

# GARRATT'S LIMITED

(ACN 000 003 725)

## MEMORANDUM OF ASSOCIATION

(adopted on 6/1/97 )

[BEING AN AMENDMENT TO THE MEMORANDUM OF ASSOCIATION  
DATED 4 MAY 1908]

1. The name of the company is GARRATT'S LIMITED.
2. The Company has all the rights, powers and privileges of a natural person conferred on it by the Corporations Law.
3. The Company has a nominal share capital of \$4,000,000.00 being 20,000,000 ordinary shares of 20 cents each.
4. The liability of the members is limited.
5. The full names, addresses and descriptions of the subscribers to the Memorandum are:

Richard Gaut  
819 George Street  
Sydney, Hotelkeeper

Charles John Peterkin  
241 Elizabeth Street  
Sydney, Chemist

Herbert Garratt  
Thornleigh, Engineer

Alfred Croker  
283 Elizabeth Street  
Sydney, Dentist

Chas. W. Bennett  
55 Market Street  
Sydney, Importer

William L. Phillips  
Harkness Street  
Woollahra, Engineer

Thomas D. Scott  
Raglan Street  
Mosman, Manager

6. Signatures of subscribers and number of shares taken by each subscriber are:

Richard Gaut                      1  
(SGD)

Charles John Peterkin        1  
(SGD)

Herbert Garratt                    1  
(SGD)

Alfred Croker                      1  
(SGD)

Chas. W. Bennett            1  
(SGD)

William L. Phillips        1  
(SGD)

Thomas D. Scott            1  
(SGD)

**6.**    Witness to the signatures of the subscribers:

Edwin Lionel Johnson (Royal Chambers, Sydney, Public Accountant)

**GARRATT'S LIMITED**

**(ACN 000 003 725)**

A company limited by shares  
incorporated on 6 May 1908

**ARTICLES OF ASSOCIATION**

(adopted on 6/1/97 )

Swaab & Associates  
Solicitors  
Swaab House  
Level 5  
12 O'Connell Street  
SYDNEY NSW 2000  
(DX 522 SYDNEY)  
Email: swaab@magna.com.au

**GARRATT'S LIMITED**  
**ARTICLES OF ASSOCIATION**

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## 2. Interpretation

Headings are for convenience only and do not affect interpretation. The following rules of interpretation apply unless the context requires otherwise.

- (a) A gender includes all genders.
- (b) The singular includes the plural and conversely.
- (c) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (d) A reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it, and all regulations and statutory instruments issued under it.
- (e) Division 10 of Part 1.2 of the Law applies in relation to these Articles as if they were an instrument made under the Law as in force on the date on which these Articles became binding on the company.
- (f) Except in so far as a contrary intention appears in these Articles, an expression has, in a provision of these Articles which relates to a particular provision of the Law, the same meaning as in that provision of the Law.

## 3. Exclusion of Table A

The regulations contained in Table A of Schedule 1 to the Law do not apply to the company.

## 4. Previous Articles Superseded

These Articles supersede all Articles of Association of the company in force immediately before the adoption of these Articles.

## 5. Transitional

Everything done under any previous Articles of Association of the company shall continue to have the same operation and effect after the adoption of these Articles as if properly done under these Articles. In particular:

- (a) every director, alternate director and secretary in office immediately before adoption of these Articles shall be taken to have been appointed and shall continue in office under these Articles; and
- (b) any Seal adopted by the company before the adoption of these Articles shall be taken to be a Seal properly adopted under these Articles.

## 6. Listing Rules

While the company is admitted to the Official List of the Australian Stock Exchange, the following provisions will apply:

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

## II - CAPITAL

### 7. Nominal Capital

Unless and until otherwise determined by the company in general meeting, the nominal capital of the company is \$4,000,000.00 being 20,000,000 ordinary shares of \$0.20 cents each.

### 8. Power of Directors to Issue Securities

- (a) The directors may issue shares or options over shares in, and other securities of, the company.
- (b) Any share, option or other security may be issued with such preferred, deferred or other special rights or such restrictions, whether with regard to dividends, voting, return of capital, payment of calls or otherwise, as the directors may decide.
- (c) The directors may not make or authorise any issue of shares which would have the effect of conferring a controlling interest in the company, without the prior approval of a resolution of members of the company in general meeting.

- (d) Paragraph (a) has effect:
  - (i) subject to the Listing Rules and the Law and paragraph (c); and
  - (ii) without prejudice to any special rights conferred on the holders of any shares, options or other securities issued before the adoption of these Articles.

## 9. Preference Shares

- (a) Subject to the Law, the directors may issue preference shares that are, or at the option of the company are to be, liable to be redeemed.
- (b) Where the company has issued preference shares pursuant to this Article, any issue of securities ranking in priority, or any conversion of existing securities to securities ranking equally or in priority, to that class of preference shares is a variation or abrogation of the rights attached to that class of preference shares.

## 10. Classes of Shares

- (a) This Article applies if at any time the share capital is divided into different classes of shares.
- (b) The rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the company is being wound up, be varied:
  - (i) with the consent in writing of the holders of 75% of the issued shares of that class; or
  - (ii) with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class.
- (c) The provisions of these Articles relating to general meetings apply in so far as they are capable of application to every such separate meeting except that any holder of shares of the class present may demand a poll.
- (d) The rights conferred upon the holders of the shares of any class issued with preferred or other special rights shall not, unless otherwise provided by these Articles, or by the terms of issue of that class, be taken to be varied, abrogated or otherwise affected by the creation or issue of further shares ranking equally with those shares.

## 11. Brokerage and Commission

- (a) The company may exercise the powers to pay brokerage or commission conferred by the Law in the manner provided by the Law.
- (b) The brokerage or commission may be satisfied by:
  - (i) the payment of cash;
  - (ii) the allotment of fully or partly paid shares; or
  - (iii) partly by the payment of cash and partly by the allotment of fully or partly paid shares.

## 12. Recognition of Third Party Interests

- (a) Except as required by law, the company shall not recognise a person as holding a share upon any trust.
- (b) Whether or not it has notice of the rights or interests concerned, the company is not bound to recognise:
  - (i) any equitable, contingent, future or partial interest in any share or unit of a share; or
  - (ii) any other right in respect of a share,  
  
except an absolute right of ownership of the member or as otherwise provided by these Articles or by law.

## 13. Restricted Securities

In the event of a breach of any escrow agreement entered into by the company under the Listing Rules in relation to Restricted Securities issued by the company, the member holding the Restricted Securities shall, notwithstanding any right attached to the shares, cease to be entitled to any Dividends and to any voting rights in respect of those shares for so long as the breach subsists.

## 14. Register of Debenture Holders: Suspension

If at any time the company has issued debentures and keeps a register of debenture holders, the company may close its register of debenture holders during a period or periods not exceeding in aggregate 30 days in any calendar year.

### III - CERTIFICATES FOR SHARES

#### 15. Uncertificated Holdings

- (a) If and for so long as dealings in shares in the company take place under a Transfer System which provides for shares to be held in uncertificated form:
  - (i) the company need not issue any certificate in respect of shares held as an Uncertificated Securities Holding;
  - (ii) a member may, as permitted by the Transfer Systems, elect to have all or any of the member's holding converted from certificated to uncertificated form or from uncertificated to certificated form; and
  - (iii) the register of members shall distinguish between shares held in certificated form and shares held as an Uncertificated Securities Holding.
- (b) This Articles prevails over any provision of these Articles that may be inconsistent with it.

#### 16. Share Certificates

- (a) Subject to Article 14, a person whose name is entered as a member in the register of members is entitled without payment to receive a certificate in respect of the member's shares under the Seal in accordance with the Law.
- (b) The company is not bound to issue more than one certificate in respect of a share or shares held jointly by several persons.
- (c) Delivery of a certificate for a share or shares to one of several joint holders is sufficient delivery to all of the joint holders.

#### 17. Form of Share Certificates

A certificate for shares shall be in a form that the directors from time to time decide.

#### 18. Certificate Seal

The company may have a duplicate of its common seal with the addition of the words "Certificate" or "Share Seal" and which shall be known respectively as a Certificate Seal or Share Seal. Any certificate for shares may be issued under a Certificate Seal or Share Seal and if so issued shall be deemed to be sealed with the Seal.

#### 19. Worn Out or Defaced Share Certificates

- (a) Subject to paragraph (b), the provisions of the law with respect to certificates which are lost or destroyed shall apply to certificates which are worn out or defaced. The directors may exercise all the powers in relation to certificates

which are lost, destroyed, worn out or defaced as are exercisable by the company or its directors under the Law in relation to certificates that are lost or destroyed.

- (b) The company:
- (i) shall only issue a certificate in replacement of a worn out or defaced certificate if the certificate to be replaced is received by the company for cancellation and is cancelled; and
  - (ii) shall not require the payment of any amount in connection with the issue of a replacement certificate.

