

**Constitution of  
Flave Holdings Pty Ltd**

## 1. DEFINITIONS AND INTERPRETATION

### 1.1 Definitions

In the interpretation of this Constitution, unless the context or subject matter requires otherwise, references to:

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

**Associate** when used in Rule 33, has the meaning given for the purposes of Division 7A of the Income Tax Assessment Act 1936;

**Company** means the Company whose Members have adopted this Constitution;

**Constitution** means this Constitution containing the rules for the operation of the Company;

**CSF Offer** means a CSF offer by the Company under the Corporations Act and **CSF Offers** has a corresponding meaning.

**CSF Share** means an ordinary share issued pursuant to a CSF Offer and **CSF Shares** has a corresponding meaning.

**Director** means each person appointed as, and who, at the relevant time, remains, a director of the Company and:

- (a) includes any person appointed as an alternative for any other Director; and
- (b) excludes any person who is disqualified from acting as a director or who is removed or resigns from that office;

**Fully Diluted Basis** means the number of shares that would be issued if at the time of that calculation all options or other equity securities which could become vested, or be exercised or convertible at that time had so vested and been so converted, or exercised, their exercise prices paid and the relevant shares issued.

**Interest Rate** means the Benchmark Interest Rate defined in the *Income Tax Assessment Act 1936* expressed as a rate per cent per annum;

**Member** means each person holding a share or shares in the Company at the relevant time;

**Members' Register** has the meaning given in rule 9.3.

**Minimum Share Qualification** means holding shares greater than or equal to 15% of the issued voting shares on a Fully Diluted Basis.

**Notice Address** means the last address specified by a person in the records of the Company and includes:

- (a) each address listed for each relevant person in the records of the Australian Securities and Investments Commission;
- (b) any other address nominated by the relevant person as an additional, alternative or substituted Notice Address for the purposes of this Constitution; and
- (c) the then current facsimile number or email address nominated as a Notice Address by a person;

**Prescribed Rate** means the rate specified by the Directors from time to time expressed as a rate per cent per annum or if no rate is specified, the Interest Rate plus 2 percent;

**Related Body Corporate** means:

- (a) in the case of a body corporate, the body corporate which is related to that body corporate within the meaning of the Act; and
- (b) in the case of a transfer by an individual Member under Rule 16, an entity in which that Member beneficially owns or controls all the issued shares;

**Right** includes a legal, equitable, contractual, statutory or other right, power, authority, benefit, privilege, remedy, entitlement, discretion or cause of action;

**Rules** means the provisions of this Constitution and **Rule** means any one of them.

**Substantial Member** means a member who holds shares greater than or equal to 2% of the issued voting shares on a Fully Diluted Basis.

## 1.2 Interpretation

- (a) In the interpretation of this Constitution, unless the context or subject matter requires otherwise, references to:
- (i) **singular** words include the **plural** and vice versa;
  - (ii) any **gender** include every gender;
  - (iii) **persons** include natural persons, firms, companies, corporations, bodies corporate, trustee, trusts, charities, associations, partnerships, government authorities, and other legal entities. It will include references to that person's estate, personal representatives, executors, administrators, substitutes, successors and assigns;
  - (iv) **writing** include printing, typing, facsimile and other means of representing or reproducing words, figures, drawings or symbols in a visible and tangible or electronic form, in English;
  - (v) **signature** and/or **signing** mean due execution of a document and include signing by an agent or attorney or representative;
  - (vi) **months** mean calendar months;
  - (vii) **statutes** include statutes amending, modifying, rewriting, re-enacting, consolidating or replacing the statutes referred to and all regulations, orders-in-council, rules, by-laws, orders in council and ordinances made under those statutes;
  - (viii) **sections** of statutes or terms defined in statutes refer to corresponding sections or defined terms in amended, consolidated or replacement statutes;
  - (ix) an **agreement** or **document** (including this Constitution) mean that agreement or document as varied, amended, novated or supplemented and include all recitals, schedules, appendices and exhibits to it;
  - (x) **clauses** or **schedules** are references to the clauses or schedules of this Constitution;
  - (xi) **a party** include that party's executors, administrators, substitutes, successors and assigns;
  - (xii) **sell** or **sold** include transfer, lease, assign, grant options and/or any other form of disposing of or creating an interest in the thing being considered and **buy** or **purchase** will be interpreted correspondingly.
- (b) The following rules apply, unless the context or subject matter requires otherwise:
- (i) **headings** and the **table of contents** are used for convenience only and must be disregarded in the interpretation of this Constitution;
  - (ii) if a word or phrase is given a **defined meaning**, another grammatical form of that word or phrase has a corresponding meaning; and
  - (iii) where a person is entitled to **vote** or holds the **right to vote** on any matter under this Constitution, the person may vote by proxy or attorney or representative. A reference to a person being present means present in person or by proxy;
  - (iv) **each paragraph** or sub-paragraph in a list is to be **read independently** from the others in the list.

### **1.3 Actions authorised under the Act**

Where the Act authorises or permits a company to do any thing if authorised by its constitution, the Company is authorised or permitted by this Constitution to do that thing subject to any express limitation contained in this Constitution.

### **1.4 Corporations Act prevails**

Where any provision in this Constitution conflicts with or is inconsistent with any provision of the Act, that provision will be read and interpreted as being subject to the provisions of the Act and will be ineffective, but only to the extent of any conflict or inconsistency.

### **1.5 Invalidity**

This Constitution will, to the extent possible, be interpreted and construed so as not to be invalid, illegal or unenforceable in any respect. If a provision, on its true interpretation or construction is found to be illegal, invalid or unenforceable:

- (a) that provision will, be read down to the extent that it may be necessary to ensure that it is not illegal, invalid or unenforceable and as may be reasonable in the circumstances to give it a valid operation; or
- (b) if the provision or part of it cannot effectively be read down, that provision or part of it will be deemed to be void and severable and the remaining provisions of this Constitution will not in any way be affected or impaired and will continue regardless of that illegality, invalidity or unenforceability.

### **1.6 No limit on powers**

Where the Company or the Directors or any other person is given a Right under this Constitution:

- (a) the Right is exercisable absolutely and with unfettered discretion and without restriction unless the Right is expressly limited; and
- (b) any exercise of that Right on any occasion will not restrict the further exercise of the Right on any other occasion or at any time; and
- (c) This Rule 1.6 applies, subject to any provision of this Constitution, the Act or any other law, to the contrary.

## **2. RIGHTS, POWERS AND PRIVILEGES**

### **2.1 General powers**

The Company has:

- (a) the rights, powers and privileges of a natural person; and
- (b) the rights, powers and privileges of a body corporate; and
- (c) the rights, powers and privileges specified in this Constitution and the Act.

### **2.2 Specific powers**

Without limiting Rule 2.1, the Company has the Right to:

- (a) issue and allot fully or partly paid shares;
- (b) issue debentures;
- (c) distribute Company property to its Members, in kind or otherwise;
- (d) grant options over unissued shares;
- (e) give security by charging uncalled capital;
- (f) grant a fixed and/or floating charge over Company property;

- (g) register the Company as a body corporate in any place outside Australia; and
- (h) do anything that it is authorised to do or permitted to do by law anywhere in the world.

### **2.3 Legal capacity**

The Company's legal capacity to do something is not affected by the fact the Company's interests are not, or would not be, served by doing it.

## **3. PROPRIETARY LIMITED COMPANY**

### **3.1 Limitations**

The Company is registered as a proprietary company limited by shares and:

- (a) the liability of Members is limited; and
- (b) the right to transfer shares in the Company is restricted by this Constitution.

### **3.2 Prohibitions**

The Company is prohibited from:

- (a) issuing any offer for the acquisition of any shares in, or debentures of, the Company;
- (b) issuing any invitation to subscribe for any shares in, or debentures of, the Company; or
- (c) issuing any offer to accept subscriptions for any shares in, or debentures of, the Company, except in compliance with the Act.

### **3.3 Maximum Members**

The number of Members of the Company must not exceed 50 and when counting the Members of the Company under this Rule:

- (a) joint holders of shares will be counted as 1 person;
- (b) any employee of the Company or a Related Body Corporate who is a Member of the Company will not be counted;
- (c) any former employee of the Company or a Related Body Corporate who was, during the term of that employment and has continued, uninterrupted, to be a Member of the Company, will not be counted; and
- (d) Members who only hold CSF Shares will not be counted.

## **3A. B CORPORATION CERTIFICATION**

### **3A.1 Purpose**

The purpose of the Company is to deliver returns to Members whilst having an overall positive impact on society and the environment.

### **3A.2 Discharge of duties**

In discharging their duties under this Constitution, the Corporations Act and the general law, the Directors or other officers of the Company:

- (a) must consider:
  - (i) the likely consequences of any decision or act of the Company in the long term; and
  - (ii) the interests of the Company's employees; and

- (iii) the need to foster the Company's business relationships with suppliers, customers and others;
  - (iv) the impact of the Company's operations on the community and the environment; and
  - (v) the desirability of the Company maintaining a reputation for high standards of business conduct; and
  - (vi) the interests of the Members of the Company; and
  - (vii) the ability of the Company to create an overall positive impact on society and the environment; and
- (b) need not give priority to a particular matter referred to in paragraph (a) over any other matter, unless the Company has stated in this Constitution that the Directors or other officers of the Company must give priority to certain matters related to the pursuit or creation of any objects listed in this Constitution.

