



Arafura Resources Limited

ABN 22 080 933 455

2020

NOTICE OF ANNUAL GENERAL MEETING

AND

EXPLANATORY MEMORANDUM TO SHAREHOLDERS

A PROXY FORM IS ATTACHED

DATE OF MEETING:

22 October 2020

TIME OF MEETING:

10 a.m. WST

PLACE OF MEETING:

BDO Australia
38 Station Street
Subiaco, WA, 6008

Please read the Notice and Explanatory Memorandum carefully.

If you are unable to attend the meeting, please complete and return the enclosed proxy form in accordance with the specified instructions.

Arafura Resources Limited

ABN 22 080 933 455

Notice of Annual General Meeting

Notice is given that the 2020 Annual General Meeting of the Company will be held at the offices of **BDO Australia, 38 Station Street, Subiaco Western Australia, 6008**, on 22 October 2020 at 10 a.m. WST.

Agenda

Ordinary Business

An Explanatory Memorandum containing information in relation to each of the following resolutions accompanies the Notice of Annual General Meeting.

Annual Report

To receive and consider the consolidated financial statements of the Company and its controlled entities and the reports of the Directors and auditors for the financial year ended 30 June 2020.

Resolution 1 – Remuneration Report

To consider and, if thought fit, to pass the following as an ordinary resolution:

“That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the year ended 30 June 2020 be adopted.”

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement

To the extent required by section 250R of the Corporations Act, votes must not be cast (in any capacity) on Resolution 1 by, or on behalf of:

- (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However a person described above (the ‘voter’) may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a person described in paragraph (a) or (b) above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on Resolution 1; or
- (b) the voter is the Chairperson of the meeting and the appointment of the Chairperson as proxy:
 - (1) does not specify the way the proxy is to vote on Resolution 1; and
 - (2) expressly authorises the Chairperson to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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Resolution 2 – Re-election of Mr. Mark Southey as Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Mr. Mark Southey, a Director of the Company who retires by rotation under rule 7.1(d) of the Company’s Constitution, be re-elected as a Director of the Company with effect from the close of the Meeting.”

Resolution 3 – Re-election of Mr. Chris Tonkin as Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Mr. Chris Tonkin, a Director of the Company who retires by rotation under rule 7.1(d) of the Company’s Constitution, be re-elected as a Director of the Company with effect from the close of the Meeting.”

Resolution 4 – Election of Ms. Cathy Moises as Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Ms. Cathy Moises, who was appointed by the Directors as an additional director during the year (and who holds office only until the conclusion of the AGM in accordance with rule 7.1(c) of the Company’s Constitution), be elected as a Director of the Company with effect from the close of the Meeting.”

Resolution 5- Amendments to the Company’s Constitution

To consider and, if thought fit, to pass the following resolution as a special resolution:

“That, with effect from the close of the Meeting, the Constitution of the Company be amended in the manner set out in the Explanatory Memorandum and as indicated in mark-up in the document set out in Annexure F to the Explanatory Memorandum.”

Resolution 6 – Renewed Approval of Employee Option Plan

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purpose of Exception 13 in Listing Rule 7.2 and for all other purposes, approval is given for the issue of securities under the Company’s Employee Option Plan within the next three years, as described in the Explanatory Memorandum.”

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Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of Eligible Executives or any associates of such Eligible Executives.

However the Company need not disregard a vote cast in favour of Resolution 6 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chairperson of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairperson to vote on the Resolution as the Chairperson decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 7 – Renewed Approval of Performance Rights Plan

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purpose of Exception 13 in Listing Rule 7.2 and for all other purposes, approval is given for the issue of securities under the Company’s Performance Rights Plan within the next three years, as described in the Explanatory Memorandum.”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of Eligible Executives or any associates of such Eligible Executives.

However the Company need not disregard a vote cast in favour of Resolution 7 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chairperson of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairperson to vote on the Resolution as the Chairperson decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Other business

To deal with any other business which may be brought forward in accordance with the Company’s Constitution or the Corporations Act.

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Explanatory Memorandum

Shareholders are referred to the Explanatory Memorandum accompanying and forming part of this Notice of Annual General Meeting.

Capitalised terms which are not defined in this Notice of Annual General Meeting and Explanatory Memorandum are defined in **Annexure A** to the Explanatory Memorandum.

Resolutions are not inter-dependent

The Resolutions are not inter-dependent. This means that a Resolution may be passed notwithstanding that one or more of the other Resolutions are not passed.

Snapshot date

It has been determined that in accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), for the purposes of the Annual General Meeting, Shares will be taken to be held by the persons who are the registered holders at **4.00 pm WST on 20 October 2020**. Accordingly, Share transfers registered after that time will be disregarded in determining entitlements to vote at the Meeting.

Chairperson and Chairperson's voting intentions for undirected proxies

It is proposed that the Meeting will be chaired by Mr. Gavin Lockyer, the Managing Director of the Company. It is the Chairperson's intention to vote undirected proxies which he holds as proxy in favour of all Resolutions where possible.

How to vote

You may vote by attending the Meeting in person, by proxy or by authorised representative. A corporate shareholder may also appoint a corporate representative.

Voting in person

To vote in person, attend the Meeting on the date and at the place set out above. The Meeting will commence at **10.00am WST on 22 October 2020**.

Voting by proxy

A shareholder entitled to attend and vote has a right to appoint a proxy to attend and vote instead of the shareholder. A proxy need not be a shareholder and can be either an individual or a body corporate. If a shareholder appoints a body corporate as a proxy, that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at the Meeting, in accordance with section 250D of the Corporations Act; and
- provides satisfactory evidence of the appointment of its corporate representative.

If such evidence is not received, then the body corporate (through its representative) will not be permitted to act as a proxy.

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A shareholder that is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the shareholder's votes.

Please refer to Annexure E for further information about appointing a proxy.

Proxy voting online

Shareholders may submit a proxy vote online at www.linkmarketservices.com.au. To vote online, select "Investor Login" and enter Arafura Resources Limited or ASX code 'ARU' in the 'Issuer Name' field, your Securityholder Reference Number ('SRN') or Holder Identification Number ('HIN') (which is shown on the front of your proxy form), postcode and security code which is shown on the screen and click 'Login'. Select the "Voting" tab and then follow the prompts. You will be taken to have signed and returned your Proxy Form if you vote online in accordance with the instructions given on the website. If you choose to vote online, you must vote by no later than 10.00am WST on 20 October 2020.

Proxy voting by mobile

Shareholders may submit a proxy vote by mobile by scanning the QR code on their Proxy Form and following the prompts. You will be taken to have signed and returned your Proxy Form if you vote by mobile in accordance with the instructions given. If you choose to vote by mobile, you must vote by no later than 10.00am WST on 20 October 2020.

Lodgement of Proxy Forms

To be effective, completed Proxy Forms must be returned by:

- mail to Arafura Resources Limited, C/- Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235 Australia;
- facsimile +61 2 9287 0309; or
- by hand to: Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138,

so that they are received no later than 10.00am WST on 20 October 2020.

The Proxy Form also provides further details on appointing proxies and lodging Proxy Forms.

Proxy Forms or proxy voting instruction received after this time will be invalid.

Where the Proxy Form is executed under power of attorney, the power of attorney must be lodged in like manner as the proxy.

Voting by corporate representative

To appoint a corporate representative, contact the Company's share registry and obtain a Certificate of Appointment of Corporate Representative.

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Voting prohibition by proxy holders (remuneration of Key Management Personnel)

To the extent required by section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolutions 1, 6 or 7, if the person is either a member of Key Management Personnel or a Closely Related Party of such a member and the appointment does not specify the way the proxy is to vote on the Resolution. However, the proxy may vote if the proxy is the Chairperson and the appointment expressly authorises the Chairperson to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

If the Chairperson is appointed as your proxy and you have not specified the way the Chairperson is to vote on Resolutions 1, 6 or 7 by signing and returning the proxy form (including via an online voting facility), you are considered to have provided the Chairperson with an express authorisation for the Chairperson to vote the proxy in accordance with the Chairperson's intention, even though the Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.

Questions and comments by Shareholders at the Meeting

In accordance with the Corporations Act, a reasonable opportunity will be given to Shareholders to ask questions about or make comments on the management of the Company at the Meeting.

Similarly, a reasonable opportunity will be given to Shareholders to ask the Company's external auditor, BDO Audit (WA) Pty Ltd, questions relevant to:

- the conduct of the audit;
- the preparation and content of the auditor's report;
- the accounting policies adopted by the Company in relation to the preparation of its financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit written questions to BDO Audit (WA) Pty Ltd if the questions are relevant to the content of the BDO audit report or the conduct of its audit of the Company's financial report for the period ended 30 June 2020. Relevant written questions for BDO Audit (WA) Pty Ltd must be received by mail at the PO Box of the Company (PO Box 5773, St Georges Terrace, Perth, WA 6831) or via email at arapura@arultd.com, no later than the fifth business day before the date of the Meeting.

A list of the relevant written questions will be made available to shareholders attending the Meeting. They will also be placed on the Company's website.

The following details should be included with written questions:

- the **Shareholder's Name**; and
- either the Shareholder's **Security Reference Number (SRN)** or **Holder Identification Number (HIN)**.

By order of the Board

Dated 4th September 2020



Catherine Huynh
Company Secretary

Explanatory Memorandum

Introduction

This Explanatory Memorandum has been prepared to assist Shareholders to understand the business to be put to Shareholders at the forthcoming Annual General Meeting.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Annual General Meeting. Please refer to **Annexure A** for definitions of capitalised terms in this Notice of Annual General Meeting and Explanatory Memorandum.

Business

Annual Report

The Corporations Act requires the following reports in respect of the year ended 30 June 2020 to be laid before the Meeting:

- (a) the annual financial report, including the Company's financial statements; and
- (b) the reports of the Directors and auditors.

Neither the Corporations Act nor the Company's Constitution requires a vote of Shareholders on the statements or reports.

Each of these reports are contained in the Company's 2020 Annual Report which has been sent to Shareholders and which is available at www.arultd.com.

Shareholders will have a reasonable opportunity at the Meeting to ask questions and make comments on these reports and on the business and operations of the Company. Shareholders will also be given a reasonable opportunity to ask the auditor questions about the auditor's report and the conduct of the audit of the financial report.

1 Resolution 1 – Remuneration report

The Remuneration Report of the Company for the financial year ended 30 June 2020 is set out in the Directors' Report on pages 26 to 38 of the Company's Annual Report 2020 which was released to the market on 19 August 2020.

The Remuneration Report sets out the Company's remuneration arrangements for Executive and Non-Executive Directors and executive employees of the Company.

Shareholders attending the Meeting will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

The Corporations Act requires that a resolution be put to the vote that the Remuneration Report be adopted. The Corporations Act expressly provides that the vote is advisory only and the resolution itself does not bind the Directors or the Company. However, whilst the resolution itself does not bind the Directors or the Company, if at least 25% of the votes cast on Resolution 1 are against the resolution in two consecutive years, starting at this 2020 Annual General Meeting, shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must stand for re-election. The Company encourages all Shareholders to cast their votes on Resolution 1.

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2 Resolution 2 - Re-election of Mr. Mark Southey as Director

Mr. Mark Southey retires by rotation in accordance with rule 7.1(d) of the Company's Constitution and, being eligible, offers himself for re-election.

The experience, qualifications and other information about Mr. Southey is set out below:

Mr. Southey was first appointed as Non-Executive Director on 30 January 2018 and was appointed as the Chairman of the Company on 14 February 2019.

Mr. Southey has extensive global experience in the industrial and natural resources sectors covering all aspects of asset management, maintenance, design and engineering, and major capital project development and execution. He is well versed in public company board and institutional investor engagement and has a background in both senior operational and financial roles.

Mr. Southey has previously held senior executive positions with Honeywell and ABB both in Australia and internationally, and more recently was part of the global executive leadership team within WorleyParsons, a leader in the engineering, procurement and construction of projects in the energy and resources sector where he held the position of Group Managing Director for the Minerals, Metals and Chemicals Sector. Mr Southey is also a non-executive director of Fleetwood Corporation (ASX: FWD) and an advisory board member for Gas Cleaning Technologies LL (Dallas).

As at the date of this Notice, Mr. Southey has been a Director of the Company for approximately two years and seven months. Mr. Southey is also Chairman of the Remuneration and Nomination Committee and a member of the Audit and Risk Management Committee.

After appropriate consideration, and taking into account his past performance, contributions to the Company and the current and future needs of the Board and the Company, the Board's members (excluding Mr. Southey) unanimously resolved that Mr. Southey's distinct set of skills and experience, including his knowledge in the industrial and natural resources sectors and experience with public company board and institutional investor engagement, is of obvious and ongoing benefit to the Board. The Board also considered that Mr. Southey's independence has not been impaired during his tenure and that he is therefore considered to be an independent Director.

