
BARTON GOLD PTY LTD
ACN 633 445 253
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 9:00am (WST)

DATE: Subject to satisfaction of the Condition, Friday 18 September 2020;
otherwise Wednesday 7 October 2020

PLACE: Blyth Partners
Suite 21
22 Railway Pde
Subiaco WA 6008

OR: Via teleconference or videoconference

The Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Shareholders are urged to attend the Meeting (either in person or via teleconference or videoconference) or vote by lodging the proxy form attached to the Notice.

Shareholders wishing to attend the General Meeting via teleconference or videoconference should contact the Company Secretary by telephone on +61 (08) 9322 1587 or via email at contact@bartongold.com.au for dial in codes and poll voting papers by no later than 24 hours prior to the General Meeting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 (08) 9322 1587 or via email at contact@bartongold.com.au.

IMPORTANT INFORMATION

DATE, TIME AND PLACE OF MEETING

Notice is given that the General Meeting of Shareholders of Barton Gold Pty Ltd (ACN 633 445 253) (**Company**) will be held on Friday 18 September 2020 at Blyth Partners, Suite 21, 22 Railway Pde, Subiaco WA 6008 or via teleconference or videoconference commencing at 9:00am (WST) subject to satisfaction of the Condition, otherwise at 9:00am (WST) on Wednesday 7 October 2020.

Shareholders wishing to attend the General Meeting via teleconference or videoconference should contact the Company Secretary by telephone on +61 (08) 9322 1587 or via email at contact@bartongold.com.au by no later than 24 hours prior to the General Meeting to receive dial in codes and poll voting papers.

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

VOTING ELIGIBILITY

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on, subject to satisfaction of the Condition, 16 September 2020 at 5:00pm (WST) or otherwise at 5:00pm (WST) on Monday 5 October 2020 (as applicable).

YOUR VOTE IS IMPORTANT

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

VOTING IN PERSON OR VIA TELECONFERENCE OR VIDEOCONFERENCE

To vote in person or via teleconference or videoconference, attend the Meeting on the date and at the place and time set out above. Shareholders attending the Meeting via teleconference or videoconference should contact the Company Secretary by telephone on +61 (08) 9322 1587 or via email at contact@bartongold.com.au by no later than 24 hours prior to the General Meeting to receive poll voting papers.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the applicable date and time and in accordance with the instructions set out on the Proxy Form.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – CONSOLIDATION OF CAPITAL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the basis that every 3 Shares be consolidated into 1 Share and where this Consolidation results in a fraction of a Share being held, the Company be authorised to round that fraction up to the nearest whole Share, and that any officer of the Company be authorised to notify ASIC (or another governmental authority) of this change in accordance with any applicable laws."

2. RESOLUTION 2 – CONVERSION TO A PUBLIC COMPANY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

"That, for the purposes of section 162 of the Corporations Act and for all other purposes, approval is given to convert the Company from a proprietary company limited by shares to a public company limited by shares and any appropriate alterations to the name of the Company, including the new legal element 'Limited', and that any officer of the Company be authorised to notify ASIC (or another governmental authority) of this change in accordance with any applicable laws."

3. RESOLUTION 3 – REPLACEMENT OF CONSTITUTION

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

"Subject to and conditional on Resolution 2 being passed, that for the purposes of section 136 of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt the Proposed Constitution (in the form as signed by the Chair at the Meeting for the purpose of identification) in substitution for, and to the exclusion of, both the existing Constitution and the replaceable rules set out in the Corporations Act with effect on and from the day on which ASIC issues a new certificate of registration for the Company, and that any officer of the Company be authorised to notify ASIC (or another governmental authority) of this change in accordance with any applicable laws."

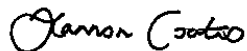
4. RESOLUTION 4 – APPROVAL OF NON-EXECUTIVE DIRECTORS' FEE POOL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of rule 61(a) of the Company's Constitution (and, if Resolution 3 is passed, for the purposes of rule 10.2 of the Proposed Constitution) and for all other purposes, approval is given to set the maximum total aggregate remuneration per annum that the Company's non-executive Directors are entitled to be paid for their services as Directors to \$500,000 (inclusive of superannuation) per annum."

Dated: 14 September 2020

By order of the Board



Shannon Coates
Company Secretary

EXPLANATORY STATEMENT

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

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice.

This Explanatory Statement should be read in conjunction with the Notice. Capitalised terms used in this Notice and Explanatory Statement are defined in the Glossary.

1. BACKGROUND TO RESOLUTIONS

The Company is in the process of preparing to undertake an initial public offering of Shares (**IPO**) with a view to the Company being admitted to the official list of the Australian Securities Exchange (**ASX**). The Resolutions contemplated in this Notice of Meeting are necessary for the Company to undertake the IPO and facilitate admission to the official list of ASX.

2. RESOLUTION 1 – CONSOLIDATION OF CAPITAL

2.1 Background

Ahead of the Company's planned IPO on the ASX, the Company is required to consolidate its capital to allow the Company to raise funds at an appropriate price pursuant to the Listing Rules (namely to comply with the minimum issue price requirement under Listing Rule 2.1, Condition 2). Accordingly, if Resolution 1 is passed, the current Shares on issue will be consolidated on a 3:1 basis (subject to rounding).

2.2 Legal requirements

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

2.3 Fractional entitlements

Not all Shareholders will hold that number of Shares which can be evenly divided. Where a fractional entitlement occurs, the Company will round that fraction up to the nearest whole Share.

2.4 Effect on capital structure

The effect which the Consolidation will have on the Company's capital structure is set out in the table below.

Capital Structure	Shares
Pre-Consolidation Shares	617,151,123
Consolidation on a 3:1 basis	
Post-Consolidation of Shares (Resolution 1)	205,717,058

Notes:

1. The above table represents the Company's current Shares on issue at the date of this Notice. Post-Consolidation Shares have been adjusted for rounding.

2.5 Taxation

Shareholders are advised to seek their own tax advice on the effect of the Consolidation and neither the Company, nor any of its advisers or officers, accept any responsibility for the individual taxation implications which may arise from the Consolidation.

2.6 Share Certificates

From the date of the Consolidation, all share certificates which have been issued to Shareholders by the Company will cease to have any effect, except as evidence of a Shareholder's entitlement to a certain number of Shares on a post-Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new share certificates to be issued to Shareholders which will evidence their entitlement to a specific number of Shares on a post-Consolidation basis.

It is the responsibility of each Shareholder to check the number of Shares held prior to Consolidation and post-Consolidation.

2.7 Director Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 1.

3. RESOLUTION 2 – CONVERSION TO A PUBLIC COMPANY**3.1 General**

Resolution 2 seeks Shareholder approval for the Company to convert from a proprietary company limited by shares to a public company limited by shares.

Section 162 of the Corporations Act specifically provides that a proprietary company limited by shares may convert into a public company limited by shares if the members of the company pass a special resolution to that effect.

As noted in Section 1 above, the Company is proposing to undertake an IPO with a view to being admitted to the official list of the ASX. As noted in the ASX Listing Rules, specifically Listing Rule 1.1, condition 8, an entity applying for admission to the official list of ASX must have "*at least 300 non-affiliated security holders.*" As at the date of this Notice, the Company has 47 Shareholders, and section 45A(1) of the Corporations Act requires that proprietary companies have no more than 50 shareholders (not including employee shareholders or those issued shares in accordance with the crowd-sourced funding regime in the Corporations Act). As such, the Company is seeking Shareholder approval to convert from a proprietary company limited by shares to a public company limited by shares in order to enable the Company to undertake the IPO and be eligible for admission to the official list of ASX.

The conversion to a public company limited by shares will also result in the Company's name being altered from "Barton Gold Pty Ltd" to "Barton Gold Limited".

3.2 Director Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – REPLACEMENT OF CONSTITUTION

4.1 General

Section 136 of the Corporations Act provides that a company may adopt a constitution as well as modify or repeal its constitution or a provision of its constitution by special resolution of shareholders.

Resolution 3 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) upon the Company's conversion into a public company limited by shares. The Proposed Constitution is customary and appropriate for a public company limited by shares which may, in the future, list with ASX.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions in the Constitution.

A copy of the Proposed Constitution is available for review by Shareholders at the registered office of the Company and on its website (www.bartongold.com.au) and can be sent to Shareholders upon request to the Company Secretary on (08) 9322 1587 or at:

contact@bartongold.com.au

Shareholders are invited to contact the Company Secretary if they have any queries or concerns.

4.2 Director Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 3.

5. RESOLUTION 4 – APPROVAL OF NON-EXECUTIVE DIRECTORS' FEE POOL

5.1 General

The Company is currently operating with three Directors, however, in order to undertake and progress preparations for the IPO, additional non-executive and independent Directors will need to be appointed to the Board. Accordingly, the number of Directors will likely increase and, having regard to rule 61(a) of the Constitution and rule 10.2 of the Proposed Constitution, the Board considers Shareholders should be given the opportunity to approve the total aggregate non-executive Directors' fee pool prior to the IPO.

If Resolution 4 is passed, the maximum total aggregate remuneration payable by the Company to non-executive Directors will be set at \$500,000 (inclusive of superannuation) per annum (**NED Fee Pool**). This amount has been determined

after reviewing corporate remuneration of similar companies listed on ASX and the Directors believe that this level of remuneration is in line with market.

If Resolution 4 is passed, it is not envisaged that the proposed NED Fee Pool will be utilised immediately, or in the short to medium term.

However, Shareholder approval of the NED Fee Pool is sought to ensure that the Company:

1. has the ability to attract and retain new high calibre non-executive Directors whose skills and qualifications are appropriate for a company of the size and nature of the Company;
2. maintains its capacity to remunerate both existing and any new non-executive Directors joining the Board; and
3. remunerates its non-executive Directors appropriately for the expectations placed upon them both by the Company and the regulatory environment in which it operates.

It is further noted that, in the event the Company is admitted to the official list of ASX, Listing Rule 10.17 provides that ASX listed entities must not increase the total aggregate non-executive directors' fee pool without the prior approval of its shareholders.

5.2 No Director Recommendation

Given the personal interests of non-executive Directors in the outcome of Resolution 4, the Directors make no recommendation in relation to Resolution 4.

GLOSSARY

In the Notice, words importing the singular include the plural and vice versa.

\$ means Australian Dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the board of Directors.

Chair means the person appointed to chair the Meeting of the Company convened by the Notice.

Company means Barton Gold Pty Ltd (ACN 633 445 253).

Condition means the Company obtaining signed prior written consents from at least 95% of its Shareholders pursuant to section 249H(2)(b) of the Corporations Act and rule 33(b)(2) of the Constitution to hold the Meeting on Friday 16 September 2020 at 9:00am (WST), with each such Shareholder acknowledging that the Meeting was convened on notice shorter than would otherwise be required by the Corporations Act and the Constitution.

Consolidation means the proposed consolidation of the Company's Shares on a 3:1 basis pursuant to Resolution 1.

Constitution means the existing constitution of the Company dated 14 May 2019.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Listing Rules means the Listing Rules of ASX.

Meeting has the meaning given in the introductory paragraph of the "Important Information" Section of the Notice.

Notice means this notice of general meeting incorporating the Explanatory Statement.

Proposed Constitution has the meaning given in Section 4.1.

Proxy Form means the proxy form attached to the Notice.

Resolution means a resolution referred to in the Notice.

Section means a section of the Explanatory Memorandum.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

WST means western standard time being the time in Perth, Western Australia.

PROXY FORM

BARTON GOLD PTY LTD
ACN 633 445 253

GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR:

the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 9.00am (WST) on Friday 16 September 2020 at Blyth Partners, Suite 21, 22 Railway Pde, Subiaco WA 6008 subject to satisfaction of the Condition otherwise at 9:00am (WST) on Wednesday 7 October 2020, and at any adjournment thereof.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions.

Voting on business of the Meeting

Resolution 1 - Consolidation of Capital

FOR

AGAINST

ABSTAIN

Resolution 2 - Conversion to a Public Company

Resolution 3 - Replacement of Constitution

Resolution 4 - Approval of non-executive Directors' Fee Pool

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date:

Contact name:

Contact ph (Daytime):

E-mail address:

Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director, who is also the sole company secretary, that person must sign. Where the company (pursuant to section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person or via teleconference/videoconference if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person or via teleconference/videoconference, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Barton Gold Pty Ltd, at c/- Blyth Partners, Suite 21, 22 Railway Pde, Subiaco WA 6008; or
 - (b) facsimile to the Company on facsimile number +61 8 9322 5230; or
 - (c) email to the Company Secretary at contact@bartongold.com.au

so that it is received by the Company at least 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.

**BARTON GOLD PTY LTD
ACN 633 445 253
(Company)**

Consent to calling a General Meeting on Short Notice

Registered office

Blyth Partners
Suite 21
22 Railway Pde
Subiaco WA 6008

Email: contact@bartongold.com.au

Fax: +61 8 9322 5230

I/We, the undersigned, being a shareholder of the Company entitled to attend and vote at a General Meeting of the Company, hereby consent pursuant to Section 249H(2)(b) of the *Corporations Act 2001* (Cth) (**Corporations Act**) and rule 33(b)(2) of the Company's Constitution dated 14 May 2019 (**Constitution**), to short notice being given of the proposed General Meeting of the Company to be held at Blyth Partners, Suite 21, 22 Railway Pde, Subiaco WA 6008 and via videoconference/teleconference on Friday, 18 September 2020 at 9.00am (WST).

I/We acknowledge that the proposed General Meeting has been convened on notice shorter than would otherwise be required by the Corporations Act and the Constitution for the purpose of considering the resolutions set out in the Notice of General Meeting document annexed to this form in Annexure A.

