

GWA GROUP LIMITED

CONSTITUTION

I hereby certify that this is a true and correct copy of the original Constitution of GWA International Limited dated 25 October 2007, as amended by a special resolution passed by the members of the Company on 28 October 2010 and as amended by a special resolution passed by the members of the Company on 24 October 2014.



Richard James Thornton
Company Secretary, GWA Group Limited

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CONSTITUTION
OF
GWA GROUP LIMITED
A Company Limited by Shares

PART 1 PRELIMINARY

Definitions

- 1.1 The following words have these meanings in this Constitution unless the contrary intention appears:

"**Alternate Director**" means a person appointed as an alternate director under Clause 12.6;

"**Applicable Law**" means the Corporations Act, the Listing Rules and the Settlement Rules;

"**ASTC Regulated Transfer**" has the meaning ascribed to it in section 2 of the Settlement Rules;

"**Settlement Rules**" means the operating rules of the relevant CS Facility;

"**Auditor**" means the auditor or auditors for the time being of the Company;

"**CHESS**" means the clearing house electronic subregister systems operated in accordance with the Settlement Rules.

"**Corporations Act**" means the Corporations Act 2001 (Cth);

"**Company**" means GWA GROUP LIMITED;

"**CS Facility**" means a licensed CS facility (as defined in the Corporations Act) which applies to the Company or its shares;

"**CSF Operator**" means the licensed operator of the relevant CS Facility;

"**Director**" means a director for the time being of the Company, and where appropriate includes an Alternate Director;

"**Exchange**" means ASX Limited ACN 008 624 691;

"**Executive Director**" means a person appointed as executive director under Clause 12.30;

"**Legal Costs**" of a person means legal costs incurred by that person in defending or resisting any proceedings (whether criminal, civil, administrative or judicial), appearing before or responding to actions taken by any court, tribunal, government authority or agency, other body or commission, a liquidator, an administrator, a trustee in bankruptcy or other authorised official, where that proceeding, appearance or response relates to a Liability of that person;

"Liability" of a person means any liability (except a liability for legal costs) incurred by that person in or arising out of the discharge of duties as an officer of the Company or in or arising out of the conduct of the business of the Company (including any liability from the appointment or nomination by the Company or a subsidiary as a trustee or as a director, officer or employee of another body corporate);

"Listing Rules" means the listing rules of the Exchange in force from time to time and any other rules of the Exchange which are applicable while the Company is admitted to the official list of the Exchange, provided that if the Exchange modifies any such rules as they apply to the Company then the expression "Listing Rules" means those rules as so modified;

"Managing Director" means a person appointed as a managing director under Clause 12.30;

"Marketable Parcel" has the meaning given in the Listing Rules.

"Member" means a person for the time being entered in the Register as a member of the Company;

"Officer" has the meaning ascribed in section 9 of the Corporations Act;

"Register" means the register of members of the Company to be kept under the Corporations Act;

"Registered Office" means the registered office for the time being of the Company;

"Relevant Officer" means a person who is, or has been, a Director, Secretary or Officer of the Company;

"Restricted Securities" has the meaning given in the Listing Rules and includes shares defined as such in any Restriction Agreement;

"Restriction Agreement" means a restriction agreement in a form set out in the Listing Rules or otherwise approved by the Exchange and includes any agreement which the Company and any Member agrees is a restriction agreement;

"Seal" means the common seal of the company and where appropriate includes an official seal and a certificate seal;

"Secretary" means a person appointed by the Directors under Clause 13.1 to perform the duties of secretary of the Company;

"State" means the state or territory in which the Company is from time to time incorporated; and

"writing" includes printing, typing and other modes of representing or reproducing words in a visible form and **"written"** has a corresponding meaning.

Interpretation

1.2 In this Constitution:

- (a) words importing any gender include all other genders;
- (b) the word person includes a firm, a body corporate, an unincorporated association or an authority;

- (c) the singular includes the plural and vice versa;
 - (d) the word "includes" in any form is not a word of limitation; and
 - (e) a reference to a statute or the Applicable Law (or to a provision of same) means the statute or the Applicable Law (or provision of same) as modified or amended and in operation for the time being or any statute or provision enacted (whether by the State or the Commonwealth of Australia) in its place and includes any regulation or rule for the time being in force under the statute or the Applicable Law.
- 1.3 Unless the contrary intention appears in this Constitution, an expression has, in a provision of this Constitution that deals with a matter dealt with by a particular provision of the Applicable Law, the same meaning as in that provision of the Applicable Law.
- 1.4 Headings are inserted for convenience and do not affect the interpretation of this Constitution.
- 1.5 If the Company is included in the official list of the Exchange, then:
- (a) notwithstanding anything contained in this Constitution, if the Listing Rules prohibit an act being done, the act must not be done;
 - (b) nothing contained in this Constitution prevents an act being done that the Listing Rules require to be done;
 - (c) if the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
 - (d) if the Listing Rules require this Constitution to contain a provision and it does not contain such a provision, this constitution is taken to contain that provision;
 - (e) if the Listing Rules require this Constitution not to contain a provision and it contains that provision, this Constitution is taken not to contain that provision; and
 - (f) if any provision of this Constitution is or becomes inconsistent with the Listing Rules, this Constitution is taken not to contain that provision to the extent of the inconsistency.

PART 2 SHARE CAPITAL AND VARIATION OF RIGHTS

Directors to issue shares

- 2.1 The Directors have the right to grant to any persons options or other securities with rights of conversion to shares or pre-emptive rights to any shares for any consideration and for any period.
- 2.2 The Directors have the right to settle the manner in which fractions of a share, however arising, are to be dealt with.
- 2.3 The Directors may not, without the prior approval of a resolution of the Company in general meeting, allot any shares in the Company to any person where the allotment would have the effect of creating or transferring a controlling interest in the Company.
- 2.4 A Director or any person associated with a Director may not participate in an issue by the Company of shares under Clause 2.1 or options or other securities under Clause 2.1 unless the participation of the director or the person associated with a Director in the issue is permitted under the Listing Rules.

Preference Shares

- 2.5 The Company may not issue any preference shares nor may any issued shares be converted into preference shares unless the rights of the holders of the preference shares are as set out in Clause 2.6 or are approved in accordance with the Applicable Law. Subject to the Corporations Act, any preference shares may, with the sanction of a resolution of the Company in general meeting, be issued on the terms that they are, or at the option of the Company are, liable to be redeemed.
- 2.6 If the Company at any time proposes to issue any preference shares in the Company with the terms set out in this clause 2.6, each preference share confers on the holder:
- (a) the right to convert the preference share into an ordinary share in the Company if and on the basis the Directors resolve under the terms of issue;
 - (b) the right to receive a dividend at the rate or of the amount (which may be fixed or variable) and on the conditions (including conditions which may be changed or reset at certain times or upon certain events) that the Directors resolve under the terms of issue unless, and to extent that, the Directors resolve under the terms of issue that there is no right to receive a dividend, and any such dividend:
 - (i) is non-cumulative unless, and to the extent that, the Directors resolve otherwise under the terms of issue;
 - (ii) will rank for payment in priority to ordinary shares in the Company unless, and to the extent that, the Directors resolve otherwise under the terms of issue; and
 - (iii) will rank for payment in relation to shares in any other class of shares in the Company as the Directors resolve under the terms of issue;
 - (c) in addition to the rights (if any) to receive a dividend, the right to participate equally with the ordinary shares in the Company in the distribution of profits (or other amounts) available for dividends if and on the basis the Directors resolve under the terms of issue;
 - (d) if, and to the extent that any dividend on the preference share is cumulative, the right in a winding up or on a reduction of capital, and on redemption in the case of a redeemable preference share, to payment of the amount of any dividends accrued but unpaid on the preference share at the date of winding up or reduction of capital or, in the case of a redeemable preference share, the date of redemption, with the same priority in relation to each other class of shares in the Company as the priority that applies in relation to the payment of the dividend;
 - (e) if, and to the extent that any dividend on the preference share is non-cumulative, and if, and to the extent that, the Directors resolve under the terms of issue, the right in a winding up or on a reduction of capital, and on redemption in the case of a redeemable preference share, to payment of the amount of any dividends accrued but unpaid on the preference share for the period commencing on the dividend payment date which has then most recently occurred and ending on the date of winding up or reduction of capital or, in the case of a redeemable preference share, the date of redemption, with the same priority in relation to each other class of shares in the Company as the priority that applies in relation to the payment of the dividend;

- (f) the right in a winding up or on a reduction of capital, and on redemption in the case of a redeemable preference share, to payment of any amount (which may include the amount paid or agreed to be considered as paid on the preference share) that the Directors resolve at the time of issue, and payment of such amount:
 - (iv) will rank for payment in priority to ordinary shares in the Company unless, and to the extent that, the Directors resolve otherwise under the terms of issue; and
 - (v) will rank for payment in relation to any other class of shares in the Company as the Directors resolve under the terms of issue;
- (g) the right to a bonus issue or capitalisation of profits in favour of preference share holders only, if and to the extent the Directors resolve under the terms of issue;
- (h) in addition to the rights pursuant to Clauses 2.6(b)-(g) the right to participate with the ordinary shares in profits and assets of the Company, including on a winding up, if and to the extent that the Directors resolve under the terms of issue;
- (i) the right to receive notices, reports and accounts and to attend and be heard at all meetings of Members on the same basis as the holders of ordinary shares;
- (j) no right to vote at meetings of Members except on the questions, proposals or resolutions or during the periods of time or in the circumstances that the Directors resolve under the terms of issue, which, unless the Directors resolve otherwise under the terms of issue, are:
 - (i) on any matter considered at a meeting if, at the date of the meeting, the dividend on the preference shares is in arrears;
 - (ii) on a proposal to reduce the share capital of the Company;
 - (iii) on a resolution to approve the terms of a buy-back agreement;
 - (iv) on a proposal that affects rights attached to the preference shares;
 - (v) on a proposal to wind up the Company;
 - (vi) on a proposal for the disposal of the whole of the property, business and undertaking of the Company; and
 - (vii) on any matter considered at a meeting held during the winding up of the Company; and
- (k) if voting on any matter in respect of which the holder is entitled to vote is by poll the right to cast the number of votes specified in, or determined in accordance with, the terms of issue for the preference share.