#### **IV - LIEN ON SHARES**

### **20. Lien on Shares**

- (a) The company has a first and paramount lien on:
- (i) every partly paid share for all money called or payable at a fixed time in respect of that share;
  - (ii) all partly paid shares registered in the name of a sole holder for all money presently payable by him or his estate to the company in respect of those shares.
- (b) The directors may at any time exempt a share wholly or in part from the provisions of this Articles.
- (c) The company's lien (if any) on a share extends to all Dividends payable and entitlements derived in respect of the share. The directors may retain any such Dividends or entitlements and may apply them in or towards satisfaction of all money due to the company in respect of which the lien exists.
- (d) No person shall be entitled to exercise any rights or privileges as a member until the member has paid all calls, instalments of calls and other money (including interest) for the time being payable in respect of every share held by the member.
- (e) If under the law of any place in or outside Australia any immediate, future or possible liability is imposed or purported to be imposed on the company to make any payment or empowers any government authority to require the company to make any payment:
- (i) in respect of any shares registered in the name of the member (whether solely or jointly with others);
  - (ii) in respect of any Dividends, interest, bonuses or other money or distributions paid or payable or entitlements derived or deriving in respect of any such shares;

- (iii) for or on account or in respect of any member (whether in consequence of the death of that member, the non-payment of any income or other tax by that member, the non-payment of any estate, probate, succession, death, stamp or other duty by the member or by the executor or administrator of the estate of that member or otherwise),

then the company:

- (A) shall be fully indemnified by that member or his estate from and against all such liability;
- (B) shall have a lien upon the shares registered in the name of that member for all money paid by the company in respect of those shares under or in consequence of any such liability; and
- (C) may recover, as a debt due from that member or his estate, any such sum by deduction from any Dividend payable to the member or otherwise (together with interest on the sum from the day of payment of the sum by the company to the time of actual repayment by the member or his estate at a rate not exceeding the Prescribed Rate, but the directors may waive payment of that interest wholly or in part).

## 21. Exercise of Lien

- (a) Subject to paragraph (b), the company may sell any shares on which the company has a lien, in such manner as the directors think fit.
- (b) A share on which the company has a lien shall not be sold unless:
  - (i) a sum in respect of which the lien exists is payable; and
  - (ii) the company has, not less than 7 days before the date of the sale given to the member for the time being of the share or the person entitled to the share by reason of the death or bankruptcy of the member a notice in writing demanding payment of such part of the amount in respect of which the lien exists as is then payable.

## 22. Completion of Sale

- (a) For the purpose of giving effect to a sale of shares under lien, the directors may authorise a person to do everything necessary to transfer the shares sold to the purchaser of the shares.
- (b) The company shall register the purchaser as the holder of the shares comprised in any such transfer, after which the validity of the sale may not be impeached by any person, and the company is not bound to see to the application of the purchase money.



- (c) The title of the purchaser to the shares is not affected by any irregularity or invalidity in connection with the sale.
- (d) The remedy of any person aggrieved by any such sale shall be in damages only and against the company exclusively.

### **23. Application of Proceeds of Sale**

The proceeds of a sale made under a lien shall be applied by the company in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue (if any) shall (subject to any like lien for sums not presently payable that existed upon the shares before the sale) be paid to the person entitled to the shares immediately prior to the sale.

## **V - CALLS ON SHARES**

### **24. Directors' Powers to Make Calls**

- (a) The directors may make calls upon the members in respect of any money unpaid on the shares of the members (whether on account of the nominal amount of the shares or by way of premium) and not by the terms of issue of those shares made payable at fixed times.
- (b) Each member shall, upon receiving at least 30 business days' notice specifying the time or place of payment, pay to the company at the time and place so specified the amount called on the member's shares.
- (c) The directors may revoke a call.
- (d) The directors may postpone a call.
- (e) A call may be required to be paid by instalments.
- (f) A call is made at the time when the resolution of the directors authorising the call was passed.

### **25. Liability of Joint Holders for Calls**

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

### **26. Interest on Unpaid Amounts**

- (a) If a sum called or otherwise payable to the company in respect of a share is not paid before or on the day appointed for payment of the sum, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment of the sum to the time of actual payment at a rate equal to the aggregate of 5% per annum and the Prescribed Rate (or such lesser rates as

shall be the maximum permitted by law), together with expenses incurred by the company by reason of non-payment.

- (b) The directors may waive payment of that interest wholly or in part.

## **27. Fixed Sums Taken to be Called**

- (a) Any sum that, under the terms of issue of a share, becomes payable on allotment or at a fixed rate (whether on account of the nominal amount of the share or by way of premium) shall, for the purposes of these Articles, be taken to be a call duly made and payable on the date on which the terms of issue the sum becomes payable.
- (b) If any other sum is not paid when due, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise apply as if that sum had become payable by virtue of a call duly made and notified.

## **28. Differentiation Between Holders**

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

## **29. Prepayments of Calls**

- (a) The directors may accept from a member the whole or a part of the amount unpaid on a share although that amount has not been called.
- (b) The directors may authorise payment by the company of interest on the whole or any part of an amount accepted under paragraph (a), until the amount becomes payable, at the Prescribed Rate.
- (c) The non-receipt of a notice of a call by, or the accidental omission to give notice of a call to, any of the members shall not invalidate the call.
- (d) A prepayment does not confer a right to participate in a dividend declared in respect of a period prior to the date on which the amount so advanced would have been payable.
- (e) The directors may at any time repay the amount so advanced upon given not less than 14 days written notice.

## **VI - TRANSFER OF SHARES**

### **30. Transfer Systems**

- (a) If and for so long as dealings in shares in the company take place under a Transfer System, shares may be transferred in the manner permitted by the relevant system.

- (b) This Article prevails over any other provision of these Articles that may be inconsistent with it.

### **31. Transferability of Shares**

- (a) Subject to these Articles and the Law, a member's shares may be transferred by instrument in writing, in any form authorised by Law or Listing Rules or in any other form that the directors approve.
- (b) No fee shall be charged by the company on the transfer of any shares.
- (c) A transferor of shares remains the holder of the shares transferred until the transfer is registered.
- (d) Restricted Securities cannot be transferred or otherwise disposed of except as permitted by the Listing Rules or the Exchange.

### **32. Registration of Transfers**

- (a) Where shares are transferred by instrument, the following documents must be lodged for registration at the registered office of the company or the location of the relevant share register:
  - (i) The instrument of transfer.
  - (ii) The certificate (if any) for the shares.
  - (iii) Such other information as the directors may require to establish the transferor's right to transfer the shares.
- (b) On compliance with paragraph (a), the company shall, subject to the powers of the company to refuse registration, register the transferee as a member.
- (c) The directors may waive compliance with paragraph (a)(ii) of this Article 32 upon satisfactory evidence of loss or destruction of the certificate or certificates.

### **33. Where Registration may be Refused**

The company may refuse to register any transfer of shares where required or permitted to do so by law, the Listing Rules or the SCH business rules including but not limited to the following circumstances:

- (a) Where the transfer has resulted, or registration of the transfer would result in a contravention of or failure to observe the provisions of a law of a state or territory or of the Commonwealth and the Exchange has agreed in writing to an application for a holding lock as defined by the SCH business rules.

- (b) Where the company has a lien on any of the shares.
- (c) Where any of the shares are the subject of a call which has been made and is unpaid.
- (d) Where the company is required to do so to ensure compliance with the Listing Rules.
- (e) Where the company is permitted to do so in compliance with the Law.

### **34. Restricted Securities**

The company shall refuse to acknowledge, deal with, accept or register any sale, assignment or transfer of any Restricted Securities on issue which is or might be in breach of the Listing Rules or any escrow agreement entered into by the company under the Listing Rules in relation to the Restricted Securities.

### **35. Notice of Non-Registration**

If the directors declined to register any transfer of shares, the company shall within 5 Business Days after the transfer was lodged with the company give to the person who lodged the transfer written notice of, and the precise reasons for, the decision to decline registration.

### **36. Suspension of Transfers**

The registration of transfers may be suspended at any time and for any period as the directors from time to time decide. The aggregate of those periods shall not exceed in aggregate 30 days in any calendar year.

## **VII - TRANSMISSION OF SHARES**

### **37. Entitlement to Shares on Death**

- (a) Where a member dies:
  - (i) the survivor or survivors, where the member was a joint holder; and
  - (ii) the legal personal representatives of the deceased, where the member was a sole holder;

shall be the only persons recognised by the company as having any title to the member's interest in the shares.

- (b) This Article does not release the estate of a deceased joint holder from any liability in respect of a share that had been jointly held by the holder with other persons.