This consent is provided on the basis that the proposed General Meeting of the Company will not be convened unless shareholders with at least 95% of the votes that may be cast at the General Meeting have provided their prior written consent to the Company.

Signed this _____ day of _____ 2020.

Name of Shareholder(s):

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company
Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date:

Contact name:

Contact phone (Daytime):

E-mail address:

Note to Shareholders:

For this document to be effective it must be completed and provided to the Company:

- (a) by email to the email address or via fax to the facsimile number notified above; or
- (b) by post or hand delivery to the registered office address notified above; or
- (c) in person,

prior to the start of the general meeting to which it relates.

Annexure A – Notice of General Meeting

BARTON GOLD PTY LTD
ACN 633 445 253
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 9:00am (WST)

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YOUR VOTE IS IMPORTANT

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VOTING IN PERSON OR VIA TELECONFERENCE OR VIDEOCONFERENCE

To vote in person or via teleconference or videoconference, attend the Meeting on the date and at the place and time set out above. Shareholders attending the Meeting via teleconference or videoconference should contact the Company Secretary by telephone on +61 (08) 9322 1587 or via email at contact@bartongold.com.au by no later than 24 hours prior to the General Meeting to receive poll voting papers.

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BUSINESS OF THE MEETING

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"That, for the purposes of section 162 of the Corporations Act and for all other purposes, approval is given to convert the Company from a proprietary company limited by shares to a public company limited by shares and any appropriate alterations to the name of the Company, including the new legal element 'Limited', and that any officer of the Company be authorised to notify ASIC (or another governmental authority) of this change in accordance with any applicable laws."

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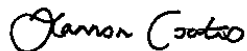
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Dated: 14 September 2020

By order of the Board



Shannon Coates
Company Secretary

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1. The above table represents the Company's current Shares on issue at the date of this Notice. Post-Consolidation Shares have been adjusted for rounding.

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After the Consolidation becomes effective, the Company will arrange for new share certificates to be issued to Shareholders which will evidence their entitlement to a specific number of Shares on a post-Consolidation basis.

It is the responsibility of each Shareholder to check the number of Shares held prior to Consolidation and post-Consolidation.

2.7 Director Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 1.

3. RESOLUTION 2 – CONVERSION TO A PUBLIC COMPANY**3.1 General**

Resolution 2 seeks Shareholder approval for the Company to convert from a proprietary company limited by shares to a public company limited by shares.

Section 162 of the Corporations Act specifically provides that a proprietary company limited by shares may convert into a public company limited by shares if the members of the company pass a special resolution to that effect.

As noted in Section 1 above, the Company is proposing to undertake an IPO with a view to being admitted to the official list of the ASX. As noted in the ASX Listing Rules, specifically Listing Rule 1.1, condition 8, an entity applying for admission to the official list of ASX must have "*at least 300 non-affiliated security holders.*" As at the date of this Notice, the Company has 47 Shareholders, and section 45A(1) of the Corporations Act requires that proprietary companies have no more than 50 shareholders (not including employee shareholders or those issued shares in accordance with the crowd-sourced funding regime in the Corporations Act). As such, the Company is seeking Shareholder approval to convert from a proprietary company limited by shares to a public company limited by shares in order to enable the Company to undertake the IPO and be eligible for admission to the official list of ASX.

The conversion to a public company limited by shares will also result in the Company's name being altered from "Barton Gold Pty Ltd" to "Barton Gold Limited".

3.2 Director Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – REPLACEMENT OF CONSTITUTION

4.1 General

Section 136 of the Corporations Act provides that a company may adopt a constitution as well as modify or repeal its constitution or a provision of its constitution by special resolution of shareholders.

Resolution 3 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) upon the Company's conversion into a public company limited by shares. The Proposed Constitution is customary and appropriate for a public company limited by shares which may, in the future, list with ASX.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions in the Constitution.

A copy of the Proposed Constitution is available for review by Shareholders at the registered office of the Company and on its website (www.bartongold.com.au) and can be sent to Shareholders upon request to the Company Secretary on (08) 9322 1587 or at:

contact@bartongold.com.au

Shareholders are invited to contact the Company Secretary if they have any queries or concerns.

4.2 Director Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 3.

5. RESOLUTION 4 – APPROVAL OF NON-EXECUTIVE DIRECTORS' FEE POOL

5.1 General

The Company is currently operating with three Directors, however, in order to undertake and progress preparations for the IPO, additional non-executive and independent Directors will need to be appointed to the Board. Accordingly, the number of Directors will likely increase and, having regard to rule 61(a) of the Constitution and rule 10.2 of the Proposed Constitution, the Board considers Shareholders should be given the opportunity to approve the total aggregate non-executive Directors' fee pool prior to the IPO.

If Resolution 4 is passed, the maximum total aggregate remuneration payable by the Company to non-executive Directors will be set at \$500,000 (inclusive of superannuation) per annum (**NED Fee Pool**). This amount has been determined

after reviewing corporate remuneration of similar companies listed on ASX and the Directors believe that this level of remuneration is in line with market.

If Resolution 4 is passed, it is not envisaged that the proposed NED Fee Pool will be utilised immediately, or in the short to medium term.

However, Shareholder approval of the NED Fee Pool is sought to ensure that the Company:

1. has the ability to attract and retain new high calibre non-executive Directors whose skills and qualifications are appropriate for a company of the size and nature of the Company;
2. maintains its capacity to remunerate both existing and any new non-executive Directors joining the Board; and
3. remunerates its non-executive Directors appropriately for the expectations placed upon them both by the Company and the regulatory environment in which it operates.

It is further noted that, in the event the Company is admitted to the official list of ASX, Listing Rule 10.17 provides that ASX listed entities must not increase the total aggregate non-executive directors' fee pool without the prior approval of its shareholders.

5.2 No Director Recommendation

Given the personal interests of non-executive Directors in the outcome of Resolution 4, the Directors make no recommendation in relation to Resolution 4.

GLOSSARY

In the Notice, words importing the singular include the plural and vice versa.

\$ means Australian Dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the board of Directors.

Chair means the person appointed to chair the Meeting of the Company convened by the Notice.

Company means Barton Gold Pty Ltd (ACN 633 445 253).

Condition means the Company obtaining signed prior written consents from at least 95% of its Shareholders pursuant to section 249H(2)(b) of the Corporations Act and rule 33(b)(2) of the Constitution to hold the Meeting on Friday 16 September 2020 at 9:00am (WST), with each such Shareholder acknowledging that the Meeting was convened on notice shorter than would otherwise be required by the Corporations Act and the Constitution.

Consolidation means the proposed consolidation of the Company's Shares on a 3:1 basis pursuant to Resolution 1.

Constitution means the existing constitution of the Company dated 14 May 2019.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Listing Rules means the Listing Rules of ASX.

Meeting has the meaning given in the introductory paragraph of the "Important Information" Section of the Notice.

Notice means this notice of general meeting incorporating the Explanatory Statement.

Proposed Constitution has the meaning given in Section 4.1.

Proxy Form means the proxy form attached to the Notice.

Resolution means a resolution referred to in the Notice.

Section means a section of the Explanatory Memorandum.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

WST means western standard time being the time in Perth, Western Australia.

PROXY FORM

BARTON GOLD PTY LTD
ACN 633 445 253

GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR: the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 9.00am (WST) on Friday 16 September 2020 at Blyth Partners, Suite 21, 22 Railway Pde, Subiaco WA 6008 subject to satisfaction of the Condition otherwise at 9:00am (WST) on Wednesday 7 October 2020, and at any adjournment thereof.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions.

Voting on business of the Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 - Consolidation of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 - Conversion to a Public Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 - Replacement of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 - Approval of non-executive Directors' Fee Pool	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____

Contact ph (Daytime): _____

E-mail address: _____

Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director, who is also the sole company secretary, that person must sign. Where the company (pursuant to section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person or via teleconference/videoconference if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person or via teleconference/videoconference, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Barton Gold Pty Ltd, at c/- Blyth Partners, Suite 21, 22 Railway Pde, Subiaco WA 6008; or
 - (b) facsimile to the Company on facsimile number +61 8 9322 5230; or
 - (c) email to the Company Secretary at contact@bartongold.com.au

so that it is received by the Company at least 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.

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Constitution of Barton Gold Limited

CONTENTS

CLAUSE	PAGE
1. PRELIMINARY	1
1.1 Replaceable rules.....	1
1.2 Definitions	1
1.3 Interpretation of this document	2
2. LISTING RULES	3
3. DIRECTORS.....	3
3.1 Number of Directors.....	3
3.2 Eligibility.....	3
3.3 Appointment by the Board	3
3.4 Election by general meeting	4
3.5 Eligible candidates	4
3.6 Retirement of Directors	4
3.7 Selection of Directors to retire.....	4
3.8 Time of retirement.....	5
3.9 Cessation of Director's appointment	5
3.10 Removal from office	5
3.11 Too few Directors.....	5
4. ALTERNATE DIRECTORS	5
4.1 Appointment of Alternates	5
4.2 Notice of Board meetings.....	5
4.3 Obligations and entitlements of Alternates	6
4.4 Termination of appointment	6
4.5 Appointments and revocations in writing.....	6
5. POWERS OF THE BOARD.....	6
5.1 Powers generally	6
5.2 Exercise of powers	6
6. EXECUTING NEGOTIABLE INSTRUMENTS	7
7. MANAGING DIRECTOR.....	7
7.1 Appointment and power of Managing Director	7
7.2 Retirement and removal of Managing Director	7
7.3 Multiple Managing Directors	7
7.4 Termination of appointment of Managing Director	7
8. DELEGATION OF BOARD POWERS	8
8.1 Power to delegate	8
8.2 Power to revoke delegation	8
8.3 Terms of delegation	8
8.4 Proceedings of committees	8
9. DIRECTORS' DUTIES AND INTERESTS	8
9.1 Compliance with duties under the Act and general law.....	8
9.2 Director can hold other offices etc.....	8
9.3 Disclosure of interests	8
9.4 Director interested in a matter	9
9.5 Agreements with third parties	9
9.6 Obligation of secrecy	9
10. DIRECTORS' REMUNERATION	9

10.1	Remuneration of Executive Directors	9
10.2	Remuneration of non-executive Directors	10
10.3	Additional Remuneration for extra services	10
10.4	Expenses of Directors	10
10.5	Directors' retirement benefits	10
11.	OFFICERS' INDEMNITY AND INSURANCE	11
11.1	Indemnity	11
11.2	Insurance	11
11.3	Former officers	11
11.4	Deeds	11
12.	BOARD MEETINGS	11
12.1	Convening Board meetings	11
12.2	Notice of Board meeting	12
12.3	Use of technology	12
12.4	Chairing Board meetings	12
12.5	Quorum	12
12.6	Majority decisions	12
12.7	Procedural rules	13
12.8	Written resolution	13
12.9	Additional provisions concerning written resolutions	13
12.10	Valid proceedings	13
13.	MEETINGS OF MEMBERS	13
13.1	Annual general meeting	13
13.2	Calling meetings of members	13
13.3	Notice of meeting	13
13.4	Postponement or cancellation	14
13.5	Fresh notice	14
13.6	Notice to joint holders of shares	14
13.7	Technology	14
13.8	Accidental omission	14
13.9	Class meetings	14
14.	PROCEEDINGS AT MEETINGS OF MEMBERS	14
14.1	Member present at meeting	14
14.2	Quorum	14
14.3	Quorum not present	15
14.4	Chairing meetings of members	15
14.5	Attendance at meetings of members	15
14.6	Members rights suspended while call unpaid	15
14.7	Chairman's powers at meetings of members	15
14.8	Admission to meetings of members	16
14.9	Adjournment	16
14.10	Business at adjourned meetings	17
15.	PROXIES, ATTORNEYS AND REPRESENTATIVES	17
15.1	Appointment of proxies	17
15.2	Member's attorney	17
15.3	Deposit of proxy appointment forms, powers of attorney and proxy appointment authorities	17
15.4	Evidence of proxy appointment forms, powers of attorney and other appointments	17
15.5	Corporate representatives	18
15.6	Appointment for particular meeting, standing appointment and revocation	18
15.7	Position of proxy or attorney if member present	18
15.8	Priority of conflicting appointments of attorney or representative	18

15.9	More than two current proxy appointments	18
15.10	Continuing authority	18
16.	ENTITLEMENT TO VOTE	19
16.1	Determining voting entitlements	19
16.2	Number of votes	19
16.3	Casting vote of chairman	20
16.4	Votes of joint holders	20
16.5	Votes of transmittees and guardians	20
16.6	Voting restrictions	20
16.7	Decision on right to vote	20
17.	HOW VOTING IS CARRIED OUT	20
17.1	Method of voting	20
17.2	Demand for a poll	21
17.3	When and how polls must be taken	21
18.	SECRETARY	21
18.1	Appointment of Secretary	21
18.2	Terms and conditions of office	21
18.3	Cessation of Secretary's appointment	21
18.4	Removal from office	22
19.	MINUTES	22
19.1	Minutes must be kept	22
19.2	Minutes as evidence	22
19.3	Inspection of minute books	22
20.	COMPANY SEALS	22
20.1	Common seal	22
20.2	Use of seals	23
20.3	Fixing seals to documents	23
21.	FINANCIAL REPORTS AND AUDIT	23
21.1	Company must keep financial records	23
21.2	Financial reporting	23
21.3	Audit	23
21.4	Inspection of financial records and books	23
22.	SHARES	23
22.1	Issue at discretion of Board	23
22.2	Preference and redeemable preference shares	24
22.3	Restrictions on issue	24
22.4	Brokerage and commissions	24
22.5	Surrender of shares	24
22.6	Variation of rights	24
23.	CERTIFICATES	24
23.1	Uncertificated shares	24
23.2	Certificated shares	24
23.3	Multiple certificates and joint holders	25
23.4	Lost and worn out certificates	25
24.	REGISTER	25
24.1	Joint holders	25
24.2	Non-beneficial holders	25
25.	PARTLY PAID SHARES	25