The Board (excluding Mr. Southey) recommends that Shareholders vote in favour of Resolution 2.

3 Resolution 3 – Re-election of Mr. Chris Tonkin as Director

Mr. Chris Tonkin retires by rotation in accordance with rule 7.1(d) of the Company's Constitution and, being eligible, offers himself for re-election.

The experience, qualifications and other information about Mr. Tonkin is set out below:

Mr. Tonkin was first appointed as Non-Executive Director on 1 January 2011. In early 2012, Mr. Tonkin was appointed Chief Executive Officer and Managing Director of Arafura and assisted the Company through a difficult period before stepping down to concentrate on his project advisory activities as Executive Director of Capital Advisory Services Pty Ltd and Managing Director of Catalyst Capital Solutions Pty Ltd.

Mr. Tonkin has over 40 years' experience as a senior business executive with a multiple industry background in resources, telecommunications and banking and finance covering project finance, business generation, management, technical and strategy development roles. Mr. Tonkin began his career as a metallurgist and environmental specialist, diversifying into commercial roles at several major industrial companies and subsequently into project finance, corporate and project advisory roles at AIDC, The Chase Manhattan Bank, KPMG Corporate Finance and ANZ, where he was instrumental in the successful financing of many resources,

Explanatory Memorandum

telecommunications and infrastructure projects within Australia and globally. Mr. Tonkin was Head of Natural Resources Project Finance at ANZ for a number of years, leading a highly successful team of project financiers.

Mr. Tonkin is a Graduate of the Australian Institute of Company Directors and a Member of the Finance and Treasury Association. As at the date of this Notice, Mr. Tonkin has been a Director of the Company for approximately nine years and eight months. Mr. Tonkin is also Chairman of the Audit and Risk Management Committee and a member of the Remuneration and Nomination Committee.

After appropriate consideration, and taking into account his past performance, contributions to the Company and the current and future needs of the Board and the Company, the Board's members (excluding Mr. Tonkin) unanimously resolved that Mr. Tonkin's distinct set of skills and experience, including his knowledge in resources, telecommunications and banking and finance, and his experience in project finance, is of obvious and ongoing benefit to the Board. The Board also considered that Mr. Tonkin's independence has not been impaired during his tenure and that he is therefore considered to be an independent Director.

The Board (excluding Mr. Tonkin) recommends that Shareholders vote in favour of Resolution 3.

4 Resolution 4 – Election of Ms. Cathy Moises as Director

Ms. Cathy Moises was appointed by the Directors on 1 December 2019 as an addition to the Board under rule 7.1(b) of the Company's Constitution and, in accordance with rule 7.1(c), holds office until the conclusion of the AGM.

Ms. Moises retires in accordance with rule 7.1(c) of the Company's Constitution and, being eligible, offers herself for re-election. As a new Director, and as recommended by the ASX Corporate Governance Council Corporate Governance Principles and Recommendations, the Company carried out background checks on Ms. Moises prior to her appointment in December 2019, none of which revealed any information of concern.

Ms. Moises holds a Bachelor of Science with Honours in Geology from the University of Melbourne and a Diploma of Finance and Investment from the Securities Institute of Australia. She has extensive experience in the resources sector having worked as a senior resources analyst for several major stockbroking firms including McIntosh (now Merrill Lynch), County Securities (now Citigroup) and Evans and Partners where she was a partner of that firm. More recently in 2017-2019, Cathy was Head of Research at Patersons Securities Limited.

Ms. Moises brings substantial experience to Arafura in company management, capital markets and institutional investor engagement. Her key areas of industry experience include gold, base metals, mineral sands and the rare earths sector. Ms Moises is a non-executive director of WA Kaolin Limited and Australian Potash Limited and is an advisory panel member for Argonaut Resources Fund.

As at the date of this Notice, Ms. Moises has been a Director of the Company for approximately nine months. Ms. Moises is a member of the Remuneration and Nomination Committee and the Audit and Risk Management Committee.

After appropriate consideration, and taking into account her past performance, contributions to the Company and the current and future needs of the Board and the Company, the Board's members (excluding Ms. Moises) unanimously resolved that Ms. Moises' distinct set of skills and experience, including in company management, capital markets and institutional investor engagement, and her extensive experience in the resources sector, is of obvious and on-going benefit to the Board. The Board also considered that Ms. Moises' independence has not been impaired during her tenure and that she is therefore considered to be an independent Director.

The Board (other than Ms. Moises) recommends that Shareholders vote in favour of Resolution 4.

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5 Resolution 5 – Amendments to the Company’s Constitution

The Company’s Constitution was adopted in November 2006 and has not been amended since then. Since that time, there have been developments in relation to the Corporations Act, the Listing Rules, corporate governance principles and general corporate and commercial practice for ASX listed companies. The Company has undertaken a review of its Constitution and determined that it is appropriate to make amendments to the current Constitution to reflect these changes.

Under section 136(2) of the Corporations Act, amendments to the Company’s Constitution may only be made by a special resolution of shareholders. Therefore, Resolution 5 must be passed by at least 75% of the votes cast by Shareholders entitled to vote on the Resolution.

Many of the proposed amendments are minor or administrative in nature. The principal proposed amendments, and the intended purpose and effect of those proposed amendments, are outlined in Annexure B.

A copy of the current Constitution marked to show the changes being proposed by Resolution 5 is set out in Annexure F to this Explanatory Memorandum. The changes proposed in Resolution 5 are marked in blue text (insertions) and red text (deletions).

The Board unanimously recommends that Shareholders vote in favour of Resolution 5.

6 Resolutions 6 and 7 – Approval of Employee Option Plan and Performance Rights Plan

General

Issues of securities under the Company’s Employee Option Plan and Performance Rights Plan (together, **Incentive Plans**) were last approved by Shareholders at the Company’s annual general meeting held on 16 November 2017. Resolutions 6 and 7 seek to refresh those approvals for the purposes of the ASX Listing Rules.

The main purposes of the Incentive Plans are to incentivise ‘Eligible Executives’ to provide (and reward them for providing) dedicated and ongoing commitment and effort to the Company, and to align the interests of Eligible Executives and Shareholders in order to increase Shareholder value by enabling Eligible Executives to share in the future growth and profitability of the Company. The Board considers that the ability to issue Options and Rights as incentives to employees and Directors (and other eligible participants) provides a necessary mechanism to attract, retain and motivate personnel to achieve the Company’s goals.

A summary of the terms of each of the Incentive Plans is set out in Annexures C and D of this Explanatory Memorandum.

Purpose of approvals sought

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Exception 13 of Listing Rule 7.2 excludes securities (including options and rights) issued under an employee incentive scheme from counting towards that 15% placement capacity where shareholders have approved the issue of the securities under such a plan. Since the approvals obtained for the Incentive Plans are valid for three years from the date of Shareholder approval, the approvals obtained at the 2017 annual general meeting will soon expire.

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Resolutions 6 and 7 seek to renew the Shareholder approvals for the issue of securities to Eligible Executives (or their Nominees) under the terms of the Incentive Plans for a further three years so that the Company retains the ability to manage its capital requirements efficiently by ensuring that the 15% limit is not diminished by issues of Options and/or Rights under the Incentive Plans. The Board believes this will provide the Company with additional flexibility to raise capital as and when appropriate.

If the Shareholder approvals for the issue of securities under the terms of the Incentive Plans are not obtained, any issues of securities under the Incentive Plans would diminish the Company's 15% placement capacity under Listing Rule 7.1.

It is important to note that Resolutions 6 and 7 do not of themselves authorise the issue of Options or Rights to Directors. Any such issues need to be specifically approved under Listing Rule 10.14.

If approvals are obtained under Resolutions 6 and 7, those approvals will cease to be available if there is a material change to the terms of the Incentive Plans from those set out in this Notice.

Information required by ASX Listing Rule 7.2

The following information is provided in accordance with Listing Rule 7.2, Exception 13(b) which sets out the information that must be provided to Shareholders in order to obtain Shareholder approval under Listing Rule 7.2:

- (a) A summary of the terms of the Employee Option Plan is set out in Annexure C, and a summary of the terms of the Performance Rights Plan is set out in Annexure D.
- (b) Since the Incentive Plans were approved by Shareholders at the annual general meeting held on 16 November 2017:
 - (i) a total of 21,410,000 Options have been issued under the Employee Option Plan; and
 - (ii) a total of 10,000,000 Rights have been issued under the Performance Rights Plan.
- (c) Following approval of Resolutions 6 and 7, the maximum number of securities proposed to be issued within the next three years under the Incentive Plans is:
 - (i) in respect of the Employee Option Plan, 50,000,000;
 - (ii) in respect of the Performance Rights Plan, 20,000,000.

The maximum numbers stated above are not intended to be a prediction of the actual number of securities to be issued under the Incentive Plans, they are simply a ceiling for the purposes of Listing Rule 7.2, Exception 13(b). The total number of Options and/or Rights issued under the Incentive Plans within the next three years may be less than the maximum numbers stated above.

The actual number of Options and/or Rights that will be issued will be determined by the Board on the basis of (among other things) the number of employees entitled to Options and/or Rights and the forward work plans of the Company. Any issues of Options and/or Rights will be in accordance with the terms of the Incentive Plans and the Listing Rules.

- (d) Voting exclusion statements in respect of Resolutions 6 and 7 are set out in the Notice.

Directors' recommendation

In order to take advantage of the exemption from Listing Rule 7.1 in relation to issues under the Incentive Plans within the next three years, and to allow the Company greater flexibility to issue securities, the Board unanimously recommends that Shareholders vote in favour of Resolutions 6 and 7.

Annexure A – Definitions

The meanings of capitalised terms used in this Notice of Annual General Meeting and Explanatory Memorandum are set out below:

Annual General Meeting or Meeting means the Company's annual general meeting to be held on 22 October 2020 at 10 a.m. WST.

Associated Bodies Corporate means:

- (a) a body corporate that is a related body corporate of the Company;
- (b) a body corporate that has Voting Power in the Company of not less than 20%; or
- (c) a body corporate in which the Company has Voting Power of not less than 20%.

ASX means the ASX Limited or the Australian Securities Exchange operated by ASX Limited, as the context requires.

Board means the board of Directors.

Casual Employee means an individual who is, or might reasonably be expected to be, engaged to work the number of hours that are the pro rata equivalent of 40% or more of a comparable full-time position with a member of the Group.

Chairperson means the chair of the Meeting, which is proposed to be Mr. Gavin Lockyer, the Managing Director of the Company.

Closely Related Party means, in relation to a member of the KMP, a spouse or child of the KMP; a child of the KMP's spouse; a dependent of the KMP or KMP's spouse; anyone else who is a member of the KMP's family and may be expected to influence the KMP or be influenced by the KMP, in the KMP's dealing with the Company; a company the KMP controls; or a person prescribed by the *Corporations Regulations 2001* (Cth).

Company or Arafura means Arafura Resources Limited ABN 22 080 933 455.

Contractor means:

- (a) an individual with whom a member of the Group has entered into a contract for the provision of services under which the individual performs work for that member of the Group; or
- (b) a company with whom a member of the Group has entered into a contract for the provision of services under which an individual, who is a director of the company or their spouse, performs work for that member of the Group,

where the individual who performs the work under or in relation to the contract is, or might reasonably be expected to be, engaged to work the number of hours that are the pro rata equivalent of 40% or more of a comparable full-time position with the member of the Group.

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

Director means a Director of the Company.

Annexure A – Definitions

Eligible Executive means an Executive nominated by the Board and whom the Board determines in its absolute discretion is to participate in the Employee Option Plan or the Performance Rights Plan (as applicable) and who has not given or been given a notice of termination of employment.

Executive means a person who is at the time of an offer under the Employee Option Plan or the Performance Rights Plan (as applicable):

- (a) a full or part-time employee (including an executive Director);
- (b) a non-executive Director;
- (c) a Contractor;
- (d) a Casual Employee; or
- (e) a Prospective Participant,

of a member of the Group.

Explanatory Memorandum means the explanatory memorandum to the Notice.

Group means the Company and its Associated Bodies Corporate.

Key Management Personnel or **KMP** has the meaning given under the *Accounting Standards*, namely 'key management personnel' are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly and includes any Director (whether executive or otherwise) of the Company.

Listing Rules means the Listing Rules of ASX.

Nominee means nominee of an Eligible Executive that is one of the following:

- (a) an immediate family member of the Eligible Executive;
- (b) a company whose members comprise no persons other than the Eligible Executive or immediate family members of the Eligible Executive; or
- (c) a corporate trustee of a self-managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993* (Cth)) where the Eligible Executive is a director of the trustee.

