

CORPORATIONS LAW OF NEW SOUTH WALES

ARTICLES OF ASSOCIATION

of

PPK GROUP LIMITED
ACN 003 964 181

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ROSENBLUM & PARTNERS

Solicitors

Level 29

1 Farrer Place

SYDNEY NSW 2000

Telephone: 258 5811

Facsimile: 258 5800

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CORPORATIONS LAW OF NEW SOUTH WALES

A COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

PPK GROUP LIMITED

1 PRELIMINARY

- 1.1 (a) THE regulations contained in Table A in Schedule 1 to the Law shall not apply to the Company.
- (b) In these Articles, unless the subject or context indicates a contrary intention, the following words and expressions shall have the meanings set out opposite them:
- “Articles” means these Articles of Association and all supplementary, substituted or amending Articles for the time being in force;
- “Associate” means a person who is an associate within Division 2 of Part 1.2 of the Law;
- “Business Day” shall have the same meaning as is assigned to that term in the Listing Rules;
- “Call” includes installments of a call;
- “Committee of Directors” means a committee formed under Article 23.7;
- “Company” means PPK Group Limited;
- “Director” includes any person occupying the position of a Director by whatever name called (but not an Associate Director) and “Managing Director” includes any acting Managing Director;
- “Directors” means the Directors for the time being of the Company or such number of them as have authority to act for the Company;

“Dividend” includes interim dividend;

“Exchange” means Australian Stock Exchange Limited;

“FAST System” means the Flexible Accelerated Security Transfer System operated by the Exchange and the system known as CHESS;

“Holding Lock” shall have the meaning assigned to that term by the Listing Rules;

“Home Exchange” means the State branch of the Exchange designated to the Company as its home exchange by the Exchange;

“Law” means the Corporations Law;

“Listing” means admission of the Company to the Official List of the Exchange;

“Listing Rules” means the Listing Rules of the Exchange (as amended from time to time) as they apply to the Company;

“Offeror” means an offeror under a Proportional Takeover Scheme;

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

“Official Seal” means a seal referred to in Section 182(10) of the Law;

“paid up” includes credited as paid up;

“Prescribed Rate” means the rate of interest known as the long term Commonwealth Bond rate prevailing at the date on which the rate is to be determined or such lesser rate as the Directors may determine;

“proper SCH transfer” shall have the meaning assigned to that term in section 9 of the Law;

“Proportional Takeover Resolution” means a resolution passed in accordance with Article 9;

“Proportional Takeover Scheme” shall have the meaning assigned to that term in section 603 of the Law;

“Register” means the Register of Members kept by the Company in accordance with the Law;

“Representative” means a person authorised in accordance with Section 249(3) of the Law to act as a representative of a body corporate holding shares in the Company;

“SCH business rules” shall have the meaning assigned to that term in section 9 of the Law;

“Seal” means the common seal of the Company;

“Secretary” and “Manager” respectively include the assistant or acting Secretary or Manager and any substitute for the time being for the Secretary or Manager;

“Share Seal” means the seal referred to in Section 1088 of the Law;

“Uncertificated Securities” means securities of the Company which are uncertificated securities as defined in the Listing Rules; and

“writing” and “written” shall include printing, lithography, photography, typewriting and any other mode of representing or reproducing words in a visible form:

- (c) In these Articles, unless the context indicates a contrary intention:
- (i) words importing persons shall include companies, corporations, any association, body or entity whether incorporated or not and vice versa;
 - (ii) words denoting any gender shall include all genders;
 - (iii) words importing the singular shall include the plural and vice versa;
 - (iv) all monetary amounts are in Australian currency;
 - (v) a reference to any statute, proclamation, rule, code, regulation or ordinance includes any amendment, consolidation, modification, re-enactment or reprint of it or any statute, proclamation, rule, code, regulation or ordinance replacing it;
 - (vi) a reference to time refers to time in Sydney, New South Wales;
 - (vii) the word “month” means calendar month and the word “year” means 12 calendar months;
 - (viii) a reference to writing includes any communication sent by post or *facsimile transmission;
 - (ix) where any word or phrase is defined, any other part of speech or other grammatical form of that word or phrase has a cognate meaning; and
 - (x) references to “shares” are to shares in the capital of the Company.
- (d) An expression or term used in these Articles shall, unless the contrary intention appears, have the same meaning as that expression in that Part or Division of the Law or in the Listing Rule dealing with the same matter if that expression has been given a special meaning for the purposes of the Part, Division or Listing Rule in question.
- (e) The headings used in these Articles shall not form part of or affect the construction or interpretation of these Articles.
- (f) Subject to these Articles, the Company may exercise, by resolution or special resolution as the Law requires, any power which under the Law may be exercised by a company limited by shares if authorised by its articles of association.
- (g) All references in these Articles to the Listing Rules shall be construed so as to only take effect upon Listing and accordingly, the Listing Rules shall only apply

to the Company while the Company is admitted to the Official List of the Exchange.

- (h) All references in these Articles to the SCH business rules shall be construed so as to only take effect from the time at which securities in the Company may be transferred under the SCH business rules.

2 SHARES AND CAPITAL

2.1 Share capital under control of Directors

Subject:

- (a) to any provision in the Memorandum of Association and these Articles;
- (b) to the provisions of the Law and the Listing Rules;
- (c) to any conditions contained in a resolution to increase the nominal capital of the Company by virtue of which further capital is available for issue; and
- (d) to any special rights previously conferred on the holders of any shares or class of shares,

shares in the Company (whether original or created by reason of an increase in the nominal capital) shall be under the control of Directors.

2.2 Directors' Power to Issue Shares

In the exercise of the control conferred by Article 2.1 the Directors may:

- (a) issue and allot, or dispose of, shares to persons:
 - (i) on terms determined by the Directors; and
 - (ii) at par or, subject to the Law, at a premium or discount;
- (b) grant options over unissued shares;
- (c) issue and allot preference shares that are, or at the option of the Company are, liable to be redeemed; and
- (d) issue and allot shares, classified or designated in such manner as the Directors think fit, with preferred, deferred, qualified, guaranteed or other special rights, privileges, conditions, restrictions or limitations whether in regard to dividend, return of share capital, distribution of assets, voting or otherwise as the Directors may from time to time determine.

2.3 Issue of Preference Shares

Preference shares may only be issued to the extent that the total nominal value of the issued preference shares does not exceed the total nominal value of the issued ordinary shares at any time.

2.4 Rights attached to Preference Shares

If the Company proposes to create and issue preference shares, the rights of the holders of the preference shares or any class of them (as the case may be) with respect to repayment of capital, participation in surplus assets and profits, cumulative or non-cumulative dividends and priority of payment of capital and dividend in relation to other shares or other classes of preference shares shall be clearly defined in the Memorandum of Association or the Articles. Subject to Article 2.5, the Company may issue preference shares which rank *pari passu* with or in priority to existing preference shares. If the Company creates or issues preference shares, the preference shareholders shall have the following rights as regards notices and voting:

- (a) the same rights as ordinary shareholders as regards receiving notices, reports and balance sheets and attending general meetings of the Company; and
- (b) the right to vote at any meeting:
 - (i) convened for the purpose of reducing the capital or winding up or sanctioning a sale of the undertaking; or
 - (ii) where the proposition to be submitted to the meeting directly affects their rights and privileges; or
 - (iii) when the dividend on the preference shares is in arrears more than six months.

2.5 Variation of Rights

Any issue of securities ranking in priority, or any conversion of existing securities to securities ranking equally or in priority, to an existing class of preference shares is deemed to be a variation or abrogation of the rights attached to that existing class of preference shares.

2.6 Capital Paid in Advance of Calls

Capital paid on shares in advance of calls shall not confer the right to participate in profits.

2.7 No Trust

Except as required by law and whether or not the Company has notice, the Company shall not be bound to recognise:

- (a) any person as holding any share upon any trust; or
- (b) any trust, equitable, contingent, future or partial interest in any share or in any interest in, or any fractional part of, a share; or
- (c) any other right in respect of any share except an absolute right to the entirety of the share in the registered holder.

2.8 Brokerage or Commission

Subject to the Law, the Company (and the Directors on its behalf) may at any time make a payment by way of brokerage or commission or both to any person in consideration of the person subscribing or agreeing to subscribe (whether absolutely

or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company on the following terms and conditions:

- (a) provided that:
 - (i) the statutory conditions and requirements for the time being in force in relation to such payments are observed and complied with; and
 - (ii) the brokerage or commission does not exceed ten per centum of the price at which the shares are allotted;
- (b) the brokerage or commission may be paid either in cash or in fully paid shares of the Company of any class taken at par or in such other manner as the Directors may determine; and
- (c) the Company may grant to any person so subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions an option to require the Company to allot to that person or the person's nominee any further shares of the Company at not less than par.