25.1	Fixed instalments.....	25
25.2	Prepayment of calls.....	26
25.3	Calls made by Board	26
25.4	Notice of call	26
25.5	Classes of shares	26
25.6	Obligation to pay calls	26
25.7	Called Amounts	27
25.8	Proof of call.....	27
25.9	Forfeiture notice	27
25.10	Forfeiture.....	27
25.11	Disposal and re-issue of forfeited shares.....	27
25.12	Notice of forfeiture.....	28
25.13	Cancellation of forfeiture.....	28
25.14	Effect of forfeiture.....	28
25.15	Application of proceeds.....	28
25.16	Title of new holder	28
25.17	Mortgage of uncalled capital.....	28
26.	COMPANY LIENS	29
26.1	Existence of liens.....	29
26.2	Sale under lien	29
26.3	Protection of lien	29
26.4	Indemnity for payments required to be made by the Company	30
27.	DIVIDENDS.....	30
27.1	Accumulation of reserves.....	30
27.2	Payment of dividends	30
27.3	Amount of dividend.....	30
27.4	Prepayments, payments during dividend period and credits without payment.....	31
27.5	Dividends in kind	31
27.6	Payment of dividend by way of securities in another corporation.....	31
27.7	Source of dividends.....	31
27.8	Method of payment.....	31
27.9	Joint holders' receipt	32
27.10	Retention of dividends by Company	32
27.11	No interest on dividends	32
28.	SHARE PLANS.....	32
28.1	Implementing share plans.....	32
28.2	Board's powers and varying, suspending or terminating share plans	33
29.	TRANSFER OF SHARES	33
29.1	Modes of transfer.....	33
29.2	Market obligations	33
29.3	Delivery of transfer and certificate	33
29.4	Restricted securities	34
29.5	Refusal to register transfer	34
29.6	Transferor remains holder until transfer registered.....	34
29.7	Powers of attorney.....	35
30.	TRANSMISSION OF SHARES.....	35
30.1	Death of joint holder	35
30.2	Death of single holder	35
30.3	Transmission of shares on insolvency or mental incapacity.....	35
30.4	Refusal to register holder.....	36
31.	UNMARKETABLE PARCELS.....	36
31.1	Board power of sale	36

31.2	Notice of proposed sale	36
31.3	No sale where member gives notice	36
31.4	Terms of sale	36
31.5	Share transfers.....	36
31.6	Application of proceeds.....	36
31.7	Protections for transferee.....	37
32.	ALTERATION OF SHARE CAPITAL	37
32.1	Capitalisation of profits.....	37
32.2	Adjustment of capitalised amounts.....	37
32.3	Conversion of shares.....	37
32.4	Adjustments on conversion	38
32.5	Reduction of capital.....	38
32.6	Payments in kind	38
32.7	Payment in kind by way of securities in another corporation.....	38
33.	CURRENCY FOR PAYMENTS	39
33.1	Board may decide currency.....	39
33.2	Conversion to Australian dollars.....	39
34.	WINDING UP	39
34.1	Entitlement of Members.....	39
34.2	Distribution of assets generally	39
34.3	No distribution of liabilities.....	39
34.4	Distribution not in accordance with legal rights	39
35.	NOTICES	40
35.1	Notices by Company	40
35.2	Overseas members	40
35.3	When notice is given	40
35.4	Notice to joint holders	40
35.5	Counting days	41
35.6	Notices to "lost" members.....	41
36.	UNCLAIMED MONEY	41

Schedule

Terms of issue of preference shares	42
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CONSTITUTION OF BARTON GOLD LIMITED

Barton Gold Limited
ACN 633 445 253

1. PRELIMINARY

1.1 Replaceable rules

The replaceable rules referred to in section 141 do not apply to the Company and are replaced by the rules set out in this document.

1.2 Definitions

The following definitions apply in this document.

Act means the *Corporations Act 2001* (Cth).

Alternate means an alternate Director appointed under rule 4.1.

Appointor in relation to an Alternate, means the Director who appointed the Alternate.

Approved Fees for a Director (other than an Executive Director), means fees, salary, bonuses, fringe benefits and superannuation contributions provided by the Company, but does not include:

- (a) a payment made as compensation for loss of office or in connection with retirement from office (which includes resignation from office and death while in office);
- (b) an insurance premium paid by the Company or indemnity under rule 11; or
- (c) any issue of securities.

ASX means ASX Limited (ABN 98 008 624 691).

ASX Settlement Rules means the operating rules of ASX Settlement Pty Limited (ABN 49 008 504 532) and, to the extent that they are applicable, the operating rules of each of ASX and ASX Clear Pty Limited (ABN 48 001 314 503).

Board means the Directors acting collectively under this document.

business day has the meaning given by the Listing Rules.

Called Amount in respect of a share means:

- (a) the amount of a call on that share which is due and unpaid; and
- (b) any amount the Board requires a member to pay under rule 25.7.

Company means the company named at the beginning of this document whatever its name is for the time being.

Director means a person who is, for the time being, a director of the Company including, where appropriate, an Alternate.

Executive Director means a Director who is an employee of the Company or a subsidiary or acts in an executive capacity for the Company or a subsidiary under a contract for services and includes a Managing Director.

Interest Rate means, in respect of each rule in which that term is used:

- (a) the rate for the time being prescribed by the Board in respect of that rule; or
- (b) if no rate is prescribed, 15% each year.

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

Managing Director means a managing director appointed under rule 7.1.

member means a person whose name is entered in the Register as the holder of a share.

ordinary resolution means a resolution passed at a meeting of members by a majority of the votes cast by members entitled to vote on the resolution.

See sections
168 and 169
and the Listing
Rules

Register means the register of members kept as required by sections 168 and 169 and includes a computerised or electronic subregister established and administered under the ASX Settlement Rules.

Secretary means, during the term of that appointment, a person appointed as a secretary of the Company in accordance with this document.

special resolution has the meaning given by section 9.

Unmarketable Parcel means a parcel of shares of a single class registered in the same name or the same joint names which is less than:

- (a) the number that constitutes a marketable parcel of shares of that class under the Listing Rules; or
- (b) subject to the Act, the Listing Rules and the ASX Settlement Rules, any other number determined by the Board from time to time.

Voting Member in relation to a general meeting, or meeting of a class of members, means a member who has the right to be present and to vote on at least one item of business to be considered at the meeting.

1.3 Interpretation of this document

Headings and marginal notes are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

- (a) A reference to:
 - (i) legislation (including subordinate legislation), the Listing Rules or the ASX Settlement Rules is to that legislation or those rules as:
 - (A) amended, modified or waived in relation to the Company; or
 - (B) re-enacted, amended or replaced,
 - (C) and includes any subordinate legislation or rules issued under that legislation or those rules;
 - (ii) a document or agreement, or a provision of a document or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

- (iii) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
- (iv) anything (including a right, obligation or concept) includes each part of it.
- (b) A singular word includes the plural, and vice versa.
- (c) A word which suggests one gender includes the other genders.
- (d) If a word is defined, another part of speech has a corresponding meaning.
- (e) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.
- (f) The word **agreement** includes an undertaking or other binding arrangement or understanding, whether or not in writing.
- (g) A power to do something includes a power, exercisable in the like circumstances, to revoke or undo it.
- (h) A reference to a power is also a reference to authority or discretion.
- (i) A reference to something being **written** or **in writing** includes that thing being represented or reproduced in any mode in a visible form.
- (j) A word (other than a word defined in rule 1.2) which is defined by the Act has the same meaning in this document where it relates to the same matters as the matters for which it is defined in the Act.
- (k) A reference to a Chapter, Part, Division, or section is a reference to a Chapter, Part, Division or section of the Act.

2. **LISTING RULES**

If the Company is admitted to an official list of ASX, it must comply with the Listing Rules.

3. **DIRECTORS**

3.1 **Number of Directors**

Not counting Alternates, the Company must have at least three and not more than 10 Directors. The Board may from time to time determine to increase the maximum number of Directors but the maximum applying at any time cannot be reduced except by the Company in general meeting.

3.2 **Eligibility**

A Director need not be a member. Neither the auditor of the Company for the time being nor any partner, director or employee of the auditor is eligible to act as a Director.

3.3 **Appointment by the Board**

Subject to this document, the Board may appoint a person to be a Director at any time except during a general meeting. Any Director so appointed automatically retires at the next annual general meeting and is eligible for election by that general meeting.

3.4 **Election by general meeting**

Replaces
section 201G

Subject to this document, section 201E and to the number of Directors for the time being fixed under rule 3.1 not being exceeded, the Company may elect Directors by ordinary resolution. A Director appointed to replace one removed from office under rule 3.10 must retire when the Director replaced would have been required to retire if not removed and is eligible for re-election.

3.5 **Eligible candidates**

The Company in general meeting cannot validly elect a person as a Director unless:

- (a) the person retires under rule 3.3, 3.4 or 3.6 and seeks re-election;
- (b) the Board recommends the appointment; or
- (c) at least 45 business days (or any other period fixed by the Board and notified to ASX) before the date of the meeting at which election is to occur, the Company receives at its registered office both:
 - (i) a nomination of the person by a member (who may be the person); and
 - (ii) a consent to act as a Director signed by the person.

See Listing Rule
14.3

The Company must notify members of every candidate for election as a Director with the notice of meeting.

3.6 **Retirement of Directors**

- (a) A Director must retire from office at the third annual general meeting after the Director was elected or last re-elected.
- (b) A Director may elect to retire and seek re-election at an annual general meeting before the time required by rule 3.6(a), provided at least 45 business days (or any other period as the Board may determine) before the annual general meeting the Director has given the Board notice of their intention to do so. If the Director gives such a notice, the Director must then retire from office at the relevant annual general meeting.
- (c) An election of Directors must be held at each annual general meeting. If no election of Directors is scheduled to occur at an annual general meeting under rule 3.3, 3.6(a) or 3.6(b), then one Director must retire from office at the annual general meeting.
- (d) None of rules 3.6(a), 3.6(b) and 3.6(c) applies to the Managing Director (or if there is more than one, the one (if any) nominated under rule 7.3(a)) and Alternates.
- (e) A Director who retires under this rule 3.6 is eligible for re-election.

3.7 **Selection of Directors to retire**

Subject to rule 3.4, the Director who retires under rule 3.6(c) is the Director who has held office the longest since last being elected. If two or more Directors have been in office for the same period, those Directors may agree which of them will retire. If they do not agree, they must draw lots to decide which of them must retire.

3.8 **Time of retirement**

A Director's retirement under rule 3.3 or 3.6 takes effect at the end of the relevant annual general meeting unless the Director is re-elected at that meeting.

3.9 **Cessation of Director's appointment**

A person automatically ceases to be a Director if the person:

- (a) is not permitted by the Act (or an order made under the Act) to be a director;
- (b) becomes disqualified from managing corporations under Part 2D.6 and is not given permission or leave to manage the Company under section 206F or 206G;
- (c) becomes of unsound mind or physically or mentally incapable of performing the functions of that office;
- (d) fails to attend (either personally or by an Alternate) three consecutive Board meetings (not including meetings of a committee of the Board) without leave of absence from the Board;
- (e) resigns by notice in writing to the Company;
- (f) is removed from office under rule 3.10;
- (g) ceases to be eligible to act as a Director under rule 3.2; or
- (h) is a Managing Director and ceases to hold that office.

Rule 3.9(e)
replaces
section 203A

3.10 **Removal from office**

Whether or not a Director's appointment was expressed to be for a specified period, the Company may by ordinary resolution, and subject to section 203D, remove a Director from office.

3.11 **Too few Directors**

If the number of Directors is reduced below the minimum required by rule 3.1, the continuing Directors may act as the Board only:

- (a) to appoint Directors up to that minimum number;
- (b) to convene a meeting of members; and
- (c) in emergencies.

4. **ALTERNATE DIRECTORS**

4.1 **Appointment of Alternates**

Subject to rule 3.2, a Director (other than an Alternate) may appoint a person who is approved by the Board (without the vote of the Appointor) to act as Alternate for a specified period or each time the Appointor is unable to attend a Board meeting or act as a Director.

4.2 **Notice of Board meetings**

If the Appointor requests the Company to give the Alternate notice of Board meetings, the Company must do so. Unless the Appointor has requested it, the Company need not give notice of Board meetings to an Alternate.

4.3 **Obligations and entitlements of Alternates**

An Alternate:

- (a) may attend and vote in place of the Appointor at a Board meeting at which the Appointor is not present;
- (b) if also a Director, has a separate right to vote as Alternate;
- (c) if Alternate for more than one Appointor, has a separate right to vote in place of each Appointor;
- (d) when acting as Alternate, is an officer of the Company and subject to all the duties, and entitled to exercise all the powers and rights, of the Appointor as a Director; and
- (e) is entitled to reasonable travelling, accommodation and other expenses incurred in attending meetings of the Board or of the Company or while otherwise engaged on the business of the Company on the same basis as other Directors but is not entitled to any other remuneration from the Company (but the Appointor may further remunerate the Alternate).

4.4 **Termination of appointment**

The Appointor may at any time revoke the appointment of a person as an Alternate whether or not that appointment is for a specified period. Any appointment of an Alternate immediately ceases if:

- (a) the Appointor ceases to be a Director; or
- (b) an event occurs which would cause the Alternate to cease to be a Director under rule 3.9 if the Alternate were a Director.

4.5 **Appointments and revocations in writing**

The Appointor must appoint, and revoke the appointment of, any Alternate in writing. The appointment or revocation is not effective until a copy is provided to the Company.

