

Mining at Zeta Pit

ASX/BSE: DML

MARKET CAPITALISATION

Shares on Issue 487m
Share Price A\$1.69
Market Cap A\$823m
Cash (16 Nov) US\$73.3m
Debt (16 Nov) US\$205m

ABN 29 104 924 423

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ASX ANNOUNCEMENT

Discovery Metals Limited

Constitution

In accordance with ASX Listing Rule 15.4.2, *enclosed* is a copy of the Constitution of Discovery Metals Limited, incorporating the amendments as unanimously adopted at the Company's Annual General Meeting held on Friday, 16 November 2012.

Discovery Metals Background

Discovery Metals is an ASX/BSE listed copper exploration and production company focused on the emerging Kalahari Copperbelt in north-west Botswana. The Company is a copper producer at its 100% owned Boseto Copper Project.

The Kalahari Copperbelt sediment-hosted mineralisation of the Boseto Copper Project is similar in style to the well-known and large deposits of the Central African Copperbelt of Zambia and the Democratic Republic of the Congo.

Discovery Metals has prospecting licences covering 11,872 km2 along the Kalahari Copperbelt.

Further information on the Company including Mineral Resources and Ore Reserves is available on our website: www.discoverymetals.com

For further information on this release and Discovery Metals Limited, please contact:

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CONSTITUTION ACN 104 924 423

Constitution of

Discovery Metals Limited

ACN 104 924 423

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SCHEDULES

Schedule 1 - Definitions and Interpretation forms part of this Constitution.

1 Definitions and Interpretation

In this Constitution:

- (a) The words and phrases used in this Constitution have the meanings as set out in Schedule 1 Definitions and Interpretation to this Constitution.
- (b) In the interpretation of this Constitution, unless the context otherwise requires, the rules set out in Schedule 1 - Definitions and Interpretation shall apply.

2 Share Capital and Variation of Rights

2.1 Issue of Shares

- (a) Subject to Applicable Laws and this Constitution, the Directors may issue, allot or dispose of Shares:
 - (i) on terms determined by the Directors;
 - (ii) at the issue price that the Directors determine; and
 - (iii) to Members whether in proportion to their existing Shareholdings or otherwise, and to such other persons as the Directors may determine.
- (b) The Directors' power under clause 2.1(a) includes the power to:
 - (i) grant options over unissued Shares;
 - (ii) issue and allot Shares:
 - A. with any preferential, deferred or special rights, privileges or conditions;
 - B. with any restrictions in regard to dividend, voting, return of capital or otherwise;
 - C. which are liable to be redeemed;
 - D. which are bonus Shares for whose issue no consideration is payable to the Company; or
 - E. which have any combination of the characteristics described in subclauses A to D inclusive.
- (c) A Director or any person associated with a Director may not participate in an issue, allotment or disposal by the Company of Shares under clause 2.1(a) or options or other securities under clause 2.1(b) unless the participation of the Director or the person associated with a Director in the issue is permitted and made in accordance with Applicable Laws.

2.2 Variation of Rights

- (a) If at any time the share capital is divided into different classes of Shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the Shares of that class), whether or not the Company is being wound up, be varied or abrogated in any way with the consent in writing of the holders of three-quarters of the issued Shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the Shares of that class. Any variation under this clause shall be subject to Applicable Laws.
- (b) The provisions of this Constitution relating to general meetings apply so far as they are capable of application and with the necessary changes to every separate meeting of the holders of a class of Shares.
- (c) The rights conferred on the holders of the Shares of any class are not deemed to be varied by the creation or issue of further Shares ranking equally with the first-mentioned Shares unless otherwise:
 - (i) expressly provided by the terms of issue of the first-mentioned Shares; or
 - (ii) required by the Corporations Act 2001.

2.3 Brokerage and Commission

- (a) The Company may exercise the power to pay brokerage or commission conferred by and subject to the requirements of Applicable Laws. The rate or the amount of the brokerage or commission paid or agreed to be paid must be disclosed in the manner required by Applicable Laws.
- (b) The brokerage or commission may be satisfied by the payment of cash or by the allotment of fully or partly paid Shares or other securities or partly by the payment of cash and partly by the allotment of fully or partly paid Shares or other securities.

2.4 Recognition and Disclosure of Interests

- (a) Except as required by law, the Company is not bound or compelled in any way to recognise a person as holding a Share on any trust.
- (b) The Company is not bound by or compelled in any way to recognise (whether or not it has notice of the interest or rights concerned) any equitable, contingent, future or partial interest in any Share or unit of a Share or (except as otherwise provided by this Constitution, the ASX Settlement Operating Rules or by law) any other right in respect of a Share except an absolute right of ownership in the registered holder.
- (c) This clause 2.4 applies even if the Company has notice of the relevant trust, interest or right.

2.5 Share Certificates

- (a) The Directors will not, unless they determine otherwise or the Listing Rules require, issue a certificate to a Member for any Shares registered in the Member's name or record any holding held on a certificated subregister.
- (b) Any certificate for Shares must be issued and despatched in accordance with Applicable Laws.
- (c) Subject to the Listing Rules, the Directors may in their absolute discretion elect whether to maintain a certificated subregister for any class of Shares.
- (d) Subject to the Listing Rules and the ASX Settlement Operating Rules, Shares may be held on any subregister maintained by or on behalf of the Company or on any branch register kept by the Company.
- (e) The Directors may order worn out or defaced certificates to be cancelled and, if necessary, replaced by new certificates.
- (f) Subject to clause 2.5(a), if the Directors determine to issue a certificate for Shares held by a Member the following provisions apply:
 - (i) a person whose name is entered as a Member in the Register or as an option holder in the register of options is entitled without payment to receive a certificate in respect of the Shares or options registered in the person's name issued in accordance with the Corporations Act 2001 but, in respect of Shares or options held jointly by several persons, the Company is not bound to issue more than one certificate;
 - (ii) delivery of a certificate for a Share may be effected by delivering it personally to the holder or by posting it in a prepaid envelope addressed to the holder at the address shown in the Register or by delivering or posting the certificate in accordance with the written instructions of the holder. Delivery of a certificate for a Share to one of several joint holders is sufficient delivery to all such holders;
 - (iii) where satisfactory evidence has been received by the Company that the certificate for Shares previously issued has been stolen, lost or destroyed and has not been pledged, charged, sold or otherwise disposed of, and the holder has undertaken in writing to the Company to return any such certificate to the Company if it is found or received by the holder, then the Company must issue a replacement certificate in accordance with the Corporations Act 2001;

- (iv) where a certificate for Shares previously issued has been worn out or defaced and has been surrendered to the Company for cancellation and has been cancelled the person whose name is entered as the Member in respect of those Shares in the Register is entitled to receive a replacement certificate in accordance with the Corporations Act 2001 and the Listing Rules; and
- (v) the Directors may determine the number of Shares to be issued in any one certificate.

2.6 Joint Holders of Shares

- (a) Where two or more persons are registered as the joint holders of Shares they are deemed to hold the Shares as joint tenants.
- (b) The person whose name appears first on the Register is the only joint holder entitled to receive notices from the Company.
- (c) Any one of the joint holders of a Share may give an effective receipt for any dividend or return of capital payable to the joint holders.
- (d) The Company is entitled to and in respect of CHESS Holdings, must:
 - (i) record the names of only the first three joint holders of a Share on the Register;
 - (ii) regard the three joint holders of a Share appearing first on the Register as the registered holders of that Share to the exclusion of any other holders; and
 - (iii) disregard the entitlement of any person to be registered on the Register as a holder if the name of the person would appear on the Register after the first three holders for that Share.

2.7 Restricted Securities

- (a) The Company shall comply in all respects with the requirements of the Listing Rules with respect to Restricted Securities, without limiting the generality of the foregoing:
 - Restricted Securities cannot be disposed of during an escrow period except as permitted by the Listing Rules or the ASX;
 - (ii) the Company will refuse to acknowledge a disposal (including registering a transfer) of Restricted Securities during an escrow period except as permitted by the Listing Rules or the ASX; and
 - (iii) during a breach of the Listing Rules relating to Restricted Securities, or a breach of a restriction agreement, the holder of the Restricted Securities is not entitled to any dividend or distribution, or voting rights, in respect of the Restricted Securities.

3 Lien

3.1 Lien on Shares

- (a) The Company has a first and paramount lien on every Share (other than a fully paid Share) for all money (whether presently payable or not) called or payable at a fixed time in respect of that Share and such lien extends to all dividends, rights and other distributions from time to time declared paid or made in respect of that Share. Such lien extends to cover reasonable interest (not exceeding 10% per annum) and expenses incurred because such monies are not paid.
- (b) The Company also has a first and paramount lien on all Shares (other than fully paid Shares) registered in the name of a Member for all money presently payable to the Company and all money which the Company may be called on by law to pay in respect of the Shares of that Member.
- (c) Whenever any law for the time being of any country, state or place imposes any immediate or future or possible liability on the Company to make any payment or empowers any government or taxing authority or government official to require the Company to make any payment in respect of any Share registered in the name of any Member (whether solely of jointly with others) or in respect of any dividends or other moneys paid or due or payable or which may become due or payable to that Member by the Company on or in respect of any of those Shares in the Company in that case, the Company:
 - is fully indemnified by that Member or that Member's executor or administrator from all that liability;
 - (ii) has a lien on the Shares registered in the name of that Member for all money paid or payable by the Company in respect of those Shares under or in consequence of any such law together with interest at the rate, not exceeding 20% per annum, determined by the Directors from the date of payment to the date of repayment;
 - (iii) has a lien on all dividends, payable in respect of the Shares registered in the name of that Member for all moneys paid by the Company in respect of those Shares or in respect of such dividends under or in consequence of any such law together with interest at the rate, not exceeding 20% per annum, determined by the Directors from the date of payment to the date of repayment and may deduct or set off against any of those dividends or other moneys any of those moneys paid by the Company together with interest:
 - (iv) may recover as a debt due from such Member of that Member's executor or administrator any moneys paid by the Company under any such law; and

(v) may if any such money is paid by the Company under any such law refuse to register a transfer of any such Shares other than by a Proper ASTC Transfer by any such Member or that Member's executor or administrator until such money and interest have been set off or deducted as aforesaid or have been otherwise paid to the Company.