#### **4. SHARE CLASSES**

- (a) The Company may issue shares of any class and with any Rights as determined by the Directors and may issue shares:
  - (i) in the classes and with the Rights attached to them in Rule 5 (with or without other Rights); and/or
  - (ii) in any other classes and with any other Rights attached to them as determined by the Directors from time to time.
- (b) The Company may issue shares by resolution of the Directors.
- (c) Shares may be issued with any preferred or other special Rights or restrictions relating to dividends, voting, return of or entitlement to capital or otherwise as the Directors determine.
- (d) The Company may issue shares which are redeemable.
- (e) Any issue of any shares will not affect any special Rights or restrictions previously given to or imposed on any existing shares or class of shares unless varied in compliance with Rule 7.
- (f) Any issue of shares will be subject to the Act.

#### **5. SHARE RIGHTS**

##### **5.1 Ordinary shares and A Class/B Class shares**

Holders of Ordinary shares and A Class and B Class shares have:

- (a) the right to vote at all meetings of the Company;
- (b) the right to participate in any dividend declared on the class of shares held; and
- (c) the right to participate in any division or distribution of any surplus assets or profits of the Company equally with all other Members having similar rights.

##### **5.2 C Class/D Class/E Class shares**

Holders of C Class, D Class and E Class shares have:

- (a) no right to vote at any meeting of the Company;
- (b) the right to participate in any dividend declared on the class of shares held; and
- (c) the right to participate in any division of any surplus assets or profits of the Company equally with all other Members having similar rights.

### **5.3 F Class Redeemable Preference shares**

- (a) Holders of F Class Redeemable Preference shares have:
- (i) the right to vote at all meetings of the Company;
  - (ii) the right to participate in any dividend declared on the class of shares held; and
  - (iii) no right to participate in the division of any surplus assets or profits of the Company.
- (b) The Company may at any time redeem all or redeem any one or more F Class Redeemable Preference shares. If the Company elects to do so:
- (i) the Company will give the holder of the shares to be redeemed seven days written notice of the redemption;
  - (ii) the redemption may only be exercised by resolution of the Directors;
  - (iii) the notice must be signed by a Director and will be delivered or posted to the Notice Address for the holder of those shares with a cheque for the amount paid up in respect of those shares; and
  - (iv) any redemption under this Rule will be effective immediately upon the expiry of seven days from the delivery or posting of the notice of redemption.

### **5.4 G Class Redeemable Preference shares**

- (a) Holders of G Class Redeemable Preference shares have:
- (i) no right to vote at any meeting of the Company;
  - (ii) the right to receive from the profits of the Company as a first charge a non- cumulative preferential dividend at the Prescribed Rate of the amount then paid up (and not previously redeemed) on the G Class Redeemable Preference shares held; and
  - (iii) no right to participate in the division of any surplus assets or profits of the Company.
- (b) The Company may at any time redeem all or redeem any one or more G Class Redeemable Preference shares. If the Company elects to do so:
- (i) the Company will give the holder of the shares to be redeemed seven days written notice of the redemption;
  - (ii) the redemption may only be exercised by resolution of the Directors;
  - (iii) the notice must be signed by a Director and will be delivered or posted to the Notice Address for the holder of those shares with a cheque for the amount paid up in respect of those shares; and
  - (iv) any redemption under this Rule will be effective immediately upon the expiry of seven days from the delivery or posting of the notice of redemption.

### **5.5 H Class shares**

Holders of H Class shares have:

- (a) the right to vote at all meetings of the Company;
- (b) no right to receive any dividends; and
- (c) the right to participate in the division of any surplus assets or profits of the Company equally with all other Members having similar rights.

### **5.6 I Class/J Class/K Class shares**

Holders of I Class, J Class and K Class shares have:

- (a) no right to vote at any meeting of the Company;

- (b) the right to participate in any dividends declared on the class of shares held; and
- (c) no right to participate in the division of any surplus assets or profits of the Company.

#### **5.7 L Class shares**

Holders of L Class shares have:

- (a) the right to vote at all meetings of the Company;
- (b) no right to receive any dividends; and
- (c) no right to participate in any division of any surplus assets or profits of the Company.

#### **5.8 M Class shares**

Holders of M Class shares have:

- (a) no right to vote at any meeting of the Company;
- (b) no right to receive any dividends; and
- (c) the right to participate in the division of any surplus assets or profits of the Company equally with all other Members having similar rights.

#### **5.9 Repayment of capital**

Regardless of any other provision in this Constitution but subject to any agreement between the Members of the Company otherwise, on a winding up or a reduction of the capital of the Company, the amount paid up on the shares in each class then issued will be repaid to the holders of those shares in the following order of priority:

- (a) G Class Redeemable Preference Shares;
- (b) F Class Redeemable Preference Shares;
- (c) Ordinary Shares;
- (d) A Class Shares;
- (e) B Class Shares;
- (f) C Class Shares;
- (g) D Class Shares;
- (h) E Class Shares;
- (i) H Class Shares;
- (j) I Class Shares;
- (k) J Class Shares;
- (l) K Class Shares;
- (m) L Class Shares;
- (n) M Class Shares.

#### **5.10 Surplus assets and profits**

Regardless of any other provision in these Rules, but subject to any agreement between the Members of the Company otherwise, on a division of surplus assets or profits of the Company, the holders of shares having Rights to surplus assets or profits of the Company, will share in a division equally with all other holders of such shares in proportion to the numbers of shares held.

### **6. VOTING RIGHTS**

Unless otherwise stated in these Rules or on the issue of any shares but subject to any agreement

between the Members of the Company otherwise:

- (a) where a share has voting Rights attached to it, the holder of those shares has the Right to cast 1 vote upon a show of hands and upon a poll to cast 1 vote for each share held;
- (b) the holders of each class of shares issued with voting Rights have the Right to receive notice of each general meeting of the Company; and
- (c) the holders of each class of shares issued with voting Rights have the Right to attend each general meeting of the Company.

## **7. VARYING SHARE CLASS RIGHTS**

### **7.1 Special resolution**

- (a) The Rights or restrictions attached to any shares or class of share may be varied by resolution of the Directors:
  - (i) with the consent in writing of the holders of at least seventy-five percent (75%) of the issued shares of the same class; or
  - (ii) with the sanction of a special resolution passed at a separate meeting of the holders of the shares of the same class.
- (b) The Rights or restrictions attaching to any shares or class of shares may be varied whether or not the Company is being wound up.

### **7.2 Deemed variation**

The Rights conferred upon the holders of preference shares will, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking equally with the first-mentioned shares.

## **8. COMMISSION**

### **8.1 Payment**

The Company may make payments by way of brokerage or commission for the issue of shares in accordance with the Act.

### **8.2 Allotment as commission**

Payments by way of brokerage or commission may be satisfied by any combination of:

- (a) the payment of cash; and/or
- (b) the allotment of fully or partly paid shares.

## **9. THIRD PARTY INTERESTS**

### **9.1 No requirement**

The Company may, but is not required to, recognise a person as holding a share upon any trust unless required to do so by the Act or by law.

### **9.2 Recognition of interests**

Whether or not the Company has notice of the rights or interests concerned, the Company is not bound to recognise:

- (a) any equitable, contingent, future, or partial interest in any share or part of a share; or
- (b) any other right in respect of a share,

except an absolute right of ownership of a Member, unless otherwise provided by this Constitution

or the Act.

### **9.3 Members Register**

- (a) The Board must set up and at all times maintain a Members' Register containing the following information:
  - (i) each Member's name and address;
  - (ii) the date on which the entry of each Member's name in the register is made;
  - (iii) the date on which each allotment of shares takes place;
  - (iv) the number of shares in each allotment;
  - (v) the number of shares held by each Member;
  - (vi) the class of shares ;
  - (vii) the share numbers (if any) or security certificate numbers (if any) of the shares;
  - (viii) the amount paid on the shares;
  - (ix) whether or not the shares are fully paid;
  - (x) the amount unpaid on the shares (if any),  
**(Members' Register).**
- (b) During any period in which a Member holds a CSF Shares, the Members' Register must also show, in respect of each CSF Offer:
  - (i) the date on which CSF Shares were issued under the CSF Offer;
  - (ii) the total number of CSF Shares issued under the CSF Offer;
  - (iii) the number of CSF Shares issued to the Member under the CSF Offer; and
  - (iv) the date on which the Member ceases to hold CSF Shares under the CSF Offer.

## **10. LIEN ON SHARES**

### **10.1 Company lien**

The Company has a first and paramount lien on each share in the Company (other than a fully paid share) for all money called or payable in respect of those shares whether presently payable or not.

### **10.2 Moneys payable**

The Company has a first and paramount lien on all shares (other than fully paid shares) registered in the name of a Member for all money presently payable by that Member or their estate to the Company.

### **10.3 Exempt from lien**

The Directors may exempt a share wholly or partially from the provisions of this Rule.