2.9 Surrender of Shares

To the extent permitted by law, the Directors may in their discretion accept a surrender of any shares (other than partly paid shares) by way of compromise of any question as to whether or not those shares have been validly issued or in any other case where a surrender is within the powers of the Company and permitted by law. Any shares so surrendered may be sold or re-issued in the same manner as forfeited shares.

2.10 Share Buy-backs

The Company may buy ordinary shares in itself in any manner permitted by the Law. While s.206DB of the Law remains in force, this Article ceases to have effect at the end of 3 years beginning:

- (a) on the date that these Articles are adopted by the Company if the authorisation contained in this Article has not been renewed in accordance with the Law; or
- (b) on the date on which the authorisation contained in this Article was last renewed in accordance with the Law.

3 CERTIFICATES

3.1 Certificates Under Seal

Subject to Article 3.3, the certificates of title to shares shall be issued under the Seal or Share Seal in such form (subject to the provisions of the Law and the Listing Rules) as the Directors may from time to time prescribe. In the case of shares on a branch register outside the State or Territory of incorporation certificates may be issued under an Official Seal in the form and manner from time to time prescribed by the Directors.

3.2 Issue of Certificates

Subject to Article 3.3, every member shall be entitled free of charge to one certificate for all the shares registered in his name or to several certificates in reasonable denominations each for a portion of his shareholding. Joint holders are entitled to a single certificate in their joint names in respect of their holding and the certificate will be sent to the joint holder whose name appears first in the Register.

3.3 Uncertificated Holdings

Where:

- (a) the Company has been authorised to participate in the FAST System, the Company shall be empowered under these Articles to do all acts and things required under the rules governing that system to facilitate the Company's participation in that system; and
- (b) the provisions of section 1096(2A) of the Law apply, compliance by the Company with the provisions of that section shall be deemed to be compliance with the provisions of Article 3.2.

3.4 Replacement and Duplicate Certificates

Subject to the Law and the Listing Rules except in the case of Uncertificated Securities, the Directors must issue a certificate in replacement of a certificate already issued within 5 Business Days of:

- (a) receipt by the Company of the certificate to be replaced and cancellation of that certificate; or
- (b) receipt by the Company of satisfactory evidence that the certificate which was previously issued has been lost or destroyed and has not been pledged, sold or otherwise disposed of,

together with payment of a fee prescribed by the Directors (not exceeding the maximum fee permitted by the Law).

3.5 Endorsement on duplicate certificates

A certificate issued to replace a certificate which has been lost or destroyed shall be clearly endorsed: "Issued in lieu of lost or destroyed Certificate".

4 CALLS

4.1 Directors power to make calls

Subject to the terms on which partly paid shares are issued, the Directors may make calls on the holders of shares for any money unpaid on them (whether on account of nominal value or premium or both). The Directors may require a call to be paid by installments.

4.2 When call made

A call is made when the resolution of the Directors authorising it is passed.

4.3 Revocation or postponement

The Directors may revoke or postpone a call before its due date for payment.

4.4 Notice of call

At least 10 Business Days before the due date for payment of a call the Company must send to members on whom the call is made a notice specifying:

- (a) the amount of the call;
- (b) the due date for payment; and
- (c) other matters required by the Listing Rules.

4.5 Member must pay

A member to whom notice of a call is given in accordance with this Article 4 must pay to the Company the amount called in accordance with the notice.

4.6 Failure to send notice

Failure to send a notice of a call to any member or the non-receipt of a notice by any member does not invalidate the call.

4.7 Joint and several liability

Joint holders of shares are jointly and severally liable to pay all calls in respect of their shares.

4.8 Installments

If the whole or part of the issue price (including any premium) of any share is payable by installments every installment shall, when due, be payable to the Company by the person who is the registered holder of the share or their legal personal representative at the date on which payment is due and:

- (a) the amount of an installment is payable as if it were a call made by the Directors and as if they had given notice of it; and
- (b) the consequences of late payment or non-payment of an installment are the same as the consequences of late payment or non-payment of a call.

4.9 Interest and expenses on calls

If an amount called is not paid on or before the due date, the person liable to pay the amount must also pay:

- (a) interest at the Prescribed Rate on the amount from the due date to the time of actual payment; and
- (b) all expenses incurred by the Company as a consequence of the nonpayment, but the Directors may waive payment of the interest and expenses in whole or in part.

4.10 Recovery of amounts due

On the hearing of any action for the recovery of money due for any call, proof that:

- (a) the name of the person sued was, when the call was made, entered in the Register as a holder or the holder of shares in respect of which the call was made;
- (b) the resolution making the call is duly recorded in the Directors' minute book; and
- (c) notice of the call was given to the person sued; will be conclusive evidence of the debt.

4.11 Differentiation

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

4.12 Payment of calls in advance

The Directors may accept from a member the whole or part of the amount unpaid on a share before the amount accepted has been called.

4.13 Interest on advances

The Company may:

- (a) pay interest at the Prescribed Rate on any amount accepted in accordance with Article 4.12, until the amount is payable under a call; and
- (b) subject to any contract between the Company and the member, repay all or any of the amount accepted in excess of the amount called on the share.

4.14 No benefit or advantage

Payment of an amount in advance of a call does not entitle the paying member to any dividend, benefit or advantage, other than the payment of any interest under Article 4.13, to which the member would not have been entitled if the member had not made the advance payment.

5 LIEN**5.1 Company's lien**

The Company has a first and paramount lien on every partly paid share for every amount:

- (a) called, or payable to the Company at a fixed time, in respect of the share;
- (b) presently payable by the holder of the share, or the holder's estate, to the Company in respect of the share; or
- (c) which the Company is required by law to pay in respect of the share.

5.2 Lien extends to dividends

The Company's lien extends to all dividends payable in respect of the share.

5.3 Exemption from lien

The Directors may declare a share to be wholly or partly exempt from a lien.

5.4 Lien sale

If:

- (a) the Company has a lien on a share for money presently payable; and
- (b) the Company has given the member who holds the share written notice demanding payment of the money, then 14 or more days after giving the notice,

the Directors may sell the share in any manner determined by them and the provisions of Articles 6.10 to 6.13 (inclusive) shall apply to any such sale.

5.5 Protection of Company's Lien

The Company is entitled to do all acts and things as may be necessary or appropriate for it to do under the Listing Rules and the SCH business rules to protect any lien it has on a share.

6 FORFEITURE OF SHARES

6.1 Forfeiture notice

The Directors may at any time after a call or installment becomes payable and remains unpaid by a member, serve a notice on the member requiring the member to pay:

- (a) the unpaid amount;
- (b) any interest that has accrued; and
- (c) all expenses incurred by the Company as a consequence of the nonpayment.

6.2 Contents of notice

The notice under Article 6.1 must:

- (a) specify a day (not earlier than 14 days after the date of the notice) on or before which the payment required by the notice must be made; and
- (b) state that if a member does not comply with the notice, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.

6.3 Forfeiture

If a member does not comply with a notice served under Article 6.1, then any or all of the shares in respect of which the notice was given may be forfeited pursuant to a resolution of the Directors.

6.4 Forfeiture of Dividends

Dividends declared and unpaid in respect of forfeited shares will also be forfeited.

6.5 Sale of forfeited shares

On forfeiture, shares become the property of the Company and subject to the Listing Rules, the forfeited shares may be offered for sale by public auction or otherwise sold, disposed of or cancelled on terms determined by the Directors.

6.6 Cancellation of forfeiture

The Directors may, at any time before a forfeited share is sold, disposed of or cancelled, annul the forfeiture of the share on conditions determined by them.

6.7 Notice of forfeiture

Promptly after a share has been forfeited:

- (a) notice of the forfeiture must be given to the member in whose name the share was registered immediately before its forfeiture; and
- (b) the forfeiture and its date must be noted in the Register.

6.8 Liability of former member

A person who held shares which are forfeited ceases to be a member but remains liable to pay:

- (a) all money (including interest and expenses) that was payable by the member to the Company at the date of forfeiture in respect of the forfeited shares; and
- (b) interest at the Prescribed Rate from the date of forfeiture until payment.

6.9 Cessation of liability

A former member's liability to the Company ceases if and when the Company receives payment in full of all money (including interest and expenses) payable by the person in respect of the shares.