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

- (d) The Company may do all such things as may be necessary or appropriate for it to do under the ASX Settlement Operating Rules and the Listing Rules to protect any lien, charge or other right to which it may be entitled under any law or this Constitution.
- (e) The Directors may at any time exempt a Share wholly or in part from the provisions of clauses 3.1(a) to 3.1(c).
- (f) The Company's lien on a Share is extinguished if a transfer of the Share is registered without the Company giving notice of the claim to the transferee.

3.2 Sale Under Lien

- (a) Subject to clauses 3.2(b) and 3.3(a) the Company may sell, in such manner as the Directors think fit, any Share on which the Company has a lien as if the Share was forfeited.
- b) If the Listing Rules permit, a Share on which the Company has a lien may not be sold by the Company unless:
 - (i) a sum in respect of which the lien exists is presently payable; and
 - (ii) the Company has, not less than 14 days before the date of sale, given to the registered holder for the time being of the Share or the person entitled to the Share by reason of the death or bankruptcy of the registered holder, a notice in writing setting out, and demanding payment of, such part of the amount in respect of which the lien exists as is presently payable.

3.3 Transfer on Sale Under Lien

- (a) For the purpose of giving effect to a sale mentioned in clause 3.2(a), the Company may receive the consideration (if any) given for the Share so sold and may (if required) execute a transfer of the Share sold in favour of the person to whom the Share is sold or where the transfer of Shares is to be effected as an ASTC Regulated Transfer, the Company may do all such things as may be necessary or appropriate for it to do to effect the transfer.
- (b) The title of the transferee to the Share is not affected by any irregularity or invalidity in connection with the sale of the Share.

3.4 Proceeds of Sale

The proceeds of a sale mentioned in clause 3.2(a) must be applied by the Company in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue (if any) must (subject to any like lien for sums not presently payable that existed on the Share before the sale) be paid to the person entitled to the Share at the date of the sale.

4 Calls on Shares

4.1 Directors to Make Calls

- (a) The Directors may, subject to compliance with the requirements of Applicable Laws and the original terms of issue of the Shares, make calls on a Member in respect of any money unpaid on the Shares of that Member.
- (b) A call may be made payable by installments.
- (c) The Directors may revoke or postpone a call.
- (d) A call must be made in accordance with the Listing Rules.

4.2 Time of Call

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

4.3 Notice of Call and Members' Liability

- (a) Each Member must, on receiving at least 15 Business Days' notice (or such longer period as the Listing Rules shall require) specifying:
 - (i) the name of the Member;
 - (ii) the number of Shares held by the Member;
 - (iii) the amount of the call;
 - (iv) the due date for payment of the call;
 - (v) the consequences of non-payment of the call;
 - (vi) the taxation deductions (if any) and how they may be applied for;

- (vii) market details regarding the Shares and any other Shares in the Company as required by the Listing Rules; and
- (viii) such information as required by the Listing Rules.
- pay to the Company at the time or times and place so specified the amount called on the Shares.
- (b) The joint holders of a Share are jointly and severally liable to pay all calls in respect of the Share.
- (c) The non-receipt of a notice of any call by, or the accidental omission to give notice of a call to, a Member does not invalidate the call.

4.4 Interest on Default

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

4.5 Fixed Instalments Deemed Calls

Subject to the Listing Rules, any sum that, by the terms of issue of a Share, becomes payable on allotment or at a fixed date is deemed under this Constitution to be a call duly made and payable on the date on which by the terms of issue the sum becomes payable, and, in case of non-payment, all the relevant provisions of this Constitution as to payment of interest and expenses, forfeiture or otherwise apply as if the sum had become payable by virtue of a call duly made and notified.

4.6 Differentiation between Shareholders as to Calls

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

4.7 Prepayment of Calls

- (a) The Directors may accept from a Member the whole or part of the amount unpaid on a Share although no part of that amount has been called.
- (b) The Directors may authorise payment by the Company of interest on the whole or any part of an amount so accepted, until the amount becomes payable, at such rate, not exceeding the prescribed rate, as is agreed on between the Directors and the Member paying the sum.
- (c) For the purposes of clause 4.7(b) the prescribed rate of interest is;
 - (i) if the Company has, by resolution, fixed a rate, the rate so fixed; and
 - (ii) in any other case 10% per annum.

5 Transfer of Shares

5.1 General

- (a) Subject to this Constitution, a Member may transfer Shares held by that Member.
- (b) Subject to clauses 5.1(c) and 5.1(d), Shares may be transferred by:
 - (i) a written transfer instrument in any usual or common form; or
 - (ii) any other form approved by the Directors.
- (c) The Company may participate in any computerised or electronic system for market settlement, securities transfer or registration conducted in accordance with Applicable Laws.
- (d) If the Company participates in a system of the kind described in clause 5.1(c), then despite any other provision of this Constitution:
 - (i) Shares may be transferred, and transfers may be registered, in any manner required or permitted by any one or more of the Listing Rules, the ASX Settlement Operating Rules or the Operating Rules of a Prescribed CS Facility, as applicable (or the orresponding laws or securities exchange rules in any other country) applying in relation to the system;
 - (ii) the Company must comply with and give effect to the rules of that system; and
 - (iii) the Company may, in accordance with the rules of that system, decline to issue certificates for holdings of Shares.
- (e) A written transfer instrument must be:
 - (i) executed by the transferor or (where the Corporations Act 2001 permits) stamped by the transferor's broker;
 - (ii) unless the Directors decide otherwise in the case of a fully paid Share, executed by the transferee or (where the Corporations Act 2001 permits) stamped by the transferee's broker; and
 - (iii) in the case of a transfer of partly paid
 Shares, endorsed or accompanied by an
 instrument executed by the transferee or
 by the transferee's broker to the effect that
 the transferee agrees to accept the Shares
 subject to the terms and conditions on which
 the transferor held them, to become a Member
 and to be bound by the Constitution. Subject to
 the Corporations Act 2001, the written transfer
 instrument may comprise of two documents.
- (f) Except as required by the ASX Settlement Operating Rules or the Operating Rules of a Prescribed CS Facility (if applicable):

- a transferor of Shares remains the holder of the Shares transferred until the transfer is registered and the name of the transferee is entered in the Register in respect of the Shares; and
- (ii) a transfer of Shares does not pass the right to any dividends on the Shares until such registration.

5.2 Transfer Procedure

- (a) Except where the Directors determine (to comply with the laws or securities exchange rules of a foreign country or the Operating Rules of a Prescribed CS Facility), for a transfer of Shares that is not an ASTC Regulated Transfer:
 - (i) the written transfer instrument must be left at the Registered Office or another place acceptable to the Company;
 - (ii) the instrument must be accompanied by a certificate for the Shares dealt with in the transfer where a certificate has been issued, unless the Directors waive production of the certificate on receiving satisfactory evidence of the loss or destruction of the certificate; and
 - (iii) the Directors may, if the Listing Rules permit, require other evidence of the transferor's right to transfer the Shares.
- (b) For a transfer of Shares that is an ASTC Regulated Transfer, a Share transfer must be effected in accordance with the Listing Rules and the ASX Settlement Operating Rules.

5.3 Right to Refuse Registration

- (a) The Directors may in their absolute discretion refuse to register any transfer of Shares or other securities where the Shares or other securities are not quoted by ASX. Where the Shares or other securities are quoted by ASX, the Directors may in their absolute discretion refuse to register any transfer in any of the circumstances permitted by the Listing Rules.
- (b) The Directors must:
 - (i) except as permitted by ASX, refuse to register any transfer of Shares or other securities which are Restricted Securities if that transfer is or might be in breach of the Listing Rules or any escrow agreement entered into by the Company under the Listing Rules in relation to the Shares; and
 - (ii) refuse to register any transfer where the Company is, or the Directors are, required to do so by the Listing Rules.
- (c) Despite clauses 5.3(a) and 5.3(b) the Company must not refuse or fail to register or give effect to, or delay or in any way interfere with, a Proper ASTC Transfer of Shares or other securities quoted by ASX.

- (d) Subject to clause 5.3(c), Restricted Securities cannot be disposed of during an escrow period except as permitted by the Listing Rules or ASX. The Company will refuse to acknowledge a disposal of Restricted Securities to the extent required under the Listing Rules
- (e) If a person has lodged a transfer which the Directors have refused to register, the Company must, within five Business Days after the date of lodgement, give to the lodging person written notice of the refusal and the reasons for it.

5.4 Closure of Register

Subject to Applicable Laws the Company may at any time close the Register for a period not exceeding in the whole 30 days in any year.

5.5 Other Securities

The provisions of this clause 5 shall apply with necessary alterations to any other Listed Securities for the time being issued by the Company.