### **10.4 Lien extends to dividends**

The Company's lien on a share extends to all dividends payable in respect of the share. The Company may retain those dividends and apply them towards payment of any amounts due to the Company in satisfaction of the lien.

### **10.5 Sale of share**

- (a) The Company may sell any shares on which the Company has a lien by any means and on any terms as the Directors decide.
- (b) A share on which the Company has a lien must not be sold unless:

- (i) a sum in respect of which the lien exists is presently payable; and
- (ii) the Company has given the registered holder of the share at least 14 days notice within which to pay the amount claimed.

#### **10.6 Company as attorney**

The Company may, as the attorney of the holder of any shares, execute a transfer of the shares sold under a lien or may authorise any person to execute a transfer of the shares sold under a lien.

#### **10.7 Register transfer**

The Company will register the purchaser as the holder of the shares comprised in the transfer and the purchaser is not bound to see to the application of any purchase money.

#### **10.8 Title to shares**

- (a) The title of the purchaser to the shares is not affected by any irregularity or invalidity in connection with the sale. The purchaser is not liable for any calls which were due before the purchase of the shares unless otherwise agreed.
- (b) The remedy of any person aggrieved by any sale will be in damages only and against the Company exclusively.

#### **10.9 Application of proceeds**

The proceeds of a sale of shares under a lien will be applied by the Company in payment of the part of the amount claimed which is presently payable. Any residue will be paid to the person entitled to the shares at the date of the sale except that the Directors may withhold any residue which is subject to any lien that existed before the sale for sums not presently payable.

### **11. CALLS ON SHARES**

#### **11.1 Calls by the Company**

- (a) The Company may, by resolution of the Directors, make calls upon a Member for any money unpaid on shares held by them.
- (b) A call for payment must be made by notice to the Member:
  - (i) signed by a Director;
  - (ii) given not less than 14 days before the due date for payment;
  - (iii) specifying the amount claimed and the place and manner of payment;
  - (iv) specifying that the call is to be paid in instalments if required by the Directors.
- (c) If a Member does not receive a call notice or the Company accidentally omits to give the Member a call notice, that omission will not invalidate the call or the liability of the Member for that call.

#### **11.2 Member to pay**

A Member must pay the amount claimed in a call notice to the Company in accordance with that notice.

#### **11.3 Company may postpone**

The Company may revoke or postpone a call by resolution of the Directors.

#### **11.4 Joint holders**

The joint holders of any shares are jointly and severally liable to pay all calls on those shares.

#### **11.5 Interest payable**

If a call is not paid within the required time, the Member will pay interest at the Prescribed Rate on

the outstanding amount from the due date to the date payment is made. The Company may, by resolution of the Directors, waive the payment of interest wholly or partly.

#### **11.6 Failure to pay call**

If a Member does not pay any call or any other amount due in relation to a share, then all Rules relating to payment of interest and expenses, forfeiture or otherwise apply.

#### **11.7 Company may differentiate**

The Company may differentiate between Members as to the amount of calls to be paid and the times of payment.

#### **11.8 Acceptance of money**

- (a) The Company may accept from a Member any part of the amount unpaid on a share whether or not an amount has been called.
- (b) The Company may, by resolution of the Directors, authorise the payment of interest on any amount accepted in advance of a call until the amount becomes due at a rate agreed by the Directors and the Member not exceeding the Interest Rate.

### **12. TRANSFER OF SHARES**

#### **12.1 Form of transfer**

- (a) A Member may transfer all or any of the Member's shares only as provided in these Rules. Any transfer will be subject to this Constitution and the Act.
- (b) A transfer of shares must be:
  - (i) in the form in Schedule 1 or in any other form that the Directors approve;
  - (ii) signed by the transferor and the transferee; and
  - (iii) approved by the Directors.
- (c) If the Directors have not expressly approved the transfer, the Directors will be deemed to have approved the transfer only if:
  - (i) the transfer is permitted under an agreement between all of the Members and the terms of that agreement (if any) relating to the transfer have been fully satisfied; or
  - (ii) the transfer is a permitted transfer under Rule 16 and all conditions set out in that Rule have been fully satisfied.

#### **12.2 Refusal to approve transfer**

The Directors may refuse to approve a transfer of shares without giving reasons but only if the Directors have not previously approved or deemed to have approved a transfer of shares.

#### **12.3 Effect of registration**

- (a) A transferor of shares is the holder of those shares until a transfer is registered.
- (b) A transferee of shares does not become the holder of the shares until the name of the transferee is entered in the register of Members.

#### **12.4 Transferee bound**

Any person who acquires shares from another person is deemed to be bound by the terms of this Constitution, as if the person were an original party to it, immediately upon registration of the person as a Member.

#### **12.5 Conditions of registration**

- (a) A transfer of shares must not be delivered to the Directors for registration unless the Directors have approved or are deemed to have approved the transfer. The Directors may refuse to

accept delivery of a transfer of shares or refuse to register a transfer delivered prior to the approval or deemed approval.

- (b) In order to be registered, a transfer of shares must be delivered to the registered office of the Company, with:
  - (i) the transfer properly signed by the seller and the buyer and properly witnessed;
  - (ii) any registration fee not exceeding \$100.00 as the Directors require;
  - (iii) evidence of the payment of any applicable stamp duty;
  - (iv) the relevant share certificate; and
  - (v) any other information the Directors require to establish the transferor's right to transfer the shares.

## **12.6 Registration of transfer**

The Company will:

- (a) register a transfer of shares in accordance with this Rule;
- (b) register the transferee as the holder of the shares in the books of the Company, subject to any other Rule.

## **12.7 Suspension of registration**

- (a) The registration of transfers may be suspended by the Directors.
- (b) Any suspension will continue for the period the Directors specify.

## **13. TRANSMISSION ON DEATH**

### **13.1 Personal representative or joint holder**

When a Member dies, the Company will recognise:

- (a) the personal representative of that Member, where a share is not held jointly; or
- (b) a surviving joint holder or holders of that share, where a share is held jointly, as being entitled to the deceased Member's interest in the share.

### **13.2 Representative as holder**

If Rule 13.1(a) applies, after the Member's personal representative establishes their entitlement to the satisfaction of the Directors, the personal representative:

- (a) may elect to be and will be registered as a holder of the Member's shares;
- (b) may transfer the Member's shares to another person in accordance with Rule 12 but subject to Rule 16; and
- (c) is entitled to the Member's rights under this Constitution.

### **13.3 Estate remains liable**

When a Member dies, the estate of that Member is not released from any liability in respect of the Member's shares.

## **14. TRANSMISSION ON BANKRUPTCY**

### **14.1 Trustee in bankruptcy**

- (a) If a Member who is a natural person becomes bankrupt, the Company will recognise:

- (i) the trustee in bankruptcy of that Member, where a share is not held jointly; or
  - (ii) a joint holder or holders of that share, where a share is held jointly,
- as being entitled to the Member's interest in the shares.

(b) If a Member who is a company:

- (i) has a receiver or receiver and manager appointed, or enters into official management, administration or liquidation; or
- (ii) has a petition for its winding up presented to a Court having appropriate jurisdiction, or passes a resolution of its Members for its winding up, or enters into a scheme or arrangement (not being merely for the purpose of amalgamation or reconstruction),

the Company will recognise the person appointed to administer the assets of the Member as being entitled to the Member's interest in the shares.

#### **14.2 Trustee as holder**

If Rule 14.1 applies, after the Member's trustee in bankruptcy or other person establishes their entitlement to the satisfaction of the Directors, the trustee or that person:

- (a) may elect to be and will be registered as the holder of the Member's shares to the extent of the Member's entitlement;
- (b) may transfer the Member's shares to another person in accordance with Rule 12 if the share is held solely by that Member but subject to Rule 16; and
- (c) is entitled to the Member's rights under this Constitution.

#### **14.3 Bankruptcy Act**

Rule 14 has effect subject to the Act and the *Bankruptcy Act 1966 (Cth)*.

### **15. TRANSMISSION ON MENTAL INCAPACITY**

#### **15.1 Trustee or guardian etc**

If a Member who is a natural person becomes mental incapacitated, the Company will recognise:

- (a) the personal representative of that Member, where a share is not held jointly; or
- (b) a joint holder or holders of that share, where a share is held jointly,

as being entitled to the Member's interest in the shares.

#### **15.2 Trustee or guardian as holder**

If Rule 15.1 applies, after the Member's personal representative establishes their entitlement to the satisfaction of the Directors, the personal representative:

- (a) may elect to be and will be registered as the holder of the Member's shares;
- (b) may transfer the Member's shares to another person in accordance with Rule 12 if the share is held solely by that Member but subject to Rule 16; and
- (c) is entitled to the Member's rights under this Constitution.

### **16. VOLUNTARY TRANSFER OF SHARES**

#### **16.1 Shares not to be sold**

A Member must not sell any interest in its shares to any person without first complying with this Rule 16. Any sale of shares under this Rule 16 must be of whole numbers of shares only.

#### **16.2 Sale Notice**

If a Member (the "Selling Member") proposes or wishes to sell any interest in its shares, that Member must give notice in accordance with Rule 16.3 (a "Sale Notice") to the Company.