Notice or **Notice of Annual General Meeting** means this Notice of Annual General Meeting.

Option means an unlisted option to acquire a Share.

Participant means an Eligible Executive who is deemed to have accepted an offer under the Employee Option Plan or the Performance Rights Plan (as applicable) and to whom an Option or Right is (or is to be) issued under either plan, or its Nominee (as the context requires).

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Annexure A – Definitions

Prospective Participant means a person to whom an offer is made under the Employee Option Plan or the Performance Rights Plan (as applicable) but who can only accept that offer if an arrangement has been entered into that will result in the person becoming covered by one of paragraphs (a) to (d) of the definition of Executive.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the report commencing on page 26 of the Company's 2020 Annual Report which was released to the market on 19 August 2020.

Resolution means a resolution contained in the Notice.

Retirement in relation to a Participant means retirement by the Participant from employment or engagement by any member of the Group.

Rights means an entitlement to be issued a Share that vests based on satisfaction of performance conditions determined by the Board.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Total and Permanent Disablement means, in relation to a Participant, that the Participant has, in the opinion of the Board, after considering such medical and other evidence as it sees fit, become incapacitated to such an extent as to render the Participant unlikely ever to engage in any occupation for which he or she is reasonably qualified by education, training or experience.

WST means Western Australian Standard Time.

Voting Power has the meaning given in section 610 of the Corporations Act.

Annexure B – Summary of proposed amendments to the current Constitution

1. Definitions and interpretation (rule 1.1(a) and throughout)

Various defined terms and references used in the Constitution have been updated to reflect current terminology, relevant name changes and the current Corporations Act and Listing Rules.

2. Restricted securities (rule 2.8)

Amendments to the Listing Rules which came into effect in December 2019 include new requirements for listed entities' constitutions relating to restricted securities. It is proposed that rule 2.8 of the current Constitution be amended to align with these requirements.

Restricted securities are securities which are subject to escrow requirements, meaning they are restricted from being traded for a period of time. Whether securities are treated as restricted securities is determined on a case-by-case basis. They may be held by certain persons who acquired them as part of their participation in a fundraising, such as seed capitalists, professional advisers or employees, or can be securities that ASX determines should be treated as restricted securities.

The updated Listing Rules require listed entities to include specific wording in their constituent documents regarding treatment of restricted securities – that they be subject to mandatory escrow restrictions, must be held on the issuer sponsored subregister, and be subject to a holding lock. The Company has no restricted securities on issue. The changes to rule 2.8 are being made for completeness only in order to align with the requirements of the Listing Rules and to provide for flexibility going forward.

3. Dividends and distributions (rule 4.1)

The proposed amendments reflect expressly that the Corporations Act contemplates that dividends can be “declared” as well as “determined”, with different consequences as to when the debt owed by the Company arises.

The proposed amendments also simplify the obligations and rights of the Company in the case of unclaimed dividends or other distributions. Under the proposed amendments, the Company may invest any unclaimed dividends or other distributions until such amounts are claimed or required to be dealt with in accordance with any law relating to unclaimed moneys. Such provisions are common in other ASX listed entities' constitutions.

Several other unnecessary provisions in rule 4.1 have also been removed.

4. Administrative fees and charges (rule 5.1(e))

The proposed amendments allow the Company to charge a fee for performing various administrative tasks such as those relating to registering transfer forms (including paper-based transfer forms), and issuing certificates and transmission receipts, where a charge is permitted by the Listing Rules.

5. Sale of unmarketable parcels (rules 5.4 and 3.8)

The current Constitution permits the Company to dispose of shares of a Shareholder who holds less than a marketable parcel of shares (generally a parcel worth less than A\$500) in certain circumstances.

The proposed amendments allow the Company greater flexibility in the manner that it may sell shares constituting less than a marketable parcel. Under the proposed amendments, the shares may be sold on-market or in any other way determined by the Company, and the proceeds may be pooled together such that an average price is paid to members on all shares sold, less reasonable expenses (unless the expenses are to be borne by the Company).

The proposed amendments also expressly provide that the sale by the Company of shares under the unmarketable parcel rules of the Constitution extinguishes:

- (a) all interests in those shares of the former member; and

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- (b) all claims against the Company in respect of those shares by that member, including all dividends determined to be paid in respect of those shares and not actually paid.

This is to reduce the risk of spurious claims and to make clear that the Company can dispose of unclaimed dividends as permitted by the Constitution.

6. Conduct of general meetings (rule 6)

Provisions have been inserted or amended to facilitate the efficient and orderly conduct of general meetings and to improve corporate governance. These provisions expressly permit:

- (a) the chairperson to:
- (1) refuse a person admission to a meeting for non-compliance with security arrangements or possession of broadcasting devices; and
 - (2) adjourn the meeting where technical difficulties occur, or continue to hold the meeting notwithstanding the technical difficulties; and
- (b) the Directors or the chairperson to withdraw from consideration any resolution that is set out in the notice of meeting (other than those items of business requisitioned by members or required by law).

In addition, the proposed amendments:

- (a) streamline the requirements for a member present at a separate meeting place linked to the main place of a general meeting to be taken to be present at the general meeting, including by:
- (1) not requiring the members present at the separate meeting place to be able to vote on a show of hands, although the requirement that they must be able to vote on a poll will remain; and
 - (2) not requiring the chairperson to be aware of the proceedings in the separate meeting place (e.g. by being able to see the separate remote meeting places), although the requirement that members must have a reasonable opportunity to participate in proceedings in the main place will remain;
- (b) permit the chairperson to allow further time to obtain quorum at a general meeting if no quorum is reached within the allocated time (30 minutes after the time appointed), before the meeting is dissolved or adjourned;
- (c) remove the chairperson's entitlement to a casting vote at a general meeting in accordance with corporate governance best practice; and
- (d) clarify that the chairperson may determine that any resolution put to the meeting should be dealt with by show of hands unless required by the Listing Rules or where a poll is demanded.

7. Lodgement of proxies (rules 6.9(c) and (d))

The Corporations Act allows for electronic lodgement of proxy appointments. To ensure the Company takes full advantage of this flexibility, the proposed amendments expressly provide that a proxy appointment is valid if it is in accordance with the Corporations Act or in any form (including electronic) and received at a time that the Directors (or chairperson) accepts. The amendments also confirm that if there has been compliance with the requirements set out in the notice of meeting, a proxy appointment is taken to have been received at the registered office of the Company and validated by the member.

8. Clarification and correction of proxy, attorney and corporate representative documentation (rule 6.9(e))

Amendments are proposed to provide greater flexibility for the Directors in dealing with proxy, attorney and representative appointments which are incomplete, unclear or not properly executed.

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Annexure B – Summary of proposed amendments to the current Constitution

The proposed amendments clarify that if the name or office of the proxy, attorney or representative is not filled in or is unclear, then the proxy, attorney or representative of the member is the person specified by the Company in the instrument or form of proxy or, if no person is specified, the chairperson of the meeting.

New provisions have also been introduced to allow the Board to:

- (a) return the instrument or form for proper execution or authentication (and extend the time for lodgement of the completed appointment); and
- (b) seek clarification of instructions and amend the appointment to reflect this clarification.

These provisions will allow the Board to count votes purported to be cast by members via proxy, attorney or representative, where they otherwise may have been disregarded due to procedural irregularities.

9. Direct voting (rule 6.10)

The ASX Corporate Governance Council has encouraged ASX listed entities to consider ways to facilitate member participation in meetings of members. A number of listed entities on ASX have amended their constitutions to provide for direct voting, or at least to allow the entity to implement direct voting in the future. Direct voting enables members to vote on resolutions to be considered at a meeting without the need to attend the meeting or to appoint a proxy (or other representative). A direct vote would usually be submitted before the meeting, in any form approved by the relevant board of directors, such as by fax, post or electronically.

The proposed amendments include a new rule 6.10 of the Constitution to address direct voting, should the Board decide to implement such a measure in the future. Rule 6.10 empowers the Board to determine the appropriate procedures for the implementation of direct voting, including as to the form, method and time requirements applicable. Such procedures are, however, subject to the terms of the Constitution, which stipulates certain requirements that will apply. To a significant extent, these requirements replicate the equivalent requirements that apply under the Constitution and the Corporations Act to proxy appointments by, for example, stipulating deadlines by which direct votes must be received to be valid, and the manner in which direct votes must be executed or authenticated.

Rule 6.10 includes rules regarding the interaction between multiple direct votes by a member and between direct votes that have been lodged with the Company and other forms of voting appointments (including proxy appointments). The rule also provides that a direct vote will not be revoked by the member's presence at the relevant general meeting, unless the member informs the Company (or its registry) before the meeting starts that the member wishes to vote in person on any resolution at the meeting.

10. Modernisation of director rotation requirements (rule 7.1)

The Constitution currently sets out that:

- (a) if the Company has five or fewer existing directors, then two; and
- (b) otherwise, the number nearest one third,

of the Company's existing directors (excluding the managing director) must retire at each annual general meeting. This requirement reflects a previous Listing Rule which has since been removed. It is therefore proposed to remove this requirement.

The Constitution currently states that a director (other than a managing director) must not hold office without re-election past the third annual general meeting following the meeting at which the director was last elected or re-elected. This has been updated to reflect the current Listing Rules, which provide that a director (other than a managing director) must not hold office without re-election past the third annual general meeting following their last appointment or election or for more than 3 years (whichever is longer).

Annexure B – Summary of proposed amendments to the current Constitution

Consistent with the Listing Rules, the proposed amendments also provide that there must be an election of Directors at each annual general meeting. This may be satisfied by an election of a new Director, a Board appointed Director or a Director appointed to fill a casual vacancy, or a Director retiring due to the tenure limitation described above. If no such person is available, the requirement may be satisfied by an election of any Director who wishes to retire and stand for re-election, or otherwise the longest serving Director without re-election.

11. Clarification of Director remuneration cap (rule 7.3)

The Constitution currently provides that the total amount of remuneration provided to all directors must not exceed in aggregate in any financial year the amount fixed by the Company in general meeting. Consistent with the Listing Rules, the proposed amendments clarify that the remuneration cap:

- (a) does not apply to any managing director or executive directors; and
- (b) includes superannuation contributions and any fees sacrificed for other benefits, but excludes:
 - (1) reimbursement of out of pocket expenses;
 - (2) payment the Directors cause to be made for extra services or special exertions;
 - (3) payments to and by superannuation/ retirement funds (except superannuation contributions for the benefit of a director);
 - (4) payments under any indemnity permitted by the Constitution for directors and officers;
 - (5) payments to purchase or maintain insurance for an officer; and
 - (6) securities issued under Listing Rules 10.11 or 10.14 with the approval of the holders of the Company's ordinary securities.

12. Indemnity and insurance (rule 9)

The Company's practice is to enter into deeds of indemnity or deeds of access, insurance and indemnity with its officers. This is common practice amongst ASX listed entities to ensure that each such indemnity best meets the needs of the Company and the relevant officer at the time it is agreed. Therefore the additional indemnity provided to officers by the current Constitution is not required. The proposed amendments remove that indemnity from the Constitution, and instead provide that the Company *may* indemnify each officer in the way currently provided for in the Constitution (that is, on a full indemnity basis and to the full extent permitted by law against all losses, liabilities, costs, charges and expenses incurred by the officer as an officer of the Company or of a related body corporate of the Company).

13. Notices (rule 13)

The proposed amendments:

- (a) allow notices to be given to a member by notifying the member by electronic means that a notice is available and how the member may access the notice. This would permit, for example, notices to be made available via the Company's website or the Company's registry's website;
- (b) simplify deemed service times for notices from the Company, by providing that the deemed times at which notices are taken to be given are the day after posting (for notices sent by post) and the day of transmission (for notices sent by fax or other electronic means); and
- (c) expand the existing rule relating to notices to provide that a certificate signed by an officer of the Company to the effect that a notice was sent, delivered or given to a member personally, by post, fax or other electronic means on a particular date is conclusive evidence of that fact.

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Annexure B – Summary of proposed amendments to the current Constitution

14. Miscellaneous

Various other changes have been made to clarify existing provisions or to reflect changes to the Corporations Act, the Listing Rules or corporate governance best practice. These matters are largely self-explanatory and can be reviewed in the mark-up set out in Annexure F.

Annexure C – Summary of Employee Option Plan

In this Annexure C, references to “Plan” mean references to the Employee Option Plan.