6 Transmission of Shares

6.1 Transmission of Shares on Death of Member

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

6.2 Right to Registration on Death or Bankruptcy

- (a) Subject to the Bankruptcy Act 1966 (Cth), a person becoming entitled to a Share in consequence of the death or bankruptcy of a Member may, on such information being produced as is properly required by the Directors, either elect to be registered as holder of the Share or nominate another person to be registered as the transferee of the Share. Where the surviving joint holder becomes entitled to a Share in consequence of the death of a Member the Directors must, on satisfactory evidence of that death being produced to them, direct the Register to be altered accordingly.
- (b) If the person becoming entitled elects to be registered as holder of the Share under clause 6.2(a), the person must deliver or send to the Company a notice in writing signed by the person in such form as the Directors approve stating that the person so elects.
- (c) If the person becoming entitled nominates another person to be registered as the transferee of the Share under clause 6.2(a), the person must do all things necessary or appropriate to effect the transfer.

(d) All the limitations, restrictions and provisions of this Constitution and Applicable Laws relating to the right to transfer, and the registration of transfer of Shares are applicable to any such notice or transfer as if the death or bankruptcy of the Member had not occurred and the actions and procedures taken to effect the transfer were actions taken by that Member.

6.3 Effect of Transmission

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

6.4 Proper ASTC Transfer not Affected

In the case of a Proper ASTC Transfer the provisions of this clause 6 are subject to any such obligation as may be imposed on the Company or the person entitled to the Shares in the death or bankruptcy of the Member by Applicable Laws.

7 Forfeiture of Shares

7.1 Notice Requiring Payment of Call

- (a) If a Member fails to pay a call or instalment of a call on the day appointed for payment of the call or instalment, the Directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on the Member requiring payment of so much of the call or instalment as is unpaid, together with any interest that has accrued and all costs and expenses that have been incurred by the Company by reason of such non-payment.
- (b) The notice must name a further day being the date 10 Business Days after the day for payment of the call or instalment on or before which the payment required by the notice is to be made and must state that, in the event of non-payment at or before the time appointed, the Shares in respect of which the call was made will be liable to be forfeited.

7.2 Forfeiture for Failure to Comply with Notice

(a) If the requirements of a notice served under clause 7.1(a) are not complied with, any Share of which a call is unpaid at the expiration of 10 Business Days after the day for its payment is thereupon forfeited without any resolution of the Directors to that effect.

- (b) Such a forfeiture includes all dividends declared in respect of the forfeited Shares and not actually paid before the forfeiture.
- (c) Any Share forfeited under clause 7.2(a), may be sold, re-allotted or otherwise disposed of to whom and on such terms and conditions, subject to the Corporations Act 2001 and Listing Rules, as the Directors think fit.
- (d) If any Share is forfeited under clause 7.2(a), notice of the forfeiture must be given to the Member holding the Share immediately prior to the forfeiture and an entry of forfeiture with the date thereof must be made in the Register.
- (e) The Directors may accept the surrender of any Share which they are entitled to forfeit on such terms they think fit and any Share so surrendered is deemed to be a forfeited Share.

7.3 Cancellation of Forfeiture

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

7.4 Effect of Forfeiture on Former Member's Liability

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

7.5 Evidence of Forfeiture

A statement in writing declaring that the person making the statement is a Director or a Secretary, and that a Share in the Company has been duly forfeited in accordance with the Constitution on a date stated in the statement, is prima facie evidence of the facts stated in the statement as against all persons claiming to be entitled to the Share.

7.6 Transfer or Forfeited Share

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

7.7 Forfeiture Applies to Non-Payment of Instalment

- (a) The provisions of this Constitution as to forfeiture apply in the case of non-payment of any sum that, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as if that sum had been payable by virtue of a call duly made and notified.
- (b) Where the transfer of forfeited Shares is to be effected by an ASTC Regulated Transfer, the Company may do all such things as may be necessary or appropriate for it to do under the ASX Settlement Operating Rules.

7.8 Listing Rules

The Company shall comply with the Listing Rules with respect to forfeited Shares.

8 Non-Marketable Parcels

8.1 Introduction

- (a) If at any time the number of Shares registered in the name of a Member is less than a Marketable Parcel and those Shares are held on a certificated subregister or an issuer sponsored subregister (Eligible Member), the Directors may cause a written notice (Notice) to be despatched to the Eligible Member, requiring the Eligible Member to advise the Company by a specified date (Relevant Date) whether the Eligible Member elects that the provisions of this clause are not to apply to the Shares.
- (b) The Relevant Date must be not less than six weeks after the date of service of the Notice.

8.2 Procedure

(a) At least four weeks before the Notice is despatched the Directors may cause a notice to be despatched to each Member who holds less than a Marketable Parcel of Shares on the CHESS subregister, advising each of those Members of the Directors' intention to invoke the procedure provided for in this clause 8 (**Procedure**).

- (b) That notice must state that if the Member wishes to have its holding sold in accordance with the Procedure that Member must arrange for conversion of its holding to the certificated subregister or the issuer sponsored subregister before a specified date, being the date on which the Directors intend to invoke the Procedure.
- (c) At the time the Procedure is invoked a Notice must be despatched to each and every Eligible Member.
- (d) The Notice must state that the Shares referred to in the Notice will be liable to be sold unless, by the Relevant Date:
 - the Member advises the Company that the provisions of this clause are not to apply to the Shares; or
 - (ii) the Member's holding is no longer on the certificated subregister or issuer sponsored subregister.
- (e) Every Eligible Member on which a Notice has been served may, by notice in writing to the Company and delivered to the Registered Office before the Relevant Date, require the Company not to sell that Member's Shares in accordance with this clause, in which event no sale of that Member's Shares will take place.
- (f) If the Eligible Member does not advise the Company by the Relevant Date that the provisions of this clause are not to apply to the Shares referred to in the Notice, any of those Shares which are held on the certificated subregister or the issuer sponsored subregister as at the Relevant Date may be sold by the Company.
- (g) Any Shares which may be sold under this clause may be sold on the terms, in the manner and at the time determined by the Directors and for the purposes of a sale under this clause each Eliqible Member:
 - (i) appoints the Company the Eligible Member's agent for sale;
 - (ii) authorises the Company to effect on the Eligible Member's behalf a transfer of the Shares sold; and
 - (iii) appoints the Company and its Directors jointly and severally as the Eligible Member's attorneys, in the Eligible Member's name and on the Eligible Member's behalf to execute any instrument or take any other steps as they or any of them may consider appropriate to transfer the Shares sold.
- (h) The title of the transferee to Shares acquired under this clause is not affected by any irregularity or invalidity in connection with the sale of Shares to the transferee.

8.3 Sale Consideration

- (a) The proceeds of any sale of Shares under this clause 8 less any unpaid calls and interest (Sale Consideration) will be paid to the relevant Member or as that Member may direct.
- (b) The Sale Consideration received by the Company in respect of all Shares sold under this clause will be paid into a bank account opened and maintained by the Company for the purposes of this clause.
- (c) The Company will hold the Sale Consideration in trust for the Member whose Shares are sold under this clause and will forthwith notify the Member in writing that the Sale Consideration in respect of the Member's Shares has been received by the Company and is being held by the Company pending instructions from the Member as to how it is to be dealt with. If the Member has been issued with a share certificate or certificates, the Member's instructions, to be effective, must be accompanied by the share certificate or certificates to which the Sale Consideration relates or, if the certificate or certificates has or have been lost or destroyed, by a statement and undertaking under section 1070D(5) of the Corporations Act 2001.
- (d) Subject to the Corporations Act 2001, the Company or the purchaser will bear all costs, including brokerage and stamp duty, associated with the sale of any Shares under this clause.

8.4 Other Matters

- The Procedure may only be invoked once in any 12 month period after its adoption or renewal.
- (b) If the Procedure has been invoked and there is an announcement of a takeover bid for Shares, no more sales of Shares may be made under this clause 8 until after the close of the offers made under the takeover or termination of the takeover bid. The Procedure may then be invoked again.

9 Proportional Takeover Bid

- (a) Registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under a Proportional Takeover Bid is prohibited unless and until an Approving Resolution approving the Proportional Takeover Bid is passed.
- (b) A person (other than the Bidder or an associate of the Bidder) who, as at the end of the day on which the first offer under the Proportional Takeover Bid was made, held Bid Class Shares is entitled to:
 - i) vote on a Approving Resolution; and
 - (ii) has one vote for each Bid Class Share held.
- (c) Where offers have been made under a Proportional Takeover Bid, the Directors must ensure that an Approving Resolution is voted on at a meeting of the persons described in clause 9(b) before the Approving Resolution Deadline.

- (d) An Approving Resolution is passed if more than 50% of the votes cast on the resolution are cast in favour of the resolution, and otherwise is taken to have been rejected.
- (e) The provisions of this Constitution that apply to a general meeting of the Company apply, with such modifications as the circumstances require, to a meeting that is called under this clause as if the meeting was a general meeting of the Company.
- (f) If an Approving Resolution to approve the Proportional Takeover Bid is voted on in accordance with this clause before the Approving Resolution Deadline, the Company must, on or before the Approving Resolution Deadline, give:
 - (i) the Bidder; and
 - (ii) each Relevant Financial Market,

a written notice stating that an Approving Resolution to approve the Proportional Takeover Bid has been voted on and whether it was passed or rejected.

- (g) If no Approving Resolution has been voted on in accordance with this clause as at the end of the day before the Approving Resolution Deadline, an Approving Resolution to approve the Proportional Takeover Bid is taken, for the purposes of this clause 9, to have been passed in accordance with this clause.
- (h) This clause 9 will, unless renewed in accordance with the Corporations Act 2001, automatically cease to have effect three years after the date of its adoption or renewal or last renewal (as the case may require).

10 General Meetings

10.1 Annual General Meeting

Annual general meetings of the Company are to be held in accordance with the Corporations Act 2001 and the Listing Rules.

10.2 General Meeting

A Director may convene a general meeting of the Company whenever he or she thinks fit provided that if there are no Directors holding office the Secretary shall convene a general meeting for the purpose of electing Directors.