In the case of a redeemable preference share, the Company must if required by the terms of issue for that share but subject to the Corporations Act, at the time and place for redemption specified in, or determined in accordance with, those terms of issue, redeem that share and, subject to the giving or receiving of a valid redemption notice or other document (if any) required by those terms of issue, pay to or at the direction of the Member the amount payable on redemption of that share.

Variation of Rights

- 2.7 If at any time the share capital is divided into difference classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, be varied or abrogated in any way with;
- (a) the consent in writing of the holders of the shares of that class with at least 75% of the votes in that class, or
 - (b) the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- 2.8 The provisions of this Constitution relating to general meetings apply so far as they are capable of application and with the necessary changes to every separate meeting of the holders of a class of shares except that:
- (a) a quorum is constituted by 2 persons who, between them, hold or represent one-third of the issued shares of the class; and
 - (b) any holder of shares of the class, present in person or by proxy, or attorney or representative appointed under Clause 9.2, may demand a poll.
- 2.9 The rights conferred on the holders of the shares of any class are not deemed to be varied by the creation or issue of further shares ranking equally with the first-mentioned shares unless otherwise:
- (a) expressly provided by the terms of issue of the first-mentioned shares; or
 - (b) required by the Corporations Act.
- 2.10 The rights conferred on the holder of any existing class of preference shares are deemed to be varied or abrogated by any issue of further shares ranking in priority, or any conversion of existing shares to shares ranking equally or in priority, with the first-mentioned preference shares.

Commission and brokerage

- 2.11 The Company may exercise the power to pay brokerage or commission conferred by the Corporations Act. The rate or the amount of the brokerage or commission paid or agreed to be paid must be disclosed in the manner required by the Corporations Act.
- 2.12 The total brokerage and commission must not exceed 10% of the total amount payable on allotment of the shares in respect of which the commission is paid.
- 2.13 The brokerage or commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or other securities or partly by the payment of cash and partly by the allotment of fully or partly paid shares or other securities.

Recognition and disclosure of interests

- 2.14 Except as required by law, the Company is not bound or compelled in any way to recognise a person as holding a share on any trust.
- 2.15 The Company is not bound by or compelled in any way to recognise (whether or not it has notice of the interest or rights concerned) any equitable, contingent, future or partial interest in

any share or unit of a share or (except as otherwise provided by this Constitution or by law) any other right in respect of a share except an absolute right of ownership in the Member.

Right to and delivery of share and option certificate

- 2.16 A person whose name is entered as a Member in the Register or as an option holder in the register of options is entitled without payment to receive a certificate in respect of the shares or options registered in the person's name in accordance with the Corporations Act but, in respect of shares or options held jointly by several persons, the Company is not bound to issue more than one certificate.
- 2.17 Delivery of a certificate for a share may be effected by delivering it personally to the holder or by posting it in a prepaid envelope addressed to the holder at the address shown in the Register or by delivering or posting the certificate in accordance with the written instructions of the holder. Delivery of a certificate for a share to one of several joint holders is sufficient delivery to all such holders.
- 2.18 Where satisfactory evidence has been received by the Company that the certificate for shares previously issued has been stolen, lost or destroyed and has not been pledged, charged, sold or otherwise disposed of, and the holder has undertaken in writing to the Company to return any such certificate to the Company if it is found or received by the holder, then the Company must issue a replacement certificate in accordance with the Corporations Act.
- 2.19 Where a certificate for shares previously issued has been worn out or defaced and has been surrendered to the Company for cancellation and has been cancelled the person whose name is entered as the Member in respect of those shares in the Register is entitled to receive a replacement certificate in accordance with the Corporations Act and the Listing Rules.
- 2.20 Notwithstanding any other provision in this Constitution, the Directors may determine not to issue a share certificate or option certificate or may determine to cancel such a certificate without issuing any certificate in its place, if that determination is not contrary to the Corporations Act or the Listing Rules.
- 2.21 Where the Directors determine not to issue a share certificate or option certificate, the Member or option holder will receive a holding statement only in respect of the shares or options held by the Member.

Denomination and contents of share certificate

- 2.22 The Directors may determine the number of shares to be issued in any one certificate.
- 2.23 Every certificate for shares must be issued in accordance with the Corporations Act and the Listing Rules.

Joint holders of shares

- 2.24 Where 2 or more persons are registered as the joint holders of shares they are deemed to hold the shares as joint tenants.

PART 3 LIEN

Lien on share

- 3.1 The Company has a first and paramount lien on every share (other than a fully paid share) for all money (due but unpaid) called or payable at a fixed time in respect of that share and such lien extends to all dividends rights and other distributions from time to time declared paid or made in respect of that share.
- 3.2 The Company also has a first and paramount lien on all shares (other than fully paid shares) registered in the name of a Member for all money which the Company may be called on by law to pay in respect of the shares of that Member and has paid.
- 3.3 Whenever any law for the time being of any country, state or place imposes or purports to impose any immediate or future or possible liability on the Company to make any payment or empowers any government or taxing authority or government official to require the Company to make any payment in respect of any share registered in the name of any Member (whether solely or jointly with others) or in respect of any dividends or other moneys paid or due or payable or which may become due or payable to such Member by the Company on or in respect of any such shares the Company in such case:-

- (a) is fully indemnified by that Member or that Member's executor or administrator from all such liability;
- (b) has a lien on the shares registered in the name of that Member for all money paid or payable by the Company in respect of such shares under or in consequence of any such law together with interest at the rate, not exceeding 20% per annum determined by the Directors from the date of payment to the date of repayment;
- (c) has a lien on all dividends, rights and other moneys or distributions payable in respect of the shares registered in the name of such Member for all moneys paid or payable by the Company in respect of such shares or in respect of such dividends or other moneys under or in consequence of any such law together with interest at the rate, not exceeding 20% per annum, determined by the Directors from the date of payment to the date of repayment and may deduct or set off against any such dividends or other moneys any moneys paid or payable by the Company as aforesaid together with interest as aforesaid;
- (d) may recover as a debt due from such Member or that Member's executor or administrator wherever constituted or situated any moneys paid by the Company under any such law; and
- (e) except in the case of an ASTC Regulated Transfer and subject to the Listing Rules, the Company may refuse to register a transfer of any shares by that Member or that Member's legal personal representative until all money payable to the Company under this Clause 3.3 has been paid.

Nothing in this Constitution prejudices or affects any right or remedy which any such law may confer on the Company and as between the Company and every such Member, that Member's executors, administrator and estate wherever constituted or situated any right or remedy which such law confers on the Company is enforceable by the Company.

- 3.4 The Directors may at any time exempt a share wholly or in part from the provisions of Clauses 3.1 to 3.3.
- 3.5 The Company's lien on a share is extinguished if a transfer of the share is registered without the Company giving notice of the claim to the transferee.

Sale under lien

- 3.6 Subject to Clause 3.7, the Company may sell, in such manner as the Directors think fit, any share on which the Company has a lien as if the share was forfeited.
- 3.7 A share on which the Company has a lien may not be sold by the Company unless:-
- (a) a sum in respect of which the lien exists is presently payable; and
 - (b) the Company has, not less than 14 days before the date of sale, given to the Member for the time being of the share or the person entitled to the share by reason of the death or bankruptcy of the Member, a notice in writing setting out, and demanding payment of, such part of the amount in respect of which the lien exists as is presently payable.

Transfer on sale under lien

- 3.8 For the purpose of giving effect to a sale mentioned in Clause 3.6, the Company may receive the consideration (if any) given for the share so sold and may execute a transfer of the share sold in favour of the person to whom the share is sold.
- 3.9 The Company must register the transferee as the holder of the share comprised in any such transfer and the transferee is not bound to see to the application of the purchase money.
- 3.10 The title of the transferee to the share is not affected by any irregularity or invalidity in connection with the sale of the share.

Proceeds of sale

- 3.11 The proceeds of a sale mentioned in Clause 3.6 must be applied by the Company in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue (if any) must (subject to any like lien for sums not presently payable that existed on the share before the sale) be paid to the person entitled to the share at the date of the sale.

Protection of lien under Settlement Rules

- 3.12 The Company may do all such things as may be necessary or appropriate for it to do under the Settlement Rules to protect any lien, charge or other right to which it may be entitled under any law or this Constitution.

Further powers re forfeited shares and liens

- 3.13 Where a transfer following sale of any shares after forfeiture or enforcing a lien, charge or right to which the Company is entitled under any law or under this Constitution is effected by an ASTC Regulated Transfer, the Company may do all things necessary or desirable for it to do under the Settlement Rules in relation to that transfer.

PART 4 CALLS ON SHARES

Directors to make calls

- 4.1 The Directors may, subject to compliance with the requirements of the Corporations Act and the Listing Rules, make calls on a Member in respect of any money unpaid on the shares of that Member (whether on account of the nominal value of the shares or by way of premium) and not by the terms of issue of those shares made payable at fixed times.
- 4.2 A call may be made payable by installments.

4.3 Subject to the Listing Rules, the Directors may revoke or postpone a call.

4.4 Calls must be made in accordance with the Listing Rules.

Time of call

4.5 A call is deemed to be made at the time when the resolution of the Directors authorising the call is passed.

Notice of call and Members' liability

4.6 Each Member must, on receiving at least 14 days' notice specifying:

- (a) the name of the Member;
- (b) the number of shares held by the Member;
- (c) the amount of the call;
- (d) the due date for payment of the call;
- (e) the consequences of non-payment of the call;
- (f) taxation deductions applicable (if any) and how they may be applied for;
- (g) market details regarding the shares and any other shares in the Company as required by the Listing Rules; and
- (h) such other information as required by the Listing Rules,

pay to the Company at the time or times and place so specified the amount called on the shares.

4.7 The joint holders of a share are jointly and severally liable to pay all calls in respect of the share.

4.8 The non-receipt of a notice of any call by, or the accidental omission to give notice of a call to, a Member does not invalidate the call.

Interest on default

4.9 If a sum called in respect of a share is not paid before or on the day appointed for payment of the sum, the person from whom the sum is due must pay interest on the sum to the time of actual payment at the rate, not exceeding 20% per annum, determined by the Directors, but the Directors may waive payment of that interest wholly or in part.