The key terms of the Plan are as follows:

- (a) The Board may offer Options to Eligible Executives in the form of an “Offer Document”.
- (b) The Board may offer Options to Eligible Executives having regard to the seniority of the Eligible Executive and the position the Eligible Executive occupies in the Group, each Eligible Executive’s length of service with the Group, the record of employment of the Eligible Executive with the Group, the contribution the Eligible Executive has made to the Group, the potential contribution of the Eligible Executive to the Group and any other matters which the Board considers relevant.
- (c) No issue price is payable for the Options and the Offer Document will set out (among other things) the number of Options offered, the exercise price for an Option, the date the Options will expire and any other information required by law or the Listing Rules or considered by the Board to be relevant.
- (d) Upon receipt of an offer, an Eligible Executive may, by notice in writing to the Board, nominate a Nominee in whose favour the Eligible Executive wishes to renounce the offer. The Board may, in its discretion, resolve not to allow a renunciation of an offer in favour of a Nominee without giving any reason for that decision.
- (e) Each Option will entitle a Participant to subscribe for and be issued one Share at the exercise price set out in the offer.
- (f) Options may not be transferred.
- (g) Options will not be quoted on ASX.
- (h) Any Shares issued on exercise of Options will rank equally with all existing Shares on issue.
- (i) The Board may determine (at any time) that some or all Options are or will become exercisable immediately if:
 - (1) a takeover bid (as defined in the Corporations Act) is made in respect of Shares and both the bidder obtains Voting Power in the Company of 50% or more and the takeover offers are made or declared unconditional (other than for the happening of the events or circumstances set out in section 652C(1) and (2) of the Corporations Act or the condition set out in section 625(3) of the Corporations Act); or
 - (2) a transaction by way of compromise or arrangement under Part 5.1 of the Corporations Act is approved by the requisite majorities of members of the Company at a meeting convened in accordance with the order of a court under section 411(1) of the Corporations Act; or
 - (3) an event or transaction by which an entity becomes or is to become the registered holder of more than 50% of the total issued Shares is approved or accepted by a majority of members of the Company.
- (j) An Option not exercised will lapse on the first to occur of:
 - (1) the expiry date of the Option as set out in the Offer Document;
 - (2) the expiry of 30 days, or any longer period which the Board determines, after the Participant ceases to be employed or engaged by any member of the Group for any reason, including death, Total and Permanent Disablement or Retirement; and
 - (3) a determination of the Board that the Participant has acted fraudulently, dishonestly or in breach of the Participant’s obligations to the Company or any member of the Group and that the Option is to be forfeited.
- (k) The Board may, in its sole discretion, before an Option expires, determine that an Option will not lapse under the circumstances set out in paragraph (j) above if the Participant has ceased to be employed by any member of the Group as a result of:

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Annexure C – Summary of Employee Option Plan

- (1) Total and Permanent Disablement, ill health, death, economic necessity or any other factor not attributable to the conduct or performance of that person; or
 - (2) Retirement under circumstances that are not related to the conduct or performance of that person, in which case the Option will, subject to the Plan, remain exercisable by the Participant (or, where applicable, the Participant's executor, administrator or legal personal representative) until the date determined by the Board or until the Option otherwise lapses in accordance with the Plan.
- (l) The Board may stipulate in an Offer Document (or elsewhere) that Options may only be exercised if the Company (or a business division) achieves stipulated performance hurdles.
- (m) If, when making an offer of Options under the Plan, the Company does so in reliance on ASIC Class Order [CO 14/1000], it must, at the time of making the offer, have reasonable grounds to believe that the number of Shares that have been, or may be, issued in any of the circumstances covered by the following paragraphs will not exceed 5% of the total number of Shares:
- (1) Shares that may be issued under the offer or any other offer to be made under the Plan (to the extent offered in reliance on ASIC Class Order [CO 14/1000]);
 - (2) Shares issued or that may be issued as a result of offers made at any time during the previous three year period under:
 - (3) the Plan or any other Employee Incentive Scheme (as defined in ASIC Class Order [CO 14/1000]) in reliance on ASIC Class Order [CO 14/1000] or its predecessors; or
 - (4) an ASIC exempt arrangement of a similar kind to an Employee Incentive Scheme (as defined in ASIC Class Order [CO 14/1000]).
- (n) Offers of Options made or Shares issued other than in reliance on ASIC Class Order [CO 14/1000] or its predecessors (such as offers received outside of Australia or under an exception in section 708 of the Corporations Act) will not be included in calculating the 5% limit.
- (o) Subject to the Plan, the Listing Rules and all applicable laws, the Board may at any time by written instrument amend all or any of the rules of the Plan.

Annexure D – Summary of Performance Rights Plan

In this Annexure D, references to “Plan” mean references to the Performance Rights Plan.

The key terms of the Plan are as follows:

- (a) The Board may offer Rights to Eligible Executives in the form of an “Offer Document”.
- (b) The Board may offer Rights to Eligible Executives having regard to the seniority of the Eligible Executive and the position the Eligible Executive occupies in the Group, each Eligible Executive’s length of service with the Group, the record of employment of the Eligible Executive with the Group, the contribution the Eligible Executive has made to the Group, the potential contribution of the Eligible Executive to the Group and any other matters which the Board considers relevant.
- (c) No issue price is payable for the Rights.
- (d) No payment is required on vesting or exercise of a Right.
- (e) The Offer Document will set out (among other things) the number of Rights offered, the performance conditions that must be satisfied or circumstances which must exist before a Right vests, the period for satisfaction of a performance condition and any other information required by law or the Listing Rules or considered by the Board to be relevant.
- (f) Upon receipt of an offer, an Eligible Executive may, by notice in writing to the Board, nominate a Nominee in whose favour the Eligible Executive wishes to renounce the offer. The Board may, in its discretion, resolve not to allow a renunciation of an offer in favour of a Nominee without giving any reason for that decision.
- (g) Each Right which vests will entitle a Participant to be issued one Share.
- (h) Rights will be automatically exercised when the Rights vest.
- (i) Rights may not be transferred unless by force of law or upon death to the Participant’s legal personal representative or upon bankruptcy to the Participant’s trustee in bankruptcy.
- (j) Rights will not be quoted on ASX.
- (k) Any Shares issued on exercise of Rights will rank equally with all existing Shares on issue.
- (l) The Board may determine (at any time) that some or all Rights will vest are or will become exercisable immediately if:
 - (1) a takeover bid (as defined in the Corporations Act) is made in respect of Shares and both the bidder obtains Voting Power in the Company of 50% or more and the takeover offers are made or declared unconditional (other than for the happening of the events or circumstances set out in section 652C(1) and (2) of the Corporations Act or the condition set out in section 625(3) of the Corporations Act); or
 - (2) a transaction by way of compromise or arrangement under Part 5.1 of the Corporations Act is approved by the requisite majorities of members of the Company at a meeting convened in accordance with the order of a court under section 411(1) of the Corporations Act; or
 - (3) an event or transaction by which an entity becomes or is to become the registered holder of more than 50% of the total issued Shares is approved or accepted by a majority of members of the Company.
- (m) A Right not exercised will lapse on the first to occur of:
 - (1) the expiry date of the Right as set out in the Offer Document;
 - (2) the expiry of 30 days, or any longer period which the Board determines, after the Participant ceases to be employed or engaged by any member of the Group for any reason, including death, Total and Permanent Disablement or Retirement;

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Annexure D – Summary of Performance Rights Plan

- (3) a determination of the Board that the Participant has acted fraudulently, dishonestly or in breach of the Participant's obligations to the Company or any member of the Group and that the Right is to be forfeited; and
 - (4) a determination of the Board that there has been a failure to meet any performance condition applicable to the Right within the required period.
- (n) The Board may, in its sole discretion, before a Right expires, determine that a Right will not lapse under the circumstances set out in paragraph (m)(1) to (3) above if the Participant has ceased to be employed by any member of the Group as a result of:
- (1) Total and Permanent Disablement, ill health, death, economic necessity or any other factor not attributable to the conduct or performance of that person; or
 - (2) Retirement under circumstances that are not related to the conduct or performance of that person,
- in which case the Right will, subject to the Plan, remain exercisable by the Participant (or, where applicable, the Participant's executor, administrator or legal personal representative) until the date determined by the Board or until the Right otherwise lapses in accordance with the Plan.
- (o) If, when making an offer of Rights under the Plan, the Company does so in reliance on ASIC Class Order [CO 14/1000], it must, at the time of making the offer, have reasonable grounds to believe that the number of Shares that have been, or may be, issued in any of the circumstances covered by the following paragraphs will not exceed 5% of the total number of Shares:
- (1) Shares that may be issued under the offer or any other offer to be made under the Plan (to the extent offered in reliance on ASIC Class Order [CO 14/1000]);
 - (2) Shares issued or that may be issued as a result of offers made at any time during the previous three year period under:
 - (3) the Plan or any other Employee Incentive Scheme (as defined in ASIC Class Order [CO 14/1000]) in reliance on ASIC Class Order [CO 14/1000] or its predecessors; or
 - (4) an ASIC exempt arrangement of a similar kind to an Employee Incentive Scheme (as defined in ASIC Class Order [CO 14/1000]).
- (p) Offers of Rights made or Shares issued other than in reliance on ASIC Class Order [CO 14/1000] or its predecessors (such as offers received outside of Australia or under an exception in section 708 of the Corporations Act) will not be included in calculating the 5% limit.
- (q) Subject to the Plan, the Listing Rules and all applicable laws, the Board may at any time by written instrument amend all or any of the rules of the Plan.

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Annexure E – Proxy Information

1. A shareholder entitled to attend and vote is entitled to appoint no more than two proxies to attend and vote at this Annual General Meeting as the shareholder's proxy. A proxy need not be a shareholder of the Company.
2. Where more than one proxy is appointed, each proxy may be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.
3. The proxy form must be signed in accordance with the instructions set out in the form.
4. If a proxy is executed by an attorney of a shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must accompany the proxy form.
5. To be effective, forms to appoint proxies must be received by the Company no later than 48 hours before the time appointed for the holding of this Meeting, **that is by 10 a.m. WST on 20 October 2020** by post, facsimile or hand delivery to the respective addresses stipulated in the proxy form.
6. If a person present at the Meeting represents personally or by proxy, attorney or representative more than one member, on a show of hands the person is entitled to one vote only even though he or she represents more than one member.
7. A joint holder may vote at the Meeting either personally or by proxy, attorney or representative as if that person was the sole holder. If more than one joint holder tenders a vote in respect of the relevant shares, the vote of the holder named first in the register 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.
8. Unless the proxy form provides differently, the proxy has the same rights to speak, demand a poll, join in demanding a poll or act generally at the Meeting as the member would have had if the member was present.
9. Unless otherwise provided in the proxy form, an appointment will be taken to confer authority:
 - (a) even though the instrument may refer to specific resolutions and may direct the proxy, attorney or representative how to vote on those resolutions, to do any of the following acts:
 1. to vote on any amendment moved to the proposed resolutions and on any motion that the proposed resolutions not be put or any similar motion;
 2. to vote on any procedural motion, including any motion to elect the Chairperson, to vacate the Chairperson or to adjourn the meeting; and
 3. to act generally at the meeting; and
 - (b) even though the instrument may refer to a specific meeting to be held at a specified time or venue where the meeting is rescheduled or adjourned to another time or changed to another venue, to attend and vote at the re-scheduled or adjourned meeting or at the new venue.

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Annexure F – Proposed amendments to the current Constitution

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Company Constitution

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Arafura Resources Limited ABN 22 080 933 455

A public company limited by shares

Constitution

1 Preliminary

1.1 Definitions and interpretation

(a) The meanings of the terms used in this constitution are set out below.