### **16.3 Content and effect of Sale Notice**

- (a) A Sale Notice must be in a form acceptable to the Company and:
  - (i) must include the identity of the buyer;
  - (ii) must include the price per share offered by the buyer;
  - (iii) must include all other terms and conditions applicable to the proposed purchase by the buyer, including the date for completion;
  - (iv) must state the number of the Member's shares the Member wishes to sell;
  - (v) constitutes an offer to sell the relevant shares to the other Members in proportion to the other Members' share holdings at the date of the Sale Notice; and
  - (vi) constitutes the Company as the agent of the Member for a sale of the shares.
- (b) A Sale Notice is irrevocable unless the Company agrees otherwise.
- (c) A Selling Member must provide further information to supplement the Sale Notice when requested by the Company.

### **16.4 First offer**

If the Company receives a Sale Notice, the shares specified in the Sale Notice will first be offered for sale to the other Members in proportion to their share holdings.

### **16.5 Response to Sale Notice**

During the period of 14 days immediately after the receipt of a Sale Notice (the "Offer Period") any Non-Selling Member may by written notice:

- (a) elect to purchase the shares on the terms in the Sale Notice; or
- (b) notify the Selling Member that the proposed buyer is not acceptable to them.

### **16.6 Transfer to third party**

- (a) If no Member gives a notice under Rule 16.5 before the end of the Offer Period:
  - (i) the Selling Member may sell the shares to the buyer named in the Sale Notice; and
  - (ii) any sale of the shares must be made on the terms in the Sale Notice.
- (b) A transfer under this Rule will be registered within 14 days after the last day of the Offer Period.

### **16.7 Sale to other Members**

- (a) Any Member who gives a notice under Rule 16.5(a) is entitled to purchase the relevant shares.
- (b) Where more than 1 Member gives notice under Rule 16.5(a), a sale of shares to those Members will be effected in equal shares unless those Members agree otherwise.

### **16.8 Default by Selling Member**

If a Selling Member defaults in transferring the shares, the Company:

- (a) may execute a transfer of the shares;
- (b) may receive the purchase moneys for the Selling Member;
- (c) will, on receipt of the purchase price, register the buyer's name in the share register once approved by the Directors; and

- (d) will hold the purchase moneys on trust for the Selling Member.

#### **16.9 If transferee unacceptable**

If any Non-Selling Members give notice under Rule 16.5 that a proposed buyer is not acceptable, the Selling Member:

- (a) must not sell the shares to the proposed buyer; and
- (b) may require the Non-Selling Members to purchase the shares on the terms in the Sale Notice.

This Rule 16.9 will not apply if any Non-Selling Member elects to buy the shares in the Sale Notice.

#### **16.10 Conditional purchase**

A purchase of shares by any person is conditional on the receipt of all approvals and consents required by law or by any government policy in Australia as far as they are applicable. If any approvals or consents are required, the purchase will be completed within 14 days after all required approvals or consents are received.

#### **16.11 No encumbrances**

A Member must not pledge, mortgage, charge or otherwise encumber its shares without the prior written consent of the other Members. Any consent may be given or withheld by the other Members in their absolute discretion.

#### **16.12 Related Body Corporate**

- (a) Rules 16.4 to 16.8 inclusive do not apply to any transfer by a Selling Member to any Related Body Corporate of the Selling Member;
- (b) If a Selling Member proposes to transfer shares to a Related Body Corporate, that Member must and is deemed to give an undertaking satisfactory to the Non-Selling Members that it will not sell the shares in the Related Body Corporate without first offering them to the Non-Selling Members under Rule 16 as if the shares in the Related Body Corporate were shares in the Company;
- (c) After a transfer to a Related Body Corporate under this Rule, the Selling Member remains liable to perform its obligations under this Constitution to the same extent as if the transfer had not taken place.

#### **16.13 Non-complying transfer**

A transfer or purported transfer of shares otherwise than in accordance with this Rule is void unless the Members unanimously determine otherwise.

#### **16.14 Rule to apply**

Rule 16 will apply to transfers of shares effected under Rules 13, 14 and/or 15.

#### **16.15 Drag Along**

- (a) Where a Selling Member(s) becomes entitled to transfer shares representing more than 50% of the shares in the Company to a third party under Rule 16.6, then the Selling Member(s) is entitled to issue to the other shareholders and the Company a notice (**Drag Along Notice**) requiring each other shareholder to transfer to the third party the other shareholder's shares on the terms and conditions specified in the Drag Along Notice.
- (b) The Drag Along Notice must specify:
  - (i) the details of the third party;
  - (ii) the price payable for each share; and
  - (iii) any other material terms on which shares will be purchased pursuant to the Drag Along Notice including the date of transfer which must be no more than 40 business days from

the date of the Drag Along Notice.

- (c) Each other shareholder must transfer its share to the third party in accordance with the terms and conditions of the Drag Along Notice.
- (d) The other shareholders are not obliged to transfer their shares in accordance with Rule 16.15(a) if the Selling Member(s) does not at the same time complete the transfer of its or their shares to the third party on terms and conditions the same as those in the Sale Notice and in accordance with the Drag Along Notice.

## **17. FORFEITURE OF SHARES**

### **17.1 Liability to a call**

- (a) Any Member holding shares, in respect of which the full face value or issue has not been paid, may be called by the Company to pay any amount remaining unpaid on those shares at any time, subject to any conditions to the contrary to which the shares are subject at the time of their issue.
- (b) Any Member holding shares, in respect of which any other amount is owing or has not been paid, may be called by the Company to pay that amount at any time, subject to any conditions to the contrary to which the shares are subject at the time of their issue.
- (c) Paragraph (a) and (b) above apply whether or not:
  - (i) the Member is the original holder of those shares at the time of their issue; and/or
  - (ii) the records of the Company and/or the Australian Securities & Investments Commission show that the shares are paid to any amount or are fully paid if the amount so recorded has not actually been received by the Company.

### **17.2 Failure to pay**

If a Member does not pay a call or instalment of a call by the due date, the Directors may serve a notice on that Member while an amount remains unpaid which requires payment of that amount, with any interest that has accrued.

### **17.3 Forfeiture**

The notice must:

- (a) nominate another day not less than 14 days after the service of the notice by which the payment must be made; and
- (b) state that the relevant shares may be forfeited by the Company if the amount is not paid by the due date.

### **17.4 Resolution**

If the Member does not pay the amount claimed in accordance with the notice, the relevant shares may be forfeited by a Director's resolution unless the amount has then been paid.

### **17.5 Dividends**

A forfeiture of shares will include the forfeiture of all dividends declared but unpaid relating to those shares.

### **17.6 Sale of forfeited share**

A forfeited share may be cancelled or sold on any terms determined by the Directors decide. A forfeiture may be cancelled before a sale or disposition on any terms determined by the Directors.

### **17.7 Liability to the Company**

A person whose shares have been forfeited:

- (a) ceases to be a Member in relation to those shares; and

- (b) has no claims or demands against the Company relating to those shares; and
- (c) has no other rights relating to the shares except any residual rights provided by this Constitution or the Act; and
- (d) remains liable to pay to the Company all money that was payable by that person; and
- (e) is liable to pay interest at the Prescribed Rate on unpaid amounts from the due date until paid in full.

#### **17.8 Statement is evidence**

A written statement declaring that the person making the statement is a Director or a secretary, and that a share in the Company has been forfeited on a date specified in the statement or that an amount is payable by a Member or former Member to the Company in relation to a call including interest, is *prima facie* evidence of those facts against any person claiming to be entitled to the share.

#### **17.9 Consideration**

The Company may receive any consideration paid on any sale of a forfeited share and may execute a transfer to the buyer of that share.

#### **17.10 Registration**

The transferee will be registered as the holder of the relevant shares on the execution of the transfer and is not bound to see to the application of any money paid as consideration.

#### **17.11 Title not affected**

The title of the transferee is not affected by any irregularity or invalidity in connection with the forfeiture or sale of a share.

#### **17.12 Non-payment**

The Rules as to forfeiture apply in the case of non-payment of any sum payable in respect of a share that becomes payable at a fixed time, as if that sum had been payable in relation to a call for payment.

### **18. CHANGES TO SHARE CAPITAL**

The Company may by resolution:

- (a) increase its share capital by the creation or issue of new shares or new classes of shares;
- (b) consolidate or divide any of its share capital into shares of a larger face value than its existing shares;
- (c) subdivide any of its shares into shares of a smaller face value provided that the proportion between the amount paid and the amount unpaid on each share is the same as it was per share prior to the subdivision;
- (d) buy back its shares in accordance with the Act;
- (e) reduce its share capital and/or reduce the amount paid up in respect of its issued shares in accordance with the Act;
- (f) cancel shares that have not been taken or agreed to be taken by any person; and
- (g) cancel shares that have been bought back by the Company or forfeited and reduce its issued share capital by the amount of the shares cancelled.

