

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the twenty-fourth annual general meeting of members of Cedar Woods Properties Limited will be held at 11.00am on 4 November 2011 at the Kings Park Function Centre, Fraser Avenue, West Perth, WA to consider and if thought fit, pass the following resolutions.

**AGENDA**

**1. Ordinary Business**

To receive and consider the financial report for the year ended 30<sup>th</sup> June 2011 and the accompanying directors' report, directors' declaration and auditor's report.

**2. Ordinary Resolutions**

To consider, and if thought fit, pass the following resolutions:

**Re-election of retiring director**

Ordinary Resolution 1

That Ronald Packer BCom (UWA), AAPI, FAICD, Solicitor Supreme Court of England & Wales having retired in accordance with the company's constitution and, being eligible, offers himself for re-election, be re-elected as a director of the company.

**3. Ordinary Resolution**

To consider, and if thought fit, pass the following resolution:

**Remuneration report**

Ordinary Resolution 2

That the remuneration report that forms part of the directors' report for the financial year ended 30 June 2011, be adopted.

The remuneration report is set out in the directors' report on pages 8 - 12 of the 2011 financial report. Please note that the vote on this resolution is advisory only and does not bind the directors or the company.

**By Order of the Board**



**P S Freedman**  
**Secretary**

30 September 2011

## VOTING BY PROXY

- (a) Each shareholder has the right to appoint a proxy to attend and vote for the shareholder at this meeting.
- (b) To enable a shareholder to divide their voting rights, a shareholder may appoint two proxies. Where two proxies are appointed, the Proxy Form should specify the proportion, or the number of votes that each proxy may exercise, and if it does not do so each proxy may exercise half of the votes.
- (c) A shareholder can appoint any other person to be their proxy. A proxy need not be a shareholder of the company. The proxy appointed can be described in the Proxy Form by an office held, for example “the Chair of the Meeting”.
- (d) In the case of shareholders who are individuals, the Proxy Form must be signed or otherwise authenticated in a manner prescribed by the Corporations Regulations:-
  - i. if the shares are held by one individual, by that shareholder;
  - ii. if the shares are held in joint names, by any one of them.
- (e) In the case of shareholders who are companies, the Proxy Form must be signed or authenticated:-
  - i. if it has a sole director who is also a sole company secretary, by that director (and stating that fact next to, or under, the signature on the Proxy Form);
  - ii. in the case of any other company, by either two directors or a director and company secretary.

The use of the common seal of the company, in addition to those required signatures, is optional.
- (f) If the person signing or otherwise authenticating the Proxy Form is doing so under power of attorney, or is an officer of a company outside of (e) above but authorised to sign or authenticate the Proxy Form, the power of attorney or other authorisation (or a certified copy of it) as well as the Proxy Form, must be received by the company by the time and at the place in (k) below.
- (g) In relation to voting that takes place on or after 1 August 2011, regardless of whether a proxy was appointed before, on or after that date, Section 250BB of the Corporations Act restricts voting at the meeting by the Chair or other holder of a directed proxy as follows:
  - (i) A proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote as directed;
  - (ii) If the proxy has two or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
  - (iii) If the proxy is the chair of the meeting, the proxy must vote on a poll and must vote as directed; and
  - (iv) If the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote as directed.

If a proxy is also a member the above provisions do not affect the way that the person can cast any votes they hold as a member.

(h) In relation to proxy appointments made on or after 1 August 2011 Section 250BC of the Corporations Act deems the Chair to have been appointed proxy in the following circumstances in respect of votes on a resolution at the meeting:

If:

(i) An appointment of a proxy specifies the way the proxy is to vote on a particular resolution; and

(ii) The appointed proxy is not the chair of the meeting; and

(iii) At the meeting a poll is duly demanded on the resolution; and

(iv) Either:

A. If a record of attendance is made for the meeting – the proxy is not recorded as attending;

B. The proxy does not vote on the resolution;

The chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution

(i) In relation to voting on or after 1 August 2011, whether the resolution relates to a time before, on or after that date, Section 250BD of the Corporations Act will prevent key management personnel within the corporate group and their closely related parties from voting undirected proxies on a resolution connected with key management personnel remuneration.

(j) Pursuant to Subsections 250R(4)-(10) of the Corporations Act, members of key management personnel (and their closely related parties) will be prohibited from voting – either personally or by undirected proxy - on Resolution 2 at the annual general meeting.

(k) A Proxy Form accompanies this notice. To be effective Proxy Forms (duly completed and signed) may be lodged:

**By post to** – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001 or within the supplied reply paid envelope.

**By hand to** – Cedar Woods Properties Limited, Ground Floor, 50 Colin Street, West Perth WA 6005

**By fax** – 1800 783 447 (Within Australia)  
+ 61 3 9473 2555 (Outside Australia)

**By email** - at the email address: [email@cedarwoods.com.au](mailto:email@cedarwoods.com.au). If you wish to lodge a proxy electronically, it will be necessary to scan an image of a signed proxy form and email that image of the proxy form with the signature(s) affixed.