Term	Meaning
Act	the <i>Corporations Act 2001</i> (Cth).
ASTC <u>ASX</u> Settlement Operating Rules	the operating rules of ASX Settlement and Transfer Corporation Pty Limited ABN 49 008 504 532 and, to the extent that they are applicable, the operating rules of <u>each of</u> the Exchange and the operating rules of Australian Clearing House <u>ASX Clear</u> Pty Limited ABN 48 001 314 503 .
Business Day	has the meaning given to that term in the Listing Rules.
<u>Direct Vote</u>	has the meaning given in rule 6.10.
Exchange	Australian Stock Exchange <u>ASX</u> Limited or such other body corporate that is declared by the directors to be the company's primary stock exchange for the purposes of this definition.
Listing Rules	means the Listing Rules of the Exchange and any other rules of the Exchange which are applicable while the company is admitted to the Official List of the Exchange, each as amended or replaced from time to time, except to the extent of any express written waiver by the Exchange.
proper ASTC transfer	has the meaning given to that term in the <i>Corporations Regulations 2001</i> (Cth).
record time	<ol style="list-style-type: none">1 in the case of a meeting for which the caller of the meeting has decided, under the Act, that shares are to be taken to be held by the persons who held them at a specified time before the meeting, that time; and2 in any other case, the time of the relevant meeting.

representative	in relation to a member which is a body corporate and in relation to a meeting means a person authorised in accordance with the Act (or a corresponding previous law) by the body corporate to act as its representative at the meeting.
Seal	any common seal, duplicate seal or certificate seal of the company.
transmission event	<ol style="list-style-type: none"> 1 for a member who is an individual, the member's death, the member's bankruptcy or the member becoming of unsound mind or a person who, or whose estate, is liable to be dealt with in any way under the law relating to mental health; and 2 for a member who is a body corporate, the dissolution of the member or the succession by another body corporate to the assets and liabilities of the member.
(b)	A reference in this constitution to a partly paid share is a reference to a share on which there is an amount unpaid.
(c)	A reference in this constitution to an amount unpaid on a share includes a reference to any amount of the issue price which is unpaid.
(d)	A reference in this constitution to a call or an amount called on a share includes a reference to a sum that, by the terms of issue of a share, becomes payable on issue or at a fixed date.
(e)	A reference in this constitution to a member for the purposes of a meeting of members for which the caller of the meeting has determined a record time is a reference to a registered holder of shares as at the relevant record time.
(f)	A reference in this constitution to a member present at a general meeting is a reference to a member present in person or by proxy, attorney or representative.
(g)	A chairperson or deputy chairperson appointed under this constitution may be referred to as chairman or chairwoman, or deputy chairman or chairwoman, or as chair, if applicable.
(h)	A reference in this constitution to a person holding or occupying a particular office or position is a reference to any person who occupies or performs the duties of that office or position.
(i)	Unless the contrary intention appears, in this constitution; <ol style="list-style-type: none"> (1) words that refer to a singular number also refer to plural numbers, and the other way around; (2) words that refer to a gender also refer to the other genders; (3) words used to refer to persons generally or to refer to a natural person include a body corporate, body politic, partnership, joint venture, association, board, group or other body (whether or not the body is incorporated); (4) a reference to a person includes that person's successors and legal personal representatives;

- (5) a reference to a statute or regulation, or a provision of any of them includes all statutes, regulations or provisions amending, consolidating or replacing them, and a reference to a statute includes all regulations, proclamations, ordinances and by-laws issued under that statute;
 - (6) a reference to the Listing Rules or the ~~ASTC-ASX~~ Settlement Operating Rules includes any variation, consolidation or replacement of those rules and is to be taken to be subject to any applicable waiver or exemption; and
 - (7) where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings.
- (j) In this constitution, headings and bold type are only for convenience and do not affect the meaning of this constitution.

1.2 Application of the Act, Listing Rules and ~~ASTC-ASX~~ Settlement Operating Rules

- (a) The rules that apply as replaceable rules to companies under the Act and the regulations in Table A in the legislation under which the company was formed do not apply to the company except so far as they are repeated in this constitution.
- (b) Unless the contrary intention appears:
 - (1) an expression in a rule that deals with a matter dealt with by a provision of the Act, the Listing Rules or the ~~ASTC-ASX~~ Settlement Operating Rules has the same meaning as in that provision; and
 - (2) subject to rule 1.2(b)(1), an expression in a rule that is used in the Act has the same meaning in this constitution as in the Act.

1.3 Exercising powers

- (a) The company may, in any way the Act permits:
 - (1) exercise any power;
 - (2) take any action; or
 - (3) engage in any conduct or procedure,which, under the Act a company limited by shares may exercise, take or engage in.
- (b) Where this constitution provides that a person "may" do a particular act or thing, the act or thing may be done at the person's discretion.
- (c) Where this constitution confers a power to do a particular act or thing, the power is, unless the contrary intention appears, to be taken as including a power exercisable in the same way and subject to the same conditions (if any) to repeal, rescind, revoke, amend or vary that act or thing.
- (d) Where this constitution confers a power to do a particular act or thing, the power may be exercised from time to time and may be exercised subject to conditions.
- (e) Where this constitution confers a power to do a particular act or thing concerning particular matters, the power is, unless the contrary intention appears, to be taken to include a power to do that act or thing as to only some of those matters or as to a particular class of those matters, and to make different provision concerning different matters or different classes of matters.

- (f) Where this constitution confers a power to make appointments to an office or position (except the power to appoint a director under rule 7.1(b)), the power is, unless the contrary intention appears, to be taken to include a power:
- (1) to appoint a person to act in the office or position until a person is appointed to the office or position;
 - (2) to remove or suspend any person appointed (without prejudice to any rights or obligations under any contract between the person and the company); and
 - (3) to appoint another person temporarily in the place of any person removed or suspended or in the place of any sick or absent holder of the office or position.
- (g) Where this constitution gives power to a person to delegate a function or power:
- (1) the delegation may be concurrent with, or (except in the case of a delegation by the directors) to the exclusion of, the performance or exercise of that function or power by the person;
 - (2) the delegation may be either general or limited in any way provided in the terms of delegation;
 - (3) the delegation need not be to a specified person but may be to any person holding, occupying or performing the duties of a specified office or position;
 - (4) the delegation may include the power to delegate; and
 - (5) where performing or exercising that function or power depends on that person's opinion, belief or state of mind about a matter, that function or power may be performed or exercised by the delegate on the delegate's opinion, belief or state of mind about that matter.

1.4 Transitional provisions

This constitution must be interpreted in such a way that:

- (a) every director, chief executive officer, managing director and secretary in office in that capacity immediately before this constitution is adopted continues in office subject to, and is taken to have been appointed or elected under, this constitution;
- ~~(b) the directors are taken, immediately after this constitution is adopted, to have decided under rule 7.1(a) a number which is equal to the number of the persons in office as directors immediately after this constitution is adopted;~~
- ~~(c)~~ (b) any register maintained by the company immediately before this constitution is adopted is taken to be a register maintained under this constitution;
- ~~(d)~~ (c) any seal adopted by the company as a seal immediately before this constitution is adopted is taken to be a seal which the company has under a relevant authority given by this constitution; and
- ~~(e) for the purposes of rule 4.1(p), a cheque issued under the predecessor of rule 4.1(k) is taken to have been issued under rule 4.1(k) and any money held at the date of adoption of this constitution for a member the company regards as uncontactable is taken to have been held in an account under rule 4.1(n); and~~

~~(f)~~(d) unless a contrary intention appears in this constitution, all persons, things, agreements and circumstances appointed, approved or created by or under the constitution of the company in force before this constitution is adopted continue to have the same status, operation and effect after this constitution is adopted.

2 Share capital

2.1 Shares

Subject to this constitution the directors may:

- (a) issue, allot or grant options for, or otherwise dispose of, shares in the company; and
- (b) decide:
 - (1) the persons to whom shares are issued or options are granted;
 - (2) the terms on which shares are issued or options are granted; and
 - (3) the rights and restrictions attached to those shares or options.

2.2 Preference shares

- (a) The company may issue preference shares including preference shares which are, or at the option of the company or holder are, liable to be redeemed or convertible into ordinary shares.
- (b) Each preference share confers on the holder a right to receive a preferential dividend, in priority to the payment of any dividend on the ordinary shares, at the rate and on the basis decided by the directors under the terms of issue.
- (c) In addition to the preferential dividend and rights on winding up, each preference share may participate with the ordinary shares in profits and assets of the company, including on a winding up, if and to the extent the directors decide under the terms of issue.
- (d) The preferential dividend may be cumulative only if and to the extent the directors decide under the terms of issue, and will otherwise be non-cumulative.
- (e) Each preference share confers on its holder the right in a winding up and on redemption to payment in priority to the ordinary shares of:
 - (1) the amount of any dividend accrued but unpaid on the share at the date of winding up or the date of redemption; and
 - (2) any additional amount specified in the terms of issue.
- (f) To the extent the directors may decide under the terms of issue, a preference share may confer a right to a bonus issue or capitalisation of profits in favour of holders of those shares only.
- (g) A preference share does not confer on its holder any right to participate in the profits or property of the company except as set out above.
- (h) A preference share does not entitle its holder to vote at any general meeting of the company except in the following circumstances:
 - (1) on any of the proposals specified in rule 2.2(i);

- (2) on a resolution to approve the terms of a buy back agreement;
 - (3) during a period in which a dividend or part of a dividend on the share is in arrears;
 - (4) during the winding up of the company; or
 - (5) in any other circumstances in which the Listing Rules require holders of preference shares to be entitled to vote.
- (i) The proposals referred to in rule 2.2(h) are proposals:
- (1) to reduce the share capital of the company;
 - (2) that affect rights attached to the share;
 - (3) to wind up the company; or
 - (4) for the disposal of the whole of the property, business and undertaking of the company.
- (j) The holder of a preference share who is entitled to vote in respect of that share under rule 2.2(h) is, on a poll, entitled to the number of votes specified in, or determined in accordance with, the terms of issue for the share.
- (k) In the case of a redeemable preference share, the company must, at the time and place for redemption specified in, or determined in accordance with, the terms of issue for the share, redeem the share and, on receiving a redemption notice under the terms of issue, pay to or at the direction of the holder the amount payable on redemption of the share.
- (l) A holder of a preference share must not transfer or purport to transfer, and the directors, to the extent permitted by the Listing Rules, must not register a transfer of, the share if the transfer would contravene any restrictions on the right to transfer the share set out in the terms of issue for the share.

2.3 Alteration of share capital

Subject to the Act, the directors may do anything required to give effect to any resolution altering the company's share capital, including, where a member becomes entitled to a fraction of a share on a consolidation:

- (a) making cash payments;
- (b) determining that fractions may be disregarded in order to adjust the rights of all parties;
- (c) appointing a trustee to deal with any fractions on behalf of members; and
- (d) rounding up each fractional entitlement to the nearest whole share by capitalising any amount available for capitalisation under rule 4.2 even though only some of the members participate in the capitalisation.

2.4 Conversion or reclassification of shares

Subject to rule 2.5, the company may by resolution convert or reclassify shares from one class to another.

2.5 Variation of class rights

- (a) The rights attached to any class of shares may, unless their terms of issue state otherwise, be varied:
 - (1) with the written consent of the holders of 75% of the shares of the class; or
 - (2) by a special resolution passed at a separate meeting of the holders of shares of the class.
- (b) The provisions of this constitution relating to general meetings apply, with necessary changes, to separate class meetings as if they were general meetings.
- (c) The rights conferred on the holders of any class of shares are to be taken as not having been varied by the creation or issue of further shares ranking equally with them.

2.6 Joint holders of shares

Where 2 or more persons are registered as the holders of a share, they hold it as joint tenants with rights of survivorship, on the following conditions:

- (a) they are liable individually as well as jointly for all payments, including calls, in respect of the share;
- (b) subject to rule 2.6(a), on the death of any one of them the survivor is the only person the company will recognise as having any title to the share;
- (c) any one of them may give effective receipts for any dividend, bonus, interest or other distribution or payment in respect of the share; and
- (d) except where persons are jointly entitled to a share because of a transmission event, or where required by the Listing Rules or the [ASTC-ASX Settlement Operating Rules](#), the company may, but is not required to, register more than 3 persons as joint holders of the share.

2.7 Equitable and other claims

The company may treat the registered holder of a share as the absolute owner of that share and need not:

- (a) recognise a person as holding a share on trust, even if the company has notice of a trust; or
- (b) recognise, or be bound by, any equitable, contingent, future or partial claim to or interest in a share by any other person, except an absolute right of ownership in the registered holder, even if the company has notice of that claim or interest.

2.8 Restricted securities

If, at any time, any of the share capital of the company is classified by the Exchange as “restricted securities”, then despite any other provision of this constitution:

- (a) ~~the a holder of~~ restricted securities must not ~~be disposed of~~ dispose of, or agree or offer to dispose of, the securities during the escrow period applicable to those securities except as permitted by the Listing Rules or the Exchange;

- (b) if the restricted securities are in the same class as quoted securities, the holder will be taken to have agreed in writing that the restricted securities are to be kept on the company's issuer sponsored subregister and are to have a holding lock applied for the duration of the escrow period applicable to those securities;
- ~~(b)(c)~~ the company must refuse to acknowledge a any disposal (including ~~registering a~~ without limitation, to register any transfer) of ~~the~~ restricted securities during the escrow period ~~except as permitted by the Listing Rules or the Exchange;~~ and applicable to those securities except as permitted by the Listing Rules or the Exchange;
- (d) a holder of restricted securities will not be entitled to participate in any return of capital on those securities during the escrow period applicable to those securities except as permitted by the Listing Rules or the Exchange; and
- ~~(e)(e)~~ during a breach of the Listing Rules relating to ~~if a holder of~~ restricted securities, ~~or a breach of~~ breaches a restriction ~~agreement~~ deed or a provision of this constitution restricting a disposal of those securities, the holder ~~of the restricted securities is~~ will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of ~~the restricted~~ those securities for so long as the breach continues.