Fixed installments deemed calls

4.10 Any sum that, by the terms of issue of a share, becomes payable on allotment or at a fixed date, whether on account of the nominal value of the share or by way of premium, is deemed for the purposes of this Constitution to be a call duly made and payable on the date on which by the terms of issue the sum becomes payable and, in case of non-payment, all the relevant provisions of this Constitution as to payment of interest and expenses, forfeiture or otherwise apply as if the sum had become payable by virtue of a call duly made and notified.

Differentiation between Members as to calls

- 4.11 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.

Prepayment of calls

- 4.12 The Directors may accept from a Member the whole or a part of the amount unpaid on a share although no part of that amount has been called.
- 4.13 The Directors may authorise payment by the Company of interest on the whole or any part of an amount so accepted, until the amount becomes payable, at such rate, not exceeding the prescribed rate, as if agreed on between the Directors and the Member paying the sum.
- 4.14 For the purposes of Clause 4.13, the prescribed rate of interest is:
- (a) if the Company has by resolution fixed a rate - the rate so fixed; and
 - (b) in any other case - 10% per annum.

PART 5 TRANSFER OF SHARES

Forms transfer

- 5.1 Subject to this Constitution, Members may transfer any shares held by them by any of the following:
- (a) an ASTC Regulated Transfer or any other method of transferring or dealing in shares introduced by the Exchange or operated in accordance with the Settlement Rules or Listing Rules and in any such case recognised under the Corporations Act;
 - (b) a written instrument of transfer in any usual form or in any other form approved by either the Directors or the Exchange; or
 - (c) any other method permitted by the Applicable Law and approved by the Directors.

CHESS Transfers

- 5.2 The Company must comply with all obligations imposed on the Company under the Corporations Act, the Listing Rules and the Settlement Rules in respect of an ASTC Regulated Transfer or any other transfer of shares. Notwithstanding any other provision in this Constitution, the Company must not prevent, delay or interfere with the registration of an ASTC Regulated Transfer, but the Company reserves the right to refuse to register a transfer in registrable form, if permitted by the Listing Rules.

Participation in CHESS

- 5.3 The Directors may do anything they consider necessary or desirable and which is permitted under the Corporations Act, the Listing Rules and the Settlement Rules to facilitate participation by the Company in any system established or recognised by the Corporations Act and the Listing Rules or the Settlement Rules in respect of transfers of or dealings in marketable securities.

Registration Process

- 5.4 The following provisions apply to instruments of transfer referred to in Clause 5.1(b):

- (a) the instrument of transfer must be executed by or on behalf of the transferor unless the instrument is otherwise a sufficient transfer under the Corporations Act. The instrument of transfer must be signed by or on behalf of the transferee if required by the Company;
- (b) the instrument of transfer must be duly stamped, if required by law;
- (c) the instrument of transfer must be left at the share registry of the Company, 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 the proper execution of the instrument of transfer;
- (d) the Company must register all registrable transfer forms, split certificates, renunciations and transfers, issue certificates (if any) and transmission receipts without charge except in the case where the Company issues certificates to replace a lost or destroyed certificate, or in respect of markings and notations on transfer forms; and
- (e) on registration of a transfer of shares, the Company must cancel the old certificate (if any).

Directors to register transfers

- 5.5 Subject to Clauses 3.3, 5.4, 5.6 and 5.7, the Directors will not refuse to register or fail to register or give effect to a transfer of shares.

Directors may refuse to register transfer other than ASTC Regulated Transfer

- 5.6 The Directors may refuse to register any transfer of shares (other than a ASTC Regulated Transfer) where:
- (a) the Listing Rules permit or require the Company to do so;
 - (b) the transfer is in breach of any Restriction Agreement relating to Restricted Securities relating to the Company entered into pursuant to the Listing Rules; or
 - (c) the transfer may breach an Australian law or court order;
 - (d) the registration of the transfer will create a new holding of shares which at the time the transfer is lodged is less than a Marketable Parcel;
 - (e) the transfer does not comply with the terms of an employee incentive scheme; or
 - (f) the Company is otherwise permitted or required to do so pursuant to the terms of issue of the shares.

Notice of refusal to register

- 5.7 Where the Directors refuse to register a transfer of shares under Clause 5.6, the Company will give written notice of the refusal and the precise reasons for the refusal to the transferee and the broker, if any, within 5 business days after the date on which the transfer was lodged with the Company. The failure to provide such notice will not invalidate the decision of the Directors.
- 5.8 If the Directors so resolve, the Company may apply, or may ask the CSF Operator to apply, a holding lock (including to prevent a transfer, or to refuse to register a paper-based transfer document) where the Applicable Law permits the Company to do so. Failure by the Company

to give notice of any holding lock as may be required pursuant to the Applicable Law does not invalidate the holding lock.

Powers of attorney

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

Closure of the Register

- 5.10 The registration of transfers may be suspended at such times and for such periods as the Directors from time to time determine not exceeding in the whole 30 days in any year. Closure of the Register must be effected in accordance with the Listing Rules.

Company to retain instrument of transfer

- 5.11 The Company must retain every instrument of transfer which is registered for such period as the Directors determine.
- 5.12 Where the Directors refuse registration of a transfer the transfer must be returned to the person who deposited it if demand is made within 12 months of the giving of notice of refusal to register unless there has been an allegation of fraud concerning the transfer or the transaction to which it relates.

PART 6 TRANSMISSION OF SHARES

Transmission of shares on death of holder

- 6.1 In the case of the death of a Member, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where the deceased was a sole holder, are the only persons recognised by the Company as having any title to the deceased's interest in the shares, but this Clause does not release the estate of a deceased joint holder from any liability in respect of a share that had been jointly held by the deceased with other persons.

Right to registration on death or bankruptcy

- 6.2 Subject to the Bankruptcy Act 1966 (Cth) and the Settlement Rules, a person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, on such information being produced as is properly required by the Directors, either elect to be registered as holder of the share or nominate another person to be registered as the transferee of the shares. Where the surviving joint holder becomes entitled to a share in consequence of the death of a Member the Directors must, on satisfactory evidence of that death being produced to them, direct the Register to be altered accordingly
- 6.3 If the person becoming entitled elects to be registered as holder of the share under Clause 6.2, the person must deliver or send to the Company a notice in writing signed by the person and in such form as the Directors approve stating that the person so elects.
- 6.4 If the person becoming entitled nominates another person to be registered as the transferee of the share under Clause 6.2, the person must execute a transfer of the share to the other person.

- 6.5 Subject to the Settlement Rules, all the limitations, restrictions and provisions of this Constitution relating to the right to transfer, and the registration of transfer of, shares are applicable to any such notice or transfer as if the death or bankruptcy of the Member had not occurred and the notice or transfer was a transfer signed by that Member.

Effect of Transmission

- 6.6 If a Member dies or becomes bankrupt, the personal representative or the trustee of the estate of the Member, as the case may be, is, on the production of such information as is properly required by the Directors, entitled to the same dividends and other advantages, and to the same rights (whether in relation to meetings of the Company, or to voting or otherwise), as the Member would have been entitled to if the Member had not died or become bankrupt.
- 6.7 If 2 or more persons are jointly entitled to any share in consequence of the death of a Member, they are, for the purpose of this Constitution, deemed to be joint holders of the share.

PART 7 FORFEITURE OF SHARES

Notice requiring payment of call

- 7.1 If a Member fails to pay a call or installment of a call on the day appointed for payment of the call or installment, the Directors may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on the Member requiring payment of so much of the call or installment as is unpaid, together with any interest that has accrued and all costs and expenses that may have been incurred by the Company by reason of such non-payment.
- 7.2 The notice must name a further day (not earlier than the expiration of 14 days from the date of service of the notice) on or before which the payment required by the notice is to be made and must state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.

Forfeiture for failure to comply with notice

- 7.3 If the requirements of a notice served under Clause 7.1 are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect.
- 7.4 Such a forfeiture includes all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
- 7.5 Any share forfeited under Clause 7.3 may be sold, re-allotted or otherwise disposed of to whom and on such terms and conditions, subject to the Corporations Act and the Listing Rules, as the Directors think fit.
- 7.6 If any share is forfeited under Clause 7.3 notice of the forfeiture must be given to the Member holding the share immediately prior to the forfeiture and an entry of the forfeiture with the date thereof must be made in the Register.
- 7.7 The Directors may accept the surrender of any share which they are entitled to forfeit on such terms as they think fit and any share so surrendered is deemed to be a forfeited share.

Cancellation of forfeiture

- 7.8 At any time before a sale or disposition of a share, the forfeiture of that share may be cancelled on such terms as the Directors think fit.

Effect of forfeiture on former holder's liability

- 7.9 A person whose shares have been forfeited ceases to be a Member in respect of the forfeited shares, but remains liable to pay the Company all money that, at the date of forfeiture, was payable by that person to the Company in respect of the shares (including interest at the rate, not exceeding 20% per annum, determined by the Directors from the date of forfeiture on the money for the time being unpaid if the Directors think fit to enforce payment of the interest and also expenses owing), but that person's liability ceases if and when the Company receives payment in full of all the money (including interest and expenses) so payable in respect of the shares.

Evidence of forfeiture

- 7.10 A statement in writing declaring that the person making the statement is a director or a secretary of the Company, and that a share in the Company has been duly forfeited in accordance with the Clauses on the date stated in the statement, is prima facie evidence of the facts stated in the statement as against all persons claiming to be entitled to the share.

Transfer of forfeited share

- 7.11 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 person to whom the share is sold or disposed of.
- 7.12 On the execution of the transfer, the transferee must be registered as the holder of the share and is not bound to see to the application of any money paid as consideration.
- 7.13 The title of the transferee to the share is not affected by any irregularity or invalidity in connection with the forfeiture, sale or disposal of the share.

Forfeiture applies to non-payment of installment

- 7.14 The provisions of this Constitution as to forfeiture apply in the case of non-payment of any sum that, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if that sum had been payable by virtue of a call duly made and notified.

PART 8 GENERAL MEETINGS

Annual general meeting

- 8.1 Annual general meetings of the Company are to be held in accordance with the Corporations Act and the Listing Rules.