6.10 Transfer of forfeited shares

The Company may:

- (a) receive the consideration (if any) given on any sale or disposition of a forfeited share or a share sold to enforce a lien;
- (b) execute or effect a transfer of the share in favour of a person to whom the share is sold or disposed of; and

- (c) do all acts and things as may be necessary or appropriate under the SCH business rules to effect the transfer referred to in paragraph (b).

6.11 Protection of purchaser

The transferee of the share referred to in Article 6.10(b):

- (a) is not bound to check the regularity of the sale or disposition or the application of the purchase price;
- (b) obtains title to the share despite any irregularity in the sale or disposition; and
- (c) will not be subject to complaint or remedy by the former holder of the share in respect of the purchase or disposition.

6.12 Statement by Directors

A statement signed by 2 Directors and the Secretary that the share has been regularly forfeited and sold or re-allotted, or regularly sold without forfeiture to enforce a lien, is conclusive evidence of the matters stated as against all persons claiming to be entitled to the share.

6.13 Application of proceeds

The net proceeds of any sale made to enforce a lien or on forfeiture must be applied by the Company in the following order:

- (a) in payment of the costs of the sale;
- (b) in payment of all amounts secured by the lien or all money that was payable in respect of the forfeited share; and
- (c) in payment of any surplus to the former member whose share was sold.

7 RIGHT OF INDEMNITY FOR TAX PAYMENTS

Whenever in respect of or in connection with any shares registered in the name of a member (whether solely or jointly with others) or any dividends or bonus issue on those shares and whether in consequence of the death of a member or for any reason, any law (whether Australian or overseas) imposes or purports to impose any immediate, future or possible liability on the Company to make any payments to any Government or taxing authority:

- (a) the Company shall be fully indemnified by the member and the member's legal personal representatives in respect of the liability;
- (b) any moneys paid by the Company in respect of the liability may be recovered by action from the member or the legal personal representatives as a debt due by the member or the member's estate to the Company with interest at the Prescribed Rate from the date when the moneys were paid by the Company until repayment;
- (c) the amount referred to in paragraph (b) may be deducted by the Company from any dividend or other moneys payable by it to the member or the legal personal representatives;

- (d) the provisions of Article 5.5 relating to the sale of shares to enforce a lien shall apply to enable the Directors to sell the shares of a member in order to enforce the right of indemnity which the Company has under this Article;
- (e) subject to the provisions of the SCH business rules nothing in these Articles shall prejudice or affect any right or remedy in respect of any payment made by the Company conferred or purported to be conferred on the Company by the law under which the payment was made;
- (f) as between the Company and the member or the member's estate and legal personal representatives, any right or remedy referred to in paragraph (d) or (e) shall be enforceable by the Company as between the member and the Company and every member shall be deemed to agree, and bind his or her executors, administrators and estate, to submit to the legislative power and jurisdiction of the Commonwealth of Australia or of any Australian State or Territory or of any country or place imposing or purporting to impose the liability in question on the Company; and
- (g) the Company is entitled to do all acts and things as may be necessary or appropriate for it to do under the SCH business rules to protect any right or remedy it may have under this Article.

8 TRANSFER OF SHARES

8.1 Right of transfer

Subject to these Articles, a member may transfer any shares held by that member.

8.2 Method of transfer

The Company shall not register or give effect to a transfer of shares unless:

- (a) in the case of a transfer of a kind to which provisions in the SCH business rules apply - the transfer is in accordance with those provisions; or
- (b) in any other case - a proper instrument of transfer has been delivered to the Company.

8.3 Transfer to be stamped

A transfer document shall be in registrable form if it is:

- (a) stamped (if required by law); and
- (b) (i) where the shares are quoted on the Exchange, signed, marked, validated, endorsed or confirmed (as the case may be) as and in the manner required by the Law and the Listing Rules; or
 - (ii) in any other case, signed by or on behalf of the Transferor and the Transferee; and
- (c) except in the cases of Uncertificated Securities, it is accompanied by the certificate for the shares to which it relates or evidence to the satisfaction of the Directors of the loss or destruction of the certificate.

8.4 Transferor remains holder

Subject to the Law and the SCH business rules, a transferor of shares shall be deemed to remain the holder of those shares until the transferee is entered in the Register in respect of those shares and a transfer of shares does not pass the right to any dividends declared on the shares until registration of the transfer.

8.5 Chess

The Company may participate in any computerised or electronic system for market settlement, securities transfer and registration conducted in accordance with the Law, the Listing Rules and the SCH business rules. If the Company participates in a system of this kind, then despite any other provision of these Articles:

- (a) shares may be transferred, and transfers may be registered in any manner required or permitted by the Listing Rules or the SCH business rules applying in relation to the system (the “Rules”);
- (b) the Company must comply with and give effect to the Rules; and
- (c) the Company may, in accordance with the Rules, decline to issue certificates for holdings of shares.

8.6 Refusal to register

The Company shall not prevent, delay or in any way interfere with:

- (a) the registration of a transfer document in registrable form unless it is entitled or obliged to do so under the Listing Rules; or
- (b) the registration of a proper SCH transfer;

unless it is a transfer of Vendor Securities which is or might be in breach of the Listing Rules or any escrow agreement entered into by the Company in relation to the Vendor Securities.

8.7 Directors’ decision absolute

A decision of the Directors relating to the registration of a transfer shall be absolute. Written notice of refusal to register any transfer and the precise reasons for the refusal shall be given within 5 Business Days after the date on which the transfer was lodged with the Company.

8.8 Transfers left at Office

Every instrument of transfer shall be left at the Office (or at such other place as the Directors may from time to time prescribe or accept).

8.9 Transfers to be retained

All instruments of transfer which are registered must be retained by the Company. Any instrument of transfer which the Directors decline to register must (except in case of fraud) be returned on demand to the person depositing it. When an instrument of transfer has been registered and a new share certificate issued the Directors may, subject to the provisions of any applicable stamp duty legislation or any other

applicable law, after the expiration of a period of not less than 3 months from the date of registration of the instrument of transfer authorise the destruction of the instrument of transfer and the old share certificate.

8.10 Closure of Register

Subject to the provisions of the Law and the listing Rules, the registration of transfers may be suspended and the Register closed at such times and for such periods as the Directors think fit not exceeding an aggregate of 30 days in each calendar year.

8.11 Holding Lock

The Company may apply a Holding Lock to specified shares if it is entitled or obliged to do so by the Listing Rules or the SCH business rules.

8.12 More than three registered holders

Despite any other provision of these Articles but subject to the Listing Rules and the SCH business rules, except where the persons concerned are the personal representatives or trustees of a deceased member, the Company is entitled for all purposes to disregard the names of all persons registered as the holders of a share other than the first three names entered on the Register in respect of that share.

9 PROPORTIONAL TAKEOVER SCHEME

9.1 Registration prohibited

Subject to the Listing Rules and the SCH business rules, registering or effecting a transfer which gives effect to a contract resulting from the acceptance of an offer made under a Proportional Takeover Scheme is prohibited unless and until a Proportional Takeover Resolution is passed.

9.2 Voting

A person (other than the Offeror or an Associate of the Offeror) who, as at the end of the day on which the first offer under the Proportional Takeover Scheme was made, held shares of the class which are the subject of the Proportional Takeover Scheme:

- (a) may vote on a Proportional Takeover Resolution; and
- (b) has one vote for each of the shares held by the person.

9.3 Meeting to be held

Where offers have been made under a Proportional Takeover Scheme, the Directors must ensure that a Proportional Takeover Resolution is voted on at a meeting of the persons described in Article 9.2 before the day that is the fourteenth day before the last day of the offer period for the Proportional Takeover Scheme.

9.4 When resolution passed

A Proportional Takeover Resolution is passed if more than one-half of the votes cast on the resolution are cast in favour of the resolution, and otherwise is taken to have been rejected.

9.5 General meeting provisions to apply

The provisions of these Articles that apply in relation to a general meeting of the Company apply, with any modifications that circumstances require, in relation to a meeting that is convened under this Article as if the meeting was a general meeting of the Company.

9.6 Notice to Offeror and Home Exchange

Where a Proportional Takeover Resolution is voted on at a meeting held in accordance with Article 9.3 the Company must, on or before the day referred to in Article 9.3:

- (a) give to the Offeror; and
- (b) serve on the Home Exchange,

a notice in writing stating that the Proportional Takeover Resolution has been voted on and that it has been passed, or has been rejected, as the case requires.