### **38. Registration of Persons Entitled**

- (a) Subject to the Bankruptcy Act, 1966, a person becoming entitled to a share in consequence of the death or bankruptcy of a member may, on the production of any information as is properly required by the directors, elect either:
- (i) to be registered personally as holder of the share; or
  - (ii) to have another person registered as the transferee of the share.
- (b) All the limitations, restrictions and provisions of these Articles relating to:
- (i) the right to transfer;
  - (ii) the registration of the transfer of; and
  - (iii) the issue of certificates with respect to,
- shares are applicable to any transfer as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer signed by that member.

### **39. Dividends and Other Rights**

- (a) Where a member dies or becomes bankrupt, the member's legal personal representative or the trustee of the member's estate, as the case may be, is, upon the production of all information as is properly required by the directors, entitled to the same Dividends, entitlements and other advantages and to the same rights (whether in relation to meetings of the company or to voting or otherwise) as the member would have been entitled to if the member had not died or become bankrupt.
- (b) Where 2 or more persons are jointly entitled to any share as a result of the death of a member, they shall, for the purposes of these Articles, be taken to be joint holders of the share.

## **VIII - FORFEITURE OF SHARES**

### **40. Liability to Forfeiture**

- (a) If a member fails to pay a call or instalment of a call on the day appointed for payment of the call or instalment, the directors may, at any time afterwards while any part of the call or instalment remains unpaid, serve a notice on the member requiring payment of so much of the call or instalment as is unpaid, together with any interest that has accrued and all expenses of the company incurred by the non-payment.

- (b) The notice shall:
  - (i) specify another day (not earlier than 14 days after the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - (ii) state that, if payment is not made at or before the time specified, the shares in respect of which the call was made will be liable to be forfeited.

#### **41. Surrender of Shares**

Subject to law, the directors may accept the surrender of any fully paid share by way of compromise of any question as to the holder of it being properly registered in respect of it or in satisfaction of any payment due to the company and may accept the gratuitous surrender of any fully paid share. Any share so surrendered may be disposed of in the same manner as a forfeited share.

#### **42. Power to Forfeit**

- (a) If the requirements of a notice served under Article 40 are not complied with, any share in respect of which the notice has been given at any time afterwards, but before the payment required by the notice has been made, may be forfeited by a resolution of the directors to that effect.
- (b) Such a forfeiture shall include all Dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

#### **43. Powers of Directors**

- (a) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the directors think fit.
- (b) The forfeiture may be cancelled on such terms as the directors think fit at any time before a sale or disposition.

#### **44. Consequences of Forfeiture**

A person whose shares have been forfeited:

- (a) ceases to be a member in respect of the forfeited shares at the time and on the date of the passing of the directors' resolution approving the forfeiture; and
- (b) remains liable to pay to the company all money that, at the date of forfeiture, was payable by him to the company in respect of the shares (including, if the directors think fit, interest from the date of forfeiture at the Prescribed Rate on the money for the time being unpaid).

## 45. Evidentiary Matters

A statement in writing by a director or a secretary of the company to the effect that:

- (a) a share in the company has been duly forfeited on a date specified in the statement; or
- (b) a particular sum is payable by a member or former member to the company as at a particular date in respect of a call or instalment of a call (including interest),

is prima facie evidence of the facts set out in the statement as against all persons claiming to be entitled to the share and against the member or former member who remains liable to the company under Article 44.

## 46. Transfers after Forfeiture and Sale

- (a) The company may:
  - (i) receive the consideration (if any) given for a forfeited share on any sale or disposition of the share; and
  - (ii) effect a transfer of the share in favour of the person to whom the share is sold or disposed of.
- (b) Upon the completion of the transfer, the transferee shall be registered as the holder of the share and is not bound to see to the application of any money paid as consideration.
- (c) The title of the transferee to the share is not affected by any irregularity or invalidity in connection with the forfeiture, sale or disposal of the share.

## 47. Fixed Amounts Taken to be Calls

The provisions of these Articles relating to forfeiture apply in the case of non-payment of any sum that, under the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal amount of the share or by way of premium, as if that sum had become payable by virtue of a call duly made.

## IX - CONVERSION OF SHARES INTO STOCK

### 48. Power to Convert Shares into Stock

The company may by resolution passed in general meeting:

- (a) convert or provide for the conversion of all or any of its paid up shares into stock; or
- (b) reconvert or provide for the reconversion of that stock into paid up shares of any denomination.

## **49. Transfer of Stock**

- (a) Subject to paragraph (b), where shares have been converted to stock, the provisions of these Articles relating to the transfer of shares apply, so far as they are capable of application, to the transfer of the stock or any part of the stock.
- (b) The directors may fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but the minimum shall not exceed the aggregate of the nominal amount of the shares from which the stock arose.

## **50. Rights and Privileges of Members**

- (a) The holders of stock have, according to the amount of the stock held by them, the same rights, privileges and advantages as regards Dividends, voting at meetings of the company and other matters as they would have if they held the shares from which the stock arose.
- (b) No such right, privilege or advantage (except participation in the Dividends and profits of the company and in the property of the company on winding up) shall be conferred by any amount of stock that would not, if existing in shares, have conferred that right, privilege or advantage.

## **51. Interpretation (Stock)**

The provisions of these Articles as are applicable to paid up shares apply to stock and references in those provisions to share and member shall be read as including references to stock and stockholder respectively.

## **X - ALTERATION OF CAPITAL**

### **52. Power to Alter Capital**

The company may by resolution passed in general meeting alter the provisions of its memorandum:

- (a) by increasing its share capital by the creation of new shares of such amount as it thinks expedient;
- (b) by consolidating and dividing all or any of its share capital into shares of a larger amount than its existing shares;
- (c) by subdividing all or any of its shares into shares of smaller amount than is fixed by the memorandum, but so that, in the subdivision, the proportion between the amount paid and the amount (if any) unpaid on each share of a smaller amount is the same as it was in the case of the share from which the share of a smaller amount is derived; and



- (d) by cancelling shares that, at the date of the passing of the resolution to that effect, have not been taken by any person or that have been forfeited and by reducing its share capital by the amount of the shares so cancelled.

### **53. Power to Reduce Capital**

Subject to the Law and the Listing Rules, the company may, by special resolution, reduce its share capital, any capital redemption reserve fund and any share premium account.

## **XI - BUY-BACK AUTHORISATION**

### **54. Power to Buy Back Shares**

- (a) Subject to the Law and the Listing Rules, the company may buy ordinary shares in itself.
- (b) This Article does not affect any power the company may have to buy any other securities issued by the company.

## **XII - TAKEOVER APPROVAL PROVISION**

### **55. Restriction on Registration**

The registration of any transfer of shares giving effect to a contract resulting from the acceptance of an offer made under a proportional takeover scheme in respect of shares in a class of shares in the company is prohibited unless and until a resolution to approve the takeover scheme is passed in accordance with Article 56.

### **56. Procedures (Takeovers)**

- (a) Subject to paragraph (b), the only persons entitled to vote on a resolution to approve a proportional takeover scheme are those persons who, as at the end of the day on which the first offer under the takeover scheme was made, held shares included in the class of shares in respect of which the offer was made. Each person entitled to vote has 1 vote for each share in the relevant class held by him at that time.
- (b) Neither the offeror under the takeover scheme nor any person who is associated with the offeror (within the meaning of the Law) is entitled to vote on the resolution.
- (c) The directors may decide whether the resolution is to be considered either:
- (i) at a meeting of the persons entitled to vote on the resolution; or
  - (ii) by means of a postal ballot to be carried out in accordance with Article 57.

- (d) If the resolution is put to a meeting, the provisions of these Articles relating to general meetings shall apply to the meeting with such modifications as the directors decide are required in the circumstances.
- (e) The resolution shall be taken to have been passed only if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%.

## **57. Postal Ballots**

- (a) This Article applies if the resolution is to be considered by means of a postal ballot.
- (b) A notice of postal ballot and ballot paper must be sent to all persons entitled to vote on the resolution not less than 14 days (or such shorter period as the directors decide the circumstances require) before the date specified in the notice for closing of the postal ballot.
- (c) The non-receipt of a notice of postal ballot or ballot paper by, or the accidental omission to give a notice of postal ballot or ballot paper to, a person entitled to vote shall not invalidate the postal ballot or any resolution passed under the postal ballot.
- (d) The notice of postal ballot must set out the terms of the proposed resolution and the date for closing of the ballot.
- (e) A ballot paper is valid only if:
  - (i) it is duly completed;
  - (ii) it is signed by the member or a duly authorised attorney or, where the member is a corporation, it is executed under seal or under the hand of a duly authorised officer or attorney; and
  - (iii) the ballot paper and the power of attorney or other authority (if any) under which the ballot paper is signed or a copy of that power or authority certified as a true copy by statutory declaration is or are received by the company no later than the closing date for the postal ballot at the place specified in the notice of postal ballot.
- (f) Subject to paragraphs (b) to (e) the directors shall decide the form of the ballot paper and the manner in which a postal ballot is conducted.

## **58. Duration of Provisions**

The provisions of Articles 55 to 57 cease to have effect on the third anniversary of the date of their adoption or of their most recent renewal effected in accordance with the Law.