General meeting

- 8.2 Any Director may convene a general meeting whenever the Director thinks fit.
- 8.3 Any Director may cancel by notice in writing to all members any meeting convened by the Director, except that a meeting convened on the requisition of a member or members shall not be cancelled without their consent.
- 8.4 The Directors may postpone a general meeting or change the place at which it is to be held by notice given not later than 72 hours prior to the time of the meeting, to all persons to whom the notice of meeting (the first notice) was given. The postponing notice shall specify the place, date and time of the meeting. The meeting shall be taken to have been duly convened under the first notice and any proxies received in respect of the first meeting shall apply for the postponed meeting.

Notice of general meeting

- 8.5 Subject to the provisions of the Corporations Act relating to special resolutions and agreements for shorter notice, at least 28 days' notice must be given of a meeting of the Company's members specifying the place, date and time for the meeting (and, if the meeting is to be held in two or more places, the technology that will be used to facilitate this) and, if a special resolution is to be proposed at the meeting, setting out the resolution, to persons entitled to receive notices from the Company.
- 8.6 The non-receipt of notice of a general meeting by, or the accidental omission to give notice of a general meeting to, a person entitled to receive notice does not invalidate any resolution passed at the general meeting.

Business of general meetings

- 8.7 All business that is transacted at a general meeting is special with the exception at an annual general meeting of the declaration of a dividend, the consideration of the annual financial report and the reports of the directors and the Auditor, the non-binding resolution in relation to the remuneration report, the appointment and fixing of the remuneration of the Auditor and the election of Directors.

Requisitioned meeting

- 8.8 The Directors must, on the written requisition of:-
- (a) at least than 100 Members who are entitled to vote at the meeting; or
 - (b) a Member who is entitled, or Members who are together entitled, to at least 5% of the total votes of all the Members having as at the midnight before the deposit of the requisition a right to vote at the meeting,
- immediately convene a general meeting of the Company to be held as soon as practicable but, in any case, not later than 2 months after the deposit of the requisition.

Objects of requisitioned meeting

- 8.9 The requisition for a general meeting must state the objects of the meeting and must be signed by the requisitionists and deposited at the Registered Office and may consist of several documents in like form each signed by one or more of the requisitionists.

Convening a requisitioned meeting

- 8.10 If the Directors do not, within 21 days after the deposit of the requisition, proceed to convene a general meeting of all the requisitionists or any of them representing more than one-half of the total voting rights of all of them may themselves, in the same manner as nearly as possible as that in which meetings are to be convened by the Directors, convene a meeting, but a meeting so convened may not be held after the expiration of 3 months from the date of the deposit of the requisition.

Expenses of a requisitioned meeting

- 8.11 Any reasonable expenses incurred by the requisitionists by reason of the failure of the Directors to convene a general meeting must be paid to the requisitionists by the Company and any sum so paid must be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration in respect of their services to such of the Directors as were in default.

Postponement or cancellation of meeting

- 8.12 The Directors may postpone or cancel any general meeting whenever they think fit (other than a meeting convened as a result of a requisition under Clause 8.8 or by requisitionists under Clause 8.10).

PART 9 PROCEEDINGS AT GENERAL MEETINGS

Representation of a Member

- 9.1 Any Member may be represented at any meeting of the Company by a proxy or attorney.
- 9.2 If a body corporate is a Member it may also, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative either at a particular general meeting or at all general meetings of the Company or of any class of Members.
- 9.3 A person authorised under Clause 9.2 is, in accordance with that authority and until it is revoked by the body corporate, entitled to exercise the same powers on behalf of the body corporate as the body corporate could exercise if it were a natural person who was a Member.
- 9.4 Unless the contrary intention appears, a reference to a Member in the succeeding provisions of this Part 9 means a Member, a proxy or attorney of a Member or a person appointed under Clause 9.2 to represent a body corporate which is a Member.

Quorum

- 9.5 No business may be transacted at any general meeting unless a quorum is present comprising 3 Members present in person or by proxy, attorney or representative appointed under Clause 9.2 and entitled to vote at the meeting. If a quorum is present at the beginning of a meeting it is deemed present throughout the meeting unless the chairman otherwise declares, on the chairman's own motion or at the instance of a Member, proxy, attorney or representative appointed under Clause 9.2.

Failure to achieve quorum

- 9.6 If a meeting is convened on the requisition of Members and a quorum is not present within half an hour from the time appointed for the meeting, the meeting must be dissolved.

- 9.7 If a meeting is convened in any other case and a quorum is not present within half an hour from the time appointed for the meeting:
- (a) the meeting must be adjourned to such a day, time and place as the Directors determine or if no determination is made by them to the same day in the next week at the same time and place; and
 - (b) if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting:
 - (i) 2 Members present in person or by proxy, attorney or representative appointed under Clause 9.2 constitute a quorum; or
 - (ii) where 2 such persons are not present - the meeting must be dissolved.

Appointment and powers of chairman of general meeting

- 9.8 If the Directors have elected one of their number as chairman of their meetings, that person must preside as chairman at every general meeting.
- 9.9 If a general meeting is held and:
- (a) a chairman has not been elected as provided by Clause 9.8; or
 - (b) the chairman is not present within 15 minutes after the time appointed for the holding of the meeting or is unable or unwilling to act,
- then the Directors present must elect one of their number to be chairman of the meeting or, if no Director is present or if all Directors present decline to take the chair, the Members present must elect one of their number to be chairman of the meeting.
- 9.10 The chairman is responsible for the general conduct of a general meeting and may make rulings and in addition to any general power to adjourn may adjourn the meeting without putting the question to the vote if such action is required to ensure the orderly conduct of the meeting.

Adjournment of general meeting

- 9.11 The chairman may, with the consent of any meeting at which a quorum is present, and must if so directed by the meeting, adjourn the meeting from day to day, time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 9.12 When a meeting is adjourned for 30 days or more, notice of the adjourned meeting may be given as in the case of an original meeting.
- 9.13 Except as provided by Clause 9.12, it is not necessary to give any notice of an adjournment or of the business to be transacted at any adjourned meeting.

Voting at general meeting

- 9.14 At any general meeting, a resolution put to the vote of the meeting must be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded and not withdrawn:
- (a) by the chairman;

- (b) by at least 5 Members having the right to vote on the resolution; or
- (c) by a Member or Members present who are together entitled to at least 5% of the total voting rights of all the Members having the right to vote on the resolution on a poll.

Unless a poll is properly demanded, a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company, is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution

Questions decided by the majority

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

Poll

- 9.16 If a poll is properly demanded, it must be taken in such manner and (subject to Clause 9.18) either at once or after an interval or adjournment or otherwise as the chairman directs, and the result of the poll is the resolution of the meeting at which the poll was demanded.
- 9.17 A poll demanded on the election of a chairman or on a question of adjournment must be taken immediately.
- 9.18 The demand for a poll may be withdrawn.

Equality of votes

- 9.19 If there is an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting is not entitled to a casting vote in addition to any votes to which the chairman is entitled as a Member or proxy or attorney or representative a Member.

Entitlement to vote

- 9.20 Subject to any rights or restrictions for the time being attached to any class or classes of shares and to this Constitution:
- (a) on a show of hands every person present who is a Member or a proxy, attorney or representative of a Member has one vote; and
 - (b) on a poll every person present who is a Member or proxy, attorney or representative of a Member has, for each share that the person holds or represents (as the case may be) one vote for each fully paid share and that proportion of a vote for any partly paid share that the amount paid (excluding amounts credited) on the partly paid share bears to the total of the nominal value of the share and any premium payable (excluding amounts credited).

A Member is not entitled to vote at a general meeting in respect of the shares held by the Member and classified as Restricted Securities for so long as any breach by the Member of any Restriction Agreement entered into by the Company in relation to those securities subsists.

- 9.21 If a Member is present at any meeting of the Company and any one or more proxy, attorney or representative for such a Member is also present, or if more than one proxy, attorney or representative for a Member is present at any meeting of the Company, then no such proxy, attorney or representative is entitled to vote on a show of hands and on a poll the vote of each proxy, attorney or representative is of no effect unless each such person is appointed to represent a specified proportion of the Member's voting rights, not exceeding in the aggregate 100%.

Joint Members' vote

- 9.22 In the case of joint holders of a share in the Company the vote of the senior who tenders a vote, whether in person or by proxy, attorney or representative, must be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority is determined by the order in which the names stand in the Register.

Vote of Member of unsound mind

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

Effect of unpaid call

- 9.24 A Member is not entitled to vote at a general meeting unless all calls and other sums presently payable by the Member in respect of the Member's shares in the Company have been paid.

Objection to voting qualification

- 9.25 An objection may be raised to the qualification of a voter only at the meeting or adjourned meeting at which the vote objected to is given or tendered.
- 9.26 Any such objection must be referred to the chairman of the meeting, whose decision is final.
- 9.27 A vote not disallowed under such an objection is valid for all purposes.

Appointment of proxy

- 9.28 An instrument appointing a proxy must be in writing under the hand of the appointor or of the appointor's attorney duly authorised in writing or, if the appointor is a corporation signed under common seal or, in the case of a company signed by an attorney or in accordance with the Corporations Act (including an instrument of appointment in electronic form). Each member may appoint a proxy. If the member is entitled to cast two or more votes at the meeting, they may appoint two proxies. If the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half of the votes.
- 9.29 An instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and, if an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.
- 9.30 An instrument appointing a proxy is deemed to confer authority to demand or join in demanding a poll.

- 9.31 Subject to the Applicable Laws an instrument appointing a proxy must be in the form approved by the Directors from time to time.
- 9.32 The Directors must issue with the notice of a meeting a form of proxy in blank as to the first proxy but may include the name of any suggested alternative or other proxy.

Deposit of proxy and other instruments

- 9.33 An instrument appointing a proxy may not be treated as valid unless the instrument, and the power of attorney or other authority (if any) under which the instrument is signed or a copy of that power or authority certified as a true copy by statutory declaration is or are received by the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote at the Registered Office or share registry of the Company or at such other place, fax number or electronic address specified for the purpose in the notice of meeting or to the fax number at the Company's registered office.

Validity of vote in certain circumstances

- 9.34 A vote given in accordance with the terms of an instrument of proxy or of a power of attorney is valid notwithstanding the previous death or unsoundness of mind of the principal, the revocation of the instrument (or of the authority under which the instrument was executed) or of the power, or the transfer of the share in respect of which the instrument or power is given, if no intimation in writing of the death, unsoundness of mind, revocation or transfer has been received by the Company at its Registered Office or share registry before the commencement of the meeting or adjourned meeting at which the instrument is used or the power is exercised.