10.3 Notice of General Meeting

(a) Subject to the Listing Rules and to the provisions of the Corporations Act 2001, at least 28 days' notice (exclusive of the day on which notice is given) specifying the place, day and the hour of the meeting and, in the case of special business, the general nature of that business, must be given to such persons as are entitled to receive notices from the Company for the purposes of receipt of proxy appointments. The notice must specify a place and fax number and may specify an electronic address.

(b) The non-receipt of a notice of a general meeting by, or the accidental omission to give notice of a general meeting to, a person entitled to receive notice does not invalidate any resolution passed at the general meeting.

10.4 Special Business of General Meeting

All business that is transacted at a general meeting is special, with the exception at an annual general meeting of the declaration of a dividend, the consideration of the accounts and the reports of the Directors and the Auditor, the appointment of the Auditor and the election of Directors.

10.5 Requisitioned Meeting

A general meeting shall also be convened on requisition as is provided for by the Corporations Act 2001 or in default may be convened by such requisitionists as empowered to do so by the Corporations Act 2001.

10.6 Objects of Requisitioned Meeting

The requisition for a general meeting must state any resolution to be proposed at the meeting and must be signed by the requisitionists and deposited at the Registered Office, and may consist of several documents if the wording of the request is identical in each copy and each copy is signed by one or more of the requisitionists.

10.7 Expenses of Requisitioned Meeting

Any reasonable expenses incurred by the requisionists by reason of the failure of the Directors to convene a general meeting must be paid to the requisitionists by the Company and any sum so paid may be recovered by the Company in the manner provided in the Corporations Act 2001.

10.8 Postponement or Cancellation of Meeting

The Directors may postpone or cancel any general meeting whenever they think fit in accordance with Applicable Laws (other than a meeting convened as the result of requisition under clause 10.5).

10.9 Contents of Notice to Meeting

A notice convening a general meeting must:

- (a) set out the place, date and time for the meeting (and, if the meeting is to be held in two or more places, the technology that will be used to facilitate this);
- (b) state the general nature of the meeting's business;
- (c) if a special resolution is to be proposed at the meeting set out an intention to propose the special resolution and state the resolution; and
- (d) if a Member is entitled to appoint a proxy contain a statement setting out the following information:
 - (i) that the Member has a right to appoint a proxy;
 - (ii) whether or not the proxy needs to be a Member of the Company; and
 - (iii) that a Member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

11 Proceedings at General Meetings

11.1 Representation of Member

- (a) Any Member may be represented at any meeting of the Company by a proxy or attorney.
- (b) If a body corporate is a Member it may also, by resolution of its directors or other governing body, authorise such a person as it thinks fit to act as its representative either at a particular general meeting or at all general meetings of the Company or of any class of Members
- (c) A person authorised under clause 11.1(b) is, in accordance with that authority and until it is revoked by the body corporate, entitled to exercise the same powers on behalf of the body corporate as the body corporate could exercise if it were a natural person who was a Member.

11.2 Quorum

No business may be transacted at any general meeting unless a quorum is present comprising three Members (or one Member if the Company has only one Member) present in person or by proxy, attorney or representative appointed under clause 11.1(b) and entitled to vote at the meeting. If a quorum is present at the beginning of a meeting it is deemed present throughout the meeting unless the chairman of the meeting otherwise declares, on the chairman's own motion or at the instance of a Member, proxy, attorney or representative appointed under clause 11.1(b).

11.3 Failure to Achieve Quorum

- (a) If a meeting is convened on the requisition of Members and a quorum is not present within half an hour from the time appointed for the meeting, the meeting must be dissolved.
- (b) If a meeting is convened in any other case and a quorum is not present within half an hour from the time appointed for the meeting:
 - the meeting must be adjourned to such day, time and place as the Directors determine or if no determination is made by them to the same day in the next week at the same time and place; and
 - (ii) if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting:
 - A. two Members present in person or by proxy, attorney or representative appointed under clause 11.1(b) constitute a quorum; or
 - B. where two such persons are not present the meeting must be dissolved.

11.4 Appointment and Powers of Chairman of General Meeting

- (a) If the Directors have elected one of their number as chairman of their meetings, that person must preside as chairman at every general meeting.
- (b) If a general meeting is held and:
 - (i) a chairman has not been elected as provided by clause 11.4(a); or
 - (ii) the chairman is not present within 15 minutes after the time appointed for the holding of the meeting or is unable or unwilling to act,

the deputy chairman elected under clause 14.6(a) (if any) must act as chairman of the meeting. If there is no such person or that person is absent or unable or unwilling to act, the Directors present must elect one of their number to be chairman of the meeting, or, if no Director is present or if all Directors present decline to take the chair, the Members present must elect one of their number as chairman of the meeting.

(c) The chairman is responsible for the general conduct of a general meeting and may make rulings and in addition to any general power to adjourn, may adjourn the meeting without putting the question to the vote if such action is required to ensure the orderly conduct of the meeting.

11.5 Adjournment of General Meeting

- (a) The chairman may, with the consent of any meeting at which a quorum is present, and must if so directed by the meeting, adjourn the meeting from day to day, time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (b) When a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of an original meeting.
- (c) Except as provided by clause 11.5(b), it is not necessary to give any notice of an adjournment or of the business to be transacted at any adjourned meeting.

11.6 Voting at General Meeting

- (a) At any general meeting a resolution put to the vote of the meeting must be decided on a show of hands unless a poll is demanded:
 - (i) by the chairman;
 - (ii) by not less than five Members having the right to vote at the meeting; or

- (iii) by a Member of Members present who are together entitled to not less than 5% of the total voting rights of all the Members having the right to vote on the resolution at the meeting.
- (b) A poll may be demanded:
 - (i) before a vote is taken;
 - (ii) before the voting results on a show of hands are declared; or
 - (iii) immediately after the voting results on a show of hands are declared.
- (c) Unless a poll is properly demanded, a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company, is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution provided that the declaration reflects the show of hands and the voters of the proxies received.
- (d) Before a vote is taken the chairman must inform the meeting whether any proxy votes have been received and how the proxy votes are to be cast.

11.7 Questions Decided by Majority

Subject to the requirements of the Corporations Act 2001 in relation to special resolutions, a resolution is taken to be carried if the proportion of the number of votes cast in favour of the resolution exceeds one half of the total number of votes cast on the resolution.

11.8 Poll

- (a) If a poll is properly demanded, it must be taken in such manner and (subject to clause 11.8(b)) either at once or after an interval or adjournment or otherwise as the chairman directs, and the result of the poll is the resolution of the meeting at which the poll was demanded.
- (b) A poll demanded on the election of a chairman or on a question of adjournment must be taken immediately.
- (c) The demand for a poll may be withdrawn.

11.9 Equality of Votes

If an equal number of votes is cast for and against a resolution at a meeting of Members:

- (a) if the chairman of the meeting is not (or if the chairman were a Member would not be) entitled to vote, the matter is decided in the negative; and
- (b) otherwise, the chairman has a casting vote whether or not the chairman is a Member, and in addition to the vote or votes to which the chairman may be entitled as a Member or as a proxy, attorney or representative of a Member.

11.10 Entitlement to Vote

- (a) Subject to any rights or restrictions for the time being attached to any class or classes of Shares at general meetings of Members or classes of Members:
 - (i) each Member entitled to vote may vote in person or by proxy, attorney or representative;
 - (ii) on a show of hands, every person present who is a Member or a proxy, attorney or representative of a Member has one vote; and
 - (iii) on a poll, every person present who is a Member or a proxy, attorney or representative of a Member shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares, shall have a fraction of a vote for each party paid Share. The fraction must be equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited). In this clause, amounts paid in advance of a call are ignored when calculating the proportion.
- (b) If a Member is present at any meeting of the Company and any one or more proxy, attorney or representative for such a Member is also present, or if more than one proxy, attorney or representative for a Member is present at any meeting of the Company then no such proxy, attorney or representative is entitled to vote on a show of hands and on a poll the vote of each one is of no effect unless each such person is appointed to represent a specified proportion of the Member's voting rights, not exceeding in the aggregate 100%.

11.11 Joint Shareholders Vote

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

11.12 Vote to Shareholder of Unsound Mind

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

11.13 Effect of Unpaid Call

A Member is not entitled to vote at a general meeting in respect of those Shares on which calls are outstanding. This restriction does not apply in respect of those Shares on which no calls are outstanding.

11.14 Objection to Voting Qualification

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

11.15 Appointment of Proxy

- (a) A Member of a Company who is entitled to attend and cast a vote at a meeting of the Company's Members may appoint a person as the Member's proxy to attend and vote for the Member at the meeting.
- (b) The appointment may specify the proportion or number of votes that the proxy may exercise.
- (c) Each Member may appoint a proxy. If the Member is entitled to cast two or more votes at the meeting, they may appoint two proxies. If the Member appoints two proxies and the appointment does not specify the proportion or number of the Member's votes each proxy may exercise, each proxy may exercise half of the votes.
- (d) Disregard any fractions of votes resulting from the application of clauses 11.15(b) and 11.15(c).
- (e) An instrument appointing a proxy must be in writing under the hand of the appointor or of the appointor's attorney duly authorised. A proxy need not be a Member.
- (f) An instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.
- (g) An instrument appointing a proxy is deemed to confer authority to demand or join in demanding a poll.
- (h) An instrument appointing a proxy must:
 - (i) be in the form approved by the Directors from time to time and which complies with the Corporations Act 2001; and
 - (ii) comply with the Listing Rules.
- (i) The Directors must issue with the notice of a meeting a form of proxy in blank as to the first proxy but may include the name of any suggested alternative or other proxy.