**Online** – [www.investorvote.com.au](http://www.investorvote.com.au) no later than 48 hours before the time of the holding of the meeting.

**Online Voting** – Shareholders may submit their proxy instructions electronically to the Company's Share Registrar, Computershare Investor Services Pty Limited, by visiting [www.investorvote.com.au](http://www.investorvote.com.au) and following the instructions given there. You will be taken to have signed your proxy form if you lodge it in accordance with the instructions given on the website.

## SHAREHOLDERS WHO ARE ENTITLED TO VOTE

In accordance with regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the directors have determined that a person's entitlement to vote at the meeting will be the entitlement of that person set out in the register of members as at 11.00am Perth time (2.00pm Sydney time) on 2 November 2011.

The vote on the Resolutions will be by a show of hands, unless a poll is demanded. On a show of hands each shareholder present in person or by proxy has one vote. On a poll each shareholder present in person or by proxy has one vote for each share in Cedar Woods Properties Limited.

## EXPLANATORY MEMORANDUM

This Explanatory Memorandum forms part of a Notice convening a meeting of members of the company to be held on 4 November 2011 commencing at 11.00 am. This memorandum is to assist shareholders in understanding the background to and the legal and other implications of the Notice and the reason for the resolutions proposed. Certain terms used in this Explanatory Memorandum are defined in Section 4.

### 1. ORDINARY BUSINESS ITEM 1

As required by section 317 of the Corporations Act 2001, the financial report for the year ended 30<sup>th</sup> June 2011 and the accompanying directors' report, directors' declaration and auditor's report will be laid before the meeting. *Neither the Corporations Act nor the company's constitution requires a vote on the reports. However, shareholders will have an opportunity to ask questions about the report at the AGM.*

### 2. ORDINARY BUSINESS ITEM 2

#### (a) Ordinary Resolution 1

Ronald Packer BCom (UWA), AAPI, FAICD, Solicitor Supreme Court of England & Wales retires in accordance with the company's constitution and, being eligible, offers himself for re-election.

Mr Packer is an independent director who brings to the board a wide range of property experience in the public and private arena. He is the former Managing Director of PA Property Management Limited, the responsible entity for the PA Property Trust and is currently the Chairman of Terrace Properties and Investments Pty Ltd.

Mr Packer has served as a director for five years and chairs the following board committees:

- ❖ Audit and Risk Management Committee
- ❖ Human Resources and Remuneration Committee
- ❖ Nominations Committee

Mr Packer has a relevant interest in 134,024 ordinary shares in Cedar Woods Properties Limited, as defined by sections 608 and 609 of the Corporations Act, 2001.

**(b) Directors' recommendation on Resolution 1**

The other directors unanimously support the re-election of Mr Ronald Packer under Resolution 1.

**3. ORDINARY BUSINESS ITEM 3**

**(a) Ordinary Resolution 2**

Shareholders are asked to adopt the company's remuneration report. The remuneration report is set out in the directors' report on pages 8 to 12 of the 2011 financial report. The remuneration report:

- Describes the policies behind, and structure of, the remuneration arrangements of the company and the link between the remuneration of directors and executives and the company's performance.
- Sets out the remuneration arrangements in place for each director and for the other key management personnel of the company.
- Explains the differences between the base remuneration for non-executive directors and executives, including the Managing Director.

A reasonable opportunity for discussion of the remuneration report will be provided at the annual general meeting. The vote on this resolution is advisory only, and does not bind the directors or the company.

Under recently introduced amendments to the Corporations Act if:

- (a) At an Annual General Meeting ("**the later AGM**") at least 25% of the votes cast on a Resolution that the remuneration report be adopted are against the adoption of the Remuneration Report; and
- (b) At least 25% of the votes cast at the immediately preceding Annual General Meeting ("**the earlier AGM**") on a resolution that the Remuneration Report be adopted under Sub-section 250R(2) of the Corporations Act were against the adoption of the Report;
- (c) No "spill resolution" was put at the earlier AGM;

Then a “Board Spill” resolution must be put at the later AGM. The “Board Spill” resolution must be that:

- A specially convened general meeting (“**the Spill Meeting**”) be held within 90 days; and
- All Directors who:
  - Held office when the resolution by the Directors to make the Director’s report considered at the later AGM was passed; and
  - Are not a managing director that may hold office indefinitely in accordance with the ASX Listing Rules;

cease to hold office immediately before the end of the Spill Meeting; and

- Elections to appoint persons to offices that will be vacated before the end of the Spill Meeting must be held at the Spill Meeting.

The “Two Strikes” rule will apply only if both of the Company’s two most recent Annual General Meetings are held on or after 1 July 2011.

#### **4. INTERPRETATION**

In this Explanatory Memorandum:

“**Notice**” means the notice of meeting dated the 30 September 2011 to which this Explanatory Memorandum is attached.

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