Director entitled to notice of meeting

- 9.35 A Director is entitled to receive notice of and to attend all general meetings and all separate general meetings of the holders of any class of shares in the capital of the Company and is entitled to speak at those meetings.

Take-over approval provisions

- 9.36 Subject to the Settlement Rules, but notwithstanding, the provisions of Clause 5.4, the registration of any transfer of shares giving effect to a contract resulting from the acceptance of an offer made under a proportional take-over scheme in accordance with the Corporations Act is prohibited unless and until a resolution to approve that take-over scheme is passed, or taken to be passed, in accordance with Clauses 9.37 to 9.42 inclusive.
- 9.37 If offers in respect of shares in the Company have been made under a proportional take-over scheme in accordance with the Corporations Act, the Directors must ensure that a resolution to approve the take-over scheme is voted on in accordance with this Constitution 9.37 to 9.42 inclusive before the day that is the fourteenth day before the last day of the offer period.
- 9.38 The Directors may determine whether the resolution is voted on:
- (a) at a meeting of persons entitled to vote on the resolution convened and conducted, subject to the provisions of Clauses 9.39 to 9.41, as if it was a general meeting of the Company convened and conducted in accordance with the Clauses and the Corporations Act with such modifications as the directors determine the circumstances require; or
 - (b) by means of a postal ballot conducted in accordance with the following procedure:

- (i) A notice of postal ballot and ballot paper must be sent to all persons holding shares included in the class of shares in respect of which offers under the take-over scheme are made not less than 14 days before the date specified in the notice for closing of the postal ballot, or such lesser period as the directors determine the circumstances require.
- (ii) The non-receipt of a notice of postal ballot or ballot paper by, or the accidental omission to give a notice of postal ballot or ballot paper to, a person entitled to receive them does not invalidate the postal ballot or any resolution passed under the postal ballot.
- (iii) The notice of postal ballot must contain the text of the proposed resolution and the date for closing of the ballot and may contain any other information the Directors consider appropriate.
- (iv) Each ballot paper must specify the name of the person entitled to vote.
 - (A) a postal ballot is only valid if the ballot paper is duly completed; and
 - (B) if the person entitled to vote is an individual, signed by the Member or a duly authorised attorney; or
 - (C) if the person entitled to vote is a corporation, executed under seal or under the hand of a duly authorised officer or duly authorised attorney.
- (v) A postal ballot is only valid if the ballot paper and the power of attorney or other authority (if any) under which the ballot paper is signed or a copy of that power of authority certified as a true copy by statutory declaration is or are received by the Company before close of business on the date specified in the notice of postal ballot for closing of the postal ballot at the registered office or share registry of the Company or at such other place as is specified for that person in the notice of postal ballot.
- (vi) A person may revoke a postal ballot vote by notice in writing to be received by the Company before the close of business on the date for closing of the postal ballot.

9.39 Subject to Clause 9.40, the only persons entitled to vote on the resolution are those persons who, as at the end of the day on which the first offer under the take-over scheme was made, held shares included in the class of shares in respect of which the offer under the take-over scheme was made. Each person who is entitled to vote is entitled to vote for each such share held by that person at that time.

9.40 The offeror under the take-over scheme and any person who is associated with the offeror (as defined in the Corporations Act) are not entitled to vote on the resolution.

9.41 If the resolution is voted on in accordance with this Constitution 9.36 to 9.42 inclusive then it 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 one-half, and otherwise is taken to have been rejected.

- 9.42 If no resolution to approve a take-over scheme has been voted on as at the end of the day before the day that is the fourteenth day before the last day of the offer period, then a resolution to approve the take-over scheme is taken to have been passed in accordance with this Constitution 9.36 to 9.42 inclusive.

PART 10 THE DIRECTORS

Number and appointment of Directors

- 10.1 The number of Directors must not be less than 3 nor more than 12 or such lesser number as the Directors determine, provided that the number so determined must not be less than the number of Directors when the determination takes effect and the Directors in office at the time of adoption of this Constitution will continue in office subject to this Constitution.
- 10.2 The Company in general meeting may by resolution increase or reduce the number of Directors, and may also determine in what rotation the increased or reduced number is to go out of office.
- 10.3 Subject to Clause 12.31 at the first annual general meeting of the Company one-third of the Directors must retire from office, the Directors agreeing between themselves whom should retire, or failing agreement, the Directors deciding by lots whom should retire. Subject to Clause 12.31 at the annual general meeting in every subsequent year one-third of the directors for the time being, or, if their number is not 3 nor a multiple of 3, then the number nearest one-third, and any other Director not in such one-third who has held office for 3 years or more (except the Managing Director), must retire from office.
- 10.4 A retiring Director is eligible for re-election.
- 10.5 The Directors to retire at any annual general meeting other than the first annual general meeting must be those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire must (unless they otherwise agree among themselves) be determined by lot.
- 10.6 The Company may, at the meeting at which a Director retires, by resolution fill the vacated office by electing a person to that office.
- 10.7 If the vacated office is not filled by election, the retiring Director, if offering himself for re-election and not being disqualified under the Corporations Act from holding office as a Director, is deemed to have been re-elected unless at that meeting:
- (a) it is expressly resolved not to fill the vacated office; or
 - (b) a resolution for the re-election of that Director is put and lost.
- 10.8 No person (other than a retiring Director) is eligible for election as a Director at any general meeting (including an annual general meeting) of the Company unless a consent to nomination signed by the person has been lodged at the Registered Office at least:
- (a) in the case of a person recommended for election by the Directors, 20 business days before such general meeting; and
 - (b) in any other case, 30 business days before such general meeting.

Qualification of Directors

- 10.9 A Director is not required to hold any share in the Company.

Casual vacancy

- 10.10 The Directors may at any time appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the number determined in accordance with Clauses 10.1 and 10.2.
- 10.11 Any Director appointed under Clause 10.10 holds office until the next general meeting of the Company and is then eligible for re-election but is not to be taken into account in determining the Directors who are to retire by rotation at that meeting.

Removal of Director

- 10.12 The Company in general meeting may by resolution (of which special notice is given in accordance with the Corporations Act) remove any Director from office and may by resolution appoint another person in that Director's stead.
- 10.13 Any Director appointed under Clause 10.12 is to be treated, for the purpose of determining the time at which that Director or any other Director is to retire, as if that Director had become a Director on the day on which the Director in whose place that Director was appointed was last elected a Director.

Remuneration of Directors

- 10.14 The Directors may (other than a Managing Director or an Executive Director) be paid as remuneration for their services, subject to the Listing Rules, an aggregate maximum of \$750,000 per annum unless otherwise determined from time to time by the Company in general meeting, such sum to be divided among the Directors in such proportion and manner as the Directors agree and, in default of agreement, equally. In addition to the foregoing amount, the Company shall be entitled to provide the minimum level of superannuation support in respect of Directors required under the Superannuation Guarantee (Administration) Act (Cth) so that the Company is not liable to pay, in respect of those Directors, any amount by way of superannuation guarantee charge. A Director who retires, and is not reappointed in accordance with this Constitution, may be paid a retirement benefit in recognition of past services in the amount determined by the Directors, but not exceeding the amount permitted by the Corporations Act.
- 10.15 The Directors' remuneration is deemed to accrue from day to day.
- 10.16 If a Director, being willing, is called on to perform extra services or to make any special exertions in going or residing abroad or otherwise for the Company, the Company may remunerate that Director by payment of a fixed sum determined by the Directors and that remuneration may be either in addition to or in substitution for that Director's share in the remuneration provided for in Clause 10.14.
- 10.17 The Directors may also be paid all travelling and other expenses properly incurred by them in attending, participating in and returning from meetings of the directors or any committee of the Directors or general meetings of the Company or otherwise in connection with the business of the Company.

Director's interests

- 10.18 No Director is disqualified by the Director's office and the fiduciary relationship established by it from holding any office or place or profit (other than that of Auditor) under the Company. Any Director may (subject to the Corporations Act and the Listing Rules):
- (a) be or become a director of or otherwise hold office or a place of profit in any other company promoted by the Company or in which the Company may be interested as vendor, shareholder or otherwise;
 - (b) contract or make any arrangement with the Company whether as vendor, purchaser, broker, solicitor or accountant or other professional person or otherwise and any contract or arrangement entered or to be entered into by or on behalf of the Company in which any Director is in any way interested is not avoided for that reason; and
 - (c) participate in any association, institution, fund, trust or scheme for past or present employees or Directors of the Company, a related body corporate or any of their respective predecessors in business or their dependants or persons connected with them.
- 10.19 Any Director who:
- (a) holds any office or place of profit under the Company;
 - (b) holds any office or place of profit referred to in Clause 10.18;
 - (c) is involved in a contract or arrangement referred to in Clause 10.18; or
 - (d) participates in an association or otherwise under Clause 10.18,
- is not by reason only of any of those facts or any interest resulting from it or the fiduciary relationship established by it liable to account to the Company for any remuneration or other benefits accruing from it.
- 10.20 Each Director must disclose that Director's interests to the Company in accordance with the Corporations Act and the Listing Rules and the Secretary must record any such declaration in the minutes of the relevant meeting. The Company must advise the Exchange without delay of any material contract involving the Directors interests in accordance with the Listing Rules.
- 10.21 Subject to the Corporations Act, no Director may vote in respect of any contract or proposed contract or arrangement in which the Director has a material personal interest, or be present while the matter is being considered at the meeting, and if the Director does so vote that vote may not be counted although the Director may be counted in the quorum present at any Director's meeting at which such contract, proposed contract or arrangement is considered.
- 10.22 A Director or a Director's firm may act in a professional capacity (other than as Auditor) for the Company and a Director or a Director's firm is entitled to remuneration for professional services as if the relevant Director was not a Director.
- 10.23 A Director may, notwithstanding the Director's interest, and whether or not the Director is entitled to vote, or does vote, participate in the execution of any instrument by or on behalf of the Company and whether through signing or sealing the same or otherwise.