### **19. PRE-EMPTION ON ISSUE OF SHARES**

#### **19.1 Offer to existing Members**

If the Company proposes to issue shares of a particular class:

- (a) those shares must first be offered to the existing Substantial Members of that class: and
- (b) the number of shares offered to each Substantial Member must be the nearest whole number resulting from:

$$\text{Total number new Shares in the class to be issued} \quad \times \quad \frac{\text{shares currently held by the Member in the class}}{\text{total shares currently issued in the class}}$$

## 19.2 Directors statement

The offer in Rule 19.1 must be made by giving the Substantial Members a Directors' statement setting out the terms of the offer, including:

- (a) the number of shares offered; and
- (b) the date on which the offer will expire.

## 19.3 Directors discretion

Shares not taken up under an offer made under this Rule 19 may be issued at the Directors' discretion:

- (a) firstly to Substantial Members in other classes; and
  - (b) secondly to persons approved by the Directors in their discretion,
- in the same way as specified in Rule 19.1.

## 19.4 Company may authorise

- (a) The Company may authorise the Directors to issue shares without complying with Rule 19.
- (b) The power to waive compliance with Rule 19 may only be exercised by the Company in general meeting.
- (c) The exercise by the Company of that power on any occasion will not restrict the Company from doing so on any further occasion.

## 20. GENERAL MEETINGS

### 20.1 Director may convene

Any Director may convene a general meeting of Members whenever that Director decides. A director may cancel any meeting convened by that Director.

### 20.2 Member's request

The Directors must call and arrange to hold a general meeting on the request of any Member or Members holding at least 5% of the votes that may be cast at a general meeting.

### 20.3 Form of request

The request from the Members must:

- (a) state any resolution to be proposed at the meeting;
- (b) be signed by the Members making the request; and
- (c) be given to the Company.

### 20.4 Refusal to convene

The Directors may refuse to convene the general meeting if the voting on the proposed resolution is not within the power of the Members.

### 20.5 Members may convene

Two or more Members holding, between them, at least 5% of the votes that may be cast at a general

meeting, may call and arrange to hold a general meeting. The Members calling the meeting must pay the expenses of calling and holding the meeting.

#### **20.6 Notice of meeting**

- (a) A general meeting can only be convened by giving the Members notice of the meeting.
- (b) A notice of general meeting does not need to be given to Members who are not entitled to notice of meetings.
- (c) A notice of a general meeting must:
  - (i) be given at least 21 days before the date of the meeting; and
  - (ii) specify the place, the day and the time of the meeting; and
  - (iii) describe the nature of the business to be transacted at the meeting; and
  - (iv) contain any other information required by the Act.
- (d) The Directors may postpone a general meeting or change the venue for the meeting by giving written notice to all Members who received the original notice of meeting at least 48 hours before the appointed time. That notice must specify the time and place for the postponed meeting.
- (e) If a Member does not receive a meeting notice or the Directors accidentally omit to give the Member a meeting notice, that omission will not invalidate the proceedings or any resolution passed at the meeting.
- (f) No business is to be transacted at any general meeting except that contained in the meeting notice unless all the Members agree otherwise.

#### **20.7 Quorum**

- (b) Business must not be transacted at a general meeting if a quorum of Members is not present when the meeting proceeds to business.
- (c) A quorum will be:
  - (ii) if the Company has only 1 Member entitled to receive notice of and vote at the meeting, that Member; or
  - (iii) in every other case, either:
    - (A) three Members who are entitled to receive notice of and vote at the meeting; or
    - (B) that number of Members representing not less than 75% of voting rights.
- (d) A quorum of Members must be present throughout each general meeting. If a quorum is not present at any time, the meeting is not validly convened but without affecting the validity of any business conducted before the absence of a quorum occurs.

#### **20.8 Determine a quorum**

In determining whether a quorum is present, a person attending as a proxy, or representing a body corporate that is a Member, is deemed to be a Member.

#### **20.9 Procedure where no quorum**

- (a) If a quorum is not present within 30 minutes after the time appointed for the meeting, the meeting will be adjourned.
- (b) The adjourned meeting will be rescheduled to take place on a day and time and at the place that the Directors decide.
- (c) If no Directors are present at the meeting or if no decision is made by the Directors, the meeting will take place on the same day and at the same time and place as originally notified,

but in the next succeeding week.

- (d) If at the rescheduled meeting a quorum is not present within 30 minutes after the appointed time, then:
  - (i) when the meeting is convened on the requisition of Members the meeting will be dissolved unless it is adjourned under Rule 20.12; or
  - (ii) in any other case, the Members present will be deemed to constitute a quorum or, if no Members are present, the meeting will be dissolved.

#### **20.10 Election of chairman**

- (a) The Directors will elect 1 Director to preside as chairman at every general meeting. If the Directors have elected a chairman of Directors, that person will be deemed to be elected as the chairman at each general meeting.
- (b) Where a general meeting is held and:
  - (i) a chairman of Directors has not been elected;
  - (ii) the chairman of Directors is not present within 15 minutes after the appointed time; or
  - (iii) the chairman of Directors is unwilling to act;
 the Members present will elect one Member to be chairman of the meeting.

#### **20.11 No casting vote**

The chairman does not have a casting vote in addition to any vote the chairman has as a Member.

#### **20.12 Adjournment**

- (a) The chairman may adjourn any meeting of Members.
- (b) An adjournment of a meeting of Members must only be made:
  - (i) with the consent of the meeting provided a quorum is present; or
  - (ii) in the case of an adjournment under Rule 20.9(d), with the consent of Members present and entitled to vote; or
  - (iii) if directed by the meeting to do so.
- (c) Any adjournment may change the time or the venue for the meeting.
- (d) Only business left unfinished from the meeting adjourned must be transacted at any rescheduled meeting.

#### **20.13 Adjournment**

- (a) If a meeting is to be adjourned for 30 days or more, notice of the adjourned meeting must be given as if it was an original meeting.
- (b) A notice of meeting is not required to be given for an adjourned meeting where the adjournment is for less than 30 days.

#### **20.14 Voting**

Any vote taken at a general meeting is decided on a show of hands unless a poll is demanded:

- (a) by the chairman; or
- (b) by at least 2 Members present in person or by proxy; or
- (c) Members with at least 5% of the votes that may be cast on the resolution on a poll present in person or by proxy; or
- (d) by a Member or Members holding voting shares on which an aggregate sum has been paid

up equal to at least one-tenth of the total sum paid up on all the voting shares.

#### **20.15 Declaration**

If a poll is not demanded, the chairman's declaration that a resolution has been carried or lost with an entry to that effect in the minute book is conclusive evidence of that fact. It is not necessary to record the number or proportion of votes recorded for or against the resolution.

#### **20.16 Demand for poll**

A poll will be taken immediately if one is demanded or at any other time after an interval or adjournment or otherwise as the chairman decides. The result of the poll will be recorded as the resolution of the meeting at which the poll was demanded.

#### **20.17 Withdraw demand**

The demand for a poll may be withdrawn at any time.

#### **20.18 Poll for chairman**

Any poll demanded on the election of a chairman or on a question of adjournment must be taken immediately.

#### **20.19 Voting**

Subject to any rights or restrictions attached to any class of shares:

- (a) at meetings of Members or classes of Members, each Member entitled to vote may vote in person or by proxy or attorney or by representative (if a body corporate); and
- (b) on a show of hands every person present who is a Member or a representative of a Member has 1 vote, and on a poll every person present in person or by proxy or attorney has 1 vote for each share the person holds.

#### **20.20 Joint holders**

When shares are held jointly, the senior Member's vote will be accepted to the exclusion of the votes of other joint Member. Seniority is determined by the order in which the Member's names stand in the register of Members.

#### **20.21 Members fully paid**

A Member is only entitled to vote at a general meeting if all calls and other amounts presently payable by the Member in respect of those shares have been paid.

#### **20.22 Objection to qualification**

Any objection to the qualification of a person to vote must be made at the same meeting at which that person's vote is tendered. Any objection must be referred to the chairman of the meeting whose decision is final and:

- (a) any vote approved will be valid for all purposes; or
- (b) any vote disallowed will be invalid and must be disregarded.

#### **20.23 Circular resolution**

The Company may pass a resolution without a general meeting if all of the Members entitled to vote on the resolution sign a document stating that they are in favour of the resolution. Duplicate copies of the document may be used for signing. The resolution is deemed to be passed when the last Member signs.

#### **20.24 Members entitled**

Only those Members who belong to a class of Members who are entitled to vote at a general meeting whether in person or by proxy will be entitled to vote or participate in a circular resolution.

#### **20.25 Third parties**

Even if they are not Members of the Company, the following persons have the right to attend any general meeting and, if requested by the Directors, to speak at the general meeting:

- (a) any Director; and
- (b) any secretary of the Company; and
- (c) any other person invited by the Directors.

## **21. RULES FOR VOTING BY PROXY**

### **21.1 In writing**

An instrument appointing a proxy must be in writing and signed by:

- (a) the appointor; or
- (b) the appointor's attorney; or
- (c) the person authorised under the Act or by an authorised officer or attorney of the appointor, where the appointor is a body corporate.

### **21.2 How to vote**

If the document appointing a proxy specifies how the proxy is to vote in relation to a resolution, the proxy must vote as specified in the document. Any vote tendered otherwise is invalid and must be disregarded.