11.16 Deposit of Proxy and Other Instruments

An instrument appointing a proxy may not be treated as valid unless the instrument, and the power of attorney or other authority (if any) under which the instrument is signed or a copy or facsimile which appears on its face to be an authentic copy of that power or authority certified as a true copy by statutory declaration is or are received by the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote at the Registered Office or share registry of the Company or at such other place as is specified for that purpose in the notice convening the meeting.

11.17 Validity of Vote in Certain Circumstances

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

11.18 Director Entitled to Notice of Meeting

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

12 The Directors

12.1 Number and Appointment of Directors

- (a) The number of Directors must not be less than three nor more than 10 or such lesser number as the Directors determine provided that the number so determined must not be less than the number of Directors when the determination takes effect. The names of the first Directors of the Company shall be the persons nominated with their consent in the application for registration of the Company or the Directors in office at the time of adoption of this Constitution will continue in office subject to the provisions of this Constitution as the case may be.
- (b) The Company in general meeting may, by resolution, increase or reduce the number of Directors and may also determine in what rotation the increase or reduced number is to go out of office.

- (c) Subject to clause 14.21, at the annual general meeting in every year one-third of the Directors for the Directors for the Directors for the being, or, if their number is not three nor a multiple of three, then the number nearest one-third rounded up, and any other Director not in such one-third who has held office for three years or more (except the Managing Director), must retire from office.
- (d) A retiring Director is eligible for re-election.
- (e) The Directors to retire at any annual general meeting must be those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire must (unless they otherwise agree among themselves) be determined by lot.
- (f) No Director except a Managing Director shall hold office for a period in excess of three years or until the third annual general meeting following his appointment whichever is the longer without submitting himself for re-election.

12.2 Election of Directors

- (a) The Company in general meeting cannot validly elect a person as a Director unless:
 - (i) the person retires under rule 12.1 or 12.4 and seeks re-election;
 - (ii) the Board recommends the appointment, which recommendation the board must notify to the Company at its registered office at least 28 days before the meeting at which election is to be considered; or
 - (iii) not less than 35 Business Days and not more than 45 Business Days (or any other period fixed by the board and notified to ASX) before the date of the meeting at which election is to occur, the Company receives at its registered office both:
 - A. a nomination of the person by a member (who may be the person); and
 - B. a consent to act as a Director signed by the person.
- (b) The Company must notify Members of every candidate for election as a Director with the notice of meeting.
- (c) Where the number of nominations for election as a Director exceeds the number of Directors who have or are to resign at the general meeting, the order in which the nominations are to be voted on shall be determined by drawing lots and once the relevant vacancies have been filled, no further nominations shall be voted on.

12.3 Qualifications of Directors

A Director is not required to hold any Share in the Company.

12.4 Casual Vacancy

- (a) The Company in general meeting may by resolution and the Directors may at any time appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the number determined in accordance with clauses 12.1(a) and 12.1(b).
- (b) Any Director appointed under clause 12.4(a) holds office until the next general meeting of the Company and is then eligible for re-election but is not to be taken into account in determining the Directors who are to retire by rotation at that meeting.

12.5 Removal of Director

- (a) The Company in general meeting may by resolution (of which notice is given in accordance with the Corporations Act 2001) remove any Director from office and may by resolution appoint another person in that Director's stead.
- (b) Any Director appointed under clause 12.5(a) is to be treated, for the purpose of determining the time at which that Director or any other Director is to retire, as if that Director had become a Director on the day on which the Director in whose place that Director was appointed was last elected a Director.

12.6 Remuneration of Directors

- (a) The Directors shall be paid out of the funds of the Company, by way of remuneration for their services as Directors, a sum not exceeding such fixed sum per annum as may be determined by the Directors prior to the first annual general meeting of the Company, to be divided among themselves (and in default of agreement then in equal shares).
- (b) The remuneration of the Directors shall not be increased except pursuant to a resolution passed at a general meeting of the Company where notice of the suggested increase shall have been given to Members in the notice convening the meeting in accordance with Applicable Laws.
- (c) No Non-Executive Director shall be paid as part or whole of his remuneration a commission on or a percentage of profits or a commission on or a percentage of operating revenue, and no Executive Director shall be paid as whole or part of his remuneration a commission on or percentage of operating revenue.
- (d) The Directors' remuneration is deemed to accrue from day to day.

- (e) If a Director, being willing, is called on to perform extra services or to make any special exertions in going or residing abroad or otherwise for the Company, the Company may remunerate that Director by payment of a fixed sum determined by the Directors and that remuneration may be either in addition to or in substitution of that Director's share in the remuneration provided for in clause 12.6(a).
- (f) The Directors may also be paid all traveling and other expenses properly incurred by them in attending, participating in and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or otherwise in connection with the business of the Company.

12.7 Directors' Interests

- (a) Subject to clause 12.7(b) no Director is disqualified by his office from contracting with the Company whether as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided or prejudiced on that account. No Director shall be liable to account to the Company for any profit arising from any such contract or agreement by reason only of such Director holding that office or of the fiduciary relationship thereby established.
- (b) A Director who has a material personal interest in a matter that relates to the affairs of the Company must give to the other Directors notice of the interest unless such interest falls within the exception of section 191(2) of the Corporation's Act 2001. The nature of this interest must be disclosed by the Director at a Directors' meeting as soon as practicable after the relevant facts have come to his or her knowledge and such Director must comply with the requirements of sections 191, 192 and 195 of the Corporations Act 2001.
- (c) Subject to the requirements of sections 191 and 192 of the Corporations Act 2001, a standing notice that a Director has an interest in any matter shall be a sufficient disclosure under this clause as regards the interest of the Director in any transactions relating to the matter and after such standing notice it shall not be necessary for such Directors to give a special notice relating to any particular transaction relating to that matter.

12.8 Related Body Corporate Contracts

Subject to the requirements of Chapter 2E and of section 191 of the Corporations Act 2001 a Director shall not be deemed to be interested or to have been at any time interested in any contract or arrangement by reason only that in a case where the contract or arrangement has been or will be made with, for the benefit of, or on behalf of Related Body Corporate, he is a director in that Related Body Corporate.

12.9 Vacation of Office of Director

- (a) In addition to the circumstances in which the office of a Director becomes vacant under the Corporations Act 2001, the office of a Director becomes vacant if the Director:
 - becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;
 - (ii) resigns from the office by notice in writing to the Company;
 - (iii) is absent without the consent of the remaining Directors from meetings of the Directors held during a period of 6 months;
 - (iv) is removed from office under clause 12.5(a);
 - (v) ceases to be a Director by virtue of section 206A or any other provision of the Corporations Act 2001:
 - (vi) becomes bankrupt or makes any arrangement or composition with his creditors generally;
 - (vii) ceases to be a Director by a virtue of section 206A or any other provision of the Corporations Act 2001; or
 - (viii) becomes prohibited from being a Director by reason of any order made under the Corporations Act 2001.

13 Powers and Duties of Directors

13.1 Directors to Manage Company

(a) Subject to the Corporations Act 2001, the Listing Rules and to any other provision of this Constitution, the business of the Company is managed by the Directors, who may exercise all such powers of the Company as are not, by the Corporations Act 2001 or by this Constitution, required to be exercise by the Company in general meeting.

- (b) Without limiting the generality of clause 13.1(a), the Directors may at any time:
 - (i) exercise all the powers of the Company to borrow or raise money, to charge any property or business of the Company or all or any of its uncalled capital and to issue debentures or give any other security for debt, liability or obligation of the Company or of any other person;
 - (ii) sell or otherwise dispose of the whole or any part of the assets, undertakings and other properties of the Company or any that may be hereafter acquired on such terms and conditions as they may deem advisable, but:
 - A. the Company shall comply with the Listing Rules:
 - B. any sale or disposal of the Company's main undertaking shall only be made subject to the prior approval or ratification of the sale or disposal by the Company in general meeting; and
 - C. on the sale or disposition of the Company's main undertaking or on liquidation of the Company, no commission or fee shall be paid to any Director or Directors or to any liquidator of the Company unless it shall have been ratified by the Company in general meeting, with prior notification of the amount of such proposed payments having been given to all Members at least 10 days prior to the meeting at which any such payment is to be considered; and
 - (iii) take any action necessary or desirable to enable the Company to comply with the Listing Rules.

13.2 Appointment of Attorney

- (a) The Directors may, by power of attorney, appoint any person or persons to be the attorney or attorneys of the Company for such purposes, with such powers, authorities and discretions (being powers, authorities and discretions vested in or exercisable by the Directors), for such period and subject to such conditions as they think fit.
- (b) Any such power of attorney may contain such provisions for the protection and convenience of person dealing with the attorney as the Directors think fit and may also authorise the attorney to delegate all or any of the powers, authorities and discretions vested in the attorney.

13.3 Minutes

- (a) The Directors must cause minutes to be made:
 - of the names of the Directors present at or involved in all general meetings and all meetings of the Directors; and
 - (ii) of all proceedings of general meetings and of meetings of Directors,
 - and cause those minutes to be entered, within one month after the relevant meeting is held, in the minute book.
- (b) The minutes referred to in clause 13.3(a) must be signed by the chairman of the meeting at which the proceedings took place or by the chairman of the next succeeding meeting.

13.4 Execution of Company Cheques

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

13.5 Retirement Benefits for Directors

- (a) Subject to Applicable Laws, the Directors may at any time adopt any scheme or plan which they consider to be in the interest of the Company and which is designed to provide retiring or superannuation benefits for both present and future Non-Executive Directors, and they may from time to time vary any such scheme or plan.
- (b) Any scheme or plan may be effected by agreements entered into by the Company with individual Directors, or by the establishment of a separate trust or fund, or in such other manner as the Directors consider proper.
- (c) The Directors may attach such terms and conditions to any entitlement under any such scheme or plan as they think fit, including, without limitation, a minimum period of service by a Director before the accrual or any entitlement.