9.7 Proportional Takeover Resolution

If at the end of the day that is the fourteenth day before the last day of the offer period for the Proportional Takeover Scheme no Proportional Takeover Resolution has been voted on in accordance with this Article, a resolution to approve the Proportional Takeover Scheme will, for the purposes of this Article, be taken to have been passed.

9.8 Article ceases to have effect

This Article 9 will cease to have effect at the end of 3 years beginning:

- (a) on the date that these Articles are adopted by the Company if this Article has not been renewed in accordance with the Law; or
- (b) on the date on which this Article was last renewed in accordance with section 672 of the Law.

10 TRANSMISSION OF SHARES

10.1 Title on death of a member

If a member dies, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he or she was a sole holder, shall be the only persons recognised by the Company as having any title to his or her interest in the shares. The estate of a deceased member shall not be released from any liability to the Company in respect of any share held by the deceased (whether jointly or otherwise).

10.2 Person becoming entitled

Subject to the Law and the SCH business rules, any person becoming entitled to shares in consequence of the death, liquidation or bankruptcy of any member or under the law relating to mental health may, upon such evidence being produced as may from time to time be required by the Directors, elect either to be registered as holder

of the shares or to have a nominee registered as the transferee of the shares but the Directors shall in either case have the same right to decline or suspend registration as they would have had in the case of a transfer of the shares of that member prior to such death, liquidation, bankruptcy or other event giving rise to the entitlement.

10.3 Registration on transmission

If the person referred to in Article 10.2 elects to be registered the person shall deliver or send to the Company a notice in writing signed by the person to this effect. If the person elects to have another person registered the person shall testify this election by effecting to that person a transfer of the shares. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as if the death, liquidation or bankruptcy of the member or other event giving rise to the entitlement had not occurred and the notice of transfer were a transfer signed by that member.

10.4 Receipt of dividends

A person entitled to shares by transmission shall be entitled to receive and may give a discharge for dividends or other moneys payable in respect of the shares but except as otherwise provided by these Articles shall not be entitled to any of the rights or privileges of a member unless and until the person shall become registered in respect of the shares.

11 ALTERATION OF CAPITAL

11.1 Increase of capital

The Company may at any time by resolution increase the capital of the Company by the creation of new shares of such amount and of such class as it thinks expedient.

11.2 New shares subject to Articles

Subject to the terms of issue and these Articles, any capital raised by the creation of new shares shall be considered part of the Company's original share capital and shall be subject to the provisions of these Articles.

11.3 Reductions of Capital

Subject to the Law and the Listing Rules, the Company may from time to time by special resolution reduce its share capital, capital redemption reserve or any share premium account.

11.4 Alteration of Share Capital

Subject to the Listing Rules, the Company may by resolution:

- (a) consolidate and divide all or any of its share capital into shares of larger amounts than its existing shares;
- (b) subject to the provisions of paragraph (d) of sub-section (1) of Section 193 of the Law, subdivide its existing shares or any of them into shares of smaller amounts than is fixed by the Memorandum of Association;

- (c) convert all or any of its paid-up shares into stock and re-convert that stock into paid-up shares of any denomination;
- (d) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person or which have been forfeited and reduce the amount of its nominal share capital by the amount of the shares so cancelled; and
- (e) subject to Article 13, convert shares of any class into shares of any other class.

11.5 Directors may settle difficulty

For the purpose of giving effect to any consolidation or subdivision of its share capital, the Directors may settle any difficulty which arises as they think expedient and in particular may:

- (a) issue fractional certificates;
- (b) vest any fractions of shares in trustees on trust for the persons entitled to fractions of shares;
- (c) sell the shares representing the fractions for the best price reasonably obtainable to any person and distribute the net proceeds of sale proportionately among the persons entitled to the relevant fractions (provided that the cost of distribution is not prohibitive) and for the purposes of any sale the Directors may effect the relevant instrument of transfer in favour of the purchaser.

12 INTEREST OUT OF CAPITAL

The Company may exercise the powers conferred by Section 202 of the Law subject to compliance with the provisions of that section.

13 MODIFICATION OF RIGHTS

13.1 Sanction of class members

Subject to Section 197 of the Law, whenever the capital is divided into different classes of shares all or any of the rights attached to any class may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares included in that class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class.

13.2 General meeting provisions to apply

The provisions contained in these Articles as to general meetings shall apply to every class meeting referred to in Article 13.1 except that the quorum for a class meeting shall be persons present holding or representing by proxy or Representative one-tenth of the issued shares of the class.

14 GENERAL MEETINGS

14.1 Annual general meeting

An annual general meeting of the Company shall be held in accordance with the provisions of the Law.

14.2 Time and place

General meetings shall be held at the times and places determined by the Directors from time to time.

14.3 Convening meetings

The Directors may whenever they think fit, and shall upon a requisition made in accordance with Section 246 of the Law, convene a general meeting of the Company. The right of shareholders to convene a meeting under Section 247 of the Law is expressly abrogated.

14.4 Cancellation and postponement

Subject to the provisions of the Law and these Articles:

- (a) the Directors may cancel or postpone as they see fit any general meeting of the Company convened by the Directors;
- (b) the Directors may postpone as they see fit an annual general meeting of the Company;
- (c) the Directors may cancel or postpone a general meeting of the Company which has been convened by a member pursuant to Section 246 of the Law upon receipt of withdrawal of the requisition;
- (d) the member (or all of them if more than one) convening a meeting pursuant to Section 246(3) of the Law may cancel or postpone the meeting;
- (e) the cost of cancelling or postponing a general meeting under paragraph (c) or (d) above shall be borne by the member or members withdrawing the requisition or cancelling or postponing the meeting.

14.5 Notice of meeting

Subject to the provisions of the Law which permit shorter notice, the following periods of clear days' notice (excluding both the date of service of the notice and the date of the meeting) of general meetings shall be given to members entitled to receive notice:

- (a) where it is proposed to pass a special resolution, at least 15 Business Days; and
- (b) in all other cases, at least 10 Business Days.

Each notice shall set out the place, day and time of the meeting and if Directors are to be elected, the names of the candidates for election.

14.6 Notice to Home Exchange

After Listing, notice of any general meeting shall be given to the Home Exchange as required by the Listing Rules.

14.7 Proceedings not invalid

The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at the meeting.

15 PROCEEDINGS AT MEETINGS**15.1 Quorum**

No business shall be transacted at any general meeting unless a quorum is present at the time the meeting proceeds to business. Three members present in person or by attorney, proxy or Representative and entitled to vote shall be a quorum for all general meetings unless there are less than 3 members of the Company, in which case a quorum will be all members present.

15.2 Meeting adjourned if no quorum

If within half an hour from the time appointed for the meeting a quorum is not present the meeting, if convened upon the requisition of members, shall be dissolved but in any other case it shall stand adjourned to the same day in the next week at the same time and place or to such other day, time and place as the Directors may determine. If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting 2 members present in person or by attorney, proxy or Representative shall be a quorum and if such reduced quorum is not then present the meeting shall be dissolved.

15.3 Chairman

The chairman of Directors, or in his absence the deputy chairman, shall be entitled to preside as chairman at every general meeting. If there is no chairman or deputy chairman or if neither is present within 15 minutes after the time appointed for the holding of the meeting or is unwilling to act as chairman of the meeting, the Directors shall choose another Director as chairman and if no other Director is so chosen or if all the Directors present decline to take the chair, the members present shall choose one of their number to be chairman.

15.4 Adjournments

General meeting can be adjourned by the chairman of the meeting if:

- (a) a resolution has been passed consenting to the adjournment of the meeting; or
- (b) a resolution has been passed directing the chairman to adjourn the meeting.

No business shall be transacted at any adjourned meeting other than the business left unfinished at the initial meeting.

15.5 Adjournment for more than 30 days

When a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given in accordance with Article 14.5 but otherwise it is not necessary to give any notice of an adjournment or of the business to be transacted at any adjourned meeting.

15.6 Demand for a poll

At any general meeting a resolution put to the vote of the 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 by the chairman or (other than on the election of the chairman of a meeting or the adjournment of a meeting) by:

- (a) not less than 5 members having the right to vote at the meeting;
- (b) by a member or members who are together entitled to not less than 10% of the total voting rights of all the members having the right to vote at the meeting; or
- (c) by a member or members holding shares in the Company conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than 10% of the total sum paid up on all the shares conferring that right.

15.7 Chairman's declaration conclusive

Unless a poll is demanded as provided in Article 15.6 a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously or carried by a particular majority or lost or not carried by a particular majority and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

15.8 Manner of poll

If a poll is duly demanded it shall be taken in the manner and at the time and place determined by the chairman of the meeting. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll shall not prevent the meeting continuing to transact any business other than the question on which a poll has been demanded.