5. **POWERS OF THE BOARD**

5.1 **Powers generally**

Except as otherwise required by the Act, any other applicable law, the Listing Rules or this document, the Board:

- (a) has power to manage the business of the Company; and
- (b) may exercise every right, power or capacity of the Company to the exclusion of the Company in general meeting and the members.

5.2 **Exercise of powers**

A power of the Board can be exercised only:

- (a) by resolution passed at a meeting of the Board or otherwise in accordance with rule 12; or
- (b) in accordance with a delegation of the power under rule 7 or 8.

Replaces
section 198A

6. **EXECUTING NEGOTIABLE INSTRUMENTS**

Replaces
section 198B

Negotiable instruments can be executed, accepted or endorsed for and on behalf of the Company by being signed by two Directors or a Director and Secretary or in such other manner (including the use of facsimile signatures if thought appropriate) as the Board may decide.

7. **MANAGING DIRECTOR**

7.1 **Appointment and power of Managing Director**

Replaces
sections 198C
and 201J

The Board may appoint one or more persons to be a Managing Director either for a specified term (but not for life) or without specifying a term. Subject to this document, a Managing Director has all the duties, and can exercise all the powers and rights, of a Director.

The Board may delegate any of the powers of the Board to a Managing Director:

- (a) on the terms and subject to any restrictions the Board decides; and
 - (b) so as to be concurrent with, or to the exclusion of, the powers of the Board,
- and may revoke the delegation at any time.

This rule does not limit rule 8.

7.2 **Retirement and removal of Managing Director**

Subject to rule 7.3, a Managing Director is not:

- (a) subject to automatic retirement under rule 3.3; or
- (b) required to retire under rule 3.6,

but (subject to any contract between the Company and that Managing Director) is otherwise subject to the same rules regarding resignation, removal and retirement from office as the other Directors.

7.3 **Multiple Managing Directors**

If there are two or more Managing Directors at the same time:

- (a) the Board may nominate one of them as the Managing Director to be exempted from retirement under rules 3.3 and 3.6 and may revoke the nomination at any time;
- (b) if a Managing Director has been nominated under rule 7.3(a) and the Board later nominates a different Managing Director under that rule, the one first nominated must retire at the next annual general meeting after the later nomination; and
- (c) if none of them is the subject of a current nomination under rule 7.3(a), each of them must retire as required by rule 3.6.

7.4 **Termination of appointment of Managing Director**

Replaces
section
203F

The appointment of a Managing Director terminates if:

- (a) the Managing Director ceases for any reason to be a Director; or

- (b) the Board removes the Managing Director from the office of Managing Director (which, without affecting the rights of the Managing Director under any contract between the Company and the Managing Director, the Board has power to do),

whether or not the appointment was expressed to be for a specified term.

8. **DELEGATION OF BOARD POWERS**

8.1 **Power to delegate**

The Board may delegate any of its powers as permitted by section 198D.

8.2 **Power to revoke delegation**

The Board may revoke a delegation previously made whether or not the delegation is expressed to be for a specified period.

8.3 **Terms of delegation**

A delegation of powers under rule 8.1 may be made:

- (a) for a specified period or without specifying a period; and
- (b) on the terms (including power to further delegate) and subject to any restrictions the Board decides.

A document of delegation may contain the provisions for the protection and convenience of those who deal with the delegate that the Board thinks appropriate.

8.4 **Proceedings of committees**

Subject to the terms on which a power of the Board is delegated to a committee, the meetings and proceedings of committees are, to the greatest extent practical, governed by the rules of this document which regulate the meetings and proceedings of the Board.

9. **DIRECTORS' DUTIES AND INTERESTS**

9.1 **Compliance with duties under the Act and general law**

Each Director must comply with his or her duties under the Act and under the general law.

9.2 **Director can hold other offices etc**

A Director may:

- (a) hold any office or place of profit or employment other than that of the Company's auditor or any director or employee of the auditor;
- (b) be a member of any corporation (including the Company) or partnership other than the Company's auditor;
- (c) be a creditor of any corporation (including the Company) or partnership; or
- (d) enter into any agreement with the Company.

9.3 **Disclosure of interests**

Each Director must comply with the general law in respect of disclosure of conflicts of interest or duty and with section 191 in respect of disclosure of material personal interests.

9.4 **Director interested in a matter**

Each Director must comply with section 195 in relation to being present, and voting, at a Board meeting that considers a matter in which the Director has a material personal interest. Subject to section 195:

- (a) a Director may be counted in a quorum at a Board meeting that considers, and may vote on, any matter in relation to which that Director has a conflict of interest or duty;
- (b) the Company may proceed with any transaction in relation to which a Director has an interest or conflict of duty and the Director may participate in the execution of any relevant document by or on behalf of the Company;
- (c) the Director may retain any benefits accruing to the Director under the transaction; and
- (d) the Company cannot avoid the transaction merely because of the existence of the Director's interest or conflict of duty.

If the interest is required to be disclosed under section 191, paragraph (c) applies only if it is disclosed before the transaction is entered into.

9.5 **Agreements with third parties**

The Company cannot avoid an agreement with a third party merely because a Director:

- (a) fails to make a disclosure of a conflict of interest or duty; or
- (b) is present at, or counted in the quorum for, a Board meeting that considers or votes on that agreement.

9.6 **Obligation of secrecy**

Every Director and Secretary must keep the transactions and affairs of the Company and the state of its financial reports confidential unless required to disclose them:

- (a) in the course of duties as an officer of the Company;
- (b) by the Board or the Company in general meeting; or
- (c) by law or under the Listing Rules.

The Company may require a Director, Secretary, auditor, trustee, committee member or other person engaged by it to sign a confidentiality undertaking consistent with this rule. A Director or Secretary must do so if required by the Company.

10. **DIRECTORS' REMUNERATION**

10.1 **Remuneration of Executive Directors**

Subject to any contract with the Company and to the Listing Rules, the Board may fix the remuneration of each Executive Director. That remuneration may consist of salary, bonuses or any other elements but must not include a commission on, or percentage of, operating revenue.

Replaces
section
202A

10.2 **Remuneration of non-executive Directors**

The Directors (other than the Executive Directors and those who are Directors only because they are Alternates) are entitled to be paid, out of the funds of the Company, an amount of Approved Fees which:

- (a) does not:
 - (i) in any year exceed in aggregate the amount last fixed by ordinary resolution; or
 - (ii) consist of a commission on, or percentage of, operating revenue; and
- (b) is allocated among them:
 - (i) on an equal basis having regard to the proportion of the relevant year for which each Director held office; or
 - (ii) as otherwise decided by the Board; and
- (c) is provided in the manner the Board decides, which may include provision of non-cash benefits.

If the Board decides to include non-cash benefits in the Approved Fees of a Director, the Board must also decide the manner in which the value of those benefits is to be calculated for the purposes of this rule.

10.3 **Additional Remuneration for extra services**

If a Director, at the request of the Board and for the purposes of the Company, performs extra services or makes special exertions (including going or living away from the Director's usual residential address), the Company may pay that Director a fixed sum set by the Board for doing so. Remuneration under this rule may be either in addition to or in substitution for any remuneration to which that Director is entitled under rule 10.1 or 10.2.

10.4 **Expenses of Directors**

The Company must pay a Director (in addition to any remuneration) all reasonable expenses (including travelling and accommodation expenses) incurred by the Director:

- (a) in attending meetings of the Company, the Board, or a committee of the Board;
- (b) on the business of the Company; or
- (c) in carrying out duties as a Director.

10.5 **Directors' retirement benefits**

Subject to Division 2 of Part 2D.2 and the Listing Rules, the Company may:

- (a) agree with a Director or person about to become a Director that, when or after the person dies or otherwise ceases to be a Director, the Company will pay a pension or lump sum benefit to:
 - (i) that person; or
 - (ii) after that person's death, any of the surviving spouse, dependants or legal personal representatives of that person; or

- (b) pay such a pension or lump sum benefit regardless of whether the Company has agreed to do so and regardless of the terms of any agreement.

11. **OFFICERS' INDEMNITY AND INSURANCE**

11.1 **Indemnity**

Subject to and so far as permitted by the Act, the *Competition and Consumer Act 2010* (Cth) and any other applicable law:

- (a) the Company must indemnify every officer of the Company and its wholly owned subsidiaries and may indemnify its auditor against any Liability incurred as such an officer or auditor to a person (other than the Company or a related body corporate) including a Liability incurred as a result of appointment or nomination by the Company or subsidiary as a trustee or as an officer of another corporation, unless the Liability arises out of conduct involving a lack of good faith; and
- (b) the Company may make a payment (whether by way of advance, loan or otherwise) in respect of legal costs incurred by an officer or employee or auditor in defending an action for a Liability incurred as such an officer, employee or auditor or in resisting or responding to actions taken by a government agency or a liquidator.

In this rule, **Liability** means a liability of any kind (whether actual or contingent and whether fixed or unascertained) and includes costs, damages and expenses, including costs and expenses incurred in connection with any investigation or inquiry by a government agency or a liquidator.

11.2 **Insurance**

Subject to the Act and any other applicable law, the Company may enter into, and pay premiums on, a contract of insurance in respect of any person.

11.3 **Former officers**

The indemnity in favour of officers under rule 11.1 is a continuing indemnity. It applies in respect of all acts done by a person while an officer of the Company or one of its wholly owned subsidiaries even though the person is not an officer at the time the claim is made.

11.4 **Deeds**

Subject to the Act, the *Competition and Consumer Act 2010* (Cth) and any other applicable law, the Company may, without limiting a person's rights under this rule 11, enter into an agreement with or execute a deed in favour of a person who is or has been an officer of the Company or any of the Company's subsidiaries, to give effect to the rights of the person under this rule 11 on any terms and conditions that the Board thinks fit.

12. **BOARD MEETINGS**

12.1 **Convening Board meetings**

A Director may at any time, and a Secretary must on request from a Director, convene a Board meeting.

Replaces
section
248C

12.2 **Notice of Board meeting**

The convenor of each Board meeting:

- (a) must give reasonable notice of the meeting (and, if it is adjourned, of its resumption) individually to:
 - (i) each Director who is in Australia; and
 - (ii) each Alternate in respect of whom the Appointor has given notice under rule 4.2 requiring notice of Board meetings to be given to that Alternate or whose Appointor is not given notice due to being outside Australia; and
- (b) may give that notice orally (including by telephone) or in writing,

but accidental failure to give notice to, or non-receipt of notice by, a Director does not result in a Board meeting being invalid.

12.3 **Use of technology**

A Board meeting may be held using any means of audio or audio-visual communication by which each Director participating can hear and be heard by each other Director participating or in any other way permitted by section 248D. A Board meeting held solely or partly by technology is treated as held at the place at which the greatest number of the Directors present at the meeting is located or, if an equal number of Directors is located in each of two or more places, at the place where the chairman of the meeting is located.

12.4 **Chairing Board meetings**

Replaces
section 248E

The Board may elect a Director to chair its meetings and decide the period for which that Director holds that office. If there is no chairman of Directors or the chairman is not present within 15 minutes after the time for which a Board meeting is called or is unwilling to act, the Directors present must elect a Director present to chair the meeting.

12.5 **Quorum**

Replaces
section 248F

Unless the Board decides otherwise, the quorum for a Board meeting is two Directors and a quorum must be present for the whole meeting. An Alternate who is also a Director or a person who is an Alternate for more than one Appointor may only be counted once toward a quorum. A Director is treated as present at a meeting held by audio or audio-visual communication if the Director is able to hear and be heard by all others attending. If a meeting is held in another way permitted by section 248D, the Board must resolve the basis on which Directors are treated as present.

12.6 **Majority decisions**

Replaces
section
248G

A resolution of the Board is passed if a majority of the votes cast by Directors entitled to vote on the resolution are in favour of it. If an equal number of votes is cast for and against a resolution:

- (a) the chairman of the meeting has a second or casting vote unless:
 - (i) only two Directors are entitled to vote; or
 - (ii) the chairman of the meeting is not entitled to vote; and
- (b) if the chairman does not have a second or casting vote under rule 12.6(a), the matter is decided in the negative.

12.7 **Procedural rules**

The Board may adjourn and, subject to this document, otherwise regulate its meetings as it decides.

12.8 **Written resolution**

Replaces
section
248A

If all the Directors entitled to receive notice of a Board meeting and to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document, a Board resolution in those terms is passed at the time when the last Director signs.

12.9 **Additional provisions concerning written resolutions**

For the purpose of rule 12.8:

- (a) two or more separate documents in identical terms, each of which is signed by one or more Directors, are treated as one document;
- (b) signature of a document by an Alternate is not required if the Appointor of that Alternate has signed the document;
- (c) signature of a document by the Appointor of an Alternate is not required if that Alternate has signed the document in that capacity; and
- (d) a facsimile or electronic message containing the text of the document expressed to have been signed by a Director that is sent to the Company is a document signed by that Director at the time of its receipt by the Company.

12.10 **Valid proceedings**

Each resolution passed or thing done by, or with the participation of, a person acting as a Director or member of a committee is valid even if it is later discovered that:

- (a) there was a defect in the appointment of the person; or
- (b) the person was disqualified from continuing in office, voting on the resolution or doing the thing.

13. **MEETINGS OF MEMBERS**

13.1 **Annual general meeting**

The Company must hold an annual general meeting as required by section 250N.

13.2 **Calling meetings of members**

A meeting of members:

- (a) may be convened at any time by the Board or a Director; and
- (b) must be convened by the Board when required by section 249D or 250N or by order made under section 249G.

13.3 **Notice of meeting**

Subject to rule 13.6, at least 28 days' written notice of a meeting of members must be given individually to:

- (a) each member (whether or not the member is entitled to vote at the meeting);

- (b) each Director (other than an Alternate); and
- (c) to the auditor.