 No such scheme or plan shall operated to confer upon any Director or any of the dependents of any Director any benefits exceeding those permitted by the Applicable Laws, except with the approval of the Company in general meeting.

13.6 Securities to Directors

Subject to clause 23, if the Director acting solely in his capacity as a Director of the Company shall become personally liable for the payment of any sum primarily due by the Company, the Directors may create any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the persons or person so becoming liable from any loss in respect of such liability.

14 Proceedings of Directors

14.1 General

- (a) The Directors may meet together for the dispatch of business and adjourn and otherwise regulate their meetings as they think fit.
- (b) A Director may at any time, and the Secretary must on the requisition of a Director, convene a meeting of the Directors, but not less than 24 hours notice of every such Director's meeting shall be given to each Director either by personal telephone contact or in writing by the convenor. The Directors may by unanimous resolution agree to shorter notice.

14.2 Questions Decided by Majority

- (a) Subject to this Constitution and to the provisions of section 195 of the Corporations Act 2001, questions arising at a meeting of Directors are to be decided by a majority of votes of Directors involved and voting and any such decision is for all purposes deemed a decision of the Directors.
- (b) An Alternate Director involved in any meeting of Directors has one vote for each Director for which that person is an Alternate Director and if that person is a Director also has one vote as a Director.
- (c) In the event of there being an equality of votes, the chairman of the meeting, in addition to the chairman's deliberate vote, has a casting vote except where only two Directors are present and entitled to vote on a question. The chairman has discretion both as to whether or not to use the casting vote and as to which way it is used.

14.3 Alternate Directors

- (a) A Director may, with the approval of the Directors, appoint a person (whether a Member of the Company or not) to be an Alternate Director in the Director's place during such period as the Director think fit.
- (b) An Alternate Director is entitled to notice of all meetings of the Directors and, if the appointor is not involved in such a meeting, is entitled to participate and vote in the appointor's place.
- (c) An Alternate Director may exercise any powers that the appointer may exercise and in the exercise of any such power the Alternate Director is an officer of the Company and is not deemed an agent of the appointor.
- (d) An Alternate Director is not required to hold any Shares in the Company.
- (e) An Alternate Director is subject in all respects to the conditions attaching to the Directors generally except that an Alternate Director is not entitled to any remuneration under clause 12.6(a) otherwise than from the Alternate Director's appointer.

- (f) The appointment of an Alternate Director may be terminated at any time by the appointor notwithstanding that the period of the appointment of the Alternate Director has not expired, and terminates in any event if the appointor vacates office as a Director.
- (g) An appointment, or the termination of appointment, of an Alternate Director must be effected by a notice in writing signed by the Director who made the appointment and served on the Company.
- (h) The notice of appointment or termination of appointment of an Alternate Director may be served on the Company by leaving it at the Registered Office or by forwarding it by facsimile transmission to the Registered Office and in the case of a facsimile transmission, the appearance at the end of the message of the name of the Director appointing or termination the appointment is sufficient evidence that the Director has signed the notice.

14.4 Quorum for Directors' Meetings

At a meeting of Directors, the number of Directors whose involvement is necessary to constitute a quorum is two, or such greater number as is determined by the Directors from time to time. However, if there are not enough Directors to form a quorum for a Directors meeting as a result of section 195(1) of the Corporations Act 2001, one or more Directors (including those who have a material personal interest in that matter) may call a general meeting and the general meeting may pass a resolution to deal with the matter. Provided a quorum is present at the place where the meeting is held, other Directors unable to attend in person may participate in the proceedings of the meeting in accordance with clauses 14.15 and 14.16.

14.5 Remaining Directors May Act

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

14.6 Chairman of Directors

(a) The Directors must elect one of their number as chairman of their meetings and may determine the period for which the person elected as chairman is to hold office. The Directors may also elect one of their number as deputy-chairman of their meetings and may determine the period for which the person elected as deputy-chairman is to hold office.

- (b) When a Directors' meeting is held and:
 - (i) a chairman has not been elected as provided by clause 14.6(a); or
 - the chairman is not present within 10 minutes after the time appointed or the holding of the meeting or is unable or unwilling to act,

the deputy-chairman (if any) must act as chairman of the meeting. If there is no such person or that person is absent or unable or unwilling to act, the Directors involved must elect one of their number to be a chairman of the meeting.

14.7 Directors' Committees

- (a) The Directors may delegate any of their powers, other than powers required by law to be dealt with by the Directors as a board, to a committee or committees consisting of at least one of their number and such other person as they think fit.
- (b) A committee to which any powers have been so delegated must exercise the powers delegated in accordance with any directions of the Directors and a power so exercised is deemed to have been exercised by the Directors.
- (c) The members of such a committee may elect one of their number as chairman of their meetings.
- (d) If such a meeting is held and:
 - a chairman has not been elected as provided by clause 14.7(c); or
 - (ii) the chairman is not present within 10 minutes after the time appointed for the holding of the meeting or is unable or unwilling to act,

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

- (e) A committee may meet and adjourn as it thinks proper.
- (f) Questions arising at a meeting of a committee are to be determined by a majority of votes of the members involved and voting.
- (g) In the event of there being an equality of votes, the chairman, in addition to the chairman's deliberative vote, has a casting vote.

14.8 Written Resolution by Directors

(a) If all the Directors who are eligible to vote on a resolution have signed a document containing a statement that they are in favour of a resolution set out in the document, then a resolution in those terms is taken to have been passed by the Directors without a meeting. The resolution is passed when the last Director signs.

- (b) For the purposes of clause 14.8(a), separate copies of a document may be used for signing by the Directors if the wording of the resolution and statement is identical in each copy.
- (c) Any document referred to in this clause 14.8 may be in the form of a facsimile transmission or electronic notification.
- (d) If a resolution is taken to have been passed in accordance with this clause, the minutes must record that fact.
- (e) This clause applies to meetings of Directors' committees as if all members of the committee were Directors
- (f) Any document referred to in this clause 14.8 must be sent to every Director who is entitled to vote on the resolution.

14.9 Defective Appointment

All acts done by any Directors' meeting or of a committee of Directors or by any person acting as a Director are, notwithstanding that it is afterwards discovered that there was some defect in the appointment of a person to be, or to act as, a Director, or that a person so appointed was disqualified, as valid as if the person had been duly appointed and was qualified to be a Director or to be a member of the committee.

14.10 Directors May Hold Other Offices

A Director may hold any other office or place of profit in or in relation to the Company (except that of Auditor) in conjunction with his office of Director and on such terms as to remuneration or otherwise as the Directors shall approve.

14.11 Directors May Hold Shares

A Director may be or become a shareholder in or director of or hold any other office or place of profit in or in relation to any other company promoted by the Company or in which the Company may be interested, whether as a vendor, shareholder or otherwise.

14.12 Directors Not Accountable for Benefits

No Director shall be accountable for any benefits received as the holder of any other office or place of profit in or in relation to the Company or any other company referred to in clause 14.11 or as a shareholder in or director of any such other company.

14.13 Voting, Affixation of Seal

A Director may in all respects act as a Director in relation to any contract or arrangement in which he is interested, including, without limiting the generality of the foregoing, in relation to the execution of the contract or agreement or the use of the Company's common seal, but he may not vote in relation to any contract or proposed contract or arrangement in which he has directly or indirectly a material interest and in that respect he shall comply with the requirements of sections 191 and 192 of the Corporations Act 2001.

14.14 ASX to be Advised

- (a) In addition to any other requirements under Applicable Laws, the Directors shall advise the Company, which in turn shall advise ASX without delay of any material contract involving Directors' interests. The advice shall include at least the following information:
 - (i) the names of the parties to the contract;
 - (ii) the name or names of the Director or Directors who has or have any material interest in the contract;
 - (iii) particulars of the contract; and
 - (iv) particulars of the relevant Director's or Director's interest or interests in that contract.

14.15 Meetings to be Effectual

- (a) Subject to the Corporations Act 2001, a Directors' meeting may be held by the Directors communicating with each other by any technological means consented to by all the Directors. The consent may be a standing one.
- (b) The Directors need not all be physically present in the same place for a Directors' meeting to be held.
- (c) A Director who participates in a meeting held in accordance with this clause 14.15 is taken to be present and entitled to vote at the meeting.
- (d) A Director can only withdraw his or her consent to the means of communication between Directors proposed for a Directors' meeting if the Director does so at least 24 hours before the meeting.
- (e) Clauses 14.15(a) to 14.15(d) apply to meetings of Directors' committees as if all committee members were Directors.

14.16 Procedure at Meetings

A Director may not leave a Directors' meeting held under clause 14.15 by disconnecting his or her instantaneous communication device unless he has previously obtained the express consent of the chairman of the Directors' meeting and shall be conclusively presumed to have been present and to have formed part of the guorum at all times during the Directors' meeting by instantaneous communication device unless he has previously obtained the express consent of the chairman of the Directors' meeting to leave the Directors' meeting. However, if the Director would not be permitted by virtue of section 195 of the Corporations Act 2001 to be present or to vote during the consideration of a matter then such Director may disconnect his instantaneous communication device during the consideration of such matter without obtaining the express consent of the chairman and he shall not be counted for the purpose of determining a quorum during the consideration of that matter.

14.17 Minutes

A minute of the proceedings at a Directors' meeting held under clause 14.16 shall be sufficient evidence of such proceedings and of the observance of all necessary formalities if certified as a correct minute by the chairman or the person taking the chair at the Directors' meeting under clause 14.15.