### **XIII - GENERAL MEETINGS**

#### **59. Power of Directors to Convene**

- (a) The directors may whenever they think fit convene a general meeting.
- (b) 2 or more members holding at least 10% of the issued share capital of the company may convene a general meeting.
- (c) The directors may cancel by notice in writing to all members any meeting convened by them, provided that a meeting convened upon the requisition of a member or members shall not be cancelled without their consent.
- (d) The directors may postpone a general meeting or change the place at which it is to be held by notice, not later than 72 hours prior to the time of the meeting, to all persons to whom the notice of meeting was given, specifying the place, date and time of the meeting, which shall be deemed to have been duly convened pursuant to the notice first convening it.

#### **60. Notice of General Meetings**

- (a) Each notice convening a general meeting shall specify:
  - (i) the place, date and hour of the meeting; and
  - (ii) the general nature of any special business to be transacted at the meeting.
- (b) A notice convening an annual general meeting need not state the general nature of business of the kind referred to in Article 61(a)(i) and (ii) but, if the business includes the election of directors, the names of the candidates for election shall be stated.
- (c) The non-receipt of a notice convening a general meeting by or the accidental omission to give notice to any person entitled to receive notice shall not invalidate the proceedings at or any resolution passed at the meeting.

#### **61. Business of General Meeting**

- (a) The business of an annual general meeting shall be as follows:
  - (i) To receive the company's financial statements, the related directors' statements and report and the auditor's report.
  - (ii) To elect directors.
  - (iii) To transact any other business which under the Law, the Listing Rules or these Articles ought to be or may be transacted at the meeting.

- (b) No business shall be transacted at any general meeting except:
  - (i) the ordinary business of the annual general meeting; and
  - (ii) as set out in the notice of the meeting.

## **62. Quorum at General Meeting**

- (a) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (b) Except as otherwise provided in these Articles, 3 Members Present shall constitute a quorum.

## **63. If Quorum not Present**

If a quorum is not present within 15 minutes after the time appointed for the meeting:

- (a) where the meeting was convened upon the requisition of members, the meeting shall be dissolved (subject to Article 65(a));
- (b) in any other case:
  - (i) the meeting stands adjourned to a day and at a time and place as the directors decide or, if no decision is made by the directors, to the same day in the next week, at the same time and place; and
  - (ii) if at the adjourned meeting a quorum is not present within 15 minutes after the time appointed for the meeting, the meeting shall be dissolved.

## **64. Chairman of Meetings**

- (a) Subject to paragraph (b), the chairman of directors or, in his absence, the deputy chairman, shall preside as chairman at every general meeting.
- (b) Where a general meeting is held and:
  - (i) there is no chairman or deputy chairman; or
  - (ii) the chairman or deputy chairman is not present within 15 minutes after the time appointed for the meeting or does not wish to act as chairman of the meeting,

the directors present shall choose one of their number or, in the absence of all directors or if none of the directors present wish to act, the Members Present shall elect 1 of their number to be chairman of the meeting.

## 65. Adjournments

- (a) The chairman may and shall if so directed by the meeting adjourn the meeting from time to time and from place to place. If the chairman exercises his right to adjourn the meeting in this Article 65(a), he may decide in his discretion whether to seek the approval of the Members Present.
- (b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (c) When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (d) Except as provided by paragraph (c), it is not necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

## 66. Voting at General Meeting

- (a) Any resolution to be considered at a meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded.
- (b) A declaration by the chairman that a resolution has on a show of hands been carried or lost and an entry to that effect in the minutes of the meeting shall be taken as conclusive evidence of the fact without the need to show the number or proportion of the votes recorded in favour of or against the resolution.
- (c) A poll may be demanded:
  - (i) by the chairman;
  - (ii) by at least 5 Members Present and having the right to vote at the meeting;
  - (iii) by a Member or Members Present and representing not less than 10% of the total voting rights of all the members (whether present or not) having the right to vote at the meeting; or
  - (iv) by a Member or Members Present holding shares in the company conferring a right to vote at the meeting on which an aggregate sum has been paid up equal to not less than 10% of the total sum paid up on all the shares conferring that right.
- (d) The demand for a poll may be withdrawn.
- (e) A poll may not be demanded on the election of a chairman or on a resolution for adjournment.

## **67. Procedure for Polls**

- (a) A poll when demanded shall be taken in such manner and whenever the chairman directs.
- (b) The result of the poll shall be a resolution of the meeting at which the poll was demanded.
- (c) The demand for a poll shall not prevent a meeting from continuing for the transaction of any business other than that on which a poll has been demanded.

## **68. Chairman's Casting Vote**

In the case of an equality of votes on a show of hands or on a poll the chairman of the meeting has a casting vote in addition to any vote to which he may be entitled as a member.

## **69. Representation and Voting of Members**

Subject to these Articles and any rights or restrictions for the time being attached to any class or classes of shares:

- (a) at meetings of members or classes of members each member entitled to attend and vote may attend and vote in person or by proxy, or attorney and (where the member is a body corporate) by representative;
- (b) on a show of hands, every member present has 1 vote;
- (c) on a poll, every Member Present has:
  - (i) 1 vote for each fully paid share;
  - (ii) in the case of partly paid shares that number of votes equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited).
  - (iii) if the total of all votes and fractions of votes to which a member is entitled does not constitute a whole number then the fractional part will be disregarded.

## **70. Joint Holders**

Where more than 1 joint holder votes, the vote of the holder, whose name appears first in the register of members shall be accepted to the exclusion of the others.

## 71. Members of Unsound Mind and Minors

- (a) If a member is:
- (i) of unsound mind;
  - (ii) a person whose person or estate is liable to be dealt with in any way under the law relating to mental health; or
  - (iii) a minor,
- the member's committee or trustee or any other person as properly has the management or guardianship of the member's estate or affairs may, subject to paragraph (b), exercise any rights of the member in relation to a general meeting as if the committee, trustee or other person were the member.
- (b) Any such person with powers of management or guardianship shall not exercise any rights under paragraph (a) unless and until he has provided the directors with satisfactory evidence of his appointment and status.

## 72. Restriction on Voting Rights : Unpaid Amounts

A member is not entitled to vote at a general meeting unless all calls and other sums presently payable by the member in respect of shares in the company have been paid.

## 73. Objections to Qualification to Vote

- (a) An objection may be raised to the qualification of a person to vote only at the meeting or adjourned meeting at which the vote objected to is tendered.
- (b) Any such objection shall be referred to the chairman of the meeting, whose decision shall be final.
- (c) A vote allowed after such an objection shall be valid for all purposes.

## 74. Number of Proxies

- (a) A member may appoint not more than 2 proxies, neither of whom need be a member.
- (b) An appointment of 2 proxies shall be of no effect unless each proxy is appointed to represent a specified proportion of the members' voting rights.

## 75. Form of Proxy

- (a) An instrument appointing a proxy must:
  - (i) be in writing under the hand of the appointor or of his attorney duly authorised in writing; or

- (ii) if the appointor is a corporation, be either under seal or under the hand of a duly authorised officer.
- (b) An instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution. Where it does so, the proxy is not entitled to vote on the resolution except as specified in the instrument. A proxy may vote as he thinks fit on any motion or resolution in respect of which no manner of voting is indicated.
- (c) An instrument appointing a proxy shall be taken to confer authority to demand or join in demanding a poll, and to be valid for any adjournment of any meeting to which it relates.
- (d) An instrument appointing a proxy shall be in any form as the directors may accept or stipulate.
- (e) Notwithstanding Article 70, where an instrument of proxy is signed by all of the joint holders of any shares, the votes of the proxy so appointed shall be accepted in respect of those shares to the exclusion of any votes tendered by a proxy for any 1 of those joint holders.

## 76. Lodgement of Proxies

- (a) An instrument appointing a proxy shall not be treated as valid unless the instrument and the power of attorney or other authority (if any) under which the instrument is signed or a notarially certified copy of that power or authority is or are lodged not less than 48 hours (or any shorter period as the directors may permit) before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote at the place which is specified for that purpose in the notice convening the relevant meeting or, if none, at the registered office of the company.
- (b) For the purposes of this Article, any document, a legible facsimile of which is received at a place shall be taken to have been duly lodged at that place at the time when the facsimile is received.

## 77. Validity of Proxies

- (a) A vote given in accordance with the terms of an instrument of proxy or of a power of attorney or other relevant instrument of appointment is valid notwithstanding:
  - (i) the previous death or unsoundness of mind of the principal;
  - (ii) the revocation of the instrument (or of the authority under which the instrument was executed) or of the power; or
  - (iii) the transfer of the share in respect of which the instrument or power is given;



if no notice in writing of the death, unsoundness of mind, revocation or transfer has been received by the company at its registered office at least 48 hours before the commencement of the meeting or adjourned meeting at which the instrument is used or the power is exercised.