3 Calls, forfeiture, indemnities, lien and surrender

3.1 Calls

- (a) Subject to the terms on which any shares are issued, the directors may:
- (1) make calls on the members for any amount unpaid on their shares which is not by the terms of issue of those shares made payable at fixed times; and
 - (2) on the issue of shares, differentiate between members as to the amount of calls to be paid and the time for payment.
- (b) The directors may require a call to be paid by instalments.
- (c) The directors must send members notice of a call at least 14 days (or such longer period required by the Listing Rules) before the amount called is due, specifying the time and place of payment.
- (d) Each member must pay to the company by the time and at the place specified the amount called on the member's shares.
- (e) A call is taken to have been made when the resolution of the directors authorising the call is passed.
- (f) The directors may revoke a call or extend the time for payment.
- (g) A call is valid even if a member for any reason does not receive notice of the call.
- (h) If an amount called on a share is not paid in full by the time specified for payment, the person who owes the amount must pay:
- (1) interest on the unpaid part of the amount from the date payment is due to the date payment is made, at a rate determined under rule 3.9; and

- (2) if the share was issued after the date this constitution is adopted, any costs, expenses or damages the company incurs due to the failure to pay or late payment.
- (i) Any amount unpaid on a share that, by the terms of issue of the share, becomes payable on issue or at a fixed date:
 - (1) is treated for the purposes of this constitution as if that amount were payable under a call duly made and notified; and
 - (2) must be paid on the date on which it is payable under the terms of issue of the share.
- (j) The directors may, to the extent the law permits, waive or compromise all or part of any payment due to the company under the terms of issue of a share or under this rule 3.1.

3.2 Proceedings to recover calls

- (a) In a proceeding to recover a call, or an amount payable due to the failure to pay or late payment of a call, proof that:
 - (1) the name of the defendant is entered in the register as the holder or one of the holders of the share on which the call is claimed;
 - (2) the resolution making the call is recorded in the minute book; and
 - (3) notice of the call was given to the defendant complying with this constitution,

is conclusive evidence of the obligation to pay the call and it is not necessary to prove the appointment of the directors who made the call or any other matter.
- (b) In rule 3.2(a), **defendant** includes a person against whom the company alleges a set-off or counterclaim, and a **proceeding** to recover a call or an amount is to be interpreted accordingly.

3.3 Payments in advance of calls

- (a) The directors may accept from a member the whole or a part of the amount unpaid on a share even though no part of that amount has been called.
- (b) The directors may authorise payment by the company of interest on an amount accepted under rule 3.3(a), until the amount becomes payable, at a rate agreed between the directors and the member paying the amount.
- (c) The directors may repay to a member any amount accepted under rule 3.3(a).

3.4 Forfeiting partly paid shares

- (a) If a member fails to pay the whole of a call or an instalment of a call by the time specified for payment, the directors may serve a notice on that member:
 - (1) requiring payment of the unpaid part of the call or instalment, together with any interest that has accrued and all costs, expenses or damages that the company has incurred due to the failure to pay;

- (2) naming a further time (at least 14 days after the date of the notice) by which, and a place at which, the amount payable under rule 3.4(a)(1) must be paid; and
 - (3) stating that if the whole of the amount payable under rule 3.4(a)(1) is not paid by the time and at the place named, the shares on which the call was made will be liable to be forfeited.
- (b) If a member does not comply with a notice served under rule 3.4(a), the directors may by resolution forfeit any share concerning which the notice was given at any time after the day named in the notice and before the payment required by the notice is made.
- (c) A forfeiture under rule 3.4(b) includes all dividends, interest and other amounts payable by the company on the forfeited share and not actually paid before the forfeiture.
- (d) Where a share has been forfeited:
- (1) notice of the resolution must be given to the member in whose name the share stood immediately before the forfeiture; and
 - (2) an entry of the forfeiture, with the date, must be made in the register of members.
- (e) Failure to give the notice or to make the entry required under rule 3.4(d) does not invalidate the forfeiture.
- (f) A forfeited share becomes the property of the company and the directors may sell, reissue or otherwise dispose of the share as they think fit and, in the case of reissue or other disposal, with or without crediting as paid up any amount paid on the share by any former holder.
- (g) A person whose shares have been forfeited ceases to be a member as to the forfeited shares, but must, if the directors decide, pay to the company:
- (1) all calls, instalments, interest, costs, expenses and damages owing on the shares at the time of the forfeiture; and
 - (2) interest on the unpaid part of the amount payable under rule 3.4(g)(1), from the date of the forfeiture to the date of payment, at a rate determined under rule 3.9.
- (h) The forfeiture of a share extinguishes all interest in, and all claims and demands against the company relating to, the forfeited share and, subject to rule ~~3.8~~(3.8(i)), all other rights attached to the share.
- (i) The directors may:
- (1) exempt a share from all or part of this rule 3.4;
 - (2) waive or compromise all or part of any payment due to the company under this rule 3.4; and
 - (3) before a forfeited share has been sold, reissued or otherwise disposed of, cancel the forfeiture on the conditions they decide.

3.5 Members' indemnity

- (a) If the company becomes liable for any reason under a law to make a payment:
- (1) in respect of shares held solely or jointly by a member;
 - (2) in respect of a transfer or transmission of shares by a member;
 - (3) in respect of dividends, bonuses or other amounts due or payable or which may become due and payable to a member; or
 - (4) in any other way for, on account of or relating to a member,
- rules 3.5(b) and (c) apply, in addition to any right or remedy the company may otherwise have.
- (b) The member or, if the member is dead, the member's legal personal representative must:
- (1) fully indemnify the company against that liability;
 - (2) on demand reimburse the company for any payment made; and
 - (3) pay interest on the unpaid part of the amount payable to the company under rule 3.5(b)(2), from the date of demand until the date the company is reimbursed in full for that payment, at a rate determined under rule 3.9.
- (c) The directors may.
- (1) exempt a share from all or part of this rule 3.5; and
 - (2) waive or compromise all or part of any payment due to the company under this rule 3.5.

3.6 Lien on shares

- (a) The company has a first lien on:
- (1) each partly paid share for all unpaid calls and instalments due on that share; and
 - (2) each share for any amounts the company is required by law to pay and has paid in respect of that share.
- In each case the lien extends to reasonable interest and expenses incurred because the amount is not paid.
- (b) The company's lien on a share extends to all dividends payable on the share and to the proceeds of sale of the share.
- (c) The directors may sell a share on which the company has a lien as they think fit where:
- (1) an amount for which a lien exists under this rule 3.6 is presently payable; and
 - (2) the company has given the registered holder a written notice, at least 14 days before the date of the sale, stating and demanding payment of that amount.

- (d) The directors may do anything necessary or desirable under the ~~ASTC~~ ASX Settlement Operating Rules to protect any lien, charge or other right to which the company is entitled under this constitution or a law.
- (e) When the company registers a transfer of shares on which the company has a lien without giving the transferee notice of its claim, the company's lien is released so far as it relates to amounts owing by the transferor or any predecessor in title.
- (f) The directors may:
 - (1) exempt a share from all or part of this rule 3.6; and
 - (2) waive or compromise all or part of any payment due to the company under this rule 3.6.

3.7 Surrender of shares

- (a) The directors may accept a surrender of a share by way of compromise of a claim.
- (b) Any share so surrendered may be sold, reissued or otherwise disposed in the same manner as a forfeited share.

3.8 Sale reissue or other disposal of shares by the company

- (a) A reference in this rule 3.8 to a sale of a share by the company is a reference to any sale, reissue or other disposal of a share under rule 3.4(f) or rule 3.6(c) or rule 5.4.
- (b) When the company sells a share, the directors may:
 - (1) exercise any powers permitted under the applicable law to enable the sale or disposal of a share;
 - ~~(1)~~(2) receive the purchase money or consideration given for the share;
 - ~~(2)~~(3) effect a transfer of the share or execute or appoint a person to execute, on behalf of the former holder, a transfer of the share; and
 - ~~(3)~~(4) register as the holder of the share the person to whom the share is sold.
- (c) A person to whom the company sells shares need not take any steps to investigate the regularity or validity of the sale, or to see how the purchase money or consideration on the sale is applied. That person's title to the shares is not affected by any irregularity by the company in relation to the sale. A sale of the share by the company is valid even if a transmission event occurs to the member before the sale.
- (d) The only remedy of a person who suffers a loss because of a sale of a share by the company is a claim for damages against the company.
- (e) ~~The~~ Subject to rules 3.8(f) and 3.8(g), the proceeds of a sale of shares by the company must be applied in paying:
 - (1) first, the expenses of the sale;
 - (2) secondly, all amounts payable (whether presently or not) by the former holder to the company,

and any balance must be paid to the former holder ~~on the former holder delivering to the company proof of title to the shares acceptable to the directors.~~

- (3) on the former holder delivering to the company any certificate relating to the securities; or
- (4) if the company is satisfied that the certificate has been lost or destroyed or that the relevant shares are not certificated.
- (f) ~~The~~ Subject to rule 3.8(g), the proceeds of sale arising from a notice under rule 5.4(b) must not be applied in payment of the expenses of the sale and must be paid to the former holder ~~on the former holder delivering to the company proof of title to the shares acceptable to the directors.;~~
- (1) on the former holder delivering to the company any certificate relating to the securities; or
- (2) if the company is satisfied that the certificate has been lost or destroyed or that the relevant shares are not certificated.
- (g) The proceeds arising from any sale under rule 5.4 may, to the extent permitted by law, be pooled together. A person whose proceeds have been so pooled must be paid the amount equal to the number of their shares sold under the sale multiplied by the volume weighted average price of all shares whose proceeds have been allocated to that pool, less any expenses of those sales permitted to be deducted by this constitution.
- ~~(g)~~(h) Until the proceeds of a sale of a share sold by the company are claimed or otherwise disposed of according to law, the directors may invest or use the proceeds in any other way for the benefit of the company.
- ~~(h)~~(i) The company is not required to pay interest on money payable to a former holder under this rule 3.8.
- ~~(i)~~(j) On completion of a sale, reissue or other disposal of a share under rule 3.4(f), the rights which attach to the share which were extinguished under rule 3.4(h) revive.
- ~~(j)~~(k) A written statement by a director or secretary of the company that a share in the company has been:
- (1) duly forfeited under rule 3.4(b);
 - (2) duly sold, reissued or otherwise disposed of under rule 3.4(f); or
 - (3) duly sold under rule 3.6(c) or rule 5.4,
- on a date stated in the statement is conclusive evidence of the facts stated as against all persons claiming to be entitled to the share, and of the right of the company to forfeit, sell, reissue or otherwise dispose of the share.

3.9 Interest payable by member

- (a) For the purposes of rules 3.1(h)(1), 3.4(g)(2) and 3.5(b)(3), the rate of interest payable to the company is:
- (1) if the directors have fixed a rate, that rate; or
 - (2) in any other case, a rate per annum 2% higher than the rate prescribed in respect of unpaid judgements in the Supreme Court of the State or Territory in which the company is registered.

- (b) Interest accrues daily and may be capitalised monthly or at such other intervals the directors decide.

~~3~~ Distribution of profits

~~3.114~~ Dividends

4.1 Determination of dividends

(a) Subject to the Act, the directors may from time to time:

- (1) declare a dividend or determine that a dividend is payable (without declaring a dividend) to members entitled to the dividend; and
- (2) fix the amount, the time for payment and the method of payment of any dividend.

~~(a)(b)~~ Subject to the Act, the directors may pay any interim and final dividends that, in their judgment, the financial position of the company justifies.

~~(b)(c)~~ The directors may rescind a decision to pay a dividend if they decide, before the payment date, that the company's financial position no longer justifies the payment.

~~(e)(d)~~ Subject to the Act, the directors may pay any dividend required to be paid under the terms of issue of a share.

~~(d)(e)~~ Paying a dividend does not require confirmation at a general meeting.

~~(e)(f)~~ Subject to any rights or restrictions attached to any shares or class of shares:

- (1) all dividends must be paid equally on all shares, except that a partly paid share confers an entitlement only to the proportion of the dividend which the amount paid (not credited) on the share is of the total amounts paid and payable (excluding amounts credited);
- (2) for the purposes of rule ~~4.1(e)~~14.1(f)(1), unless the directors decide otherwise, an amount paid on a share in advance of a call is to be taken as not having been paid until it becomes payable; and
- (3) interest is not payable by the company on any dividend.