15.9 Withdrawal of demand for a poll

The demand for a poll may be withdrawn.

15.10 Dispute

The Chairman shall determine any dispute as to the admission or rejection of a vote on a show of hands or on a poll and that determination shall be final and conclusive.

16 VOTES OF MEMBERS

16.1 Voting rights

Subject to these Articles, the Listing Rules, to any determination made pursuant to s.1109N of the Law and to any rights or restrictions for the time being attached to any class or classes of shares:

- a) every member present in person or represented by attorney, proxy or Representative shall on a show of hands have one vote;
- b) where a person present represents as an attorney, proxy or Representative more than one member, on a show of hands that person is entitled to one vote only despite the number of members the person represents; and
- c) on a poll every member who is present in person or represented by attorney, proxy or Representative shall have one vote for every share held by him, except that contributing shares shall be entitled to a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the shares.

16.2 No voting rights

Voting rights may be limited in the following circumstances:

- a) if any escrow agreement entered into by the Company under the Listing Rules in relation to shares which are classified under the Listing Rules or by the Exchange as Vendor Securities has been breached, the member holding the shares in question shall cease to be entitled to any voting rights in respect of those shares for so long as the breach subsists; and
- b) while any sum which is due and payable by a member in accordance with these Articles remains unpaid, that member shall not be entitled to any voting rights in respect of the shares held by that member.

16.3 Chairman's casting vote

In the case of an equality of votes whether on a show of hands or on a poll the chairman of the meeting at which the show of hands is taken or at which the poll is demanded shall be entitled to a casting vote in addition to the vote or votes to which the chairman may be entitled to as a member.

16.4 Votes of joint holders

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

16.5 Votes of member of unsound mind

A member of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental health may vote whether on a show of hands or on a poll by his committee or by such other person as properly has the management of the member's estate or by the Public Trustee (as the case may be) and any such committee other person or trustee may vote by proxy, attorney or Representative.

16.6 Votes of persons entitled on transmission

A person who has satisfied the Directors not less than 48 hours before a general meeting that the person is entitled to a share by operation of law may exercise all rights attached to the share in relation to a general meeting, as if the person were the registered holder of the share.

17 PROXIES

17.1 Not more than 2 proxies

A member may appoint not more than 2 proxies neither of whom need be a member of the Company. If a member appoints one proxy only, that proxy shall be entitled to vote on a show of hands. If a member appoints 2 proxies, neither proxy shall be entitled to vote on a show of hands. Where a member appoints 2 proxies the appointment shall be of no effect unless each proxy is appointed to represent a specified proportion of the member's voting rights.

17.2 Written instrument

The instrument appointing a proxy must be in writing signed by the appointer or the appointer's attorney duly authorised in writing or if the appointer is a corporation either under seal or signed by an officer or attorney of the corporation.

17.3 Deposit of instrument

Not less than 24 hours before the time for holding the meeting, the adjourned meeting or the poll at which a person proposes to vote by proxy or attorney, there shall be deposited at the Office:

- a) the written instrument of appointment as proxy or attorney; and
- b) any authority or power under which the document referred to in paragraph (a) was signed or a notarially certified copy of that power or authority.

17.4 Form of proxy

Subject to the Listing Rules, every instrument of proxy whether for a specified meeting or otherwise shall be in the form as the Directors may, from time to time prescribe or in a particular case accept. Any instrument of proxy in which the name of the appointee is not filled in shall be deemed to be given in favour of the chairman of the meeting to which it relates.

17.5 Authority to demand a poll

The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

17.6 Validity

A vote cast in accordance with the terms of an instrument of proxy or power of attorney shall be valid even if before the vote was cast the appointer:

- a) died;

- b) became of unsound mind;
- c) revoked the proxy or power; or
- d) transferred the shares in respect of which the vote was cast;

unless written notification of the relevant event is received at the Office before the meeting, adjourned meeting or the taking of the poll at which the relevant instrument was used.

17.7 Attendance by appointer

A proxy or power of attorney shall not be revoked by the appointer attending and taking part in any meeting. If the appointer votes on any resolution either on a show of hands or on a poll the person acting as proxy or attorney for the appointer shall have no vote in that capacity on the resolution.

17.8 Member overseas

A member who is permanently or temporarily outside the Commonwealth of Australia may execute an instrument appointing a proxy valid for all meetings during the member's absence from the Commonwealth and until revocation that member may appoint a proxy for any particular meeting by facsimile transmission and such facsimile transmission may be in any form and shall be deemed to be authentic if it purports to be signed by the relevant member.

17.9 Proof of identify

The chairman of a meeting may require any person acting as a proxy, attorney or Representative to establish to the satisfaction of the chairman that the person is the person nominated as proxy, attorney or Representative in the relevant instrument of appointment. If that person is unable to do so the person may be excluded by the chairman from voting either on a show of hands or on a poll.

17.10 Notation

If any member executes or proposes to execute any instrument or to do any act by or through an attorney that member shall produce or cause to be produced to the Company for noting the power of attorney and shall pay the prescribed fee (if any) for such noting and shall (if required) file with the Company a certified copy of the power of attorney which shall be retained by the Company. The Directors may on the first production of a power of attorney and from time to time subsequently require such evidence as they may think fit that it is effective and continues to be in force.

18 DIRECTORS

18.1 Number of Directors

The number of Directors shall be not less than 3 nor more than 10 (or such other number as the Company may from time to time resolve) excluding any Managing Director.

18.2 No share qualification

There shall be no share qualification for a Director of the Company.

18.3 Appointment and removal of Directors

The Company may by resolution:

- (a) appoint new Directors;
- (b) increase or reduce the maximum number of Directors;
- (c) remove any Director before the end of the Director's term of office; and
- (d) appoint another person in place of a Director who has been removed from office and the replacement Director shall hold office for the term for which the Director who has been replaced would have held office if that Director had not been replaced.

18.4 Casual vacancies

Subject to Article 18.1, the Directors shall have power to appoint any person as a Director either to fill a casual vacancy or as an addition to their number.

18.5 Appointee to retire at next general meeting

Any Director appointed pursuant to Article 18.4 shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election. If the next general meeting is an annual general meeting the Director shall not be taken into account in determining the number of Directors who are to retire by rotation at that meeting and shall not be regarded as a Director retiring by rotation at that meeting.

18.6 Rotation

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 but not exceeding one-third shall retire from office and be eligible for re-election. A Managing Director, a Director appointed pursuant to Section 228(7) of the Law and a Director retiring pursuant to Article 18.5 shall be excluded for the purposes of this calculation. No Director other than a Managing Director shall retain office after the third annual general meeting after his appointment without submitting himself for election even though such submission results in more than one-third retiring from office.

18.7 Longest in office to retire

The one-third or other nearest number to retire at the first annual general meeting of the Company after the adoption of these Articles shall be the one-third or other nearest number who have been longest in office. As between 2 or more who have been in office an equal length of time unless otherwise agreed the Director or Directors to retire shall be determined by lot. The length of time a Director has been in office shall be computed from his last election or appointment. A retiring Director shall act as a Director throughout the meeting at which the Director retires.

18.8 Filling vacated office

The Company may by ordinary resolution elect a person to fill the office of a Director who has retired at a general meeting. If the office is not filled and the retiring Director has offered himself or herself for re-election, the retiring Director will be deemed to have been re-elected unless, at the meeting at which he or she retires:

- (a) it is resolved not to fill the vacated office; or
- (b) the resolution for the re-election of the retiring Director is put and lost.

18.9 Nominations

A person (other than a Director retiring by rotation, a Managing Director, a Director appointed pursuant to Section 228(7) of the Law or a Director retiring pursuant to Article 18.5) shall only be eligible for election to the office of Director at any general meeting if:

- (a) the person or some other member intending to propose the person has not less than 30 Business Days before the meeting left at the Office a notice in writing duly signed by the nominee giving consent to nomination and appointment and signifying the person's candidature for the office or the intention of the member to propose the person; or
- (b) the person has been recommended by the Directors for election.

18.10 Vacation of Office

The office of a Director shall immediately be vacated if the Director:

- (a) ceases to be or is removed as a Director pursuant to the provisions of the Law;
- (b) becomes an insolvent under administration or makes any composition or arrangement with his creditors or any class of them;
- (c) becomes of unsound mind or a person whose estate is liable to be dealt with in any way under the law relating to mental health;
- (d) resigns his office by notice in writing to the Company;
- (e) the period for which the Director is appointed expires; or
- (f) without the permission of the other Directors absents himself from the meetings of the Directors for a continuous period of 6 months.