14.18 Appointment of Managing Director

The Directors may from time to time appoint one or more of their number to the office of Managing Director or Managing Directors of the Company or to the office of Executive Director or Executive Directors either for a fixed term or at will, but not for life and, subject to the terms of any agreement entered into in a particular case, may revoke any such appointment. The appointment of a Managing or Executive Director so appointed automatically terminates if he ceases for any reason to be a Director.

14.19 Remuneration

Subject to clause 12.6(a) a Managing Director or Executive Director shall, subject to the terms of any agreement entered into, receive such a remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors may determine.

14.20 Powers

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

14.21 Rotation

A Managing Director shall not retire by rotation in accordance with clause 12.1(c) but if there is more than one Managing Director then the first appointed Managing Director shall not be subject to re-election and the other Managing Director and the Executive Directors shall be subject to re-election.

15 Secretary

15.1 Appointment of Secretary

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

15.2 Suspension and Removal of Secretary

The Directors have the power to suspend or remove a Secretary.

15.3 Powers and Duties of Secretary

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

15.4 Secretary to Attend Meetings

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

16 Common Seal

16.1 Custody of Common Seal

The Directors may provide for a common seal and must provide for the safe custody of the common seal.

16.2 Use of Common Seal

The common seal may be used only by the authority of the Directors, or of a committee of the Directors authorised by the Directors to authorise the use of the common seal, and every document to which the common seal is affixed must be signed by a Director and be countersigned by another Director, a Secretary or another person appointed by the Directors to countersign that document or a class of documents in which that document is included.

16.3 Execution of Documents without the Common Seal

- (a) The Company may execute a document without using a common seal if the document is signed by:
 - (i) two Directors; or
 - (ii) a Director and a Secretary.

17 Inspection of Records and Reports to Members

17.1 Inspection by Members

Except as otherwise required by the Corporations Act 2001, the Directors may determine whether and to what extent, and at what times and places and under what conditions, the accounting records and other documents of the Company or any of them will be open to the inspection of Members other than Directors, and a Member other than a Director does not have the right to inspect any documents of the Company except as provided by law or authorised by the Directors or by the Company in general meeting.

17.2 Reports to be sent to shareholders

- (a) Subject to the requirements of the Corporations Act 2001 and the Listing Rules, a printed copy of the:
 - (i) financial report for the year;
 - (ii) Directors' report for the year;
 - (iii) the Auditors' reports on the financial report;and
 - (iv) any other document required by the Corporations Act 2001,

shall, be delivered or sent by post or Electronic Communication to the Registered Address of every Member and to the Auditors for the time being of the Company.

- (b) If all or any of the Shares in the Company are for the time being listed on any stock exchange, there shall at the same time be forwarded to the secretary of such stock exchange such number of copies of each of these documents as may be required by the regulations for the time being of such stock exchange.
- The Company need not, subject to the provisions (c) of the Corporations Act 2001 and if the board of the Company so decides, send the copies of such documents referred to in clause 17.2(a) to Members, but instead send them a summary financial statement derived from the Company's annual accounts and the Directors report, in such form and containing such information as may be required by the Corporations Act 2001, however, copies of the Company's annual accounts (together with the Directors' report for the financial year and the Auditor's report on those accounts) shall be sent to any Member who wishes to receive them and the Company must comply with any provisions of the Corporations Act 2001 as to the manner in which it is to ascertain whether a Member wishes to receive them.

18 Dividends and Reserves

18.1 Declaration of Dividend

Subject to the rights of persons (if any) entitled to Shares with special rights to dividend, the Directors may declare a final dividend out of profits in accordance with the Corporations Act 2001 and may authorise the payment or crediting by the Company to the Members of such a dividend.

18.2 Directors may Authorise Interim Dividend

The Directors may authorise the payment or crediting by the Company to the Members of such interim dividends as appear to the Directors to be justified by the profits of the Company.

18.3 No Interest on Dividends

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

18.4 Reserves and Profits Carried Forward

- (a) The Directors may, before declaring any dividend, set aside out of the profits of the Company such sums as they think proper as reserves, to be applied, at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.
- (b) Pending any such application, the reserves may, at the discretion of the Directors, be used in the business of the Company or be invested in such investments as the Directors think fit.
- (c) The Directors may carry forward so much to the profits remaining as they consider ought not to be distributed as dividends without transferring those profits to a reserve.

18.5 Calculating and Appointment of Dividends

- (a) Subject to the rights of persons (if any) entitled to Shares with special rights as to dividend all dividends are to be declared and paid according to the amounts paid or credited as paid on the Shares in respect of which the dividends are paid.
- (b) Unless any Share is issued on terms providing to the contrary, all dividends are to be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid.
- (c) An amount paid or credited as paid on a Share in advance of a call is not to be taken as paid or credited as paid on the Share for the purpose of clause 18.5(a) and 18.5(b).

18.6 Deductions from dividends

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

18.7 Distributions of Specific Assets

- (a) The Directors, when paying or declaring a dividend, may direct payment of a dividend wholly or partly by the distribution of specific assets, including fully paid Shares in, debentures of or other securities of, the Company or any corporation.
- (b) If a difficulty arises in regard to such a distribution, the Directors may settle the matter as they consider expedient and fix the value for distribution of that specific assets or any part of those assets and may determine that cash payments will be made to any Members on the basis of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as the Directors consider expedient. If a distribution of specific assets to a particular Member or Members is illegal or, in the Directors' opinion, impracticable then the Directors may make a cash payment to that Member or Members on the basis of the cash amount of the dividend instead of the distribution of specific assets.

18.8 Payment by Cheque and Receipts from Joint Holders

- (a) Any dividend, interest or other money payable in cash in respect of Shares may be paid by cheque sent through the post directed:
 - to the address of the holder as shown in the Register or, in the case of joint holders, to the address shown in the Register as the address of the joint holder first named in the Register; or
 - (ii) to such other address as the holder or joint holders in writing directs or direct.
- (b) Any one or two or more joint holders may give effectual receipts for any dividends, interest or other money payable in respect of the Shares held by them as joint holders.

18.9 Bonus Share Plan

- (a) The Company may, by ordinary resolution in general meeting, authorise the Directors to implement a bonus share plan (Bonus Share Plan) on such terms and conditions as are referred to in such resolution. The Bonus Share Plan may provide for any dividend which the Directors may declare from time to time under this clause 18, less any amount which the Company shall either pursuant to this Constitution or any law be entitled or obliged to retain, not be payable on Shares which are participating Shares in the Bonus Share Plan but for those Shares to carry instead an entitlement to receive an allotment of additional fully paid ordinary Shares to be issued as bonus Shares.
- (b) Any resolution passed by the Company in general meeting pursuant to clause 18.9(a) may, at any time, be amended or revoked by the Company by ordinary resolution in general meeting.

18.10 Dividend Plans

- (a) Notwithstanding any other provision of this Constitution, but subject to the requirements of the Corporations Act 2001 and, if applicable, the Listing Rules, the Directors may in their absolute discretion establish on such terms and conditions as they think fit:
 - (i) plans (to be called dividend reinvestment plan or an interest reinvestment plan, as the case may be) for cash dividends paid by the Company in respect of Shares issued by the Company and interest paid by the Company on unsecured notes or debenture stock issued by the Company to be reinvested by way of subscription for Shares in the Company; and

- (ii) a plan (to be called **dividend election plan**)
 permitting holders of Shares to the extent that
 his or her Shares are fully paid up, to have
 the option to elect to forego his or her right
 to Share in any dividends (whether interim or
 otherwise) payable in respect of such Shares
 and to receive instead an issue of Shares
 credited as fully paid up to the extent as
 determined by the Directors.
- (b) The Directors may in their absolute discretion, modify, suspend or terminate all or any plans established pursuant to clause 18.10 from time to time on not less than one month's written notice to all Members.
- (c) The powers given to the Directors by this clause 18.10 are additional to the other powers reposed in the Directors by this Constitution and shall not in any way be limited, restricted or otherwise affected by clauses 18 and 19 inclusive.

18.11 Unclaimed Dividends

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

19 Capitalisation of Profits

19.1 Capitalisation of Profits

- (a) The Directors may resolve:
 - (i) to capitalise any sum being the Company's profits or any reserve available for distribution to Members; and
 - (ii) that:
 - A. no Shares be issued and no amounts unpaid on Shares be paid up on capitalisation of the sum; or
 - B. the sum be applied in any of the ways mentioned in clause 19.1(b) for the benefit of Members in the proportions in which the Members would have been entitled if the sum had been distributed by way of dividend.
- (b) The ways in which a sum may be applied for the benefit of Members under clause 19.1(a)(ii)B are:
 - (i) in paying up any amounts unpaid on Shares held or to be held by Members;
 - (ii) in paying up in full unissued Shares or debentures to be issued to Members as fully paid; or
 - (iii) partly as mentioned in 19.1(b)(i) and partly as mentioned in paragraph 19.1(b)(ii).

- (c) To the extent necessary to adjust the rights of the Members among themselves, the Directors may:
 - (i) make cash payments in cases where Shares or debentures become issuable in fractions; and
 - (ii) authorise any person to make, on behalf of all the Members entitled to a benefit on the capitalisation, an agreement with the Company providing for:
 - A. the issue to them, credited as fully paid up, of any such further Shares or debentures; or
 - B. the payment by the Company on their behalf of the amount or any part of the amount remaining unpaid on their existing Shares by the application of their respective proportions of the sum resolved to be capitalised, and any agreement made under the authority of clause 19.1(c)(ii) is effective and binding on all the Members concerned.