~~(f)(g)~~ Subject to the ~~ASTC-ASX~~ Settlement Operating Rules, the directors may fix a record date for a dividend, with or without suspending the registration of transfers from that date under rule 5.3.

~~(g)(h)~~ Subject to the ~~ASTC-ASX~~ Settlement Operating Rules, a dividend in respect of a share must be paid to the person who is registered, or entitled under rule 5.1(c) to be registered, as the holder of the share:

- (1) where the directors have fixed a record date in respect of the dividend, on that date; or
- (2) where the directors have not fixed a record date in respect of that dividend, on the date fixed for payment of the dividend,

and a transfer of a share that is not registered, or left with the company for registration under rule 5.1(b), on or before that date is not effective, as against the company, to pass any right to the dividend.

~~(h)~~(i) When resolving to pay a dividend, the directors may:

- (1) direct payment of the dividend wholly or partly by the distribution of specific assets, including paid-up shares or other securities of the company or of another body corporate, either generally or to specific members; and
- (2) unless prevented by the Listing Rules, direct payment of the dividend to particular members wholly or partly out of any particular fund or reserve or out of profits derived from any particular source, and to the other members wholly or partly out of any other particular fund or reserve or out of profits derived from any other particular source.

~~(i)~~(j) Subject to the ~~ASTC-ASX~~ Settlement Operating Rules, where a person is entitled to a share because of a transmission event, the directors may, but need not, retain any dividends payable on that share until that person becomes registered as the holder of that share or transfers it.

~~(j)~~(k) The directors may retain from any dividend payable to a member any amount presently payable by the member to the company and apply the amount retained to the amount owing.

~~(k)~~(l) The directors may decide the method of payment of any dividend or other amount in respect of a share. Different methods of payment may apply to different members or groups of members (such as overseas members). Without limiting any other method of payment which the company may adopt, payment in respect of a share may be made:

- (1) by cheque sent to the address of the member shown in the register of members or, in the case of joint holders, to the address shown in the register of members of any of the joint holders, or to such other address as the member or any of the joint holders in writing direct; or
- (2) by such electronic or other means approved by the directors directly to an account (of a type approved by the directors) nominated in writing by the member or the joint holders.

~~(l)~~ — A cheque sent under rule 4.1(k):

~~(m)~~ Unclaimed dividends or other distributions 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.

~~(o)~~ — may be made payable to bearer or to the order of the member to whom it is sent or any other person the member directs; and

~~(o)~~ — is sent at the member's risk.

~~(—)~~ — If the directors decide that payments will be made by electronic transfer into an account (of a type approved by directors) nominated by a member, but no such account is nominated by the member or an electronic transfer into a nominated account is rejected or refunded, the company may credit the amount payable to an account of the company to be held until the member nominates a valid account.

- ~~(-) Where a member does not have a registered address or the company believes that a member is not known at the member's registered address, the company may credit an amount payable in respect of the member's shares to an account of the company to be held until the member claims the amount payable or nominates an account into which a payment may be made.~~
- ~~(-) An amount credited to an account under rules 4.1(m) or 4.1(n) is to be treated as having been paid to the member at the time it is credited to that account. The company will not be a trustee of the money and no interest will accrue on the money.~~
- ~~(-) If a cheque for an amount payable under rule 4.1(k) is not presented for payment for 11 calendar months after issue or an amount is held in an account under rules 4.1(m) or 4.1(n) for 11 calendar months, the directors may reinvest the amount, after deducting reasonable expenses, into shares in the company on behalf of, and in the name of, the member concerned and may stop payment on the cheque. The shares may be acquired on market or by way of new issue at a price the directors accept is market price at the time. Any residual sum which arises from the reinvestment may be carried forward or donated to charity on behalf of the member, as the directors decide. The company's liability to pay the relevant amount is discharged by an application under this paragraph. The directors may do anything necessary or desirable (including executing any document) on behalf of the member to effect the application of an amount under this rule 4.1(p). The directors may determine other rules to regulate the operation of this rule 4.1(p) and may delegate their power under this rule to any person.~~

3.184.2 Capitalising profits

- (a) Subject to the Listing Rules, any rights or restrictions attached to any shares or class of shares and any special resolution of the company, the directors may capitalise and distribute among those members who would be entitled to receive dividends and in the same proportions, any amount:
- (1) forming part of the undivided profits of the company;
 - (2) representing profits arising from an ascertained accretion to capital or a revaluation of the assets of the company;
 - (3) arising from the realisation of any assets of the company; or
 - (4) otherwise available for distribution as a dividend.
- (b) The directors may resolve that all or any part of the capitalised amount is to be applied:
- (1) in paying up in full, at an issue price decided by the resolution, any unissued shares in or other securities of the company;
 - (2) in paying up any amounts unpaid on shares or other securities held by the members; or
 - (3) partly as specified in rule 4.2(b)(1) and partly as specified in rule 4.2(b)(2).
- The members entitled to share in the distribution must accept that application in full satisfaction of their interest in the capitalised amount.
- (c) Rules ~~4.1(e)~~4.1(f), ~~(fg)~~ and ~~(gh)~~ apply, so far as they can and with any necessary changes, to capitalising an amount under this rule 4.2 as if references in those rules to:

- (1) a dividend were references to capitalising an amount; and
 - (2) a record date were references to the date the directors resolve to capitalise the amount under this rule 4.2.
- (d) Where in accordance with the terms and conditions on which options to take up shares are granted (and being options existing at the date of the passing of the resolution referred to in rule 4.2(b)) a holder of those options will be entitled to an issue of bonus shares under this rule 4.2, the directors may in determining the number of unissued shares to be so issued, allow in an appropriate manner for the future issue of bonus shares to options holders.

3.194.3 Ancillary powers

- (a) To give effect to any resolution to reduce the capital of the company, to satisfy a dividend as set out in rule ~~4.1(h)~~4.1(i)(1) or to capitalise any amount under rule 4.2, the directors may:
 - (1) settle as they think expedient any difficulty that arises in making the distribution or capitalisation and, in particular, make cash payments in cases where members are entitled to fractions of shares or other securities and decide that amounts or fractions of less than a particular value decided by the directors may be disregarded in order to adjust the rights of all parties;
 - (2) fix the value for distribution of any specific assets;
 - (3) pay cash or issue shares or other securities to any member in order to adjust the rights of all parties;
 - (4) vest any of those specific assets, cash, shares or other securities in a trustee on trust for the persons entitled to the distribution or capitalised amount that seem expedient to the directors; and
 - (5) authorise any person to make, on behalf of all the members entitled to any specific assets, cash, shares or other securities as a result of the distribution or capitalisation, an agreement with the company or another person which provides, as appropriate, for the distribution or issue to them of shares or other securities credited as fully paid up or for payment by the company on their behalf of the amounts or any part of the amounts remaining unpaid on their existing shares or other securities by applying their respective proportions of the amount resolved to be distributed or capitalised.
- (b) Any agreement made under an authority referred to in rule 4.3(a)(5) is effective and binds all members concerned.
- (c) If a distribution or issue of specific assets, shares or securities to a particular member or members is in the directors' discretion considered impracticable or would give rise to parcels of securities which do not constitute a marketable parcel, the directors may make a cash payment to those members or allocate the assets, shares or securities to a trustee to be sold on behalf of, and for the benefit of, those members, instead of making the distribution or issue to those members.
- (d) If the company distributes to members (either generally or to specific members) securities in the company or in another body corporate or trust (whether as a dividend or otherwise and whether or not for value), each of those members appoints

the company as his or her agent to do anything needed to give effect to that distribution, including agreeing to become a member of that other body corporate.

3.204.4 Reserves

- (a) The directors may set aside out of the company's profits any reserves or provisions they decide.
- (b) The directors may appropriate to the company's profits any amount previously set aside as a reserve or provision.
- (c) Setting aside an amount as a reserve or provision does not require the directors to keep the amount separate from the company's other assets or prevent the amount being used in the company's business or being invested as the directors decide.

3.214.5 Carrying forward profits

The directors may carry forward any part of the profits remaining that they consider should not be distributed as dividends or capitalised, without transferring those profits to a reserve or provision.

3.224.6 Share investment plan

The directors may:

- (a) establish a share investment plan on terms they decide, under which:
 - (1) the whole or any part of any dividend or interest due to members or holders of any convertible securities of the company who participate in the plan on their shares or any class of shares or any convertible securities; or
 - (2) any other amount payable to members,may be applied in subscribing for or purchasing securities of the company or of a related body corporate; and
- (b) amend, suspend or terminate a share investment plan.

3.234.7 Dividend selection plans

The directors may:

- (a) implement a dividend selection plan on terms they decide, under which participants may choose:
 - (1) to receive a dividend from the company paid wholly or partly out of any particular fund or reserve or out of profits derived from any particular source; or
 - (2) to forego a dividend from the company in place of some other form of distribution from the company or another body corporate or a trust; and
- (b) amend, suspend or terminate a dividend selection plan.

45 Transfer and transmission of shares

4.15.1 Transferring shares

- (a) Subject to this constitution and to any restrictions attached to a member's shares, a member may transfer any of the member's shares by:
 - (1) a proper ASTC transfer; or
 - (2) a written transfer in any usual form or in any other form approved by the directors.
- (b) A transfer referred to in rule 5.1(a)(2) must be:
 - (1) signed by or on behalf of both the transferor and the transferee unless the transfer relates only to fully paid shares and the directors have dispensed with a signature by the transferee or the transfer of the shares is effected by a document which is, or documents which together are, a sufficient transfer of those shares under the Act;
 - (2) if required by law to be stamped, duly stamped; and
 - (3) left for registration at the company's registered office, or at any other place the directors decide, with such evidence the directors require to prove the transferor's title or right to the shares and the transferee's right to be registered as the owner of the shares.
- (c) Subject to the powers vested in the directors under rules 5.2(a) and 5.3, where the company receives a transfer complying with [this](#) rule 5.1, the company must register the transferee named in the transfer as the holder of the shares to which it relates.
- (d) A transferor of shares remains the holder of the shares until a proper ASTC transfer has been effected or the transferee's name is entered in the register of members as the holder of the shares.
- ~~(e) The company must not charge a fee for registering a transfer of shares.~~
- (e) The company must register all registrable transfer forms (including paper-based transfer forms), split certificates, renunciations and transfers, issue certificates and transmission receipts and mark or note transfer forms without imposing a charge except where a charge is permitted by the Listing Rules.
- (f) The company may retain a registered transfer for any period the directors decide.
- (g) The directors may do anything that is necessary or desirable for the company to participate in any computerised, electronic or other system for facilitating the transfer of shares or operation of the company's registers that may be owned, operated or sponsored by the Exchange or a related body corporate of the Exchange,
- (h) The directors may, to the extent the law permits, waive any of the requirements of this rule 5.1 and prescribe alternative requirements instead, whether to give effect to rule 5.1(g) or for another purpose.

4.25.2 Power to decline to register transfers

- (a) The directors may decline to register, or prevent registration of, a transfer of shares or apply a holding lock to prevent a transfer in accordance with the Act or the Listing Rules where:

- (1) the transfer is not in registrable form;
 - (2) the company has a lien on any of the shares transferred;
 - (3) registration of the transfer may breach a law of Australia;
 - (4) the transfer is paper-based and registration of the transfer will create a new holding which, at the time the transfer is lodged, is less than a marketable parcel;
 - (5) the transfer is not permitted under the terms of an employee share plan; or
 - (6) the company is otherwise permitted or required to do so under the Listing Rules or, except for a proper ASTC transfer, under the terms of issue of the shares.
- (b) If the directors decline to register a transfer, the company must give notice of the refusal as required by the Act and the Listing Rules. Failure to give that notice will not invalidate the decision of the directors to decline to register the transfer.
- (c) The directors may delegate their authority under this rule 5.2 to any person.

4.35.3 Power to suspend registration transfers

The directors may suspend the registration of transfers at any times, and for any periods, permitted by the [ASTC-ASX Settlement Operating Rules](#) that they decide.