### **21.3 Authority**

A document appointing a proxy confers the authority to demand a poll.

### **21.4 Form of proxy**

The appointment of a proxy must be substantially in the form in Schedule 2.

### **21.5 Delivery before meeting**

- (a) The appointment of a proxy is not valid unless the appointment document and a certified copy of any power of attorney or other authority under which that document is signed are delivered to the Company.
- (b) The relevant documents must be delivered, not less than 48 hours before the appointed meeting time.
- (c) The relevant documents must be delivered to the Company's registered office or to any other place in Australia specified in the notice convening the meeting.

### **21.6 Validity**

A vote tendered in accordance with a proxy or a power of attorney is valid even if:

- (a) the appointor or principal dies or becomes mentally incapacitated;
- (b) the proxy or power of attorney is revoked in any way; or
- (c) any share in relation to which the authority is given is sold or transferred,

but only if the Company had no written notice of any defect before any authority is exercised.

## **22. APPOINTMENT, REMOVAL AND REMUNERATION OF DIRECTORS**

### **22.1 Appointment**

- (a) The Directors have the power to appoint any person as a director to fill a casual vacancy or as an addition to the board provided that the number of Directors does not exceed any maximum number of Directors fixed by the Company.

- (b) Subject to Rules 22.1(c) and (d), for each Minimum Share Qualification held by a Member, that Shareholder may nominate one Director at any time and may remove or substitute that Director. Where a Shareholder ceases to be entitled to appoint a Director, that Member must procure the Director appointed by it to deliver its resignation to the Company.
- (c) If Pacas Nominees Pty Limited ACN 612 794 966 has less than the Minimum Share Qualification but more than 10% of the issued Shares on a Fully Diluted Basis it has the right to appoint one Director.
- (d) If TWIYO (Hong Kong) Ltd has less than the Minimum Share Qualification but more than 10% of the issued Shares on a Fully Diluted Basis it has the right to appoint one Director or two Directors if greater than 15%.
- (e) Subject to these Rules and the Act, a Director appointed to the Company holds office for life.
- (f) The minimum number of Directors is two.
- (g) The majority of directors must ordinarily reside in Australia.

## **22.2 Removal**

- (a) The Company may remove any Director and appoint another Director as a replacement.
- (b) The removal or replacement of a Director must be effected by ordinary resolution of the Company.

## **22.3 Remuneration**

The Directors will be entitled to be paid the remuneration determined by the Company in general meeting.

## **22.4 Director's expenses**

The Directors will be entitled to be paid all travelling and other expenses properly incurred by them:

- (a) in attending meetings of the directors or any committee of the Directors;
- (b) in attending general meetings of the Company; or
- (c) in connection with the Company's business.

## **22.5 No shareholding**

Directors are not required to hold shares in the Company.

## **22.6 Vacation of office**

The office of a Director becomes vacant if:

- (a) required by the Act;
- (b) the Director is removed under these Rules;
- (c) the Director dies or becomes mentally incapacitated or the Director's estate is liable to be dealt with under a law relating to mental health;
- (d) the Director becomes bankrupt or makes any arrangement or composition with creditors;
- (e) the Director resigns;
- (f) the Director is absent from Directors' meetings for at least 6 months without the consent of the other Directors; or
- (g) the Director holds any other office of profit under the Company, except that of managing Director, without the consent of the Company in general meeting.

## **23. POWERS AND DUTIES OF DIRECTORS**

**23.1 Directors manage**

- (a) Subject to the Act and to these Rules, the Company's business will be managed by the Directors.
- (b) The Directors are entitled to pay or reimburse all expenses incurred in promoting and forming the Company.
- (c) The Directors may exercise all powers of the Company except where those powers must be exercised by the Company in general meeting under the Act or these Rules.

**23.2 All powers of Company**

Without limiting Rule 23.1, the Directors may exercise all the powers of the Company to:

- (a) borrow money;
- (b) charge any property or business of the Company or all or any of its uncalled capital;
- (c) issue debentures; or
- (d) give any other security for a debt, liability or obligation of the Company or of any other person.

**23.3 Corporate groups**

- (a) If the Company is a wholly owned subsidiary of another Company (the "Holding Company"), the Directors may act:
  - (i) in the best interests of the Holding Company; and
  - (ii) contrary to the best interests of the Company.
- (b) The Directors must not act in the way referred to in Rule 23.3(a) if the Company is insolvent at the time or would by virtue of the Directors' actions become insolvent.

**23.4 Appointment of attorney**

- (a) The Directors may appoint any person or persons under a power of attorney to be the attorney or attorneys of the Company.
- (b) The appointment may be:
  - (i) for any purpose; or
  - (ii) in relation to any of the Directors powers, authorities and discretions; or
  - (iii) for any period; and/or
  - (iv) subject to any conditions as the Directors decide.

**23.5 Provisions of power of attorney**

Any power of attorney may contain provisions for the protection and convenience of persons dealing with the attorney as the Directors decide and may authorise the attorney to delegate all or any of the powers, authorities and discretions vested in him.

**23.6 Cheques and promissory notes**

All cheques, promissory notes, bankers drafts, bills of exchange and other negotiable instruments, and all receipts for money paid to the Company, must be signed, drawn, accepted, endorsed or otherwise executed:

- (a) if more than 1 Director is appointed, then by any 2 Directors; or
- (b) in any other manner as the Directors decide.

**24. PROCEEDINGS OF DIRECTORS**

### **24.1 Use of technology**

Any Directors' meeting may be conducted at more than 1 venue by using any technology that gives each Director a reasonable opportunity to participate in the meeting and permits each director present to hear and be heard by each other Director present.

### **24.2 Directors' meetings**

- (a) Any Director may convene a Directors' meeting. The secretary must convene a meeting at the request of a Director.
- (b) A written notice of a Directors' meeting must be sent to each Director within 7 days after a request to convene a meeting.
- (c) The notice may be given by telephone or other electronic means of communication. The notice must specify:
  - (i) the date and time for the proposed meeting;
  - (ii) the venue for the meeting unless the meeting is conducted under Rule 24.1;
  - (iii) if the meeting is to be conducted under Rule 24.1, the method for conducting the meeting; and
  - (iv) the nature of the business to be transacted at the meeting.

### **24.3 Director's personal interest**

- (a) A Director is not disqualified from contracting with the Company or any Related Body Corporate in any capacity by reason of holding the office of Director.
- (b) If a Director has a material personal interest in any matter that relates to the affairs of the Company, the Director must disclose that interest to the other Directors unless the Director is not required to disclose the interest in the circumstances listed in Section 191(2) of the Act.
- (c) The notice disclosing the Director's material personal interest must:
  - (i) give details of the nature and extent of the interest and how it relates to the affairs of the Company;
  - (ii) be given at a Directors' meeting as soon as practicable after the Director becomes aware of the interest; and
  - (iii) be recorded in the minutes of the Directors' meeting at which the notice is given.
- (d) If the Director properly discloses the interest:
  - (i) the Director may attend at Directors meetings and vote on whether the Company enters into any arrangement;
  - (ii) the arrangement may be entered into;
  - (iii) the Director may vote on matters involving the arrangement;
  - (iv) the Director will not be liable to account for any profit or benefit received by the Director under the arrangement;
  - (v) the Director may sign any document relating to the arrangement which will not affect its validity in any way;
  - (vi) the arrangement may not be avoided because of the Director's interest.

### **24.4 Quorum**

- (a) A quorum at a Directors' meeting will be:
  - (i) if the Company has 2 or more Directors:

A at least 2 Directors; or

B that number of Directors specified by a resolution of the Directors.

- (b) A quorum of Directors must be present throughout each Director's meeting. If a quorum is not present at any time the meeting is not validly convened but without affecting the validity of any business conducted before the absence of a quorum occurs.

#### **24.5 Directors to continue**

Where a vacancy in the office of a Director occurs, the remaining Directors may continue to act. If the number of remaining Directors is insufficient to constitute a quorum, the Directors may act only for the purpose of increasing the number of Directors to that required to constitute a quorum or to convene a general meeting.

#### **24.6 Election of chairman**

The Directors may elect 1 director as chairman of their meetings and may determine the period for which the chairman is to hold office.

#### **24.7 Chairman not present**

Where a Directors' meeting is held and the chairman:

- (a) has not been elected; or
- (b) is not present within 15 minutes after the appointed time; or
- (c) is unwilling to act,

then the Directors present will elect 1 other director to be chairman of the meeting.

#### **24.8 No casting vote**

The chairman does not have a casting vote in addition to any vote the chairman has as a Director.

#### **24.9 Circular resolution**

The Directors may pass a resolution without a Directors' meeting if all of the directors entitled to vote on the resolution sign a document stating that they are in favour of the resolution. Duplicate copies of the document may be used for signing. The resolution is deemed to be passed when the last Director signs.

#### **24.10 Validity of acts**

All things done by any Directors' meeting or by a committee of Directors or by any person acting as a Director will be valid even though it subsequently becomes known:

- (a) that there was some defect in the appointment of a person to be a Director or a Member of the committee, or to act as a Director; or
- (b) that a person appointed was disqualified.