18.11 Less than minimum number

If the number of Directors falls below 3 the remaining Directors may only act for the purpose of:

- (a) increasing the number of Directors to 3;
- (b) summoning a general meeting of the Company; or
- (c) dealing with an emergency.

19 REMUNERATION OF DIRECTORS

19.1 Remuneration of non-executive Directors

Subject to the Listing Rules, the Directors (other than the Managing Director or a Director occupying an executive position) may in aggregate be paid as remuneration for their services the maximum sum from time to time determined by the Company in general meeting.

19.2 Division of remuneration

The remuneration will be divided between the non-executive Directors in such proportion and manner as they agree and, in default of agreement, equally.

19.3 No profit share

Non-executive Directors may not be paid a commission on or a percentage of profits or operating revenue.

19.4 Additional services

If a Director is required to perform services for the Company which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, then the Company may pay the Director a fixed sum determined by the Directors in addition to or instead of the Directors remuneration under Article 19.1. Any such additional amount shall not be taken into account for the purpose of calculating the total remuneration paid under Article 19.1.

19.5 Reimbursement of expenses

The Directors may also be paid all travelling, hotel 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 Company's business.

19.6 Remuneration of Executive Directors

The remuneration of a Managing Director appointed by the Directors or of a Director occupying an executive position may from time to time be fixed by the Directors. The remuneration may be by way of salary or commission or participation in profits or by all or any of these modes but may not be a commission on, or a percentage of operating revenue.

19.7 Management Fee

The management fee payable to any company with whom the Company has contracted with pursuant to Article 22.1 may be determined by the Directors and raised from time to time in accordance with the forms of the contract.

19.8 Payment to Former Directors

Subject to the Law and the Listing Rules, the Directors may:

- (a) pay a gratuity, pension or allowance, on retirement or other vacation of office, to a Director or to any relative of a Director; and

- (b) make contributions to any fund and pay any premiums for the purchase or provision of any such gratuity, pension or allowance.

20 POWERS AND DUTIES OF DIRECTORS

20.1 Directors' power of management

Subject to the Law and these Articles, the management of the business and affairs of the Company shall be vested in the Directors who may exercise all powers of the Company that these Articles and the Law do not require to be exercised by the Company in general meeting.

20.2 Attornies

The Directors may by resolution, power of attorney or writing under seal appoint any firm, company, corporation or person or body of persons to be the attorney or agent of the Company,

- (a) for the purposes;
- (b) with the powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles);
- (c) for the period; and
- (d) subject to such conditions,

as the Directors may from time to time think fit.

20.3 Protection of third parties

Any resolution, power of attorney or written instrument under Article 20.2 may contain provisions for the protection and convenience of persons dealing with the attorney or agent as determined by the Directors and may also authorise the attorney or agent to delegate all or any of the powers, authorities and discretions for the time being vested in the attorney or agent.

20.4 Execution of cheques

All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for money paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed (as the case may be) by the persons and in the manner determined by the Directors.

20.5 Sale of main undertaking

Any sale or other disposal of the main undertaking of the Company shall be conditional upon ratification by the Company in general meeting. At the meeting to ratify any such sale or disposal, any person who may benefit (in a capacity other than only as a security holder of the Company) from the sale or disposal and any associate of that person shall not vote on the resolution to ratify the sale or disposal.

21 INTERESTED DIRECTORS

21.1 Restriction on Director

A Director (including any alternate Director) who has, directly or indirectly, a material interest in any matter that is being considered at a meeting of the Directors will only be prohibited or excluded from:

- (a) voting on the matter; or
- (b) being counted in a quorum for the purposes of the meeting; or
- (c) being present while the matter is being considered,

if the Director is so prohibited or excluded by the Law or the Listing Rules or both.

21.2 Director not disqualified

Subject to Article 21.1, the Law and the Listing Rules, but notwithstanding any rule of law or equity to the contrary, if a Director has disclosed the nature of his or her interest in any contract with the Company at or prior to the meeting of Directors at which the contract is being considered:

- (a) the Director shall not be disqualified by his or her office from contracting with the Company and any firm, body or entity in which the Director has a direct or indirect interest may contract with the Company; and
- (b) the contract may not be avoided by the Company by reason of the Director's position or interest; and
- (c) the Director shall not be liable to account to the Company for any profit made as a result of the contract.

21.3 Director may hold any other office

A Director may hold any other office or place of profit under the Company (except the office of Auditor) in conjunction with the office of Director for such period and on such terms as the Directors may determine.

21.4 Directors conflicts of interest

A Director of the Company who holds any office or possesses any property where, whether directly or indirectly, duties or interests might be created in conflict with his or her duties or interests as a Director shall at the first meeting of Directors held after the relevant facts come to the Director's knowledge declare the fact, nature, character and extent of the conflict.

22 MANAGING DIRECTOR

22.1 Engagement

The Directors may appoint a Director to the office of Managing Director for the period and on the terms as they think fit and may revoke and renew the appointment.

The Company may also enter into a contract (the “Contract of Engagement”) to procure the services of a person employed by that company to act in the office of Managing Director for the period and on the terms that the Directors think fit, provided that such a person is a Director.

The Managing Director shall not be subject to retirement by rotation or be taken into account in determining the retirement by rotation of Directors while that Director continues in the office of Managing Director but the appointment or the Contract of Engagement as the case may be, shall be automatically determined if the Director ceases for any reason to be a Director.

22.2 Control of Board

A Managing Director shall at all times be subject to the control of the Board of Directors. The Directors may entrust to and confer on a Managing Director any of the powers exercisable by them, subject to any terms and restrictions determined by the Directors. The Directors may at any time revoke, withdraw, alter or vary all or any of the powers conferred under this Article. Powers so conferred on any Managing Director shall be collateral with the powers of the other Directors and not to the exclusion of those powers.

23 PROCEEDINGS OF DIRECTORS

23.1 Directors to regulate meetings

The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit and may from time to time determine the quorum necessary for the transaction of business. Until otherwise determined 2 Directors shall form a quorum.

23.2 Convening meetings

A Director may at any time, and the Secretary shall, upon the request of a Director, convene a meeting of Directors.

23.3 Notice

Notice of a meeting of Directors must be given to all Directors except to a Director whom the Secretary when giving notice to other Directors reasonably believes to be outside Australia. It shall not be necessary to give notice of meeting to any alternate Director unless notice is not given to the Director by whom the alternate Director was appointed.

23.4 Conference meetings

(a) Without limiting the discretion of the Directors to regulate their meetings under Article 23.1, a meeting of the Directors may consist of a conference between Directors some or all of whom are in different places provided that each Director who participates is able:

- (i) to hear each of the other participating Directors addressing the meeting; and

- (ii) if he or she wishes, to address each of the other participating Directors simultaneously;

whether directly, by conference telephone or by any other form of communications equipment (whether in use when this Article 23 is adopted or developed subsequently) or by a combination of those methods. A quorum shall be deemed to be present if those conditions are satisfied in respect of at least the number of Directors required to form a quorum. A meeting held in this way shall be deemed to take place at the place where the largest group of participating Directors is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates. Any Director may, by prior notice to the Secretary, indicate that he or she wishes to participate in the meeting in this manner, in which event, the Directors shall procure that an appropriate conference facility is arranged at the expense of the Company.

- (b) No Director may leave the conference by disconnecting his or her means of communication unless he or she has previously obtained the express consent of the chairman of the meeting and a Director shall be conclusively presumed to have been present and to have formed part of the quorum at all times during the meeting by telephone or other means of communication unless the Director has previously obtained the express consent of the chairman to leave the conference.

23.5 Chairman

The Directors may elect a chairman and a deputy chairman of their meetings and determine the period for which each such person is to hold office. If no chairman or deputy chairman is elected or if at any meeting neither the chairman nor the deputy chairman is present at the time appointed for holding the meeting or if both decline to chair the meeting, the Directors present shall elect one of their number to be Chairman of the meeting.

23.6 Majority decision

Questions arising at any meeting of Directors shall be decided by a majority of votes. Each Director shall have one vote and a determination by a majority of the Directors shall for all purposes be deemed a determination of the Directors. The chairman shall only have a second or casting vote on a resolution where there is an equality of votes on that resolution at a meeting at which more than 2 Directors are present and able to vote on the question which is the subject of the resolution.

