relevant Shares are liable to be sold or disposed of under this schedule.
2. If the Listing Rules so require, where the board gives a First Notice to a shareholder under clause 1 of this schedule, the board must also give a First Notice to every other shareholder who at that time holds an Unmarketable Parcel of shares (including shares held jointly with other shareholders).
3. Subject to the following provisions of this schedule, where a shareholder has been given a First Notice the board may sell or otherwise dispose of ("**Divest**") the Relevant Shares (together with all rights attaching to them including any dividends declared but unpaid).
4. Where the board proposes to Divest any Relevant Shares under this schedule the company must:
 - (a) publish in a newspaper circulating generally in the area in which the shareholder holding the Relevant Shares has his address for the purposes of being given notices by the company,
 - (b) a notice specifying:
 - (i) the intention to Divest the Relevant Shares;
 - (ii) the name of the relevant shareholder;
 - (iii) the number of the Relevant Shares; and
 - (c) give a notice of intention to Divest the Relevant Shares (the "**Second Notice**") to the shareholder which complies with the ASTC Settlement Rules and notifies the shareholder that the Relevant Shares are liable to be Divested under this schedule on a day which is at least 25 days after the date of giving of the Second Notice.
5. Where a First Notice or a Second Notice is given in respect of shares which are held by shareholders jointly, that notice must be given to each of those joint holders.
6. Each shareholder to whom a the First Notice or Second Notice has been given may, by notice in writing addressed to the Secretary and delivered to the company prior to the Relevant Shares being Divested, require the company not to Divest the Relevant Shares, in which case the Relevant Shares may not be Divested unless a new First Notice is given to that shareholder.
7. If a shareholder who gives notice under paragraph 6 of this schedule is a joint holder of a parcel of Relevant Shares, that notice will only prevent those Relevant Shares being Divested but will not prevent any other shares held by any of the joint holders of that parcel

being Divested and any First Notice or Second Notice concerning those other Relevant Shares will apply only to those other Relevant Shares.

8. Any shares to be Divested may be Divested on the terms and in the manner and at the time the board determines (including by means of the shares being bought back by the company if and to the extent that it is permitted to do so by the Act) and for the purpose of the shares being Divested:
 - (a) the shareholder appoints the company as its agent; and
 - (b) the shareholder appoints the company and each Director and Secretary from time to time jointly and severally as its attorney in its name and on its behalf to execute any instrument of transfer or disposal of the shares.
9. The company must pay all costs and expenses in connection with the Divestiture of any Relevant Shares under this schedule unless to do so would be to give financial assistance not permitted by the Act to be given without the approval of the company in general meeting.
10. The transferee of any Relevant Shares Divested under this schedule is not required to see to the regularity of the Divestiture or the application of the purchase money and, after the transferee's name has been entered in the Register in respect of the Relevant Shares, the validity of the Divestiture to the transferee may not be impeached by any person and the remedy of any person aggrieved by the Divestiture is damages only and against the company exclusively.
11. Where the company receives any consideration as a result of the Divestiture of any Relevant Shares, the company's receipt is a good discharge to the transferee of those Relevant Shares and any person claiming through that transferee.
12. The title of the transferee to any Relevant Shares Divested under this schedule is not affected by any irregularity or invalidity in connection with the Divestiture of the Relevant Shares to the transferee.
13. The proceeds of Divestiture of Relevant Shares under this schedule (following deduction of any Money Due (if any) in respect of the Relevant Shares) (the "**Sale Consideration**") must be dealt with as follows:
 - (a) the Sale Consideration must be paid into a separate bank account opened and maintained by the company for that purpose only;
 - (b) the Sale Consideration must be held in trust for the shareholder whose Relevant Shares were Divested;
 - (c) the company must, immediately following the receipt of the Sale Consideration, notify the shareholder in writing that the Sale Consideration in respect of the Relevant Shares has been received by the company and is being held by the company pending instructions from the shareholder as to how it is to be dealt with;
 - (d) the company must deal with the Sale Consideration as instructed by the shareholder on whose behalf it is held, provided that the shareholder accompanies that instruction with the certificate for the Relevant Shares (unless the Relevant Shares are uncertificated securities within the meaning of the Listing Rules ("**Uncertificated Securities**") or, if any such certificate has been lost or destroyed, by a statement and undertaking pursuant to subsection 1070D; and

- (e) where the Sale Consideration has been held in trust for more than two years, the company may deal with the money according to any applicable legislation concerning unclaimed moneys.

14. Where a certificate in writing under the hand of any Director or the Secretary states that:

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

that certificate is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to any shares affected by that certificate and to the right and title of the company to Divest the same.

- 15. Except where the Relevant Shares are Uncertificated Securities, the company must cancel the Certificates for all Relevant Shares Divested.
- 16. The company may not proceed with the Divestiture of any Relevant Shares where a takeover offer or takeover announcement has been announced and notwithstanding paragraph 17 of this schedule the Divestiture of those Relevant Shares may be recommenced, in accordance with the Listing Rules, after the close of the offers made under the takeover offer or takeover announcement.
- 17. If the Listing Rules so require, the provisions of this schedule may only be invoked once, except where otherwise agreed to by the ASX, in any 12 month period after its last adoption or readoption.