- (b) No instrument appointing a proxy shall be treated as valid after 12 months from the date of execution.

## **78. Where Proxy is Incomplete**

- (a) No instrument appointing a proxy shall be treated as invalid merely because:
  - (i) it does not contain the address of the appointor or of a proxy;
  - (ii) it is not dated; or
  - (iii) it does not contain in relation to any or all resolutions an indication of the manner in which the proxy is to vote.
- (b) Where the instrument does not specify the name of a proxy, the instrument shall be taken to be given in favour of the chairman of the meeting.

## **79. Right of Officers and Advisors to Attend General Meeting**

- (a) A director who is not a member shall be entitled to be present and to speak at any general meeting.
- (b) A secretary who is not a member shall be entitled to be present and, at the request of the chairman, to speak at any general meeting.
- (c) Any other person (whether a member or not) requested by the directors to attend any general meeting shall be entitled to be present and, at the request of the chairman, shall be entitled to speak at that general meeting.

## **XIV - APPOINTMENT, REMOVAL AND REMUNERATION OF DIRECTORS**

### **80. Number of Directors**

The number of directors (not including alternate directors) shall not be less than three nor more than such maximum number as may be decided by the directors from time to time.

### **81. Appointment and Removal**

- (a) Subject to the Law and Article 80 the company may at any time by resolution passed in general meeting:
  - (i) appoint any person to be a director; or

- (ii) remove any director from office,

provided that a majority of directors shall be persons ordinarily residing in Australia.

- (b) Subject to the Law, to Article 80 and to Article 101(c), the directors may at any time appoint any person to be a director. That person shall hold office until the end of the next following general meeting and shall be eligible for election at that meeting.

## **82. No Share Qualification for Directors**

No share qualification is required of a director.

## **83. Retirement at Each Annual General Meeting**

- (a) Subject to Article 101(c), at every annual general meeting one-third of the directors or, if their number is not a multiple of 3, then the number nearest to one-third, shall retire from office and be eligible for re-election.
- (b) The directors to retire in every year shall be the directors longest in office since last being elected or re-elected. Between directors who were elected on the same day the director to retire shall be decided by lot unless they agree otherwise.
- (c) A retiring director shall be eligible for re-election without needing to give any prior notice of intention to submit for re-election and shall hold office as a director until the end of the meeting at which the director retires.
- (d) 1 managing director and any director appointed and vacating office under Article 81(b) shall not be taken into account in deciding the number or identity of the directors to retire by rotation under this Article.
- (e) No person other than a retiring director or a director vacating office under Article 81(b) shall be eligible to be elected a director at any general meeting unless a notice of his candidature was given to the company at least 20 business days before the meeting.
- (f) Notice of candidature of any person as a director shall be given to members at least 7 business days before the meeting at which the election is to take place.

## **84. Remuneration**

- (a) Subject to paragraph (b), the remuneration payable by the company to directors shall be as from time to time approved by the company by resolution passed in general meeting.
- (b) Any director who is remunerated as managing director shall not be remunerated under paragraph (a).

- (c) The remuneration fixed under paragraph (a):
  - (i) shall be divided among the directors in the proportions as they may agree or, if they cannot agree, equally among them; and
  - (ii) is exclusive of any benefits which the company provides to directors in satisfaction of legislative schemes including, without limitation, benefits provided under superannuation guarantee or training guarantee or similar schemes.
- (d) The directors shall also be entitled to be paid or reimbursed for all travelling and other expenses properly incurred by them in attending and returning from meetings of the directors or any committee of the directors or general meetings of the company or otherwise in connection with the business or affairs of the company.
- (e) If any director with the approval of the directors performs extra services or makes any special exertions for the benefit of the company, the directors may approve the payment to that director of such special and additional remuneration (not including a commission on or percentage of profits or operating revenue or turnover) as the directors think fit having regard to the value to the company of the extra services or special exertions.
- (f) A director may be engaged by the company in any other capacity (other than auditor) and may be appointed on such terms as to remuneration, tenure of office and otherwise as may be agreed by the directors.
- (g) Fees payable by the company and any entity under its control to non-executive directors shall be by a fixed sum, and not by a commission on, or percentage of, the profits or operating revenue of the company.
- (h) Remuneration payable by the company and any entity with which it is associated to any executive director shall not include a commission on, or percentage of, the operating revenue of the company.
- (i) Fees payable by a company and/or entity with which it is associated to directors of the company shall not be increased without the prior approval of shareholders of the company in general meeting. The notice convening the meeting shall include the amount of the increase and the maximum sum that may be paid.

## 85. Vacation of Office

In addition to the circumstances in which the office of a director becomes vacant:

- (a) under the Law;
- (b) because of a resolution:
  - (i) under Section 227 of the Law; or

- (ii) under Article 81(a)(i);
- (c) under Article 83,

the office of a director becomes vacant if the director:

- (d) becomes of unsound mind or a person whose person or estate is likely to be dealt with in any way under the law relating to mental health;
- (e) resigns by notice in writing to the company;
- (f) is absent without the consent of the directors from meetings of the directors held during a continuous period of 4 months; or
- (g) dies.

## **86. Retiring Allowance for Directors**

- (a) The directors may pay to a director or a former director a retiring allowance as consideration for or in connection with his retirement where:
  - (i) the director is, at the date of his retirement, a non-executive director;
  - (ii) the director had been, at the date of his retirement, a non-executive director for a continuous period of at least 3 years; and
  - (iii) the amount of the retiring allowance is not such as to make the payment prohibited under Section 237(1)(a) of the Law.
- (b) The directors may, on the death of a non-executive director who at the date of his death had been a non-executive director for a continuous period of at least 3 years, pay to the legal personal representative of the deceased director an amount not exceeding the total amount that may be paid to the director on retirement under the law.
- (c) No retiring allowance may be paid to a director or a former director:
  - (i) except as provided in paragraphs (a) and (b); and
  - (ii) if the director or former director has ceased to hold office under the provisions of, or for the reason stated in Article 85(a), (b), (d) or (f).

## **XV - POWERS AND DUTIES OF DIRECTORS**

### **87. Powers of Directors**

- (a) Subject to the Law and these Articles, the business of the company shall be managed by the directors, who may exercise all powers of the company which are not, by the law or these Articles, required to be exercised by the company in general meeting.

- (b) Without limiting the generality of paragraph (a), the directors may exercise all the powers of the company:
  - (i) to borrow money, to charge any property or business of the company or all or any of its uncalled capital;
  - (ii) to issue debentures or give any other security for a debt, liability or obligation of the company or of any other person; and
  - (iii) in relation to any Seal and any branch register.

## **88. Appointment of Attorneys**

- (a) The directors may, by power of attorney, appoint any person to be the attorney of the company for the purposes, with the powers, authorities and discretions vested in or exercisable by the directors for any period and subject to any conditions as they think fit.
- (b) Any appointment under paragraph (a) may be made on terms for the protection and convenience of persons dealing with the attorney as the directors think fit and may also authorise the attorney to delegate all or any of the powers, authorities and discretions vested in the attorney.

## **89. Negotiable Instruments**

All cheques, promissory notes, bankers drafts, bills of exchange, and other negotiable instruments shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, by the persons and in the manner as the directors may decide from time to time.

## **XVI - PROCEEDINGS OF DIRECTORS**

### **90. Proceedings**

- (a) The directors may meet together for the despatch of business and adjourn and otherwise regulate their meetings as they think fit.
- (b) A director may at any time, and on the request of a director or a secretary convene a meeting of the directors.
- (c) Reasonable notice must be given to every director of the place, date and hour of every meeting of the directors. Where any director is for the time being outside of Australia, notice will be deemed given to that director if served at the usual place of residence of such director or at such other address as may be given to the secretary by the director from time to time, but notice shall always be given to any alternate director in Australia whose appointment by that director is for the time being in force.

## 91. Meetings by Telecommunications

Where, through a system of communication, 1 or more of the directors absent from the place appointed for a meeting can hear and be heard by one another (if more than 1 ) and by the directors in attendance at that place:

- (a) those absent directors and the directors so in attendance shall, for the purpose of every provision of these Articles concerning meetings of the directors, be taken to be assembled together at a meeting held at that place; and
- (b) all proceedings of those directors conducted in that manner shall be as valid and effective as if conducted at a meeting at which all of them were present.

## 92. Quorum at Meetings of Directors

At a meeting of directors, the number of directors whose presence is necessary to constitute a quorum is the number as is decided by the directors and, unless so decided, is 3.

## 93. Chairman of Directors

- (a) The directors may elect 1 of their number as their chairman and another as deputy chairman and may decide the period for which each is to hold office.
- (b) Where a meeting of directors is held and:
  - (i) a chairman has not been elected as provided by paragraph (a); or
  - (ii) the chairman is not present at the time appointed for the holding of the meeting or does not wish to chair the meeting;

the directors present shall elect 1 of their number to be a chairman of the meeting.