Subject to any regulation made under section 249LA, the notice of meeting must comply with sections 249L and 250BA, the regulations made under section 1074E and the Listing Rules and may be given in any manner permitted by section 249J(3).

13.4 **Postponement or cancellation**

Subject to sections 249D(5) and 250N, the Board may:

- (a) postpone a meeting of members;
- (b) cancel a meeting of members; or
- (c) change the place for a general meeting,

by written notice given to ASX.

13.5 **Fresh notice**

Replaces
section 249M

If a meeting of members is postponed or adjourned for one month or more, the Company must give new notice of the resumed meeting.

13.6 **Notice to joint holders of shares**

Replaces
section
249J(2)

If a share is held jointly, the Company need only give notice of a meeting of members (or of its cancellation or postponement) to the joint holder who is named first in the Register.

13.7 **Technology**

See section
249S

The Company may hold a meeting of members at two or more venues using any technology that gives the members as a whole a reasonable opportunity to participate.

13.8 **Accidental omission**

The accidental omission to give notice to, or the non-receipt of notice by, any of those entitled to it does not invalidate any resolution passed at a meeting of members.

13.9 **Class meetings**

Rules 13 to 17 apply to a separate meeting of a class of members as far as they are capable of application and modified as necessary.

14. **PROCEEDINGS AT MEETINGS OF MEMBERS**

14.1 **Member present at meeting**

If a member has appointed a proxy or attorney or (in the case of a member which is a body corporate) a representative to act at a meeting of members, that member is taken to be present at a meeting at which the proxy, attorney or representative is present.

14.2 **Quorum**

Replaces
sections
249T(1) and
(2)

The quorum for a meeting of members is two Voting Members. Each individual present may only be counted once toward a quorum. If a member has appointed more than one proxy or representative only one of them may be counted toward a quorum.

14.3 **Quorum not present**

Replaces sections 249T(3) and (4)

If a quorum is not present within 15 minutes after the time for which a meeting of members is called:

- (a) if called as a result of a request of members under section 249D, the meeting is dissolved; and
- (b) in any other case:
 - (i) the meeting is adjourned to the day, time and place that the Board decides and notifies to members, or if no decision is notified before then, to the same time on the same day in the next week at the same place; and
 - (ii) if a quorum is not present at the adjourned meeting, the meeting is dissolved.

14.4 **Chairing meetings of members**

Replaces sections 249U(1) to (3)

If the Board has appointed a Director to chair Board meetings, that Director may also chair meetings of members. If:

- (a) there is no Director who the Board has appointed to chair Board meetings for the time being; or
- (b) the Director appointed to chair Board meetings is not present at the time for which a meeting of members is called or is not willing to chair the meeting,

the Voting Members present must elect a member or Director present to chair the meeting.

14.5 **Attendance at meetings of members**

Subject to rules 14.6 and 14.8:

- (a) Every member has the right to attend all meetings of members whether or not entitled to vote.
- (b) Every Director has the right to attend and speak at all meetings of members whether or not a member.
- (c) The auditor has the right to attend any meeting of members and to speak on any part of the business of the meeting which concerns the auditor in the capacity of auditor.

See sections 249V and 250RA

14.6 **Members rights suspended while call unpaid**

If a call on a share is due and unpaid, the holding of that share does not entitle the member to be present, speak or vote at, or be counted in the quorum for, a meeting of members.

14.7 **Chairman's powers at meetings of members**

- (a) The chairman of a meeting of members:
 - (i) is responsible for the general conduct of, and procedures to be adopted at, the meeting;

- (ii) may, subject to the Act, at any time terminate discussion or debate on any matter being considered by the meeting, where the chairman considers it necessary or desirable for the proper and orderly conduct of the meeting;
 - (iii) may, subject to the Act, eject a member from the meeting, at any time the chairman considers it is necessary or desirable for the proper and orderly conduct of the meeting;
 - (iv) may require the adoption of any procedure which is in the chairman's opinion necessary or desirable for proper and orderly debate or discussion and the proper and orderly casting or recording of votes at the meeting,
- and a decision by the chairman under this rule is final.

- (b) The chairman of a meeting may invite a person who is not a member to attend and to speak at the meeting.
- (c) Subject to rule 13.7, if the chairman considers that there are too many persons present at a meeting to fit into the venue where the meeting is to be held, the chairman may nominate a separate meeting place using any technology that gives the members as a whole a reasonable opportunity to participate.
- (d) The chairman's rights and powers under this rule 14.7 are exclusive to the chairman.

14.8 **Admission to meetings of members**

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

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

The chairman may delegate the powers conferred by this rule to any person.

14.9 **Adjournment**

Subject to rule 13.5, the chairman of a meeting of members at which a quorum is present:

- (a) may; and
 - (b) must, if directed by ordinary resolution of the meeting,
- adjourn it to another time and place.

Replaces
section
249U(4)

14.10 **Business at adjourned meetings**

Replaces
section
249W(2)

The only business that may be transacted at a meeting resumed after an adjournment is the business left unfinished immediately before the adjournment.

15. **PROXIES, ATTORNEYS AND REPRESENTATIVES**

15.1 **Appointment of proxies**

See Listing
Rule 14.2

Each member may appoint a proxy to attend and act for the member at a meeting of members. If the member is entitled to cast two or more votes at the meeting, the member may appoint two proxies to attend and act for the member at a meeting of members. An appointment of proxy must be made by written notice to the Company that:

- (a) complies with section 250A(1); or
- (b) is in a form and mode, and is signed or otherwise authenticated by the member in a manner, satisfactory to the Board.

If a 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 those votes.

15.2 **Member's attorney**

A member may appoint an attorney to act, or to appoint a proxy to act, at a meeting of members. If the appointor is an individual, the power of attorney must be signed in the presence of at least one witness.

15.3 **Deposit of proxy appointment forms, powers of attorney and proxy appointment authorities**

See Listing
Rule 6.10.2

An appointment of a proxy or an attorney is not effective for a particular meeting of members unless the instrument effecting the appointment and, if it is an appointment of proxy which is executed or otherwise authenticated in a manner prescribed by a regulation made for the purposes of section 250A(1) by the appointor's attorney, a document referred to in rule 15.4(a) are received by the Company in accordance with section 250B(3):

- (a) at least 48 hours before the time for which the meeting was called; or
- (b) if the meeting has been adjourned, at least 48 hours before the resumption of the meeting.

15.4 **Evidence of proxy appointment forms, powers of attorney and other appointments**

The Board may require evidence of:

- (a) in the case of a proxy appointment form executed or otherwise authenticated by an attorney, the relevant power of attorney or other authority under which the appointment was authenticated or a certified copy of it;
- (b) in the case of an attorney, the power of attorney or a certified copy of it;
- (c) in the case of a corporate representative of a member or a proxy, the appointment of the representative in accordance with the Act; or

- (d) in the case of any appointment under this rule 15 which is transmitted to the Company electronically, the identity of the person who transmitted the message containing the appointment.

15.5 Corporate representatives

A member that is a body corporate may appoint an individual to act as its representative at meetings of members as permitted by section 250D.

15.6 Appointment for particular meeting, standing appointment and revocation

A member may appoint a proxy, attorney or representative to act at a particular meeting of members or make a standing appointment and may revoke any appointment. A proxy, attorney or representative may, but need not, be a member.

15.7 Position of proxy or attorney if member present

The appointment of a proxy or attorney is not revoked by the member attending and taking part in the general meeting, but if the member votes on a resolution, the proxy or attorney is not entitled to vote, and must not vote, as the member's proxy or attorney on the resolution.

15.8 Priority of conflicting appointments of attorney or representative

If more than one attorney or representative appointed by a member is present at a meeting of members and the Company has not received notice of revocation of any of the appointments:

- (a) an attorney or representative appointed to act at that particular meeting may act to the exclusion of an attorney or representative appointed under a standing appointment; and
- (b) subject to rule 15.8(a), an attorney or representative appointed under a more recent appointment may act to the exclusion of an attorney or representative appointed earlier in time.

15.9 More than two current proxy appointments

An appointment of proxy by a member is revoked (or, in the case of a standing appointment, suspended for that particular meeting) if the Company receives a further appointment of proxy from that member which would result in there being more than two proxies of that member entitled to act at a meeting. The appointment of proxy made first in time is the first to be treated as revoked or suspended by this rule.

15.10 Continuing authority

An act done at a meeting of members by a proxy, attorney or representative is valid even if, before the act is done, the appointing member:

- (a) dies or becomes mentally incapacitated;
- (b) becomes bankrupt or an insolvent under administration or is wound up;
- (c) revokes the appointment or revokes the authority under which the appointment was made by a third party; or
- (d) transfers the share to which the appointment relates,

Replaces
section
250C(2)

unless the Company has received written notice of the matter before the start or resumption of the meeting at which the vote is cast.

16. **ENTITLEMENT TO VOTE**

16.1 **Determining voting entitlements**

See Listing
Rule 6.10.3

Subject to section 250L(4) and rule 17.2(b), to decide, for the purposes of a particular meeting, who are members of the Company and how many shares they hold, the Company must refer only:

- (a) if the convenor of the meeting determined a specified time under the regulations made under section 1074E before notice of the meeting was given, to the Register as it stood at that time; or
- (b) otherwise, to the Register as it stood 48 hours before the meeting or at any later time required by the ASX Settlement Rules.

16.2 **Number of votes**

1. Replaces
section
250E(1)

2. See
Listing Rule
6.9

Subject to sections 250BB(1) and 250BC, rules 14.6, 15, 16.4, 16.5, 16.6 and 29.4 and the terms on which shares are issued:

- (a) on a show of hands:
 - (i) if a member has appointed two proxies, neither of those proxies may vote;
 - (ii) a member who is present and entitled to vote and is also a proxy, attorney or representative of another member has one vote; and
 - (iii) subject to paragraphs (a)(i) and (a)(ii), every individual present who is a member, or a proxy, attorney or representative of a member, entitled to vote has one vote;
- (b) on a poll every member entitled to vote who is present in person or by proxy, attorney or representative:
 - (i) has one vote for every fully paid share held; and
 - (ii) subject to paragraph (c), in respect of each partly paid share held has a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the share; and
- (c) unless:
 - (i) permitted under the Listing Rules; and
 - (ii) otherwise provided in the terms on which shares are issued,

in calculating the fraction of a vote which the holder of a partly paid share has, the Company must not count an amount:

 - (iii) paid in advance of a call; or
 - (iv) credited on a partly paid share without payment in money or money's worth being made to the Company.

16.3 **Casting vote of chairman**

Replaces
section
250E(3)

The chairman of a meeting of members does not have a second or casting vote. If an equal number of votes is cast for and against a resolution at a meeting of members the matter is decided in the negative.

16.4 **Votes of joint holders**

If there are joint holders of a share, any one of them may vote at a meeting of members, in person or by proxy, attorney or representative, as if that holder were the sole owner of the share. If more than one of the joint holders of a share (including, for the purposes of this rule, joint legal personal representatives of a dead member) are present at a meeting of members, in person or by proxy, attorney or representative, and tender a vote in respect of the share, the Company may only count the vote cast by, or on behalf of, the most senior joint holder who tenders a vote. For this purpose, seniority depends on the order in which the names of the joint holders are listed in the Register.

16.5 **Votes of transmittees and guardians**

Subject to section 1072C, if the Board is satisfied at least 48 hours before the time fixed for a meeting of members, that a person:

- (a) is entitled to the transmission of a share under rule 30; or
- (b) has power to manage a member's property under a law relating to the management of property of the mentally incapable,

that person may vote as if registered as the holder of the share and the Company must not count the vote (if any) of the actual registered holder.

16.6 **Voting restrictions**

If:

- (a) the Act or the Listing Rules require that some members are not to vote on a resolution, or that votes cast by some members be disregarded, in order for the resolution to have an intended effect; and
- (b) the notice of the meeting at which the resolution is proposed states that fact,

those members have no right to vote on that resolution and the Company must not count any votes purported to be cast by those members. If a proxy purports to vote in a way or in circumstances that contravene section 250BB(1), on a show of hands the vote is invalid and the Company must not count it and on a poll rule 17.3(c) applies.

16.7 **Decision on right to vote**

A Voting Member or Director may challenge a person's right to vote at a meeting of members. A challenge may only be made at the meeting. A challenge, or any other doubt as to the validity of a vote, must be decided by the chairman, whose decision is final.

17. **HOW VOTING IS CARRIED OUT**

17.1 **Method of voting**

A resolution put to the vote at a meeting of members must be decided on a show of hands unless a poll is demanded under rule 17.2 either before or on declaration of the result of

Replaces
sections
250J(1) and
(2)

the vote on a show of hands. Unless a poll is demanded, the chairman's declaration of a decision on a show of hands is final.

17.2 **Demand for a poll**

See section 250L
A poll may be demanded on any resolution (except a resolution concerning the election of the chairman of a meeting) by:

- (a) at least five members entitled to vote on the resolution; or
- (b) members entitled to cast at least 5% of the votes that may be cast on the resolution on a poll (worked out as at the midnight before the poll is demanded); or
- (c) the chairman.

The demand for a poll does not affect the continuation of the meeting for the transaction of other business and may be withdrawn.

17.3 **When and how polls must be taken**

Replaces section 250M

If a poll is demanded:

- (a) if the resolution is for the adjournment of the meeting, the poll must be taken immediately and, subject to rule 17.3(c), in the manner that the chairman of the meeting directs;
- (b) in all other cases, the poll must be taken at the time and place and, subject to rule 17.3(c), in the manner that the chairman of the meeting directs;
- (c) votes which sections 250BB(1) or 250BC require to be cast in a given way must be treated as cast in that way;
- (d) a person voting who has the right to cast two or more votes need not cast all those votes and may cast those votes in different ways; and
- (e) the result of the poll is the resolution of the meeting at which the poll was demanded.