20 Notices

20.1 Services of Notices

- (a) Subject to clause 20.4, a notice may be given by the Company to any Member or other person receiving notice under this Constitution either by serving it on the person personally or by sending it by post or facsimile transmission to the person at their Registered Address as shown in the Register or the address or number supplied by the person to the Company for giving of notices to the person or to the electronic address nominated by that person.
- (b) If a notice is sent by post, service of the notice is deemed to be effected by properly addressing, prepaying, and posting a letter containing the notice, and the notice is deemed to have been served 3 days after the date of its posting.
- (c) If a notice is sent by facsimile transmission or other electronic means, service of the notice is deemed to be effected by properly addressing the facsimile and transmitting it. It is deemed to have been served on the Business Day following its dispatch.

20.2 Persons Entitled to Notice of General Meeting

- (a) Notice of every general meeting must be given in a manner authorised by clause 20.1 and in accordance with the Corporations Act 2001 to:
 - (i) every Member;
 - (ii) every Director or Alternate Director;
 - (iii) the Auditor;
 - iv) the ASX (if the Company is listed); and

- (v) every person entitled to a Share in consequence of the death or bankruptcy of a Member who, but for his death of bankruptcy, would be entitled to receive notice of the meeting.
- (b) No other person is entitled to receive notices of general meetings.

20.3 Change of Address

The Company shall acknowledge receipt of all notifications of change of address by holders of partly paid Shares.

20.4 Incorrect Address

Where the Company has a bona fide reason to believe that a Member is not known at his or her Registered Address, and the Company has subsequently made an enguiry in writing at the address as to the whereabouts of the Member which enquiry either elicits no response or a response indicating that the Member or his present whereabouts are unknown, all future notices will be deemed to be given to such Member if the notice is exhibited in the Registered Office (or, in the case of a Member registered on a branch Register, in a conspicuous place in the place where the branch Register is kept) for a period of 48 hours (and shall be deemed to be duly served at the commencement of that period) unless and until the Member informs the Company that he or she has resumed residence at this Registered Address or notifies the Company of a new address to which the Company may send him notices (which new address shall be deemed his or her Registered Address).

21 Audit and Accounts

21.1 Company to Keep Accounts

The Directors must cause the Company to keep accounts of the business of the Company in accordance with the requirement of Applicable Laws.

21.2 Company to Audit Accounts

The Directors must cause the accounts of the Company to be audited in accordance with the requirements of Applicable Laws.

22 Winding Up

22.1 Distribution of Assets

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

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

22.2 Order for Winding Up

Subject to rights of Members (if any) entitled to Shares with special rights in a winding-up, all monies and property that are to be distributed among Members on a winding-up, shall be so distributed in proportion to the Shares held by them respectively, irrespective of the amount paid-up or credited as paid up on the Shares.

23 Indemnity and Insurance

- (a) Except as may be prohibited by sections 199A and 199B of the Corporations Act 2001 every Officer, Auditor or agent of the Company shall be indemnified out of the property of the Company, against any liability incurred by him or her in his or her capacity as Officer, Auditor or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.
- (b) The Company may purchase and maintain insurance to indemnify any Officer, Auditor or agent of the Company or a Related Body Corporate of the Company against any liability incurred by the person as an Officer, Auditor or agent of the Company or a Related Body Corporate of the Company, except for a liability arising out of:
 - (i) conduct involving a wilful breach of duty in relation to the Company; or
 - (ii) a contravention of section 182 or 183 of the Corporations Act 2001.

24 Overseas Members

Each Member with a Registered Address outside Australia acknowledges that, with the approval of ASX, the Company may, as contemplated by and in accordance with the Listing Rules, arrange for a nominee to dispose of any of its entitlement to participate in any issue of Shares or options by the Company to Members.

25 Branch Register

Subject to the requirements of the Corporations Act 2001 and the Listing Rules, the Directors may cause to be kept outside of Australia, in that country where the Company transacts business, a branch register or registers of Members resident in that country.

26 Listing Rules

26.1 Listing Rules

- (a) Whilst the Company is admitted to the Official List of the ASX, the following clauses apply:
 - (i) notwithstanding anything contained in this Constitution if the Listing Rules prohibit an act being done, this act shall not be done;
 - (ii) nothing contained in this Constitution prevents an act being done that the Listing Rules require to be done;
 - (iii) if the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);

- (iv) if the Listing Rules require this Constitution to contain a provision and it does not contain such a provision, this Constitution is deemed to contain that provision;
- (v) if the Listing Rules require this Constitution not to contain a provision and it contains such a provision, this Constitution is deemed not to contain that provision; and
- (vi) if any provision of this Constitution is or becomes inconsistent with the Listing Rules, this Constitution is deemed not to contain that provision to the extent of the inconsistency.

Schedule 1 - Definitions and Interpretation

Definitions

Alternate Director	means a person appointed as alternate director under clause 14.3(a).
Applicable Laws	means the Corporations Act 2001 and Corporations Regulations 2001, Listing Rules, the rules of a Relevant Financial Market and any other laws, including those of a foreign jurisdiction, applicable to the Company from time to time (as the context requires).
Approving Resolution	means a resolution passed in accordance with clause 9.
Approving Resolution Deadline	in relation to a Proportional Takeover Bid means the day that is the 14th day before the last day of the Bid Period.
ASTC	has the same meaning as in the Corporations Regulations 2001.
ASTC Regulated Transfer	has the same meaning as in the Corporations Regulations 2001.
ASX	means ASX Limited ACN 008 624 691, or if the context requires, the financial market operated by it.
ASX Clear	means ASX Clear Pty Limited ACN 001 314 503.
ASX Settlement	means ASX Settlement Pty Ltd ACN 008 504 532.
ASX Settlement Operating Rules	means the settlement and operating rules of ASX Settlement.
Auditor	means the auditor or auditors for the time being of the Company.
Bid Class	has the same meaning as in the Corporations Act 2001.
Bidder	has the same meaning as in the Corporations Act 2001.
Bid Period	has the same meaning as in the Corporations Act 2001.
Business Day	has the meaning given by the Listing Rules.
CHESS	means the Clearing House Electronic Sub-register System operated by ASX Clear and ASX Settlement.
CHESS Holding	has the same meaning as in the ASX Settlement Operating Rules.
Company	means Discovery Metals Limited ACN 104 924 423.
Constitution	means this constitution as amended from time to time.

Corporations Act 2001 and Corporations Regulations 2001	means the Corporations Act 2001 (Cth) as amended from time to time and the Corporations Regulations 2001 (Cth) as amended from time to time.
Director	means a director for the time being of the Company, and where appropriate includes an Alternate Director.
Electronic Communication	means any form of communication where information is transmitted across a telecommunications network and includes facsimile, e-mail and a publication on an internet website available on the world wide web.
Executive Director	means a person appointed as executive director under clause 14.18.
Listing Rules	means the Listing Rules of ASX and any other rules of ASX, which are applicable while the Company is admitted to the official list of ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX.
Listed Securities	means any Shares, Share options, stock debentures, debenture stock or other securities for the time being issued by the Company and officially quoted by ASX or Relevant Financial Market.
Managing Director	means a person appointed as managing director under clause 14.18.
Marketable Parcel	has the same meaning as in the Listing Rules.
Member	means a person for the time being entered in the Register as a member of the Company.
Non-Executive Director	means a Director who is not an Executive Director.
Non-Marketable Parcel	means a parcel of securities that is less than a Marketable Parcel.
Operating Rules	in relation to a Prescribed CS Facility, has the same meaning as in Chapter 7 of the Corporations Act 2001.
Prescribed CS Facility	has the same meaning as in Chapter 7 of the Corporations Act 2001.
Proper ASTC Transfer	has the same meaning as in the Corporations Regulations 2001.
Proportional Takeover Bid	has the same meaning as in the Corporations Act 2001.
Register	means the register of Members of the Company to be kept by the Company.
Registered Address	means the last known address of a Member as noted in the Register.
Registered Office	means the registered office for the time being of the Company.
Related Body Corporate	has the meaning given to it by section 9 of the Corporations Act 2001.
Relevant Financial Market	has the same meaning as in the Corporations Act 2001.
Replaceable Rule	means those sections and sub-sections of the Corporations Act 2001 which under section 141 of the Corporations Act 2001 are deemed to be the 'replaceable rules' and so capable of being replaced or modified by this Constitution.
Restricted Securities	has the meaning as in the Listing Rules.
Secretary	means a person appointed by the Directors in accordance with this Constitution.
Shares	means shares in the share capital of the Company.

Interpretation

In this Constitution, unless the contrary intention appears:

- (a) word importing any gender include all others genders;
- (b) the word person includes a firm, a body corporate, an unincorporated association or an authority;
- (c) the singular includes the plural and vice versa;
- (d) a reference to a statute or code or the Corporations Act 2001 (or to a provision of same) means the statute, code or the Corporations Act 2001 (or provisions of same) as modified or amended and in operation for the time being, or any statute, code or provision enacted (whether by the State or Commonwealth of Australia) in its place and includes any regulation or rule or any subordinate legislation issued under that legislation or those rules for the time being in force under the statute, code or the Corporations Act 2001;
- (e) unless the contrary intention appears in this Constitution, an expression has, in a provision of this Constitution that deals with a matter dealt with by a particular provision of the Corporations Act 2001, the same meaning as in that provision of the Corporations Act 2001;
- (f) headings are inserted for convenience and do not affect the interpretation of this Constitution;
- (g) where the phrase "permitted by the Listing Rules" or similar phrase is used in this Constitution that expression under this Constitution shall be deemed to include any act, omission or transaction that is subject to a waiver of the Listing Rules by the ASX; and
- (h) the Replaceable Rules contained in the Corporations Act 2001 do not apply to the Company.