- (c) Subject to Article 84(a), the remuneration of the chairman shall be decided by the directors.

## 94. Proceedings at Meetings of Directors

- (a) Subject to these Articles, questions arising at a meeting of directors shall be decided by a majority of votes of directors present and voting and any such decision shall for all purposes be taken to be a decision of the directors.
- (b) Subject to paragraph (c), in the case of an equality of votes, the chairman of the meeting has a casting vote in addition to his deliberative vote.
- (c) The chairman shall not have a casting vote:
  - (i) where only 2 directors are present;

- (ii) where only 2 directors are competent to vote on the question being considered; or
- (iii) on his reappointment to the position of chairman.

## 95. Disclosure of Interests by Directors

- (a) A director is not disqualified by his office from contracting with the company in any capacity.
- (b) A contract or arrangement made by the company with a director or in which a director is in any way directly or indirectly interested shall not be avoided merely because the director is a party to or interested in it.
- (c) If a director has duly declared in accordance with the Law the nature of his interest in any contract or arrangement of the kind mentioned in paragraph (b), the director is not, merely because of his office as director or the fiduciary relationship it entails, liable to account to the company for any profit derived by him from the contract or arrangement.
- (d) A director shall not as a director vote or be counted in the quorum at any meeting of the directors in respect of any contract or proposed contract or arrangement in which the director has, directly or indirectly, a material interest.
- (e) If the provisions of this Article and the Law have been observed by any director with regard to any contract or arrangement in which the director is in any way interested, the fact that the director affixed or witnessed the affixing of a Seal to the document evidencing the contract or arrangement shall not in any way affect its validity.
- (f) For the purposes of this Article, whether a director is in any way, directly or indirectly, interested in a contract or proposed contract shall be decided in the same manner in all respects as if that question had arisen under the provisions of the Law relating to voting by directors on matters in which they have a material personal interest.
- (g) A director may hold any office of employment or profit in the company (other than auditor) in addition to holding office as a director.

## 96. Alternate Directors

- (a) A director may:
  - (i) with the approval of a majority of the other directors, appoint a person (whether a member of the company or not); or

- (ii) without the need for the approval of the other directors, appoint another director,

to be an alternate director in his place during such period as he thinks fit.

- (b) An alternate director is entitled to notice of meetings of the directors and, if the appointor is not present at such meeting, is entitled to attend and vote in his stead.
- (c) An alternate director may exercise any powers that the appointor may exercise and the exercise of any such power by the alternate director (including, without limitation, affixing a Seal) shall be taken to be the exercise of the power by the appointor. Where the alternate is another director, that director shall be entitled to cast a deliberative vote on his own account and on account of each person by whom he has been appointed as alternate director.
- (d) The appointment of an alternate director:
  - (i) may be terminated at any time by the appointor notwithstanding that the period of the appointment of the alternate director has not expired; and
  - (ii) terminates automatically if the appointor vacates office as a director.
- (e) An appointment or the termination of an appointment of an alternate director shall be effected by service on the company of a notice in writing signed by the director making the appointment.
- (f) The company shall not be responsible for remunerating the alternate director.
- (g) An alternate director shall be entitled to be reimbursed under Article 84 as if he were a director.

## **97. Vacancies in Office of Directors**

If there are any vacancies in the offices of directors:

- (a) for so long as their number is sufficient to constitute a quorum the remaining directors may act;
- (b) if the number of remaining directors is not sufficient to constitute a quorum then the remaining directors may act only for the purpose of increasing the number of directors to the minimum number required under the law, to call a general meeting and to constitute a quorum.

## **98. Committees**

- (a) The directors may delegate any of their powers to a committee or committees consisting of such of them as they think fit.



- (b) A committee to which any powers have been so delegated shall exercise the powers delegated in accordance with any directions of the directors and a power so exercised shall be taken to have been exercised by the directors.
- (c) Articles 90, 91, 92 (other than sub-paragraph (c)) and 94 shall apply to any committee as if each reference in those Articles to the directors were a reference to the members of the committee and each reference to a meeting of directors were to a meeting of the committee.
- (d) Except in the case of a committee which consists of 1 director only, the number of members whose presence at a meeting of the committee is necessary to constitute a quorum is such number as is decided by the members and, unless so decided, is 2.
- (e) Subject to Article 99(c), minutes of all the proceedings and decisions of every committee shall be made, entered and signed in the same manner in all respects as minutes of proceedings of the directors are required by the Law to be made, entered and signed.

## **99. Circular Resolutions by Directors**

- (a) If a document containing a statement that the signatories to it are in favour of a resolution, the terms of which are set out or identified in the document, has been signed by all the directors present in Australia and entitled to vote on that resolution (not being less than the number of directors required for a quorum), a resolution in those terms shall be taken to have been passed at a meeting of the directors held on the day on which and at the time at which the document was last signed by a director.
- (b) For the purposes of paragraph (a):
  - (i) 2 or more separate documents containing statements in identical terms each of which is signed by 1 or more directors shall together be taken to constitute 1 document containing a statement in those terms signed by those directors on the respective days on which they signed the separate documents;
  - (ii) a reference to all the directors does not include a reference to an alternate director whose appointor has signed the document, but an alternate director may sign the document in the place of his appointor; and
  - (iii) a cable, telegram, telex or facsimile which is received by the company and is expressed to have been sent for or on behalf of a director or alternate director shall be taken to be signed by that director or alternate director at the time of receipt of the facsimile by the company in legible form.

- (c) Where a committee consists of 1 director only, a document signed by that director and recording a decision of the committee shall be valid and effective as if it were a decision made at a meeting of that committee and that document shall constitute a minute of that decision.

## **100. Defects in Appointments of Directors**

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

## **XVII - MANAGING DIRECTOR**

### **101. Power to Appoint Managing Director**

- (a) The directors may appoint 1 or more directors to the office of managing director for the period and on the terms as they think fit and, subject to the terms of any agreement entered into in a particular case, may revoke any such appointment.
- (b) A managing director's appointment shall automatically terminate if he ceases for any reason to be a director.
- (c) The provisions of Article 81(b) and Article 83 do not apply if there is only 1 managing director.

### **102. Remuneration of Managing Director**

A managing director shall, subject to the terms of any agreement between him and the company, receive remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the directors decide.

### **103. Delegation of Powers to Managing Director**

- (a) The directors may, upon the terms and conditions and with any restrictions as they think fit, confer on a managing director any of the powers exercisable by them.
- (b) Any powers so conferred may be concurrent with the powers of the directors.
- (c) The directors may at any time withdraw or vary any of the powers conferred on a managing director.

## XVIII - SECRETARIES AND OTHER OFFICERS

### 104. Secretaries

- (a) A secretary of the company holds office on the terms and conditions, as to remuneration and otherwise, as the directors decide.
- (b) The directors may at any time terminate the appointment of a secretary.

### 105. Other Officers

- (a) The directors may from time to time:
  - (i) create any other position or positions in the company with the powers and responsibilities as the directors may from time to time confer;
  - (ii) appoint any person, whether or not a director, to any position or positions created under paragraph (a)(i).
- (b) The directors may at any time terminate the appointment of a person holding a position created under paragraph (a)(i) and may abolish the position.

## XIX - SEALS

### 106. Seals and their use

- (a) the company may have in addition to its common seal:
  - (i) a duplicate common seal; and
  - (ii) 1 or more official seals for use outside the jurisdiction where the common seal is kept.
- (b) A Seal shall be used only in the manner authorised by the directors or a committee of the directors.
- (c) Subject to the Law, certificates in respect of shares or other securities may be issued either:
  - (i) under a Seal; or
  - (ii) under the signature of an attorney of the company appointed under Article 88.
- (d) For the purposes of paragraph (c) any impression of any Seal or any signature may be a facsimile impression or signature which has been printed, stamped or impressed on the relevant certificate.

## XX - INSPECTION OF RECORDS

### 107. Inspection of Records

- (a) The directors shall decide whether and to what extent, at what time and places and under what conditions, the accounting and other records of the company will be open to the inspection of members.
- (b) A member other than a director does not have the right to inspect any document of the company except as provided by law or authorised by the directors.

## XXI - DIVIDENDS, INTEREST AND RESERVES

### 108. Powers to Declare Dividends and Pay Interest

- (a) Subject to any special rights or restrictions attached to any shares, the directors may from time to time declare Dividends which appear to the directors to be justified by the profits of the company.
- (b) No Dividend shall bear interest against the company.
- (c) Subject to the Law, where any shares in the company are issued for the purposes of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant that cannot be made profitable for a long period, the company may, at the discretion of the directors, pay interest on so much of that share capital as is for the time being paid up and charge the interest on so much of that share capital as is for the time being paid up and charge the interest so paid to capital as part of the construction or provision.