Vacation of office of Director

- 10.24 In addition to the circumstances in which the office of a Director becomes vacant under the Corporations Act, the office of a Director becomes vacant if the Director:
- (a) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;
 - (b) resigns from the office by notice in writing to the Company;
 - (c) fails to attend (either personally or by an Alternate Director), without the consent of the remaining Directors, meetings of the directors held during a period of 6 months, or if less than 3 meetings are held during that time, 3 consecutive meetings;
 - (d) retires pursuant to Clause 10.3 and is not re-elected;
 - (e) is a Managing Director or Executive Director and ceases to be an employee of the Company or of a related body corporate of the Company; or
 - (f) becomes an insolvent under administration.

PART 11 POWERS AND DUTIES OF DIRECTORS

Directors to manage Company

- 11.1 Subject to the Corporations Act, the Listing Rules and to any other provision of this Constitution the business of the Company is managed by the Directors, who may exercise all such powers of the Company as are not, by the Corporations Act, the Listing Rules or by this Constitution required to be exercised by the Company in general meeting.
- 11.2 Without limiting the generality of Clause 11.1, the Directors may exercise all the powers of the Company to borrow or raise money, to charge any property or business of the Company or all or any of its uncalled capital and to issue debentures or give any other security for a debt, liability or obligation of the Company or of any other person.
- 11.3 The Directors may raise or secure the payment or repayment of moneys or any debt, liability or obligation in such manner and on such terms and conditions in all respects as they may determine and in particular by the issue of debentures, debenture stock (perpetual or otherwise), bonds, notes or other securities or debt instruments the payment of which may be charged on all or any part of the property of the Company (both present and future) including its uncalled capital for the time being.
- 11.4 Debentures, debenture stock, bonds, notes or other securities or debt instruments may be made assignable free from any equities between the Company and the person to whom the same may be issued.
- 11.5 Any debentures, debenture stock, bonds, notes or other securities or debt instruments may be issued at the discretion of the Directors at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.

Appointment of attorney

- 11.6 The Directors may, by power of attorney, appoint any person or persons to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions

(being powers, authorities and discretions vested in or exercisable by the Directors) and for such period and subject to such conditions as they think fit.

- 11.7 Any such power of attorney may contain such provisions for the protection and convenience of persons dealing with the attorney as the Directors think fit and may also authorise the attorney to delegate all or any of the powers, authorities and discretions vested in the attorney.

Minutes

- 11.8 The Directors must cause minutes to be made:

- (a) of the names of the Directors present at or involved in all general meetings and all meetings of the Directors;
- (b) of all proceedings of general meetings and of meetings of Directors; and
- (c) of resolutions passed by members and by directors without a meeting,

and cause those minutes to be entered, within one month after the relevant meeting is held or resolution is passed, in the minute book.

- 11.9 The minutes referred to in Clause 11.8 must be signed by the chairman of the meeting at which the proceedings took place or by the chairman of the next succeeding meeting, within a reasonable time after the meeting. The resolutions without a meeting referred to in Clause 11.8 must be signed by a director, within a reasonable time after the resolution is passed.

Execution of Company cheques, etc.

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

PART 12 PROCEEDINGS OF DIRECTORS

Directors' meetings

- 12.1 The Directors may meet together for the dispatch of business and adjourn and otherwise regulate their meetings as they think fit.
- 12.2 A Director may at any time, and the Secretary must on the requisition of a Director, convene a meeting of the Directors.

Questions decided by majority

- 12.3 Subject to this Constitution, questions arising at a meeting of Directors are to be decided by a majority of votes of Directors involved and voting and any such decision is for all purposes deemed a decision of the Directors.
- 12.4 An Alternate Director involved in any meeting of Directors has one vote for each Director for which that person is an Alternate Director and if that person is also a Director has one vote as a Director.
- 12.5 In the event of an equality of votes the chairman of the meeting has a casting vote, except where only 2 Directors are present and entitled to vote on a question. The chairman has a discretion both as to whether or not to use the casting vote and as to the way in which it is used.

Alternate Directors

- 12.6 A Director may with the approval of the directors appoint a person (whether a Member of the Company or not) to be an Alternate Director in the Director's place during such period as the Director thinks fit. Any person who is already a Director may be an Alternate Director, and a person may be an Alternate Director for more than one Director.
- 12.7 An Alternate Director is entitled to notice of all meetings of the Directors and, if the appointor is not involved in such a meeting, is entitled to participate and vote in the appointor's stead. A person who is an Alternate Director for more than one Director is entitled to one vote for each of the appointors not involved in the meeting, and a Director who is also an Alternate Director is entitled to one vote in his own right plus one vote for each of the appointors not involved in the meeting.
- 12.8 An Alternate Director may exercise any powers that the appointor may exercise and in the exercise of any such power the Alternate Director is an officer of the Company and is not deemed an agent of the appointor.
- 12.9 An Alternate Director is not required to hold any share in the Company.
- 12.10 An Alternate Director is subject in all respects to the conditions attaching to the directors generally except that the Alternate Director is not entitled to any remuneration under Clause 10.14 otherwise than from the Alternate Director's appointor.
- 12.11 The appointment of an Alternate Director may be terminated at any time by the appointor notwithstanding that the period of the appointment of the Alternate Director has not expired and terminates in any event if the appointor vacates office as a Director.
- 12.12 An appointment, or the termination of an appointment, of an Alternate Director must be effected by a notice in writing signed by the Director who makes or made the appointment and served on the Company.
- 12.13 The notice of appointment or termination of appointment of an Alternate Director may be served on the company by leaving it at the Registered Office or by forwarding it by facsimile transmission to the Registered Office and in the case of a facsimile transmission, the appearance at the end of the message of the name of the Director appointing or terminating the appointment is sufficient evidence that the Director has signed the notice.

Quorum for Directors' meeting

- 12.14 At a meeting of Directors, the number of Directors whose involvement is necessary to constitute a quorum is 3 or such greater number as is determined by the Directors from time to time.

Remaining Directors may act

- 12.15 In the event of a vacancy or vacancies in the office of a Director or offices of Directors, the remaining Director or Directors may act but, if the number of remaining Directors is not sufficient to constitute a quorum at a meeting of Directors, they may act only for the purpose of:-
- (a) increasing the number of Directors to a number sufficient to constitute such a quorum; or
 - (b) convening a general meeting of the Company.

Chairman of Directors

12.16 Subject to Clause 12.17, the Directors must elect one of their number as chairman of their meetings and may determine the period for which the person elected as chairman is to hold office.

- (a) Barry Thornton must be elected as the first chairman of Directors' meetings, and must (for as long as he is willing to do so) hold such office for as long as he remains a Director.

12.17 When a Directors' meeting is held and:

- (a) a chairman has not been elected as provided by Clause 12.16; or
- (b) the chairman is not present within 10 minutes after the time appointed for the holding of the meeting or is unable or unwilling to act,

the Directors involved must elect one of their number to be chairman of the meeting.

Directors' committees

12.18 The Directors may delegate any of their powers, other than powers required by law to be dealt with by directors as a board, to a committee or committees consisting of at least one of their number and such other persons as they think fit.

12.19 A committee to which any powers have been so delegated must exercise the powers delegated in accordance with any directions of the Directors and a power so exercised is deemed to have been exercised by the Directors.

12.20 The members of such a committee may elect one of their number as chairman of their meetings.

12.21 If such a meeting is held and:

- (a) chairman has not been elected as provided by Clause 12.20; or
- (b) the chairman is not present within 10 minutes after the time appointed for the holding of the meeting or is unable or unwilling to act,

the members involved may elect one of their number to be chairman of the meeting.

12.22 A committee may meet and adjourn as it thinks proper.

12.23 Questions arising at a meeting of a committee are to be determined by a majority of votes of the members involved and voting.

12.24 In the event of there being an equality of votes, the chairman, in addition to the chairman's deliberative vote, has a casting vote.

Written resolution by Directors

12.25 A resolution in writing signed by all the Directors who are eligible to vote on the resolution is as valid and effectual as if it had been passed at a meeting of the Directors held at the time when the written resolution was last signed by an eligible Director.

12.26 Any resolution under Clause 12.25 may consist of several documents in like form, each signed by one or more Directors. A facsimile transmission or other document produced by electronic

means under the name of a Director with the Director's authority is taken to be a document signed by the Director for the purposes of Clause 12.25 and is taken to be signed when received by the Company in legible form.

Directors' meetings defined

- 12.27 The Directors may conduct meetings without Directors being in the physical presence of other Directors provided that all the Directors involved in the meeting are able simultaneously to hear each other and to participate in discussion.
- 12.28 For the purposes of the Corporations Act, each director, on becoming a director, consents to the use of the following technology for calling or holding a director's meeting:
- (a) video;
 - (b) telephone;
 - (c) electronic mail;
 - (d) any other technology which permits each director to communicate with every other director; or
 - (e) any combination of the technologies described in the above paragraphs.

A director may withdraw the consent given under this Clause in accordance with the Corporations Act. Where the directors are not all in attendance at one place and are holding a meeting using technology and each director can communicate with the other directors, the participating directors shall, for the purpose of every provision of this Constitution concerning meetings of the directors, be taken to be assembled together at a meeting and to be present at that meeting and all proceedings of those directors conducted in that manner shall be as valid and effective as if conducted at a meeting at which all of them were present.

Validity of acts of Directors

- 12.29 All acts done by any meeting of the directors or of a committee of Directors or by any person acting as a Director are, 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 the committee, or to act as a Director, or that a person so appointed was disqualified, as valid as if the person had been duly appointed and was qualified to be a Director or to be a Member of the committee.

Appointment of Managing and Executive Directors

- 12.30 The Directors may from time to time appoint one or more of their number to the office of Managing Director or any other office (other than auditor) or employment under the Company for such period (but not for life) and on such terms as they think fit. A Director (other than a Managing Director) so appointed is referred to in this Constitution as an Executive Director. The Directors may, subject to the terms of any contract between the relevant Director and the Company, at any time remove or dismiss any Managing Director or Executive Director from that office and appoint another Director in that place.
- 12.31 The Managing Director or, if more than one Managing Director is appointed, one of the Managing Directors is not subject to retirement by rotation and is not counted under Clause 10.3 for determining the rotation of retirement of the other Directors. The Directors will determine which Managing Director is not subject to retirement by rotation and once determined the benefit of not having to retire by rotation will remain with that Managing

Director for the duration of his employment in the capacity of Managing Director. An Executive director is subject to retirement by rotation.