23.7 Committees

The Directors may delegate any of their powers to committees consisting of any Directors or other persons as they think fit. Any Committee of Directors must conform to any regulations that may be imposed on it by the Directors.

23.8 Proceedings of Committees

The meetings and proceedings of any Committee of Directors consisting of more than one person shall be governed by the provisions of these Articles for regulating the meetings and proceedings of the Directors so far as they are applicable and are not superseded by any regulations made by the Directors under Article 23.7.

23.9 Not invalid

If it is discovered that:

- (a) there was a defect in the appointment of any Director, Alternate Director or member of a Committee of Directors; or
- (b) a person appointed to one of those positions was disqualified or had vacated office or was otherwise not entitled to vote on a matter;

all acts of the Directors or Committee of Directors (as the case may be) before the discovery was made are as valid as if the person had been duly appointed, was not disqualified, had not vacated office and was entitled to vote (as the case may be).

23.10 Written resolutions

A resolution in writing signed by all the Directors (not including any Alternate Director unless the Director who appointed an Alternate Director is not in Australia) for the time being in Australia (not being less than a quorum) shall be as valid and effectual as if it had been passed at a meeting of Directors duly called and constituted. Any such resolution may consist of several documents in like form each signed by one or more Directors.

23.11 Authorisation to vote

A Director who is unable to attend any meeting of the Directors may authorise any other Director to vote for him or her at that meeting in respect of all resolutions on which that Director would have been entitled to vote had he or she been present at the meeting. The Director so authorised shall have a vote for each Director by whom he or she is so authorised in addition to his or her own vote. Any such authority must be in writing or by facsimile transmission which must be produced at the meeting at which it is to be used and be left with the Secretary for retention with the Company's records.

24 BORROWING POWERS

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, assets and uncalled capital or any part of it and to issue debentures, debenture stock and other securities whether outright or as security for any debt, contract, guarantee, engagement, obligation or liability of the Company or of any third party and on such terms and conditions as the Directors think fit.

25 ALTERNATE DIRECTORS**25.1 Appointment**

A Director may, with the approval of the Directors, appoint any person who consents as his or her alternate for a period determined by that Director.

25.2 Rights of Alternate Director

An Alternate Director is:

- (a) entitled to receive notices of Directors' meetings if notice has not been given to his or her appointer;
- (b) entitled to be present at a Directors' meeting if his or her appointer is not present but would have been entitled to be present;
- (c) entitled to be counted in a quorum for a Directors' meeting if his or her appointer is not present but would have been entitled to be counted in a quorum for the particular meeting; and
- (d) entitled to vote on any resolution at a Directors' meeting if his or her appointer is not present but would have been entitled to vote on the particular resolution.

25.3 Officer of the Company

An Alternate Director is an officer of the Company and is not an agent of the appointer.

25.4 Provisions to apply

Subject to the Article 25.2, the provisions of these Articles which apply to Directors also apply to Alternate Directors, except that Alternate Directors are not entitled to any remuneration from the Company.

25.5 Revocation of appointment

The appointment of an Alternate Director may be revoked at any time by the appointer or by the other Directors. An Alternate Director's appointment ends automatically when his or her appointer ceases to be a Director.

25.6 Notice of revocation

Any appointment or revocation under this Article must be effected by written notice delivered to the Secretary.

26 ASSOCIATE DIRECTORS

26.1 Appointment

The Directors may appoint a person to be an associate director and may remove a person so appointed.

26.2 Duties and powers

The Directors may define and limit the duties and powers of associate directors and their remuneration for their services as associate directors, but that remuneration must be by a fixed sum and not a commission on, or a percentage of, profits or operating turnover.

26.3 Associate Director not a Director

A person appointed as an associate director is not a Director for any of the purposes of these Articles and accordingly:

- (a) is not a member of the board of Directors or of any Committee of Directors;
- (b) is not entitled to be present at any meeting of the Directors or of any Committee of Directors except at the request of the Directors or particular Committee of Directors; and
- (c) if present at any meeting of the Directors or Committee of Directors may not vote or form part of a quorum.

27 MINUTES

The Directors shall cause minutes to be kept in accordance with the Law:

- (a) of the names of the Directors present at each meeting of the Directors and of any Committee of Directors; and
- (b) of all resolutions and proceedings of general meetings and of meetings of Directors and of Committees of Directors.

Minutes shall be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting.

28 LOCAL MANAGEMENT

28.1 Power to provide for local management

The Directors may from time to time provide for the management of the affairs of the Company in any part of Australia or elsewhere in any manner they think fit and the provisions contained in the following Articles shall be without prejudice to the general powers conferred by this Article.

28.2 Branch offices

The Directors may establish agencies, branch offices and local boards as they think fit and may do all acts, matters and things as may be necessary for that purpose. The Directors may make regulations for the management of any agency, branch office or local board so established as they may from time to time think proper. The Directors may authorise payment of remuneration to members of any agency, branch office or local board and may authorise payment of any expenses incurred in the establishment, maintenance or operation of any agency, branch office or local board. The Directors may from time to time discontinue any agency, branch office or local board or the appointment of any person holding office in it.

29 SECRETARY

One or more Secretaries shall in accordance with the Law, be appointed by the Directors for the terms, at the remuneration and upon the conditions as the Directors may think fit and any Secretary so appointed may be removed by them in their absolute discretion.

30 SEAL

30.1 Seal

The Directors shall provide for the safe custody of the Seal which shall only be used by the authority of the Directors or of a Committee of Directors authorised by the Directors. Every instrument to which the Seal is affixed must be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Directors for that purpose. In the case of share certificates this Article is subject to Article 30.4.

30.2 Official Seal

The Company may have for use in any place outside the State an Official Seal which must be a facsimile of the Seal with the addition on its face of the name of every place where it is to be used. The person affixing any Official Seal must certify on the instrument to which it is affixed the date on which and the place at which it is affixed.

30.3 Use of Official Seal

The Directors may exercise all the powers of the Company in relation to any Official Seal for use outside the State or Territory of incorporation and in relation to branch registers.

30.4 Share Seal

For the purpose of sealing share certificates or other interests in the Company, the Company may have a duplicate common seal which is a facsimile of the Seal with the addition on its face of the words "Share Seal". A certificate under the duplicate seal shall be deemed to be sealed with the Seal. Such certificates must bear the manual or facsimile signatures of a Director and the Secretary.

30.5 Seal Register

A document sealed under the Seal in a manner in accordance with the above but which was not affixed pursuant to a resolution of the Board of Directors or a committee appointed in respect of the execution of the document shall be deemed properly affixed if entered in the Seal Register of the Company and the use of the Seal ratified at a subsequent meeting of directors.

31 DIVIDENDS

31.1 Declaration of dividend

The Company in general meeting may declare a dividend if, and only if, the Directors have recommended a dividend. A dividend shall not exceed the amount recommended by the Directors.

31.2 Interim dividend

The Directors may from time to time declare such interim dividends as appear to the Directors to be justified from the profits of the Company.

31.3 Payment

Subject always to the provisions of this Article, any dividends may be paid, credited or otherwise distributed as determined by the Directors.

31.4 Dividend out of profits

No dividend shall be paid otherwise than out of profits or pursuant to Section 191 of the Law and no dividend shall bear interest against the Company.

31.5 Directors' declaration conclusive

The declaration of the Directors as to the amount of the profits available for dividends shall be conclusive.

31.6 Reserves

The Directors may set aside out of the profits of the Company such 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 and pending any such application may either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Directors may from time to time think fit. The Directors may also without placing them to reserve carry forward any profits which they may think prudent not to divide.

31.7 Dividends in proportion

Subject to Article 31.8, the Listing Rules the SCH business rules, s.1109P of the Law and to the rights of persons (if any) entitled to shares with special rights as to dividend, all dividends are payable to the persons entitled to those dividends pro rata to the proportion of the total issue price (including any premium) paid up on the shares held by them respectively. If any share is issued on terms providing that it shall rank for dividend as from a particular date that share shall rank for dividend accordingly.

31.8 Breach of Escrow Agreement

In the event of a breach of any escrow agreement entered into by the Company under the Listing Rules in relation to shares which are classified under the Listing Rules or by the Exchange as Vendor Securities, the member holding the shares in question shall cease to be entitled to any dividends in respect of those shares for so long as the breach subsists.

31.9 Books close

Subject to the SCH business rules and to s.1109P of the Law, a transfer of shares registered after the books close for dividend purposes but before a dividend is payable shall not pass the right to any dividend declared on those shares before the registration of the transfer.