18. **SECRETARY**

18.1 **Appointment of Secretary**

See section 204D

The Board:

- (a) must appoint at least one individual; and
- (b) may appoint more than one individual,

to be a Secretary either for a specified term or without specifying a term.

18.2 **Terms and conditions of office**

Replaces section 204F

A Secretary holds office on the terms (including as to remuneration) that the Board decides. The Board may vary any decision previously made by it in respect of a Secretary.

18.3 **Cessation of Secretary's appointment**

A person automatically ceases to be a Secretary if the person:

- (a) is not permitted by the Act (or an order made under the Act) to be a secretary of a company;
- (b) becomes disqualified from managing corporations under Part 2D.6 and is not given permission or leave to manage the Company under section 206F or 206G;
- (c) becomes of unsound mind or physically or mentally incapable of performing the functions of that office;
- (d) resigns by notice in writing to the Company; or
- (e) is removed from office under rule 18.4.

18.4 **Removal from office**

The Board may remove a Secretary from that office whether or not the appointment was expressed to be for a specified term.

19. **MINUTES**

19.1 **Minutes must be kept**

The Board must cause minutes of:

- (a) proceedings and resolutions of meetings of the Company's members;
- (b) the names of Directors present at each Board meeting or committee meeting;
- (c) proceedings and resolutions of Board meetings (including meetings of a committee to which Board powers are delegated under rule 8);
- (d) resolutions passed by Directors without a meeting; and
- (e) disclosures and notices of Directors' interests,

to be kept in accordance with sections 191, 192, 251A and 251AA.

19.2 **Minutes as evidence**

A minute recorded and signed in accordance with sections 251A and 251AA is evidence of the proceeding, resolution or declaration to which it relates unless the contrary is proved.

19.3 **Inspection of minute books**

The Company must allow members to inspect, and provide copies of, the minute books for the meetings of members in accordance with section 251B.

20. **COMPANY SEALS**

20.1 **Common seal**

The Board:

- (a) may decide whether or not the Company has a common seal; and
- (b) is responsible for the safe custody of that seal (if any) and any duplicate seal it decides to adopt under section 123(2).

20.2 **Use of seals**

The common seal and duplicate seal (if any) may only be used with the authority of the Board. The Board must not authorise the use of a seal that does not comply with section 123.

20.3 **Fixing seals to documents**

The fixing of the common seal, or any duplicate seal, to a document must be witnessed:

- (a) by two Directors;
- (b) by one Director and one Secretary; or
- (c) by any other signatories or in any other way (including the use of facsimile signatures) authorised by the Board.

21. **FINANCIAL REPORTS AND AUDIT**

21.1 **Company must keep financial records**

The Board must cause the Company to keep written financial records that:

- (a) correctly record and explain its transactions (including transactions undertaken as trustee) and financial position and performance; and
- (b) would enable true and fair financial statements to be prepared and audited,

and must allow a Director and the auditor to inspect those records at all reasonable times.

21.2 **Financial reporting**

The Board must cause the Company to prepare a financial report and a directors' report that comply with Part 2M.3 and must report to members in accordance with section 314 no later than the deadline set by section 315.

21.3 **Audit**

The Board must cause the Company's financial report for each financial year to be audited and obtain an auditor's report. The eligibility, appointment, rotation, removal, remuneration, rights and duties of the auditor are regulated by Division 3 of Part 2M.3, Divisions 1 to 6 of Part 2M.4 and sections 1280, 1289, 1299B and 1299C.

21.4 **Inspection of financial records and books**

Subject to rule 19.3 and unless otherwise required by the Act, a member who is not a Director does not have any right to inspect any document of the Company except as authorised by the Board.

22. **SHARES**

22.1 **Issue at discretion of Board**

Subject to section 259C and rules 22.2 and 22.3, the Board may, on behalf of the Company, issue, grant options over or otherwise dispose of unissued shares to any person on the terms, with the rights, and at the times that the Board decides.

22.2 **Preference and redeemable preference shares**

The Company may issue preference shares (including preference shares that are liable to be redeemed). The rights attached to preference shares must include the rights set out in or determined in accordance with the schedule.

22.3 **Restrictions on issue**

The Company must not issue shares or grant options if the issue or grant would result in a breach of the Listing Rules.

22.4 **Brokerage and commissions**

The Company may pay brokerage or commissions to a person in respect of that person or another person agreeing to take up shares in the Company.

22.5 **Surrender of shares**

The Board may accept a surrender of shares:

- (a) to compromise a question as to whether those shares have been validly issued; or
- (b) if surrender is otherwise within the Company's powers.

The Company may sell or re-issue surrendered shares in the same way as forfeited shares.

22.6 **Variation of rights**

If the Company issues different classes of shares, or divides issued shares into different classes, the rights attached to shares in any class may (subject to sections 246C and 246D) be varied or cancelled only:

- (a) with the written consent of the holders of 75% of the issued shares of the affected class; or
- (b) by special resolution passed at a separate meeting of the holders of the issued shares of the affected class.

Subject to the terms of issue of shares, the rights attached to a class of shares are not treated as varied by the issue of further shares of that class.

23. **CERTIFICATES**

23.1 **Uncertificated shares**

Unless the Listing Rules and the ASX Settlement Rules allow the Company to issue a certificate for particular shares, the Company:

- (a) must not issue a certificate for those shares; and
- (b) may cancel a certificate for them without issuing another certificate.

Rules 23.3 and 23.4 apply only if there is a current certificate for particular shares.

23.2 **Certificated shares**

Where allowed under rule 23.1, the Company must issue a certificate of title to shares that complies with section 1070C and deliver it to the holder of those shares in

accordance with section 1071H. The Company must not charge any fee to issue a certificate.

23.3 **Multiple certificates and joint holders**

Subject to rule 23.1, if a member requests the Company to issue several certificates each for a part of the shares registered in the member's name, the Company must do so. For this purpose, joint holders of shares are a single member. The Company may issue only one certificate that relates to each share registered in the names of two or more joint holders and may deliver the certificate to any of those joint holders.

23.4 **Lost and worn out certificates**

Subject to rule 23.1, if a certificate:

- (a) is lost or destroyed and the owner of the relevant securities applies in accordance with section 1070D(5), the Company must; or
- (b) is defaced or worn out and is produced to the Company, the Company may, issue a new certificate in its place.

24. **REGISTER**

24.1 **Joint holders**

If the Register names two or more joint holders of a share, the Company must treat the person named first in the Register in respect of that share as the sole owner of it for all purposes (including the giving of notice) except in relation to:

- (a) delivery of certificates (to which rule 23.3 applies);
- (b) the right to vote (to which rule 16.4 applies);
- (c) the power to give directions as to payment of, or a receipt for, dividends (to which rules 27.8 and 27.9 apply);
- (d) liability for instalments or calls (which, subject to section 1072E(8), is joint and several);
- (e) sale of Unmarketable Parcels under rule 31; and
- (f) transfer.

24.2 **Non-beneficial holders**

Subject to section 1072E, unless otherwise ordered by a court of competent jurisdiction or required by statute, the Company:

- (a) may treat the registered holder of any share as the absolute owner of it; and
- (b) need not recognise any equitable or other claim to or interest in a share by any person except a registered holder.

25. **PARTLY PAID SHARES**

25.1 **Fixed instalments**

If a share is issued on terms that some or all of the issue price is payable by instalments, the registered holder of the share must pay every instalment to the Company when due.

If, having been given notice of the instalment in accordance with rule 25.4, the registered holder does not pay it when due, rules 25.7 to 25.16 apply as if the registered holder had failed to pay a call.

25.2 **Prepayment of calls**

The Board may:

- (a) accept prepayment of some or all of the amount unpaid on a share above the sums actually called as a payment in advance of calls;
- (b) agree to payment by the Company of interest at a rate no higher than the Interest Rate on that part of the advance payment which for the time being exceeds the aggregate amount of the calls then made on the shares in respect of which it was paid; and
- (c) unless otherwise agreed between the member and the Company, repay the sum or part of it.

25.3 **Calls made by Board**

Subject to the terms of issue of a share and to any special resolution passed under section 254N, the Board may:

- (a) make calls on a member for some or all of the money unpaid on a share held by that member;
- (b) make a call payable by instalments; and
- (c) revoke or postpone a call before the due date for payment.

25.4 **Notice of call**

The Company must give a member on whom a call has been made or from whom an instalment is due, written notice of the call or instalment:

- (a) within the time limits; and
- (b) in the form,

required by the Listing Rules.

See Listing Rule 6.24 and Appendix 6A, Rules 5 and 5.1

25.5 **Classes of shares**

The Board may issue shares on terms as to the amount of calls to be paid and the time for payment of those calls which are different as between the holders of those shares. The Board may make different calls on different classes of shares.

25.6 **Obligation to pay calls**

Subject to section 1072E(8), a member subject to a call must pay the amount of the call to the payee named in the notice of call no later than the time specified in the notice. Joint holders of a share are jointly and severally liable for calls.

25.7 **Called Amounts**

If a call is not paid on or before the day specified for payment, the Board may require the member liable for the call to pay:

- (a) interest on the amount of the call at the Interest Rate from that day until payment is made; and
- (b) all costs and expenses incurred by the Company because payment was not made on that day.

25.8 **Proof of call**

If on the hearing of an action for recovery of a Called Amount it is proved that:

- (a) the minute books of the Company record the Board's resolution making the call;
- (b) notice of the call was given under rules 25.4 and 35.1; and
- (c) the person sued appears in the Register as a holder of the share in respect of which the call was made,

proof of those matters is conclusive proof of the debt.

25.9 **Forfeiture notice**

At any time until a Called Amount is paid, the Board may give the relevant member a notice which:

- (a) requires the member to pay the Called Amount;
- (b) states the Called Amount at the date of the notice;
- (c) specifies how to calculate the Called Amount when payment is made;
- (d) specifies a date at least 14 days after the date of the notice by which and a place at which payment must be made; and
- (e) states that if payment is not made at that place on or before that date, the share to which the call relates is liable to be forfeited.

25.10 **Forfeiture**

If the requirements of a notice given under rule 25.9 are not satisfied, the Board may forfeit the share in respect of which that notice was given (and all dividends, interest and other money payable in respect of that share and not actually paid before the forfeiture) by resolution passed before the Called Amount is paid.

25.11 **Disposal and re-issue of forfeited shares**

A share forfeited under rule 25.10 immediately becomes the property of the Company. Subject to the Listing Rules, the Board, on behalf of the Company, may:

- (a) re-issue the share with or without any money paid on it by any former holder credited as paid; or
- (b) sell or otherwise dispose of the share, and effect or execute and register a transfer of it,

to the person, and on the terms, it decides.

See Listing
Rule 7.39

25.12 **Notice of forfeiture**

The Company must promptly:

- (a) give notice of the forfeiture of a share to the member who held the share immediately before the resolution for forfeiture was passed; and
- (b) enter the forfeiture and its date in the Register.

A written declaration that a share was forfeited on a specified date and notice of forfeiture was given in accordance with this document signed by a Director or Secretary is, in the absence of proof to the contrary, evidence of those facts and of the Company's right to dispose of the share.

25.13 **Cancellation of forfeiture**

The Board may cancel the forfeiture of a share on any terms at any time before it disposes of that share under rule 25.11.

25.14 **Effect of forfeiture**

A person who held a share which has been forfeited under rule 25.10 ceases to be a member in respect of that share but remains liable to pay the Called Amount until it is paid in full. The Board may elect not to enforce payment of an amount due to the Company under this rule.

25.15 **Application of proceeds**

The Company must:

- (a) apply the net proceeds of any re-issue, sale or disposal of a forfeited share under rule 25.11 (after payment of all costs and expenses) to satisfy the Called Amount; and
- (b) subject to the terms of issue of the share, pay any surplus to the person who held the share immediately before forfeiture.

25.16 **Title of new holder**

The title of the new holder of a forfeited share is not affected by any irregularity in the forfeiture or the re-issue, sale or disposal. The sole remedy of any person previously interested in the share is damages which may be recovered only from the Company. The new holder is not liable for the Called Amount.

25.17 **Mortgage of uncalled capital**

If the Company grants a mortgage or charge over uncalled capital, the Board may delegate the power to make calls to:

- (a) the person in whose favour the mortgage or charge is granted; or
- (a) a trustee or agent for that person,

on the terms (including power to further delegate) and subject to any restrictions the Board decides. If the Board does so, a call made in accordance with the delegation is treated as made by the Board.

This rule does not limit rule 8.

26. **COMPANY LIENS**

26.1 **Existence of liens**

Unless the terms of issue provide otherwise, the Company has a first and paramount lien on each share for:

- (a) all money called or payable at a fixed time in respect of that share (including money payable under rule 25.7) that is due but unpaid; and
- (b) amounts paid by the Company for which the Company is indemnified under rule 26.4.

See Listing
Rule 6.13

The lien extends to all dividends payable in respect of the share and to proceeds of sale of the share.

26.2 **Sale under lien**

If:

- (a) the Company has a lien on a share;
- (b) an amount secured by the lien is due and payable;
- (c) the Company has given notice to the member registered as the holder of the share:
 - (i) requiring payment of the amount which is due and payable and secured by the lien;
 - (ii) stating the amount due and payable at the date of the notice;
 - (iii) specifying how to calculate the amount due when payment is made; and
 - (iv) specifying a date (at least 10 business days after the date of the notice) by which and a place at which payment of that amount must be made; and
- (d) the requirements of the notice given under paragraph (c) are not fulfilled,

the Company may sell the share as if it had been forfeited under rule 25.10. Rules 25.11, 25.15 and 25.16 apply, to the extent practical and modified as necessary, as if the Called Amount in respect of that share were the aggregate of the amount referred to in paragraph (b) and the costs and expenses incurred by the Company because that amount was not paid when due.