- 12.32 If more than one Managing Director is appointed, they hold office jointly.

Remuneration of Managing and Executive Directors

- 12.33 The remuneration of a Managing Director or of an Executive Director may from time to time be fixed by the Directors and may be by way of salary or commission or participation in profits or by all or any of these modes but may not be by a commission on or a percentage of operating revenue.

Powers of Managing and Executive Directors

- 12.34 The Directors may, on such terms and conditions and with such restrictions as they think fit, confer on a Managing Director or an Executive Director any of the powers exercisable by them.
- 12.35 Any powers so conferred may be concurrent with, or be to the exclusion of, the powers of the Directors.
- 12.36 The Directors may at any time withdraw or vary any of the powers so conferred on a Managing Director or an Executive Director.

PART 13 SECRETARY

Appointment of Secretary

- 13.1 There must be at least one Secretary of the Company who may be appointed by the Directors for such term, at such remuneration and on such conditions as they think fit.

Suspension and removal of Secretary

- 13.2 The Directors have power to suspend or remove a Secretary.

Powers, duties and authorities of Secretary

- 13.3 The Directors may vest in a Secretary such powers, duties and authorities as they may from time to time determine and a Secretary must exercise all such powers and authorities subject at all times to the control of the Directors.

Secretary to attend meetings

- 13.4 A Secretary is entitled to attend all meetings of the Directors and all general meetings of the Company and may be heard on any matter.

PART 14 SEALS

Custody of common seal

- 14.1 The Directors must provide for the safe custody of the common seal.

Use of common seal

- 14.2 The common seal may be used only by the authority of the Directors, or of a committee of the directors authorised by the Directors to authorise the use of the common seal, and every document to which the common seal is affixed must be signed by a Director and be

countersigned by another Director, a Secretary or another person appointed by the Directors to countersign that document or a class of documents in which that document is included.

Use of official seals

- 14.3 The Company may have for use outside the State, in place of the common seal, one or more official seals, each of which must be a facsimile of the common seal of the Company with the addition on its face of the name of every place where it is to be used.
- 14.4 The Company may by writing under its common seal empower a person in a place either generally or in respect of a specified matter to affix its official seal for that place to any instrument to which the Company is a party.

Use of certificate seals

- 14.5 The Company may have a duplicate seal known as the certificate seal which must be a facsimile of the common seal of the Company with the addition on its face of the words "certificate seal" and any document issued under such certificate seal is deemed to be sealed with the common seal.
- 14.6 The Directors may determine the manner in which the certificate seal is to be affixed to any document and by whom a document to which the certificate seal is fixed must be signed and any signature required may be a facsimile signature.
- 14.7 The only documents on which the certificate seal may be used are share or stock unit certificates, debentures or certificates of debenture stock, secured or unsecured notes, option certificates and any other documents evidencing any options or rights to take up any shares in or debenture stock or debentures or notes of the Company.

PART 15 INSPECTION OF RECORDS

Inspection by Members

- 15.1 Except as otherwise required by the Corporations Act, the Directors may determine whether and to what extent, and at what time and places and under what conditions, the accounting records and other documents of the Company or any of them will be open to the inspection of Members other than Directors, and a Member other than a Director does not have the right to inspect any document of the Company except as provided by law or authorised by the Directors or by the Company in general meeting.

PART 16 DIVIDENDS AND RESERVES

Determination of dividends

- 16.1 Subject to the Applicable Law, this Constitution and the rights or restrictions attached to a class of shares, the Directors may determine that a dividend (interim, final or special) is payable on shares. The Directors may fix the amount of the dividend, the time for determining entitlements to the dividend, the time for the payment of the dividend and the method of payment of the dividend.
- 16.2 Subject to the Listing Rules and the rights or restrictions attached to a class of shares, the Directors may determine that dividends be paid on shares of one class but not another class, and at different rates for different classes of shares.
- 16.3 Subject to the Applicable Law, a dividend in respect of a share must be paid to the person whose name is entered in the Register as the holder of that share as at the time the Directors have fixed for that purpose, or if no such time is fixed, on the date on which the dividend is paid.
- 16.4 A Member who holds Restricted Securities is not entitled to any dividends in respect of those Restricted Securities during a breach of the Listing Rules or a breach of a Restriction Agreement relating to those Restricted Securities, except as permitted by the Restriction Agreement, the Listing Rules or the Exchange.
- 16.5 If a transfer of a share is registered after the time determined for entitlements to a dividend on that share but before the dividend is paid, the person transferring that share is entitled to that dividend, unless the Settlement Rules provide otherwise.
- 16.6 The Company may retain the whole or part of any dividend on which the Company has a lien and apply that amount in total or part satisfaction of any amount secured by that lien.

No interest on dividends

- 16.7 Interest may not be paid by the Company in respect of any dividend, whether final, interim or special.

Reserves and profits carried forward

- 16.8 The Directors may set aside out of the profits of the Company such sums as they think proper as reserves, to be applied, at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.
- 16.9 Pending any such application, the reserves may, at the discretion of the Directors, be used in the business of the Company or be invested in such investments as the Directors think fit.

- 16.10 The Directors may carry forward so much of the profits remaining without transferring those profits to a reserve.

Calculation and apportionment of dividends

- 16.11 Subject to the rights of persons (if any) entitled to shares with special rights as to dividend all dividends are to be declared and paid according to the amounts paid (not credited as paid) on the shares in respect of which the dividend is paid.
- 16.12 Unless any share is issued on terms providing to the contrary, all dividends are to be apportioned and paid proportionately to the amounts paid (not credited as paid) on the shares during any portion or portions of the period in respect of which the dividend is paid.
- 16.13 An amount paid or credited as paid on a share in advance of a call is not to be taken as paid or credited as paid on the share for the purposes of Clauses 16.11 and 16.12.

Deductions from dividends

- 16.14 The Directors may deduct from any dividend payable to a Member all sums of money (if any) presently payable by that Member to the Company on account of calls or otherwise in relation to shares in the Company.

Distribution of specific assets

- 16.15 The Directors may direct payment of a dividend, or a return of capital by a reduction of capital, a share buy-back or otherwise, wholly or partly by distribution of specific assets, including cash or fully paid shares in, or debentures of, any other corporation.
- 16.16 If a difficulty arises in regard to such a distribution, the Directors may settle the matter as they consider expedient and fix the value for distribution of the specific assets or any part of those assets and may determine that cash payments will be made to any Members on the basis of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as the Directors consider expedient. If a distribution of specific assets to a particular Member or Members is illegal or, in the Directors' opinion, impracticable the Directors may make a cash payment to the Member or Members on the basis of the cash amount of the dividend instead of the distribution of specific assets.

Payment by cheque and receipts from joint holders

- 16.17 Any dividend, interest or other money payable in cash in respect of shares may be paid by crediting an account nominated in writing by the holder or joint holders and acceptable to the Directors, or by cheque sent through the post directed:
- (a) to the address of the holder as shown in the Register or, in the case of joint holders, to the address shown in the Register as the address of the joint holder first named in that Register; or
 - (b) to such other address as the holder or joint holders in writing directs or direct,
- or by any other manner as the Directors resolve. If more than one holder of a jointly held share gives a permitted nomination or direction, only the nomination or direction by the holder whose name appears first in the Register in respect of that share is valid.
- 16.18 Any one of two or more joint holders may give effectual receipts for any dividends, interest or other money payable in respect of the shares held by them as joint holders.

Election to reinvest dividend

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

Election to accept bonus shares in lieu of dividend

- 16.20 The Directors may at their discretion resolve in respect of any dividend which it is proposed to pay or to declare on any shares of the Company that holders of such shares may elect to forego their right to share in such proposed dividend or part of such proposed dividend and to receive instead an issue of shares credited as fully paid to the extent and within the limits and on the terms and conditions of this Constitution.
- 16.21 If the Directors resolve to allow such option in relation to any proposed dividend or part thereof, each holder of shares conferring a right to share in such proposed dividend may, by notice in writing to the Company given in such form and within such period as the Directors may from time to time decide, elect to forego the dividend which otherwise would have been paid to the holder on such of the holder's shares conferring a right to share in such proposed dividend as the holder specifies in the notice of election and to receive in lieu thereof shares, to be allotted and issued to the holder credited as fully paid, on and subject to such terms and conditions as the Directors may determine.
- 16.22 Following the receipt of duly completed notices of election under Clause 16.21 the Directors must appropriate from one or more of the share premium account, capital profits reserve or asset revaluation reserve or other similar account or reserve of the Company or of any other account or reserve of the Company, including accumulated profits or revenue reserves, an amount equal to the aggregate nominal amount of the shares to be allotted credited as fully paid to those holders of shares who have given such notice of election and must apply the same in paying up in full the number of shares required to be so allotted.
- 16.23 The Directors may not exercise the power conferred on them by Clause 16.20 unless the Company has sufficient unissued shares capable of issue as shares of that class and reserves to give effect to any elections which could be made under the terms of this Clause.
- 16.24 The powers given to the Directors by this Clause are additional to the provisions for capitalisation of profits provided for by this Constitution.

Unclaimed dividends

- 16.25 All dividends declared but unclaimed may be invested by the Directors as they think fit for the benefit of the Company until claimed or until required to be dealt with in accordance with any law relating to unclaimed moneys.

PART 17 CAPITALISATION OF PROFITS

Capitalisation of reserves and profits

- 17.1 Subject to the Corporations Act and the Listing Rules either the Directors or the Company in general meeting may resolve that it is desirable to capitalise any sum, being the whole or a part of the amount for the time being standing to the credit of any reserve account or the profit and loss account or otherwise available for distribution to Members, and that the sum is applied, in any of the ways mentioned in Clause 17.2, for the benefit of Members in the proportions to which those Members would have been entitled in a distribution of that sum by way of

dividend. The Company may not pass such a resolution unless it has been recommended by the Directors.

17.2 The ways in which a sum may be applied for the benefit of Members under Clause 17.1 are:

- (a) in paying up any amounts unpaid on shares held by Members;
- (b) in paying up in full unissued shares or debentures to be issued to Members as fully paid; or
- (c) partly as mentioned in paragraph (a) and partly as mentioned in paragraph (b).