#### **24.11 Decisions of the Directors**

Any question arising at a Directors' meeting or any committee of Directors is determined by a simple majority of votes of the Directors unless otherwise stipulated in these Rules or the Act.

### **25. ALTERNATE DIRECTORS**

#### **25.1 Appointment**

A Director may appoint any person to be an alternate director in his or her place during any period as the Director requires, but only:

- (a) with the approval of the other Directors; and
- (b) while the appointor is not available to act.

## **25.2 Notice of meetings**

- (a) An alternate director is entitled to notice of all Directors' meetings unless the appointor is available to act.
- (b) An alternate director is entitled to vote at Directors' meetings unless the appointor is present at the meeting.

## **25.3 Power of alternate**

An alternate director may exercise any of the appointor's powers during any period that the appointor is unavailable to do so. The exercise of any power by the alternate director is deemed to be the exercise of that power by the appointor.

## **25.4 Termination of appointment**

The appointment of an alternate director will terminate:

- (a) on notice by the appointor even though the appointment period has not expired;
- (b) automatically if the appointor ceases to be a Director.

## **25.5 Responsibility**

An alternate director will, whilst acting as Director, be responsible to the Company for his or her own acts and defaults and will not be deemed to be the agent of the Director by whom he or she was appointed.

# **26. COMMON SEAL**

## **26.1 Election may adopt**

The Directors may resolve that the Company adopt a common seal. If the Company adopts a common seal, it will include:

- (a) only the Company's name where the Company has its ACN as its name; or
- (b) the Company's name, the expression "ACN" and its Australian Company Number in all other cases.

## **26.2 Duplicate**

The Directors may adopt a duplicate common seal. Any duplicate common seal must be a copy of the common seal with the words "Duplicate Seal", "Share Seal" or "Certificate Seal" added to it.

## **26.3 Prohibited use**

A Director must not use, or authorise the use of, a seal which purports to be the common seal of the Company (or a duplicate of the common seal) if the common seal does not comply with the requirements of this Rule.

# **27. EXECUTION OF DOCUMENTS**

## **27.1 Execution of documents**

The Company may execute a document with or without affixing a common seal (if any). The Company executes a document if the document is signed by:

- (a) 2 Directors where there is more than 1 Director; or
- (b) 1 Director where that Director is authorised by a resolution of a Directors' meeting where there is more than 1 Director; or
- (c) a Director and the secretary (if one has been appointed); or

## **27.2 Execution of deeds**

The Company may execute a document as a deed if the document is expressed to be executed as a deed and is executed in accordance with this Rule 27.

### **27.3 No limitation**

This Rule will not be interpreted as limiting the manner in which the Company may execute a document (including a deed).

## **28. COMMITTEE**

### **28.1 Delegation to committee**

The Directors may delegate any of their powers to any committee or committees of Directors as they decide.

### **28.2 Powers of committee**

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

### **28.3 Committee chairman**

The members of a committee may elect 1 of their number as chairman of their meetings.

### **28.4 Election of chairman**

Where a committee meeting is held and:

- (a) a chairman has not been elected; or
- (b) the chairman is not present within 15 minutes after the appointed time; or
- (c) the chairman is unwilling to act,

the committee members present may elect 1 of their number to be chairman of the meeting.

### **28.5 Decision by majority**

Questions arising at a committee meeting will be determined by a majority of votes of the committee members who are present and voting.

### **28.6 Casting vote**

The chairman has a casting vote, if necessary, in addition to any vote the chairman has as a committee member.

## **29. MANAGING DIRECTOR**

### **29.1 Appointment**

The Directors may from time to time appoint 1 or more Directors to be the managing director of the Company. The managing director's appointment will be for a period and on terms as the Directors decide. The Directors may revoke the managing director's appointment.

### **29.2 Termination**

A managing director's appointment automatically terminates if he or she ceases for any reason to be a Director.

### **29.3 Remuneration**

A managing director will be entitled to receive remuneration by way of any combination of:

- (a) a salary;
- (b) commission; or

- (c) participation in profits,  
as the Directors decide.

#### **29.4 Powers**

- (a) The Directors may confer upon a managing director any of the powers exercisable by them with any conditions or restrictions as the Directors decide.
- (b) Any of those powers may be made concurrent with or exclusive of the powers of the Directors.
- (c) The Directors may at any time withdraw or vary any of those powers.

### **30. INSPECTION OF RECORDS**

#### **30.1 Conditions**

The Directors may determine whether and under what conditions the accounting records or other documents of the Company will be open to the inspection of Members.

#### **30.2 Members right**

- (a) A Member does not have the right to inspect any document of the Company except as provided by the Act or this Constitution or authorised by the Directors or by the Company in general meeting.
- (b) The Company must provide each Member with a copy of, or give each Member access to, the financial statements of the Company for each financial year as soon as reasonably practicable after they are prepared (and in any event within 120 business days after the end of the financial year to which they relate).
- (c) Subject to obligations of confidentiality, each Substantial Member may on no more than two occasions in a Financial Year request, and the Company must on reasonable notice permit advisers or representatives of the Substantial Member to:
  - (i) inspect any property of the Company;
  - (ii) be provided with, and be entitled to copies of, any documents, books and records relating to the Company, including without limitation its accounts and all documentation produced or received by the Board; and
  - (iii) discuss the Company's affairs, finances and accounts with the Company's management or auditor.

#### **30.3 Directors right**

The Directors have the right at any time to inspect the accounting records or other documents of the Company, whether or not they are a Member.

### **31. DIVIDENDS AND RESERVES**

#### **31.1 Ability to pay**

The Company may pay a dividend in the way authorised by and in accordance with the Act. The Company must not pay a dividend unless:

- (a) the Company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend; and
- (b) the payment of the dividend is fair and reasonable to the Members as a whole; and
- (c) the payment of the dividend does not materially prejudice the Company's ability to pay its

creditors.

### **31.2 Declaration**

Dividends may be declared by the Company:

- (a) in respect of any one or more shares of any class or classes to the exclusion partly or wholly of any other shares in the same class or any other class; and/or
- (b) at different rates in respect of any particular class or classes of shares; and/or.
- (c) at different rates in respect of any particular shares in any class or classes of shares.

### **31.3 Dividend by resolution**

The Company may declare dividends by resolution of the Directors. Each Member in whose favour a dividend is declared will be given notice of the dividend and the terms and rate of the dividend at the time of payment.

### **31.4 Terms of dividend**

The Directors may determine that a dividend is payable and fix:

- (a) the amount of the dividend; and
- (b) the shares or classes of shares to which the dividend will apply; and
- (c) any pro rata apportionment of the dividend for any period for which a share has been held; and
- (d) the time for payment; and
- (e) the priority of the payment of any dividend between Members or classes of Members;
- (f) the method of payment which may include the payment of cash, the issue of shares in the Company, the grant of options and/or the transfer of assets.

### **31.5 Interim dividends**

The Directors may authorise the payment to the Members of any interim dividends as appear to the Directors to be justified.

### **31.6 No interest**

Interest is not payable by the Company in relation to any dividend which has been declared but not paid. Dividends paid in respect of any shares will be non-cumulative unless otherwise stated in these Rules or the declaration of the dividend.

### **31.7 Reserves**

- (a) Before recommending any dividend, the Directors may set aside any amounts which they think proper or appropriate as reserves. Any reserves may be applied at the discretion of the Directors for any purpose for which the property of the Company may be properly applied.
- (b) The reserves may be used in the business of the Company or be invested in any investments as the Directors decide, but only until those reserves are required for their intended purpose.

### **31.8 Carry forward profits**

The Directors may carry forward any part of the Company's profits and without transferring those profits to a reserve.

### **31.9 Dividends in proportion**

After the rights of any Members entitled to special dividend rights have been satisfied, and unless the Directors determine otherwise, all dividends must be declared and paid in proportion to the amounts paid or credited as paid on the shares to which the dividend relates.

### **31.10 Payment in advance**

An amount paid or credited as paid on a share in advance of a call will not be taken for the purposes of this Rule to be paid or credited as paid on the share.

### **31.11 Deductions**

The Directors may deduct from any dividend payable to a Member any amounts presently payable by the Member to the Company on account of calls or otherwise in relation to shares.

### **31.12 Payment**

The payment of any dividend may be satisfied by any combination of:

- (a) payment in cash;
- (b) the issue of shares in the Company; or
- (c) the distribution of specific assets, including paid up shares in, or debentures of, any other corporation.

### **31.13 Resolution of issues**

In relation to a distribution under Rule 31.12, the Directors may:

- (a) settle any specific dispute or difficulty arising from a distribution in any way they decide;
- (b) set the value of specific assets or any part of them;
- (c) determine that cash payments will be made to any Members on the basis of the value fixed in order to adjust the rights of all parties; and/or
- (d) vest any specific assets in trustees as the Directors decide.

## **32. CAPITALISATION**

### **32.1 Resolution to capitalise**

- (a) A general meeting of the Company may resolve that it is desirable to capitalise any sum held in a reserve account or the profit and loss account or otherwise available for distribution to Members.
- (b) A general meeting of the Company may resolve that any capitalised sum will be applied in any of the ways mentioned in these Rules for the benefit of Members.
- (c) The Company must not pass any resolution under the preceding Rules unless the resolution has been recommended by the Directors and affirmed by a prior Directors' resolution.
- (d) The right of the Company to pass a resolution to capitalise any amount will be subject to these Rules and the Act.