31.10 Transmissions

The Directors may retain the dividends payable on shares in respect of which any person is under Article 10 entitled to become a member or which any person under

that Article is entitled to transfer until that person becomes a member in respect of the shares or duly transfers them.

31.11 Lien

The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien or the registered owner of which is indebted to the Company and may apply the dividend or other moneys in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists or in or towards satisfaction of the relevant indebtedness.

31.12 Distribution of Assets

Without prejudice to Article 31.14:

- (a) any dividend may, with the sanction of a general meeting, be paid wholly or in part by the distribution of specific assets including paid or partly paid up shares, debentures or debenture stock of any other corporation; and
- (b) the Directors may settle any difficulty which arises with regard to such distribution as they think expedient and in particular, in order to adjust the rights of all persons entitled may make provision for the case of fractions and may fix the value for distribution of the specific assets or any part of them and may determine that cash payments shall be made to any persons entitled and may vest the specific assets in trustees upon trust for all the persons entitled to the dividend.

31.13 Payment by Cheque

Any dividend, interest or other money payable in cash in respect of shares shall be despatched to all persons entitled to it at the same time and may be paid by cheque or warrant sent through the post directed to the registered address of the holder or in the case of joint holders to the registered address of that one of the joint holders who is first named on the register of members or to the person and to the address as the holder or joint holders may in writing direct. Every cheque or warrant shall, unless the holder otherwise directs, be made payable to the order of the member to whom it is sent. Any joint holder may give effectual receipts for any dividends, bonuses or other moneys payable in respect of the shares held by them as a joint holder.

31.14 Bonus Issues

Subject to the SCH business rules and to s.1109P of the Law, the Company may, upon recommendation of the Directors, resolve:

- (a) that any sum available for dividend in respect of the ordinary shares be capitalised and distributed to the holders of ordinary shares entered on the Register on a date determined by the Directors and to any other person holding any class of shares in the Company conferring rights to participate in bonus issues pro rata to the amount (excluding any premium) paid up on their shares; and
- (b) that the amount referred to in paragraph (a) be applied in paying up in full shares (including redeemable shares), debentures or debenture stock of the Company or partly in one way and partly in the other to be allotted and issued on the basis and to the persons referred to in paragraph (a).

31.15 Directors' Powers

Whenever a resolution as referred to in Article 31.14 is passed the Directors shall do and shall be empowered to do all acts and things required to give effect to the resolution with full power to the Directors to:

- (a) make such provision for the case of fractions as they think fit; and
- (b) authorise any person on behalf of all persons entitled to participate in the bonus issue to enter into an agreement with the Company providing for the allotment to them respectively of the shares, debentures or debenture stock referred to in Article 31.14 and any agreement made under this authority shall be effective and binding on all the members.

31.16 Dividend Re-investment

The Directors may determine that each member shall be entitled to elect to reinvest all or any part of dividends paid or payable by the Company to them in cash by subscribing for fully paid ordinary shares in accordance with the plan. The Directors are authorised to vary the terms and conditions of the plan as and when they consider appropriate and to suspend or terminate it.

32 ACCOUNTS

32.1 Accounting records

The Directors must cause proper accounting and other records to be kept and shall distribute copies of accounts as required by the Law and the Listing Rules.

32.2 Inspection

The Directors must determine whether and to what extent and at what times and places and under what conditions or regulations the accounting and other records of the Company or any of them shall be open for the inspection by members who are not Directors. Subject to the Law, no member (who is not a Director) shall have any right to inspect any account or book or paper of the Company unless authorised by the Directors or by the Company in general meeting.

32.3 Issue of Annual Report

The interval between the close of a financial year of the Company and the issue of the printed Annual Report and audited accounts relating to it shall not exceed the period (if any) prescribed by the Law and the Listing Rules.

33 NOTICES

33.1 Method of sending notices

A notice may be given by the Company to any member either personally or by sending it by post to the members registered address.

33.2 Time of service

Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and to have been effected on the day after the date of posting.

33.3 Notice by facsimile

The Directors may resolve that a notice may be sent by facsimile transmission to any member. Any notice sent by facsimile transmission shall be taken to have been given on the day it is sent (or, if that is not a Business Day, on the next Business Day).

33.4 Joint holders

A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder first named in the register of members in respect of the share.

33.5 Notices to legal representatives

A notice may be given by the Company to the persons entitled to a share in consequence of the death, liquidation or bankruptcy of a member or under the law relating to mental health by sending it through the post in a prepaid letter addressed to them by name or by their title as representatives of the relevant member or at the address (if any) within the Commonwealth of Australia supplied for the purpose by the persons claiming to be entitled or (until such an address has been supplied) by giving the notice in any manner in which it might have been given if the death, lunacy, liquidation or bankruptcy had not occurred.

33.6 Notices to foreign residents

Notices and other documents for members outside the Commonwealth of Australia shall be forwarded to those members by air at the address outside the Commonwealth of Australia supplied to the Company by them.

33.7 Notices of general meetings

Notice of every general meeting shall be given in any manner authorised to:

- (a) every member;
- (b) every person entitled to a share in consequence of the death, liquidation or bankruptcy of a member or under the law relating to mental health;
- (c) the Auditor for the time being of the Company; and
- (d) after Listing, any other person to whom notices of general meetings must be given under the Listing Rules.

33.8 Signature on notices

The signature to any notice to be given by the Company may be written, printed or stamped.

34 WINDING UP

34.1 Distribution

Subject to Article 35.3, and without prejudice to the rights of the holders of shares issued upon special terms and conditions, if the Company is wound up, the assets available for distribution among the members shall be distributed amongst the shareholders entitled to the assets in proportion to the shares held by them respectively irrespective of the amounts paid up on the shares.

34.2 Liquidator

Subject to Article 35.3, if the Company is wound up the liquidator may with the sanction of a special resolution of the Company:

- (a) divide amongst the members in kind the whole or any part of the assets of the Company (whether they consist of property of the same kind or not) and may for that purpose set such value as the liquidator deems fair upon any property to be divided and may determine how the division shall be carried out as between the members or different classes of members provided that no member shall be compelled to accept any shares or other securities on which there is any liability; or
- (b) vest the whole or any part of any such assets in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit.

34.3 Vendor securities

On a winding up of the Company, the holders of shares which are classified under these Listing Rules or by the Exchange as Vendor Securities and which are subject to escrow restrictions at the commencement of the winding up shall rank on a return of capital behind all other shares in the Company.

34.4 Payment to Liquidator

On a voluntary winding up of the Company no commission or fee shall be paid to the liquidator unless the proposed payment of the commission or fee has been approved by a resolution of the Company in general meeting and the amount of the proposed payment is specified in the notice calling the meeting.

35 INDEMNITY

35.1 Indemnity of Directors Against Third Party Liability

Every Director shall be indemnified by the Company against a liability to another person (other than the Company or a related body corporate) arising out of any contract entered into or act or thing done or acts or things omitted to be done by that first person as Director or in any way in discharge of his or her duty unless the liability arises out of conduct involving a lack of good faith.

35.2 Indemnity of Officers Against Third Party Liability

Every Auditor and officer or employee of the Company may by resolution of the Directors be indemnified by the Company against a liability to another person (other

than the Company or a related body corporate) arising out of any contract entered into or act or thing done or acts or things omitted to be done by that first person as Auditor or other officer (other than as a Director) or employee (as the case may be) or in any way in discharge of his or her duty unless the liability arises out of conduct involving a lack of good faith.

35.3 Indemnity for court proceedings

Every Director, Auditor and other officer or employee of the Company may by resolution of the Directors be indemnified out of the assets of the Company against a liability for costs and expenses incurred by that person:

- (a) in defending any proceedings (whether civil or criminal) in which judgment is given in favour of that person or in which the person is acquitted; or
- (b) in connection with an application, in relation to such proceedings, in which the Court grants relief to that person under the Law.

35.4 Payment for Insurance Premiums

The Company or a related body corporate may by resolution of the Directors pay, or agree to pay, either directly or indirectly through one or more interposed entities, a premium in respect of a contract insuring a person who is or has been a Director, Auditor or other officer or employee of the Company against:

- (a) any liability other than a liability incurred by the person as such a Director, Auditor or other officer or employee and arising out of conduct involving:
 - (i) a wilful breach of duty in relation to the Company; or
 - (ii) without limiting sub-paragraph (i), a contravention of subsection 232(5) or (6) of the Law; or
- (b) a liability for costs and expenses incurred by the person in defending proceedings, whether civil or criminal and whatever their outcome.