26.3 **Protection of lien**

The Company may do anything necessary or desirable under the ASX Settlement Rules to protect a lien or other interest in shares to which it is entitled by law or under this document.

26.4 **Indemnity for payments required to be made by the Company**

If the law of any jurisdiction imposes or purports to impose any immediate, future or possible liability on the Company, or empowers or purports to empower any person to require the Company to make any payment, on account of a member or referable to a share held by that member (whether alone or jointly) or a dividend or other amount payable in respect of a share held by that member, the Company:

- (a) is fully indemnified by that member from that liability;
- (b) may recover as a debt due from the member the amount of that liability together with interest at the Interest Rate from the date of payment by the Company to the date of repayment by the member; and
- (c) subject to rule 29.5, may refuse to register a transfer of any share by that member until the debt has been paid to the Company.

Paragraph (c) replaces section 1072F(3)(b)

Nothing in this document in any way prejudices or affects any right or remedy which the Company has (including any right of set off) and, as between the Company and the member, any such right or remedy is enforceable by the Company.

27. **DIVIDENDS**

27.1 **Accumulation of reserves**

The Board may:

- (a) set aside out of profits of the Company reserves to be applied, in the Board's discretion, for any purpose it decides and use any sum so set aside in the business of the Company or invest it in investments selected by the Board and vary and deal with those investments as it decides; or
- (b) carry forward any amount out of profits which the Board decides not to distribute without transferring that amount to a reserve; or
- (c) do both.

27.2 **Payment of dividends**

Replaces section 254U

Subject to the Act, rules 27.3 and 27.10, and the terms of issue of shares, the Board may resolve to pay any dividend (including an interim dividend) it thinks appropriate and fix the time for payment. The Company does not incur a debt merely by fixing the amount or time for payment of a dividend. A debt arises only when the time fixed for payment arrives. The decision to pay a dividend may be revoked by the Board at any time before then.

27.3 **Amount of dividend**

Subject to the terms of issue of shares, the Company may pay a dividend on one class of shares to the exclusion of another class. Subject to rule 27.4, each share of a class on which the Board resolves to pay a dividend carries the right to participate in the dividend in the same proportion that the amount for the time being paid on the share bears to the total issue price of the share.

27.4 **Prepayments, payments during dividend period and credits without payment**

For the purposes of rule 27.3:

- (a) an amount paid in advance of calls is not taken into account as part of the amount for the time being paid on a share;
- (b) if an amount was paid on a share during the period to which a dividend relates, the Board may resolve that only the proportion of that amount which is the same as the proportion which the period from the date of payment to the end of the period to which the dividend relates bears to the total period to which the dividend relates, counts as part of the amount for the time being paid on the share; and
- (c) an amount credited on a partly paid share without payment in money or money's worth being made to the Company is not taken into account as a part of the amount for the time being paid on a share.

27.5 **Dividends in kind**

The Board may resolve to pay a dividend (either generally or to specific members) in cash or satisfy it by distribution of specific assets (including shares or securities of any other corporation), the issue of shares or the grant of options. If the Board satisfies a dividend by distribution of specific assets, the Board may:

- (a) fix the value of any asset distributed;
- (b) make cash payments to members on the basis of the value fixed so as to adjust the rights of members between themselves; and
- (c) vest an asset in trustees.

27.6 **Payment of dividend by way of securities in another corporation**

Where the Company satisfies a dividend by way of distribution of specific assets, being shares or other securities in another corporation, each member is taken to have agreed to become a member of that corporation and to have agreed to be bound by the constitution of that corporation. Each member also appoints each Director and each Secretary their agent and attorney to:

- (a) agree to the member becoming a member of that corporation;
- (b) agree to the member being bound by the constitution of that corporation; and
- (c) execute any transfer of shares or securities, or other document required to give effect to the distribution of shares or other securities to that member.

27.7 **Source of dividends**

Subject to the Act and the Listing Rules, the Board may resolve to pay a dividend to some members from a particular source and pay the same dividend to other members entitled to it from another source.

27.8 **Method of payment**

The Company may pay any cash dividend, interest or other money payable in respect of shares by cheque sent, and may distribute assets by sending the certificates or other evidence of title to them, through the post directed to:

- (a) the address of the member (or in the case of a jointly held share, the address of the joint holder named first in the Register); or
- (b) to any other address the member (or in the case of a jointly held share, all the joint holders) directs in writing,

or by any other method of payment or distribution the Board decides.

27.9 Joint holders' receipt

Any one of the joint holders of a share may give an effective receipt for any dividend, interest or other money payable in relation to that share.

27.10 Retention of dividends by Company

The Company may retain the dividend payable on a share:

- (a) of which a person seeks to be registered as the holder under rule 30.2 or 30.3, until that person is registered as the holder of that share or transfers it; or
- (b) on which the Company has a lien, to satisfy the liabilities in respect of which the lien exists.

27.11 No interest on dividends

No member may claim, and the Company must not pay, interest on a dividend (either in money or kind).

28. SHARE PLANS

28.1 Implementing share plans

The Board may adopt and implement one or more of the following plans on such terms as it thinks appropriate:

- (a) a re-investment plan under which any dividend or other cash payment in respect of a share or convertible security may, at the election of the person entitled to it, be:
 - (i) retained by the Company and applied in payment for fully paid shares issued under the plan; and
 - (ii) treated as having been paid to the person entitled and simultaneously repaid by that person to the Company to be held by it and applied in accordance with the plan;
- (b) any other plan under which members or security holders may elect that dividends or other cash payments in respect of shares or other securities:
 - (i) be satisfied by the issue of shares or other securities of the Company or a related body corporate, or that issues of shares or other securities of the Company or a related body corporate be made in place of dividends or other cash payments;
 - (ii) be paid out of a particular reserve or source; or
 - (iii) be forgone in consideration of another form of distribution from the Company, another body corporate or a trust; or

- (c) a plan under which shares or other securities of the Company or a related body corporate may be issued or otherwise provided for the benefit of employees or Directors of the Company or any of its related bodies corporate.

28.2 **Board's powers and varying, suspending or terminating share plans**

The Board:

- (a) has all powers necessary or desirable to implement and carry out a plan referred to in rule 28.1 (including a plan approved by members); and
- (b) may:
 - (i) vary the rules governing; or
 - (ii) suspend or terminate the operation of,a plan referred to in rule 28.1 (including a plan approved by members) as it thinks appropriate.

29. **TRANSFER OF SHARES**

29.1 **Modes of transfer**

Subject to this document, a member may transfer a share by any means permitted by the Act or by law. Unless permitted by the Listing Rules, the Company must not charge any fee on transfer of a share.

29.2 **Market obligations**

The Company:

- (a) may do anything permitted by the Act, the Listing Rules or the ASX Settlement Rules that the Board thinks necessary or desirable in connection with the Company taking part in a computerised or electronic system established or recognised by the Act, the Listing Rules or the ASX Settlement Rules for the purpose of facilitating dealings in shares; and
- (b) must comply with obligations imposed on it by the Listing Rules or the ASX Settlement Rules in relation to transfers of shares.

29.3 **Delivery of transfer and certificate**

Replaces
section
1072F(2)

Except in the case of a transfer under the ASX Settlement Rules, a document of transfer must be:

- (a) delivered to the registered office of the Company or the address of the Register last notified to members by the Company;
- (b) accompanied by the certificate (if any) for the shares to be transferred or evidence satisfactory to the Board of its loss or destruction; and
- (c) marked with payment of any stamp duty payable.

Property in and title to a document of transfer that is delivered to the Company (but not the shares to which it relates) passes to the Company on delivery.

29.4 **Restricted securities**

If any securities of the Company are classified as restricted securities under the Listing Rules:

- (a) during the escrow period set by the restriction agreement required by ASX in relation to those securities:
 - (i) the member who holds the restricted securities may not dispose of them; and
 - (ii) the Company must not register a transfer of the restricted securities or otherwise acknowledge a disposal of them,

except as permitted by the Listing Rules or ASX; and
- (b) if there is a breach of the Listing Rules or of the relevant restriction agreement in relation to a restricted security, the holding of that security does not entitle a member:
 - (i) to be present, speak or vote at, or be counted in the quorum for, a meeting of members; or
 - (ii) to receive any dividend or other distribution,

while the breach continues.

In this rule 29.4, **dispose** (and other grammatical forms of it) has the meaning given by the Listing Rules.

29.5 **Refusal to register transfer**

Replaces
section
1072F(3)

The Board:

- (a) may refuse to register a transfer of shares only if that refusal would not contravene the Listing Rules or the ASX Settlement Rules;
- (b) without limiting paragraph (a), but subject to the Act, the Listing Rules and the ASX Settlement Rules, may refuse to register a transfer of shares where the registration of the transfer would create a new holding of an Unmarketable Parcel;
- (c) subject to section 259C, must not register a transfer to a subsidiary of the Company; and
- (d) must not register a transfer if the Act, the Listing Rules or the ASX Settlement Rules forbid registration.

If the Board refuses to register a transfer, the Company must give the lodging party notice of the refusal and the reasons for it within five business days after the date on which the transfer was delivered to it.

29.6 **Transferor remains holder until transfer registered**

Replaces
section
1072F(1)

The transferor of a share remains the holder of it:

- (a) if the transfer is under the ASX Settlement Rules, until the time those rules specify as the time that the transfer takes effect; and

- (b) otherwise, until the transfer is registered and the name of the transferee is entered in the Register as the holder of the share.

29.7 **Powers of attorney**

The Company may assume, as against a member, that a power of attorney granted by that member that is lodged with or produced or exhibited to the Company remains in force, and may rely on it, until the Company receives express notice in writing at its registered office of:

- (a) the revocation of the power of attorney; or
- (b) the death, dissolution or insolvency of the member.

30. **TRANSMISSION OF SHARES**

30.1 **Death of joint holder**

The Company must recognise only the surviving joint holders as being entitled to shares registered jointly in the names of a deceased member and others. The estate of the deceased joint holder is not released from any liability in respect of the shares.

30.2 **Death of single holder**

The Company must not recognise any one except the legal personal representative of the deceased member as having any title to shares registered in the sole name of a deceased member. If the personal representative gives the Board the documents described in section 1071B(9) or 1071B(13) or other information that satisfies the Board of the representative's entitlement to be registered as holder of the shares:

- (a) subject to rules 29.5 and 30.4, the Company must register the personal representative as the holder of the shares as soon as practical after receipt of a written and signed notice to the Company from the representative requiring it to do so; and
- (b) whether or not registered as the holder of the shares, the personal representative:
 - (i) may, subject to rule 29, transfer the shares to another person; and
 - (ii) has the same rights as the deceased member.

30.3 **Transmission of shares on insolvency or mental incapacity**

Subject to the Bankruptcy Act 1966, if a person entitled to shares because of the insolvency or mental incapacity of a member gives the Board the information it reasonably requires to establish the person's entitlement to be registered as holder of the shares:

- (a) subject to rules 29.5 and 30.4, the Company must register that person as the holder of the shares as soon as practical after receipt of a written and signed notice to the Company from that person requiring it to do so; and
- (b) whether or not registered as the holder of the shares, that person:
 - (i) may, subject to rule 29, transfer the shares to another person; and
 - (ii) has the same rights as the insolvent or incapable member.

If section 1072C applies, this rule is supplemental to it.

30.4 **Refusal to register holder**

The Company has the same right to refuse to register a personal representative or person entitled to shares on the insolvency or mental incapacity of a member as it would have if that person were the transferee named in a transfer signed by a living, solvent, competent member.

31. **UNMARKETABLE PARCELS**

31.1 **Board power of sale**

The Board may sell a share that is part of an Unmarketable Parcel if it does so in accordance with this rule. The Board's power to sell lapses if a takeover (as defined in the Listing Rules) is announced after the Board gives a notice under rule 31.2 and before the Board enters into an agreement to sell the share.

31.2 **Notice of proposed sale**

Once in any 12 month period, the Board may determine that it will give written notice to a member who holds an Unmarketable Parcel. If it does so, the notice must:

- (a) state that it intends to sell the Unmarketable Parcel; and
- (b) specify a date at least six weeks (or any lesser period permitted under the Act or the Listing Rules) after the notice is given by which the member may give the Company written notice that the member wishes to retain the holding.

If the Board's power to sell lapses under rule 31.1, any notice given by the Board under this rule is taken never to have been given and the Board may give a new notice after the close of the offers made under the takeover.

31.3 **No sale where member gives notice**

The Company must not sell an Unmarketable Parcel if, in response to a notice given by the Company under this rule 31, the Company receives a written notice that the member wants to keep the Unmarketable Parcel.

31.4 **Terms of sale**

A sale of shares under this rule includes all dividends payable on and other rights attaching to them. The sale must be made in the ordinary course of trading on a prescribed financial market (as defined for the purposes of the *Personal Property Securities Act 2009* (Cth)) and the Company must pay the costs of the sale. Otherwise, the Board may decide the manner, time and terms of sale.

31.5 **Share transfers**

For the purpose of giving effect to this rule, each Director and each Secretary has power to initiate, execute or otherwise effect a transfer of a share as agent for a member who holds an Unmarketable Parcel.