### 109. Crediting of Dividends

- (a) Subject to any special rights or restrictions attached to any shares, every Dividend shall:
  - (i) be paid according to the amounts paid or credited as paid on the shares in respect of which it is to be paid; and
  - (ii) be apportioned and paid proportionately to the amounts paid or credited as paid on the shares in respect of which the Dividend is to be paid during any part of parts of the period in respect of which the Dividend is paid.
- (b) An amount paid or credited as paid on a share in advance of a call shall not be taken for the purposes of paragraph (a) to be paid or credited as paid on the share.

- (c) Subject to any special rights or restrictions attached to any shares, the directors may from time to time resolve that Dividends are to be paid out of a particular source or particular sources, and where the directors so resolve, they may, in their absolute discretion:
  - (i) allow each or any member to elect from which specified sources that particular member's Dividend may be paid by the company; and
  - (ii) where such elections are permitted and any member fails to make such an election, the directors may, in their absolute discretion, identify the particular source from which Dividends will be payable.

## 110. Reserves

- (a) The directors may at any time set aside out of the profits of the company any sums as they think proper as reserves which shall, at the discretion of the directors, be applicable for any purpose to which the profits of the company may be properly applied.
- (b) Pending any application under paragraph (a), the reserves may, at the discretion of the directors, either be employed in the business of the company or be invested in any investments as the directors may from time to time think fit.
- (c) The directors may, without placing them to reserve, carry forward any profits which they may think prudent not to divide.

## 111. Deduction of Unpaid Amounts

The directors may deduct from any Dividend payable to a member all sums of money presently payable by the member to the company on account of all calls or otherwise in relation to shares in the company.

## 112. Distributions in Kind

- (a) The directors may, when declaring a Dividend, by resolution direct payment of the Dividend wholly or partly by the distribution of specific assets, including, without limitation, paid up shares in or on debentures of any other body corporate.
- (b) Where a difficulty arises in regard to a distribution under paragraph (a), the directors may:
  - (i) settle the matter as they think fit and fix the value for distribution of the specific assets or any part of those assets;

- (ii) decide that cash payments will be made to any members on the basis of the value so fixed in order to adjust the rights of all parties; or
- (iii) vest any specific assets in trustees.

### **113. Payment of Distributions**

- (a) Any Dividend, interest or other money payable in cash in respect of shares may be paid, at the sole risk of the intended recipient:
  - (i) by cheque sent through the post directed to:
    - (A) the address of the member as shown in the register or, in the case of joint holders to the address shown in the register as the address of the joint holder first named in that register; or
    - (B) to any other address as the member or joint holders in writing directs or direct; or
  - (ii) by electronic funds transfer to an account with a bank or other financial institution nominated by the member and acceptable to the company; or
  - (iii) by such other means as the directors determine.
- (b) Subject to law, all Dividends unclaimed for 1 year after having been declared may be invested or otherwise used by the directors for the benefit of the company until claimed or otherwise disposed of according to law.

## **XXII - CAPITALIZATION OF PROFITS**

### **114. Capitalisation of Profits**

- (a) The directors may resolve:
  - (i) that it is desirable to capitalise any sum, being the whole or a part of the amount for the time being standing to the credit of any reserve account or the profit and loss account or the share premium account or otherwise available for distribution to members; and
  - (ii) that that sum be applied, in any of the ways mentioned in paragraph (b), for the benefit of members in the proportions to which those members would have been entitled in a distribution of that sum by way of Dividend.
- (b) The ways in which a sum may be applied for the benefit of members under paragraph (a) are:

- (i) in paying up any amounts (including, without limitation, any premiums) unpaid on shares held by members;
  - (ii) in paying up in full (including, without limitation, any premiums) unissued shares or debentures or debenture stock to be issued to members as fully paid;
  - (iii) partly as mentioned in sub-paragraph (i) and partly as mentioned in sub-paragraph (ii); or
  - (iv) in accordance with any bonus share plan adopted by the company.
- (c) Where the conditions of issue of a partly paid share or any decision in respect of a partly paid share so provide, the holder shall not be entitled in respect of that share to participate in any such distribution of funds to a greater extent than would have been the case had those funds been distributed by Dividend.
- (d) The directors shall do all things necessary to give effect to the resolution and, in particular, to the extent necessary so adjust the rights of the members among themselves, may:
- (i) issue fractional certificates or make cash payments in cases where shares or debentures or debenture stock become issuable in fractions; and
  - (ii) authorise any person to make, on behalf of all the members entitled to any further shares or debentures or debenture stock upon the capitalisation, an agreement with the company providing for the issue to them, credited as fully paid up, of any such further shares or debentures or debenture stock or for the payment by the company on their behalf of the amounts or any part of the amounts remaining unpaid on their existing shares by the application of their respective proportions of the sum resolved to be capitalised;

and any agreement made under any such authority is effective and binding on all the members concerned.

## **XXIII - BONUS SHARE PLAN**

### **115. Bonus Share Plan**

- (a) The company in general meeting may authorise the directors to:
- (i) establish and maintain a bonus share plan under which amounts standing to the credit of the share premium account of the company are capitalised for the benefit of members who elect to participate in the plan; and
  - (ii) vary, suspend or terminate the plan and give notice of such variation, suspension or termination to the Exchange.

- (b) For the purposes of the plan, the directors may in their absolute discretion offer to members of the company:
  - (i) an opportunity to participate in the plan in respect of all or some of their shares; and
  - (ii) an opportunity to request that, instead of participating in any Dividends in respect of such shares, they have allotted and issued to them shares under the plan credited as fully paid.
- (c) The directors may at any time, whether for the purposes of the plan or otherwise, credit shares in the capital of the company as fully paid by capitalising a sum standing to the credit of the company's share premium account or any sum standing to the credit of the company's profit and loss account or otherwise available for distribution and may apply that sum in crediting shares in the company as fully paid.
- (d) If a participant in the plan requests that in respect of certain shares the member not be entitled to participate in any Dividend declared by the company, the declaration of any Dividend shall be taken to relate only to the balance of the shares held by that participant at the time of the books closing date for the payment of that Dividend.
- (e) Where the directors have received a request from a participant in the plan that certain shares in the company be allotted and issued to him in accordance with the plan and the directors decide in their absolute discretion to comply with that request, the rights attaching to the shares the subject of the request shall be taken not to have been varied although the Dividend is not paid on all of the shares in the class and although all of the shares in the class do not rank in calculating the number of fully paid shares to be allotted and issued to the participant in accordance with the plan.
- (f) In offering opportunities to members to participate in the plan, the directors may give such information as in their opinion may be useful to assist members in assessing the opportunity and making requests to their best advantage. The directors, the company and its officers shall not be responsible for, nor shall they be obliged to provide any legal or taxation advice in respect of the choices available to members.
- (g) The directors shall be under no obligation:
  - (i) to admit any member as a participant in the plan;
  - (ii) to comply with any request made by a member who is not admitted as a participant in the plan.
- (h) In establishing and maintaining the plan, the directors shall act in accordance with the provisions of these Articles and may exercise all or any of the powers conferred upon them by these Articles or by the Law.



- (j) This Articles does not affect the validity of any bonus share plan established before the adoption of these Articles.

## XXIV - DIVIDEND INVESTMENT PLANS

### 116. Dividend Investment Plans

- (a) The company in general meeting may authorise the directors:
- (i) to establish one or more plans under which some or all members may elect in terms of 1 or more of the following for a period or periods as provided in the plan:
    - (A) that Dividends to be paid in respect of some or all of the shares from time to time held by the member shall be satisfied by the issue of fully paid shares of the same class as shares so held;
    - (B) that Dividends shall not be declared or paid in respect of some or all of the shares from time to time held by the member, but that the member will receive an issue of fully paid shares of the same class as the shares so held in accordance with the plan; or
    - (C) if elections in terms of each of paragraph (a) and paragraph (b) are available under the plan, in terms of paragraph (a) as to some of the shares from time to time held by the member and in terms of paragraph (b) as to others of them; and
  - (ii) upon or after establishment of any plan under paragraph (a)(i), extend participation in it, in whole or in part, to some or all of the holders of debentures, notes, bonds or other debt obligations of the company in respect of interest upon such debentures, notes, bonds or other obligations in like manner as if that interest were Dividends; and
  - (iii) to vary, suspend or terminate the plan and give notice of such variation, suspension or termination to the Exchange.
- (b) Any such plan shall have the effect in accordance with its terms and the directors shall do all things necessary and convenient for the purpose of implementing the plan including, without limitation, the making of each necessary allotment of shares and of each necessary appropriation, capitalisation, application, payment and distribution of funds which may lawfully be appropriated, capitalised, applied, paid or distributed for the purpose of the allotment.
- (c) Any such plan may be terminated by the directors and any authority given to the directors under paragraph (a) may be revoked or varied by the company in general meeting.