### **32.2 Application for Members**

Any amount applied for the benefit of Members under Rule 32.1 may be applied in any manner permitted by the Act or by any combination of the following:

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

### **32.3 Directors to action**

The Directors must give effect to a resolution under Rule 32.1. In particular, and, to the extent necessary to adjust the rights of the Members among themselves, the Directors may:

- (a) issue fractional certificates or make cash payments in cases where shares or debentures become issuable in fractions; and
- (b) authorise any person to make an agreement with the Company on behalf of all the Members

which provides for the issue to them of any fully paid shares or debentures or for the payment up by the Company on their behalf of any amounts remaining unpaid on their existing shares. Any issue or payment under this Rule will be made by the payment of the Members respective proportions of the sum resolved to be capitalised. Any agreement made under an authority referred to in this Rule is effective and binding on all Members.

### **33. COMPANY LOANS**

#### **33.1 Approval**

- (a) The Company may lend any amounts out of any money held by the Company to any Member or any Associate of a Member.
- (b) A loan to a Member or an Associate must be made on the terms in Rule 33.3.

#### **33.2 Resolution**

The Company must not make a loan without the approval of a resolution of Directors.

#### **33.3 Terms of loan**

Any loan by the Company to a Member or an Associate is subject to the following conditions:

- (a) this Constitution together with the Director's resolution referred to in Rule 33.2, the Company's financial records of the loan and any other documents required by Div 7A of the Income Tax Assessment Act 1936 (if applicable) will form the written loan agreement establishing the loan;
- (b) the rate of interest payable on the loan will be not less than:
  - (i) if Division 7A of the Income Tax Assessment Act 1936 applies to the loan, the higher of the rate specified in the Director's resolution referred to in Rule 33.2 and the benchmark interest rate for the purposes of Division 7A of the Income Tax Assessment Act 1936 expressed as a rate per annum; and
  - (ii) in all other cases, the rate specified in the Director's resolution referred to in Rule 33.2;
- (c) the maximum term of the loan will be the lesser of:
  - (i) the period specified in the Director's resolution referred to in Rule 33.2; or
  - (ii) if Division 7A of the Income Tax Assessment Act 1936 applies to the loan, the day which is calculated so as to a maximum Term under Section 109N(3) of the Income Tax Assessment Act 1936 or any regulations made under it in relation to the loan and will be, unless and until Section 109N(3) of that statute or its regulations are amended:
    - A 25 years if:
      - 100% of the value of the loan amount is secured by a mortgage over real property that has been registered in accordance with the law of the state of territory in which the real property is situated; and
      - when the loan is first granted or made, the market value of that real property (less the amount of any other liability secured over that property in priority to the loan) is at least 110% of the amount of the balance of the loan amount;
    - or
    - B in all other cases, 7 years;
- (d) if Division 7A of the Income Tax Assessment Act 1936 applies to the loan, loan repayments must be made each year which are not less than the minimum yearly repayment requirements of the Income Tax Assessment Act 1936.

## **34. NOTICES**

### **34.1 Form of notice**

Any notice or other communication in connection with this Constitution must be in writing and signed by the person giving the notice and be addressed to the Notice Address of the person to whom it is to be given.

### **34.2 Time of delivery**

The notice or other communication will be deemed to be received:

- (a) in the case of a posted letter, on the third day after posting;
- (b) in the case of delivery by generally recognised overnight courier, on the second day after dispatch with that courier;
- (c) in the case of personal delivery, on the date of delivery;
- (d) in the case of facsimile transmission, at the time recorded on the transmission report from the machine from which the facsimile was sent; or
- (e) in the case of transmission by electronic mail, on the day of transmission if the electronic medium sending the notice states that the transmission was completed before 5:00pm on a business day, otherwise on the next business day. This method of service is effective only if the medium's report states that it was sent in full and without error and the message is not rejected or undeliverable as evidenced by a message to that effect received by the sender.

## **35. INDEMNITY AND INSURANCE**

### **35.1 Indemnity against liability**

To the extent permitted by the Act, the Company may indemnify every person who is, or who has been, a director or officer of the Company or any Related Body Corporate against:

- (a) any liability incurred by them in their capacity as a director or officer, to a person other than the Company or Related Body Corporate, except where the liability relates to their own negligence or a breach of duty or a lack of good faith;
- (b) any liability for legal costs or expenses incurred by them in defending any proceedings in which judgement is given in their favour; or
- (c) any liability for legal costs or expenses incurred by them in defending any proceedings in which they are acquitted or the Court grants relief in their favour.

### **35.2 Insurance**

To the extent permitted by the Act, the Company may insure or pay any premiums on a policy of insurance for a director or officer of the Company or of a Related Body Corporate against any liability for which the Company indemnifies the director or officer under Rule 35.1.

### **35.3 Resolution**

A Director may vote in favour of a resolution that the Company grant an indemnity pursuant to Rule 35.1, take insurance or pay the premiums on an insurance policy pursuant to Rule 35.2 even though the Director has a direct and material interest in the outcome of the resolution.

**SCHEDULE 1**  
**SHARE TRANSFER**

|                           |                                                                                         |
|---------------------------|-----------------------------------------------------------------------------------------|
| FULL NAME OF COMPANY      |                                                                                         |
| ACN                       |                                                                                         |
| DESCRIPTION OF SHARE(S)   | CLASS: <input type="checkbox"/> FULLY PAID<br><input type="checkbox"/> PAID TO \$ _____ |
| QUANTITY                  |                                                                                         |
| FULL NAME OF SELLER(S)    |                                                                                         |
| FULL ADDRESS OF SELLER(S) |                                                                                         |
| TOTAL CONSIDERATION       |                                                                                         |
| FULL NAME OF BUYER(S)     |                                                                                         |
| FULL ADDRESS OF BUYER(S)  |                                                                                         |
| REQUEST                   | Please enter this transfer on the Share Register                                        |

I/We the registered holder(s) for the above consideration transfer to the Buyer(s) named above the shares specified above standing in my/our name(s) in the books of the Company subject to the conditions on which I/We held the same at the time of signing and I/We the Buyer(s) agree to accept the shares subject to the same conditions and the Rules contained in the Company's Constitution.

I/We have not received any notice of revocation of the Power of Attorney by death of the grantor or otherwise, under which this transfer is signed (if any).

|                                                 |                                                                                                                                                      |
|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| SELLER(S)                                       | Sign Here<br><br>Date Signed                                                                                                                         |
| BUYER(S)                                        | Sign Here<br><br>Date Signed                                                                                                                         |
| AUTHORITY TO FORWARD CERTIFICATE TO THIRD PARTY | I/We authorise you to forward the certificate/s issued in my/our name/s following the registration of this transfer to:<br><br>Signature of Buyer(s) |

**SCHEDULE 2**  
**FORM OF PROXY**

I / We,

\_\_\_\_\_ of \_\_\_\_\_  
being a Member of [insert company name] and entitled to vote appoint

☐ the chairman of the meeting OR ☐ \_\_\_\_\_  
(Insert name and address of proxy)

or failing that appointment or the absence of that person, the chairman of the meeting\*\*, as my/our proxy to act generally at the meeting and to vote for me on my/our behalf in accordance with the following instructions (or if no directions have been given, as the proxy sees fit and with discretion as to any business not referred to below) at the [Annual] General Meeting of the Company to be held on [insert date] and at any adjournment of that meeting.

(Voting instructions, if any, are to be indicated by placing a tick in the appropriate box. If no instruction is given the proxy may vote as that person thinks fit, or abstain.)

| <b>Business</b> | <b>For</b>               | <b>Against</b>           | <b>Abstain*</b>          |
|-----------------|--------------------------|--------------------------|--------------------------|
| 1. [insert]     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. [insert]     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

AND for \_\_\_\_\_ % OR for \_\_\_\_\_ shares for this proxy form.

\* if you mark the abstain box for any item, you are directing the proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in calculating the required majority on a poll.

\*\* if the chairman of the meeting is appointed as your proxy or is appointed by default and your voting direction is not indicated, the chairman may exercise your proxy even if he or she has an interest in the outcome of those items.

**Signature of Shareholder**

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director / Attorney /  
Authorised Person

Director / Company Secretary

Director

**Notes**

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by an attorney or other authorised person, the power of attorney or written authority must have been previously noted by the Company or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the shareholders constitution and the *Corporations Act 2001 (Cth)*.

**Proxies**

- (a) A member who is entitled to attend and vote at this meeting is entitled to appoint not more than 2 proxies to attend and vote instead of the member.
- (b) Where 2 proxies are appointed:
  - (i) A separate proxy form should be used to appoint each proxy;
  - (ii) The proxy form may specify the proportion, or number, of votes that the proxy may exercise, and if it does not do so the proxy may exercise half of the votes.
- (c) A proxy need not be a member of the Company.
- (d) To be effective, proxy forms (duly completed and signed) must be received by the Company at its registered office no later than 48 hours before the time for the holding of the meeting.