31.6 **Application of proceeds**

The Company must:

- (a) deduct any Called Amount in respect of the shares sold under this rule from the proceeds of sale and pay the balance into a separate bank account it opens and maintains for the purpose only;

- (b) hold that balance in trust for the previous holder of the shares (the **Divested Member**);
- (c) as soon as practical give written notice to the Divested Member stating:
 - (i) what the balance is; and
 - (ii) that it is holding the balance for the Divested Member while awaiting the Divested Member's instructions and return of the certificate (if any) for the shares sold or evidence of its loss or destruction;
- (d) if the shares sold were certificated, not pay the proceeds of sale out of the trust account until it has received the certificate for them or evidence of its loss or destruction; and
- (e) subject to paragraph (d), deal with the amount in the account as the Divested Member instructs.

31.7 **Protections for transferee**

The title of the new holder of a share sold under this rule is not affected by any irregularity in the sale. The sole remedy of any person previously interested in the share is damages which may be recovered only from the Company.

32. **ALTERATION OF SHARE CAPITAL**

32.1 **Capitalisation of profits**

The Company may capitalise profits, reserves or other amounts available for distribution to members. Subject to the terms of issue of shares and rule 32.4, members are entitled to participate in a capital distribution in the same proportions in which they are entitled to participate in dividends.

32.2 **Adjustment of capitalised amounts**

The Board may settle any difficulty that arises in regard to a capitalisation of profits as it thinks appropriate and necessary to adjust the rights of members among themselves including:

- (a) fix the value of specific assets;
- (b) make cash payments to members on the basis of the value fixed for assets or in place of fractional entitlements so as to adjust the rights of members between themselves;
- (c) disregard fractional entitlements; and
- (d) vest cash or specific assets in trustees.

32.3 **Conversion of shares**

Subject to Part 2H.1, the Listing Rules and rules 22.2 and 22.6, the Company may convert:

- (a) an ordinary share into a preference share;
- (b) a preference share into an ordinary share; or

- (c) all or any of its shares into a larger or smaller number of shares by ordinary resolution (but in the case of partly paid shares the proportion between the amount paid and the amount unpaid on each share must be the same as before the conversion).

32.4 **Adjustments on conversion**

The Board may do anything it thinks appropriate and necessary to give effect to a resolution converting shares including, if a member becomes notionally entitled to a fraction of a share as a result of the conversion:

- (a) make a cash payment or disregard fractional entitlements so as to adjust the rights of members between themselves;
- (b) vest fractional entitlements in a trustee to be dealt with as determined by the Board; or
- (c) round up fractional entitlements to the nearest whole share by capitalising an amount under rule 32.1 even though not all members participate in the capitalisation.

32.5 **Reduction of capital**

Subject to the Listing Rules, the Company may reduce its share capital:

- (a) by reduction of capital in accordance with Division 1 of Part 2J.1;
- (b) by buying back shares in accordance with Division 2 of Part 2J.1;
- (c) in the ways permitted by sections 258E and 258F; or
- (d) in any other way for the time being permitted by the Act.

32.6 **Payments in kind**

Where the Company reduces its share capital in accordance with Division 1 of Part 2J.1, it may do so by way of payment of cash, distribution of specific assets (including shares or other securities in another corporation), or in any other manner permitted by law. If the reduction is by distribution of specific assets, the Board may:

- (a) fix the value of any assets distributed;
- (b) make cash payments to members on the basis of the value fixed so as to adjust the rights of members between themselves; and
- (c) vest an asset in trustees.

32.7 **Payment in kind by way of securities in another corporation**

Where the Company reduces its share capital by way of distribution of specific assets, being shares or other securities in another corporation, each member is taken to have agreed to become a member of that corporation and to have agreed to be bound by the constitution of that corporation. Each member also appoints each Director and each Secretary their agent and attorney to:

- (a) agree to the member becoming a member of that corporation; and
- (b) agree to the member being bound by the constitution of that corporation; and

- (c) execute any transfer of shares or securities, or other document required to give effect to the distribution of shares or other securities to that member.

33. **CURRENCY FOR PAYMENTS**

33.1 **Board may decide currency**

The Board may, with the agreement of the recipient or in accordance with the terms of issue of a share, pay:

- (a) dividends;
- (b) other amounts payable to members (including repayments of capital and distributions of capitalised amounts); or
- (c) remuneration of Directors or other officers,

in the currency of a country other than Australia.

33.2 **Conversion to Australian dollars**

If the Board decides to make a payment in a currency other than Australian dollars and it is necessary, for the purposes of these rules or for any other purpose, to calculate the Australian dollar equivalent of the payment, the Board must fix a time (earlier than the time for payment) and specify the buying or selling rate quoted by a particular financial institution as the time and rate that apply for that purpose.

34. **WINDING UP**

34.1 **Entitlement of Members**

Subject to the terms of issue of shares and this rule 34, the surplus assets of the Company remaining after payment of its debts are divisible among the members in proportion to the number of fully paid shares held by them and, for this purpose, a partly paid share is counted as a fraction of a fully paid share equal to the proportion which the amount paid on it bears to the total issue price of the share.

34.2 **Distribution of assets generally**

If the Company is wound up, the liquidator may, with the sanction of a special resolution:

- (a) divide the assets of the Company among the members in kind;
- (b) for that purpose fix the value of assets and decide how the division is to be carried out as between the members and different classes of members; and
- (c) vest assets of the Company in trustees on any trusts for the benefit of the members as the liquidator thinks appropriate.

34.3 **No distribution of liabilities**

The liquidator cannot compel a member to accept marketable securities in respect of which there is a liability as part of a distribution of assets of the Company.

34.4 **Distribution not in accordance with legal rights**

If the liquidator decides on a division or vesting of assets of the Company under rule 34.2 which does not accord with the legal rights of the contributories, any contributory who

would be prejudiced by it may dissent and has ancillary rights as if that decision were a special resolution passed under section 507.

35. **NOTICES**

35.1 **Notices by Company**

A notice is properly given by the Company to a member if it is:

- (a) in writing signed on behalf of the Company (by original or printed signature);
- (b) addressed to the member to whom it is to be given; and
- (c) either:
 - (i) delivered personally;
 - (ii) sent by prepaid mail (by airmail, if the addressee is overseas) to that member's address; or
 - (iii) sent by fax to the fax number (if any) nominated by that member; or
 - (iv) sent by electronic message to the electronic address (if any) nominated by that member.

35.2 **Overseas members**

A member whose registered address is not in Australia may notify the Company in writing of an address in Australia to which notices may be sent.

35.3 **When notice is given**

A notice to a member by the Company is regarded as given and received:

- (a) if it is delivered personally:
 - (i) by 5.00 pm (local time in the place of receipt) on a business day - on that day; or
 - (ii) after 5.00 pm (local time in the place of receipt) on a business day, or on a day that is not a business day - on the next business day;
- (b) if it is sent by fax or electronic message or given under section 249J(3)(cb):
 - (i) by 5.00 pm (local time in the place from which it is sent or given) on a business day - on that day; or
 - (ii) after 5.00 pm (local time in the place from which it is sent or given) on a business day, or on a day that is not a business day - on the next business day; and
- (c) if it is sent by mail, one business day after posting.

A certificate in writing signed by a Director or Secretary stating that a notice was sent is conclusive evidence of service.

35.4 **Notice to joint holders**

Notice to joint holders of shares must be given to the joint member named first in the Register. Every person who becomes entitled to a share is bound by every notice in

respect of that share that was properly given to a person registered as the holder of the share before the transfer or transmission of the share was entered in the Register.

35.5 Counting days

If a specified period must pass after a notice is given before an action may be taken, neither the day on which the notice is given nor the day on which the action is to be taken may be counted in reckoning the period.

35.6 Notices to "lost" members

If:

- (a) on two or more consecutive occasions a notice served on a member in accordance with this rule is returned unclaimed or with an indication that the member is not known at the address to which it was sent; or
- (b) the Board believes on other reasonable grounds that a member is not at the address shown in the Register or notified to the Company under rule 35.2,

the Company may give effective notice to that member by exhibiting the notice at the Company's registered office for at least 48 hours.

This rule ceases to apply if the member gives the Company notice of a new address.

36. UNCLAIMED MONEY

The Company must deal with unclaimed dividends and distributions and unclaimed proceeds of shares sold or reissued under this document in accordance with the law relating to unclaimed money in the Company's jurisdiction of registration.

SCHEDULE

Terms of issue of preference shares

1. DEFINITIONS

The following definitions apply in relation to a preference share issued under rule 22.2.

Dividend Amount for any Dividend Period means the amount calculated as

$$DA = \frac{AP \times DR \times N}{365}$$

where:

DA = Dividend Amount;

AP = amount paid on the share;

DR = Dividend Rate; and

N = number of days in the relevant Dividend Period.

Dividend Date means a date specified in the Issue Resolution on which a dividend in respect of that preference share is payable.

Dividend Period means:

- (a) the period that begins on and includes the Issue Date and ends on and includes the day before the first Dividend Date after the Issue Date; and
- (b) the period that begins on and includes each Dividend Date and ends on and includes the day before the next Dividend Date; and
- (c) the period that begins on and includes the last Dividend Date and ends on and includes the day before the Redemption Date.

Dividend Rate means the rate specified in the Issue Resolution for the calculation of the amount of dividend to be paid on that preference share on any Dividend Date.

franked dividend means a distribution franked in accordance with section 202-5 of the Tax Act.

Issue Date means the date on which the share is issued.

Issue Resolution means the resolution passed under clause 2 of this schedule.

redeemable preference share means a preference share which the Issue Resolution specifies is liable to be redeemed:

- (a) at a fixed time or on the happening of a particular event;
- (b) at the Company's option; or
- (c) at the holder's option.

Redemption Amount in relation to a redeemable preference share means the amount specified in the Issue Resolution to be paid on redemption of that share.

Redemption Date in relation to a redeemable preference share, means the date on which the Issue Resolution requires the Company to redeem that share.

Tax Act means the *Income Tax Assessment Act 1936* (Cth), the *Income Tax Assessment Act 1997* (Cth), or both, as applicable.

2. **ISSUE RESOLUTION**

If the Board resolves to issue a preference share, it must pass a resolution which specifies:

- (a) the Dividend Date;
- (b) the Dividend Rate;
- (c) whether dividends are cumulative or non-cumulative;
- (d) the priority with respect to payment of dividends and repayment of capital over other classes of shares;
- (e) whether the share is a redeemable preference share or not, and if so:
 - (i) the Redemption Amount; and
 - (ii) if the share is redeemable at the end of a fixed period, the Redemption Date, or otherwise the circumstances (if any) in which the share is redeemable at the option of the holder or of the Company, the way in which that option must be exercised and the way in which the resulting Redemption Date is ascertained; and
- (f) such other terms as the Board may determine.

3. **FRANKED DIVIDENDS**

If the Issue Resolution specifies that the dividend on preference shares must be a franked dividend, it may also specify:

- (a) the extent to which the dividend must be franked (within the meaning of the Tax Act); and
- (b) the consequences of the dividend not being franked to that extent, which may include an increase of the dividend by an amount equal to the additional amount of franking credit which would have been imputed to the holder of the share under the Tax Act if the dividend had been franked in accordance with the Issue Resolution.

4. **DIVIDEND ENTITLEMENT**

The holder of a preference share is entitled to be paid on each Dividend Date or, in the case of the final dividend payable on the share, on the Redemption Date, in priority to any payment of dividend on any other class of shares over which the relevant Issue Resolution or rights conferred under rule 22.2 give it priority, a preferential dividend of the Dividend Amount for the Dividend Period ending on the day before that Dividend Date or the Redemption Date (as the case may be).

The dividend entitlement is cumulative if the Issue Resolution states that it is cumulative and otherwise is non-cumulative.

5. **PRIORITY ON WINDING UP**

The holder of a preference share is entitled, on a winding up, to payment in cash of:

- (a) the amount then paid up on the share; and
- (b) if the Issue Resolution states that dividends are cumulative, any arrears of dividend,

in priority to any payment to the holders of ordinary shares and any other class of preference share over which the relevant Issue Resolution or rights conferred under rule 22.2 give it priority, but has no right to participate in surplus assets and profits of the Company.

6. **VOTING**

The holder of a preference share has no right to vote at any meeting of members except:

- (a) if the Issue Resolution states that dividends are cumulative, during a period during which a dividend (or part of a dividend) on the share is in arrears;
- (b) on a proposal to reduce the Company's share capital;
- (c) on a resolution to approve the terms of a buy-back agreement;
- (d) on a proposal that affects rights attached to the share;
- (e) on a proposal to wind up the Company;
- (f) on a proposal for the disposal of the whole of the Company's property, business and undertaking;
- (g) during the winding up of the Company; and
- (h) in any other circumstances as the Board determines prior to the allotment of preference shares.

See
Listing
Rule 6.3

7. **NOTICES AND FINANCIAL REPORTS**

The Company must give the holder of a preference share notice of each meeting of members in accordance with rule 13 and send the holder financial reports in accordance with rule 21.2.

8. **REDEMPTION OF REDEEMABLE PREFERENCE SHARES**

Subject to the Act, the Company must redeem a redeemable preference share on the Redemption Date by paying the Redemption Amount to the holder in cash, by cheque or in any other form that the Board decides. If the Company sends the holder of a redeemable preference share a cheque for the Redemption Amount, the share is redeemed on the date on which rule 35.3(c) would treat the cheque as being received by the holder, whether or not the holder has presented the cheque. If the holder of a redeemable preference share does not present a cheque for the Redemption Amount within a reasonable period after it is sent, the Company must deal with the Redemption Amount in accordance with rule 36.

9. **EQUAL RANKING ISSUES**

Subject to the terms of issue of any particular class of preference share, the issue of further preference shares that rank equally with any issued preference shares is not taken

to affect the rights of the holders of the existing preference share whether or not the Dividend Rate for the new preference share is the same as or different from that applicable to that preference share.