- (d) For the purpose of giving effect to any such plan, appropriations, capitalisations, applications, payments and distributions as referred to in Article 114 may be made and the powers of the directors under Article 114(d) shall apply and may be exercised (with such adjustments as may be required) on the basis and notwithstanding that only some of the members or holders of shares of any class participate in the appropriation, capitalisation, application, payment or distribution.
- (e) This Article does not affect the validity of any plan of the kind referred to in paragraph (a)(i) established before the adoption of these Articles.

## XXV - NOTICES

### 117. Notices Generally

- (a) A notice may be given by the company to any member:
  - (i) by serving it on the member personally;
  - (ii) by sending it by post to the member at the member's address as shown on the register or the address supplied by the member to the company for the giving of notices;
  - (iii) by facsimile to the facsimile number supplied by the member to the company for the giving of notices;
  - (iv) by advertisement in a newspaper circulating generally in the capital city of any state or territory in which is situated a register or branch register on which shares in the member's name are registered.
- (b) Notice to a member whose address is outside Australia shall be sent by airmail or facsimile or by sending it by post despatched from a place within the country referred to in the address supplied by the member.
- (c) Where a notice is sent by post, service of the notice shall be taken to be effected by properly addressing, prepaying and posting a letter containing the notice and to have been effected:
  - (i) in the case of a notice of a meeting, on the day after the date of its posting; and
  - (ii) in any other case, at the time at which the letter would be delivered in the ordinary course of post.
- (d) Where a notice is sent by facsimile, service of the notice shall be taken to be effected by properly addressing and sending the notice and to have been effected on the day it is sent.

- (e) Where a notice is given by newspaper advertisement, service of the notice shall be taken to be effected on the date of publication of the newspaper in the relevant capital city.
- (f) A notice may be given by the company to a person entitled to share in consequence of the death or bankruptcy of a member by:
  - (i) serving it on the member personally;
  - (ii) by sending it by post addressed to the member by name or by the title of representative of the deceased or assignee of the bankrupt or by any like description at the address (if any) within Australia supplied for the purpose by the person;
  - (iii) if such an address has not been supplied, at the address to which the notice might have been sent if the death or bankruptcy had not occurred;
  - (iv) by sending a facsimile to the facsimile number supplied by the member to the company;
  - (g) if such a facsimile number has not been supplied, to the facsimile number to which the notice might have been sent if the death or bankruptcy had not occurred.

## **118. Notices of General Meeting**

- (a) Notice of every general meeting shall be given:
  - (i) in the manner authorised by Article 117;
  - (ii) subject to Article 119, to every member;
  - (iii) to every person entitled to a share in consequence of the death or bankruptcy of a member who, but for death or bankruptcy, would be entitled to receive notice of the meeting;
  - (iv) to the auditor to the company; and
- (b) to any other person to whom it is required to give notice under the Listing Rules in accordance with the Listing Rules.
- (c) No other person is entitled to receive notice of general meetings.

## XXVI - JOINT HOLDERS

### 119. Joint Holders

- (a) Joint holders of a share shall give to the company notice of:
  - (i) a single address for the purpose of all notices given by the company under Article 117, and for the payment of dividends and the making of distributions in accordance with Articles 112 and 113; and
  - (ii) a single account for the payment of moneys by electronic funds transfer in accordance with Article 113(a)(ii), if so desired,

in respect of that share.
- (b) Where the company receives notice under paragraph (a), the giving of notice, the payment of dividends or the making of distributions, to the address or account so notified shall be deemed given, paid or made to all joint holders of the relevant share.
- (c) Where joint holders of a share fail to give notice to the company in accordance with paragraph (a), the company may give notice, pay dividends and make distributions to the address of the joint holder whose name first appears in the register.

## XXVIII - SMALL SHAREHOLDINGS

### 120. Sale of Small Holdings

- (a) If at any time the number of shares registered in the name of a member (including shares to which the member is jointly entitled) is less than a marketable parcel, then the directors may serve a written notice on the member advising the member that the company intends to invoke the provisions of this Article which allow for the sale of those shares.
- (b) The notice given under this Article must be served on all members named in the register as the holder of shares less than a marketable parcel.
- (c) The notice must state that, unless the member advises the company before the date referred to in that notice (being not less than 6 weeks after the date of despatch of the notice) that the member wishes to retain the member's shareholding, then the shares referred to in the notice may be sold.
- (d) The directors must publish in 1 or more newspapers circulating in the areas in which the relevant members have their registered address, not less than 42 days prior to the sale of shares in accordance with this Article, notice of intention to sell the shares. The notice will state that the company may sell shareholdings which are less than a marketable parcel, unless the relevant

members who hold those shares advise the company, before the specified date, that the member wishes to retain the member's shareholding.

- (e) If a member does not advise the company by the date referred to in the notice that the member wishes to retain the member's shareholding, then the directors may sell those shares together with all rights attaching to those shares, including any dividends declared but unpaid.
- (f) Any shares sold under this Article will be sold in the manner that the directors decide and for the purpose of a sale:
  - (i) the member appoints any 2 directors jointly, as the member's attorneys for the purpose of executing an instrument to transfer those shares; and
  - (ii) the transferee will not be bound to see the regularity of proceedings or to the application of the purchase money and the title of the transferee will not be affected by any irregularity or invalidity in connection with the sale.
- (g) Once the transferee's name has been entered in the register in respect of the shares the title of the transferee will be indefeasible and the remedy of any person aggrieved by the sale will be in damages against the company.
- (h) The company will bear all costs as a result of the sale of the shareholding.
- (i) The proceeds of any sale will be:
  - (i) paid into a trust account opened with a bank and maintained by the company for that purpose only; and
  - (ii) held by the company in trust for the member and the company will notify the member of this trust in writing.

The proceeds of the sale will not be remitted until the company receives the share certificate or certificates (if issued) relating to the shares the subject of the sale.

- (j) A certificate in writing under the hand of any 2 directors or any 1 director and the secretary that:
  - (i) any notice required to be served by or on the company was served;
  - (ii) any advertisement required to be published was published; and
  - (iii) any resolution of the directors required to be made was made,

will be sufficient evidence of the facts stated as in the certificate against all persons claiming to be entitled to those shares and to the right and title of the company to dispose of them.

- (k) The company will cancel the share certificates of all members whose shares are sold under this Article.
- (l) This Article may be invoked only once in any period of 12 months after its adoption or re-adoption.
- (m) This Article will cease to have effect following the announcement of a takeover offer or the making of a takeover announcement in respect of the shares, or any class of shares, of the company but, despite sub-paragraph (m), the procedure may be started again after the close of the offers made under the takeover offer or announcement or, subject to the approval of the Exchange, the withdrawal of the offers made under the takeover offer or announcement under Division 3 of Part 6.4 of the Corporations Law.

## XXVIII - WINDING UP

### 121. Winding Up

- (a) If the company is wound up and the assets available for distribution among the members are insufficient to repay the whole of the paid up capital, the assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up, on the shares held by them respectively.
- (b) If, in winding up, the assets available for distribution among the members are more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed among the members in proportion to the capital at the commencement of the winding up paid up, or which ought to have been paid up, on the shares held by them respectively.
- (c) If the company is wound up, the liquidator may:
  - (i) with the sanction of a special resolution, divide among the members in kind the whole or any part of the property of the company;
  - (ii) for that purpose set a value as the liquidator considers fair upon any property to be so divided; and
  - (iii) decide how the division is to be carried out as between the members or different classes of members.
- (d) The liquidator may, with the sanction of a special resolution, vest the whole or any part of any property in trustees upon any trusts for the benefit of the contributories as the liquidator thinks fit, but so that no member is compelled to accept any shares or other securities in respect of which there is any liability.

## XXVIII - INDEMNITY

### 122. Indemnity

- (a) Every director, manager, secretary or other officer or servant of the company shall be indemnified by the company against (and it shall be the duty of the directors to pay out of the funds of the company) all costs, losses and expenses which he may incur or become liable to by reason of any contract entered into or act or deed done by him as such officer or servant or in any way in good faith in the discharge of his duties (but excluding any liability that may by law or otherwise attach to him in respect of any negligence default breach of duty or breach of trust of which he may be guilty in relation to the company) and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the company and have priority as between the members over all other claims.
- (b) Without limitation of the provisions of sub-paragraph (a) of this Article the company shall indemnify every director, manager, secretary or other officer or servant of the company against any liability incurred by him in defending any proceedings whether civil or criminal in which judgement is given in his favour or in which he is acquitted or in connection with any application in relation thereto in which relief under the Corporations Law is granted to him by the Court.

## XXIV - CONFIDENTIALITY

### 123. Confidentiality

All information, data, drawings, reports and other material ("information") acquired by an officer of the company or any employee or agent or expert appointed by the company will be treated as confidential by that person. Information will not be divulged by that person in whole or in part to third persons without the prior consent of the managing director except where that disclosure is required by law or reasonably required by that person in the course of his or her duties or functions.