17.3 The Directors may do all things necessary to give effect to the resolution and, in particular, to the extent necessary to adjust the rights of the Members among themselves, may:

- (a) vest any cash or assets in a trustee on trust for the Members entitled; and
- (b) authorise any person to make, on behalf of all or any of the Members entitled to any further shares or debentures on the capitalisation, an agreement with the Company providing for the issue to them, credited as fully paid up, of any such further shares or debentures or for the payment up by the Company on their behalf of the amounts or any part of the amounts remaining unpaid on their existing shares by the application of their respective proportions of the sum resolved to be capitalised, and any such agreement is effective and binding on all the Members concerned.

PART 18 NOTICES

Service of Notices

- 18.1 A notice may be given by the Company to any Member or other person receiving notice under this Constitution by serving it on the person personally or by sending it by post or facsimile transmission or electronic transmission to the person at their address as shown in the Register or the address supplied by the person to the Company for the giving of notices to the person, or (if permitted by the Corporations Act) by notifying that person of the notice's availability by an electronic means nominated by the person for that purpose.
- 18.2 If a notice is sent by post, service of the notice is deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and the notice is deemed to have been served on the day after the date of its posting.
- 18.3 If a notice is sent by facsimile transmission, service of the notice is deemed to be effected by properly addressing the facsimile transmission and transmitting same, and to have been served on the day following its dispatch. If a notice is sent by electronic transmission, service of the notice is deemed to be effected by properly addressing the electronic transmission and electronically transmitting same, and to have been served on the day following dispatch.
- 18.4 Where permitted by the Corporations Act, if a person is notified that a notice is available by electronic means, the notice is deemed to have been served on the day after the person is notified that that the notice is available.
- 18.5 A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder first named in the Register in respect of the share.
- 18.6 Every person who by operation of law, transfer or other means whatsoever becomes entitled to any share is absolutely bound by every notice given in accordance with this Clause to the

person from whom that person derives title prior to registration of that person's title in the Register.

18.7 All notices sent by post outside Australia must be sent by pre-paid airmail post.

Persons entitled to notice of general meeting

18.8 Notice of every general meeting must be given in a manner authorised by Clause 18.1 and in accordance with the Corporations Act and Listing Rules to:-

- (a) every Member;
- (b) every Director and Alternate Director;
- (c) the Auditors; and
- (d) the Exchange.

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

PART 19 AUDIT AND ACCOUNTS

Company to keep accounts

19.1 The Directors must cause the Company to keep accounts of the business of the Company in accordance with the requirements of the Corporations Act and the Listing Rules.

Company to audit accounts

19.2 The Directors must cause the accounts of the Company to be audited in accordance with the requirements of the Corporations Act and the Listing Rules.

PART 20 WINDING UP

Distribution of assets

20.1 Subject to Clause 20.3 if the Company is wound up, the liquidator may with the sanction of a special resolution of the Company, divide among the Members in kind the whole or any part of the property of the Company and may for that purpose set such value as the liquidator considers fair on any property to be so divided and may determine how the division is to be carried out as between the Members or different classes of Members.

20.2 The liquidator may, with the sanction of a special resolution of the Company, vest the whole or any part of any such property in trustees on such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Members is compelled to accept any shares or other securities in respect of which there is any liability.

Ranking of Restricted Securities

20.3 If the Company has issued shares classified as Restricted Securities under the Listing Rules which at the commencement of a winding up are subject to a Restriction Agreement entered into by the Company, then on a distribution of assets of the Company to Members the holders of such shares must rank behind all other shares for repayment of the nominal amount of shares.

PART 21 INDEMNITY

Indemnity of officers and agents

- 21.1 To the extent permitted by law and without limiting the powers of the Company, the Company must indemnify each Relevant Officer against a Liability of that person and Legal Costs of that person.
- 21.2 To the extent permitted by law and without limiting the powers of the Company, the Company may make a payment (whether by way of advance, loan or otherwise) to, or on behalf of, a Relevant Officer in respect of Legal Costs of that person.
- 21.3 To the extent permitted by law and without limiting the powers of the Company, the Company may:
- (a) enter into, or agree to enter into; or
 - (b) pay, or agree to pay, a premium for,
- a contract insuring a Relevant Officer against a Liability of that person and the Legal Costs of that person.
- 21.4 To the extent permitted by law and without limiting the powers of the Company, the Company may enter into an agreement or deed with a Relevant Officer or a person who is, or has been, an officer of the Company or a subsidiary of the Company, under which the Company can do all or any of the following:
- (a) keep books of the Company and allow either or both that person and that person's advisers access to those books on the terms agreed;
 - (b) indemnify that person against any Liability and Legal Costs of that person;
 - (c) make a payment (whether by way of advance, loan or otherwise) to or on behalf of that person in respect of Legal Costs of that person; and
 - (d) arrange insurance with insurers in respect of any act or omission by that person while a Relevant Officer or an officer of the Company or a subsidiary of the Company, on the terms agreed (including as to payment of all or part of the premium for the contract of insurance).
- 21.5 To the extent permitted by law and without limiting the powers of the Company, the board of directors may authorise the Company to, and the Company may enter into any:
- (a) documentary indemnity in favour of; or
 - (b) insurance policy for the benefit of,
- a Relevant Officer against a Liability of that person and Legal Costs of that person.
- 21.6 The benefit of each indemnity given in Clause 21.1 continues, even after its terms or the terms of this Clause 21.6 are modified or deleted, in respect of a liability arising out of acts or omissions occurring prior to the modification or deletion.

PART 22 SMALL HOLDINGS

Existing small holdings

- 22.1 Subject to the Applicable Law, the Company may sell the shares of a Member if:
- (a) the total number of shares of a particular class held by that Member is less than a Marketable Parcel at the date specified in a notice in writing given by the Company to that Member (being the lesser of 42 days after the date of the Company giving that notice or any lesser period permitted pursuant to the Applicable Law);
 - (b) the notice of the Company states that the shares are liable to be sold by the Company; and
 - (c) that Member does not give notice in writing to the Company, by the time and date specified in the notice of the Company (being the lesser of 42 days after the date of the Company giving that notice and any lesser period permitted pursuant to the Applicable Law), stating that all or some of those shares are not to be sold.
- 22.2 The Company may only give one notice pursuant to Clause 22.1 to a particular Member in any 12 month period.
- 22.3 If a takeover bid for the Company is announced after a notice pursuant to Clause 22.1 is given but before an agreement for sale of the relevant shares is entered into, the power of the Company pursuant to Clause 22.1 lapses. After the offer period of the takeover bid closes, the Company may (notwithstanding Clause 22.2) give a new notice pursuant to Clause 22.1.

New small holdings

- 22.4 Subject to the Applicable Law, the Company may sell the shares of a Member if:
- (a) the shares of a particular class held by that Member are in a new holding created by a transfer on or after the date on which this Clause 22 was adopted in this Constitution; and
 - (b) that transfer is of a number of shares of that class that was less than a Marketable Parcel at the time the transfer document was initiated, or in the case of a paper based transfer document, was lodged with the Company.
- 22.5 The Company may give a Member referred to in Clause 22.4 notice in writing stating that the Company intends to sell or dispose of the shares.
- 22.6 If the Company is entitled to exercise the powers pursuant to Clause 22.4, the Company may by resolution of the Directors remove or change either or both the right to vote and the right to receive dividends of the relevant Member in respect of some or all of the shares liable to be sold. After the sale of those shares, the Company must pay to the person entitled any dividends that have been withheld pursuant to this Clause 22.6.

Exercise of power of sale

- 22.7 Subject to the Applicable Law, the Company may sell any shares pursuant to this Clause 22 to any person on any terms and in any manner as the Directors resolve.
- 22.8 The Company may:

- (a) exercise any powers permitted pursuant to the Applicable Law to enable the sale of shares pursuant to this Clause 22;
 - (b) receive the consideration (if any) given for shares sold pursuant to this Clause 22;
 - (c) effect a transfer of shares sold pursuant to this Clause 22; and
 - (d) receive any disclosure document, including a financial services guide, as agent for the applicable Members.
- 22.9 The validity of the sale of shares pursuant to this Clause 22 may not be called into question by any person after the transfer has been registered, and the buyer of the shares need not enquire as to the validity of the sale or application of the sale proceeds by the Company.
- 22.10 The title of the buyer of shares sold pursuant to this Clause 22 is not affected by any irregularity or invalidity in connection with the sale.
- 22.11 The sole remedy (if any) of any person aggrieved by a sale of shares pursuant to this Clause 22 is in damages only and against the Company exclusively.
- 22.12 A certificate in writing from the Company signed by a Director or Secretary that a share was sold in accordance with this Clause 22 is sufficient evidence of those matters.
- 22.13 If the Company exercises the powers pursuant to Clause 22.1, the person to whom a share is sold, or if permitted by the Applicable Law the Company, must pay the expenses of the sale.
- 22.14 The Company must apply the proceeds of any sale of any shares sold pursuant to this Clause 22 in the following order:
- (a) in the case of an exercise of the powers pursuant to Clause 22.4, the expenses of the sale;
 - (b) the amounts due and unpaid in respect of those shares; and
 - (c) the balance (if any) to, or at the direction of, the person entitled to the shares immediately prior to the sale, on delivery by that person of any evidence of ownership of or entitlement to those shares prior to the sale as the Directors may require.
- 22.15 Subject to the Listing Rules, the Company may by resolution of the Directors revoke a notice given pursuant to this Clause 22 at any time prior to the sale of the shares pursuant to this Clause 22.

PART 23 ENFORCEMENT

Enforcement

- 23.1 Each Member submits to the non-exclusive jurisdiction of the courts of Queensland, the Federal Court of Australia and the courts competent to determine appeals from those courts with respect to any proceedings that may be brought at any time relating to this Constitution.
- 23.2 If at any time any provision of this Constitution is or becomes illegal, invalid or unenforceable in any respect pursuant to the law of any jurisdiction, then that does not affect or impair:
- (a) the legality, validity or enforceability in that jurisdiction of any other provision of this Constitution; or

- (b) the legality, validity or enforceability pursuant to the law of any other jurisdiction of that or any other provision of this Constitution.