4.45.4 Selling non-marketable parcels

- (a) This rule 5.4 enables the directors to sell shares which constitute less than a marketable parcel by following certain procedures.
- (b) The directors may send to a member who holds on the date decided by the directors less than a marketable parcel of shares in a class of shares of the company a notice which:
- (1) explains the effect of the notice under this rule 5.4; and
 - (2) advises the holder that he or she may choose to be exempt from the provisions of this rule. A form of election for that purpose must be sent with the notice.
- (c) If, before 5.00 pm Perth time on a date specified in the notice which is no earlier than 6 weeks after the notice is sent:
- (1) the company has not received a notice from the member choosing to be exempt from the provisions of this rule 5.4; and
 - (2) the member has not increased his or her shareholding to a marketable parcel,
- the member is taken to have irrevocably appointed the company as his or her agent to do anything in rule ~~5.4~~[5.4\(f\)](#).
- (d) In addition to initiating a sale by sending a notice under rule 5.4(b), the directors may also initiate a sale if a member holds less than a marketable parcel and that holding was created by a transfer of a parcel of shares effected on or after 1 September 1999 that was less than a marketable parcel at the time that the transfer document

was initiated or, in the case of a paper based transfer document, was lodged with the company. In that case:

- (1) the member is taken to have irrevocably appointed the company as his or her agent to do anything in rule ~~5.4(e)~~5.4(f); and
- (2) ~~if the holding was created after the adoption of this rule,~~ the directors may remove or change the member's rights to vote or receive dividends in respect of some or all of those shares. Any dividends withheld must be sent to the former holder after the sale once the former holder delivers to the company such proof of title as the directors accept.

~~(e)~~ ~~The company may:~~

~~(e)~~ The exercise by the company of its powers under this rule 5.4 to sell a member's shares extinguishes:

- ~~(1)~~ all interests in those shares of the former member; and
- ~~(2)~~ all claims against the company in respect of those shares by that member, including all dividends determined to be paid in respect of those shares and not actually paid.

~~(f)~~ If, pursuant to paragraphs (c) or (d) of this rule 5.4, a member has been taken to have irrevocably appointed the company as his or her agent to do anything under this rule 5.4(f), the company may:

- ~~(1)~~ sell ~~after the time specified in the notice given to the member pursuant to rule 5.4(b) or 5.4(d), and for the purpose of selling the shares constituting less than a marketable parcel as soon as practicable at a price which the directors consider is the best price reasonably available for the shares when they are sold;~~ that are in a CHESS Holding, initiate a holding adjustment to move those shares from that CHESS Holding to an Issuer Sponsored Holding or certificated holding;
- ~~(2)~~ sell the shares constituting less than a marketable parcel on-market or in any other way determined by the company;
- ~~(2)~~(3) deal with the proceeds of sale under rule 3.8 which, for the avoidance of doubt, and to the extent permitted by law, may be pooled together such that an average price is paid on all shares sold less reasonable expenses (unless the expenses are borne by the company); and
- ~~(3)~~(4) receive any disclosure document, including a financial services guide, as agent for the member.

~~(f)~~(g) The costs and expenses of any sale of shares arising from a notice under rule 5.4(b) (including brokerage and stamp duty) are payable by the purchaser or by the company.

~~(g)~~(h) A notice under rule 5.4(b) may be given to a member only once in a 12 month period and may not be given during the offer period of a takeover bid for the company.

~~(h)~~(i) If a takeover bid is announced after a notice under rule 5.4(b) is given but before an agreement is entered into for the sale of shares, this rule 5.4 ceases to operate for those shares. However, despite rule ~~5.4(g)~~5.4(h), a new notice under rule 5.4(b) may be given after the offer period of the takeover bid closes.

~~(j)~~(i) The directors may, before a sale is effected under this rule 5.4, revoke a notice given or suspend or terminate the operation of this rule either generally or in specific cases.

~~(j)~~(k) If a member is registered in respect of more than one parcel of shares, the directors may treat the member as a separate member in respect of each of those parcels so that this rule 5.4 will operate as if each parcel was held by different persons.

4.55.5 Transmission of shares

- (a) Subject to rule 5.5(c), where a member dies, the only persons the company will recognise as having any title to the member's shares or any benefits accruing on those shares are:
- (1) where the deceased was a sole holder, the legal personal representative of the deceased; and
 - (2) where the deceased was a joint holder, the survivor or survivors.
- (b) Rule 5.5(a) does not release the estate of a deceased member from any liability on a share, whether that share was held by the deceased solely or jointly with other persons.
- (c) The directors may register a transfer of shares signed by a member before a transmission event even though the company has notice of the transmission event.
- (d) A person who becomes entitled to a share because of a transmission event may, on producing such evidence as the directors require to prove that person's entitlement to the share, choose:
- (1) to be registered as the holder of the share by signing and giving the company a written notice stating that choice; or
 - (2) to nominate some other person to be registered as the transferee of the share by executing or effecting in some other way a transfer of the share to that other person.
- (e) The provisions of this constitution concerning the right to transfer shares and the registration of transfers of shares apply, so far as they can and with any necessary changes, to a notice or transfer under rule 5.5(d) as if the relevant transmission event had not occurred and the notice or transfer were executed or effected by the registered holder of the share.
- (f) Where two or more persons are jointly entitled to a share because of a transmission event they will, on being registered as the holders of the share, be taken to hold the share as joint tenants and rule 2.6 will apply to them.

56 General meetings

5.16.1 Calling general meetings

- (a) A general meeting may only be called:
- (1) by a directors' resolution; or
 - (2) as otherwise provided in the Act.
- (b) The directors may, by notice to the Exchange, change the venue for, postpone or cancel a general meeting, if they consider that the meeting has become

unnecessary, or the venue would be unreasonable or impractical or a change is necessary in the interests of conducting the meeting efficiently, but:

- (1) a meeting which is not called by a directors' resolution; and
- (2) a meeting which is called in accordance with a members' requisition under the Act;[±]

may not be postponed or cancelled without the prior written consent of the persons who called or requisitioned the meeting.

5.26.2 Notice of general meetings

(a) Notice of a general meeting must be given to each person who at the time of giving the notice:

- (1) is a member, director or auditor of the company; or
- (2) is entitled to a share because of a transmission event and has satisfied the directors of his or her right to be registered as the holder of, or to transfer, the shares.

(b) The content of a notice of a general meeting called by the directors is to be decided by the directors, but it must state the general nature of the business to be transacted at the meeting and any other matters required by the Act or the Listing Rules.

(c) Unless the Act provides otherwise:

- (1) no business may be transacted at a general meeting unless the general nature of the business is stated in the notice calling the meeting; and
- (2) except with the approval of the directors or the chairperson, no person may move any amendment to a proposed resolution the terms of which are set out in the notice calling the meeting or to a document which relates to such a resolution and a copy of which has been made available to members to inspect or obtain.

~~(d)~~ The directors or the chairperson of the general meeting may withdraw from consideration by the meeting any resolution that is set out in the notice calling the meeting (other than those requisitioned by members or required by law).

~~(d)~~(e) A person may waive notice of any general meeting by written notice to the company.

~~(e)~~(f) Failure to give a member or any other person notice of a general meeting or a proxy form, does not invalidate anything done or resolution passed at the general meeting if:

- (1) the failure occurred by accident or inadvertent error; or
- (2) before or after the meeting, the person notifies the company of the person's agreement to that thing or resolution.

~~(f)~~(g) A person's attendance at a general meeting waives any objection that person may have to:

- (1) a failure to give notice, or the giving of a defective notice, of the meeting unless the person at the beginning of the meeting objects to the holding of the meeting; and

- (2) the consideration of a particular matter at the meeting which is not within the business referred to in the notice of the meeting, unless the person objects to considering the matter when it is first presented.

5.36.3 Admission to general meetings

- (a) The chairperson of a general meeting may take any action he or she considers appropriate for the safety of persons attending the meeting and the orderly conduct of the meeting and may refuse admission to, or require to leave and remain out of, the meeting any person:
 - (1) in possession of a pictorial-recording-~~/~~ broadcasting or sound-recording-~~/~~ broadcasting device;
 - (2) in possession of a placard or banner;
 - (3) in possession of an article considered by the chairperson to be dangerous, offensive or liable to cause disruption;
 - (4) who refuses to produce or permit examination of any article, or the contents of any article, in the person's possession;
 - (5) who does not comply with security arrangements;
 - ~~(5)~~(6) who behaves or threatens to behave in a dangerous, offensive or disruptive way; or
 - ~~(6)~~(7) who is not entitled to receive notice of the meeting.

The chairperson may delegate the powers conferred by this rule to any person he or she thinks fit.
- (b) A person, whether a member or not, requested by the directors or the chairperson to attend a general meeting is entitled to be present and, at the request of the chairperson, to speak at the meeting.
- (c) If the chairperson of a general meeting considers that there is not enough room for the members who wish to attend the meeting, he or she may arrange for any person whom he or she considers cannot be seated in the main meeting room to observe or attend the general meeting in a separate room. Providing members in the separate room are able to communicate with the chairperson and members in the main meeting room, the meeting will be treated as validly held in the main room.
- (d) If a separate meeting place is linked to the main place of a general meeting by ~~an~~ one (or more) instantaneous audio-visual communication ~~device~~ devices (or other electronic or online facilities) which, by itself or in conjunction with other arrangements:
 - (1) gives the general body of members in the separate meeting place a reasonable opportunity to participate in proceedings in the main place; (including by remote participation from multiple meeting places); and
 - ~~(2) — enables the chairperson to be aware of proceedings in the other place; and~~
 - ~~(3)~~(2) enables the members in the separate meeting place to vote on a ~~show of hands or on a~~ poll,

a member present at the separate meeting place is taken to be present at the general meeting and entitled to exercise all rights as if he or she was present at the main place.

(e) If, before or during the general meeting, any technical difficulty occurs where one or more of the matters set out in rule 6.3(d) is not satisfied, the chairperson may:

(1) adjourn the meeting until the difficulty is remedied; or

(2) continue to hold the meeting in the main place (and any other place which is linked under rule 6.3(d)) and transact business, and no member may object to the meeting being held or continuing.

~~(e)~~(f) Nothing in this rule 6.3 or in rule 6.6 is to be taken to limit the powers conferred on the chairperson by law.

5.46.4 Quorum at general meetings

- (a) No business may be transacted at a general meeting, except the election of a chairperson and the adjournment of the meeting, unless a quorum of members is present when the meeting proceeds to business.
- (b) A quorum is 5 or more members present at the meeting and entitled to vote on a resolution at the meeting.
- (c) If a quorum is not present within 30 minutes after the time appointed for the general meeting (or any longer period of time as the chairperson may allow):
 - (1) where the meeting was called at the request of members, the meeting must be dissolved; or
 - (2) in any other case, the meeting stands adjourned to the day, and at the time and place, the directors present decide or, if they do not make a decision, to the same day in the next week at the same time and place and if, at the adjourned meeting, a quorum is not present within 30 minutes after the time appointed for the meeting, the meeting must be dissolved.

5.56.5 Chairperson of general meetings

- (a) The chairperson of directors or, in the absence of the chairperson of directors, the deputy chairperson of directors is entitled, if present within 15 minutes after the time appointed for a general meeting and willing to act, to preside as chairperson at the meeting.
- (b) The directors present may choose one of their number to preside as chairperson if, at a general meeting:
 - (1) there is no chairperson or deputy chairperson of directors;
 - (2) neither the chairperson nor the deputy chairperson of directors is present within 15 minutes after the time appointed for the meeting; or
 - (3) neither the chairperson nor the deputy chairperson of directors is willing to act as chairperson of the meeting.
- (c) If the directors do not choose a chairperson under rule 6.5(b), the members present must elect as chairperson of the meeting:
 - (1) another director who is present and willing to act; or

- (2) if no other director willing to act is present at the meeting, a member who is present and willing to act.
- (d) A chairperson of a general meeting may, for any item of business or discrete part of the meeting, vacate the chair in favour of another person nominated by him or her.

5.6.6 Conduct at general meetings

- (a) Subject to the provisions of the Act, the chairperson of a general meeting is responsible for and has charge of the general conduct of the meeting and ~~for~~ the procedures to be adopted at the meeting.
- (b) The chairperson may at any time the chairperson considers it necessary or desirable for the proper and orderly conduct of the meeting:
 - (1) impose a limit on the time that a person may speak on each motion or other item of business and terminate debate or discussion on any business, question, motion or resolution being considered by the meeting and at the chairperson's further discretion, require the business, question, motion or resolution to be put to a vote of the members present; and
 - (2) adopt any procedures for casting or recording votes at the meeting whether on a show of hands or on a poll, including the appointment of scrutineers.
- (c) A decision by a chairperson under rules 6.6(a) or 6.6(b) is final.
- (d) The chairperson may postpone the meeting before it has started, whether or not a quorum is present, if, at the time and place appointed for the meeting, he or she considers that:
 - (1) there is not enough room for the number of members who wish to attend the meeting; or
 - (2) a postponement is necessary in light of the behaviour of persons present or for any other reason so that the business of the meeting can be properly carried out.
- (e) A postponement under rule 6.6(d) will be to another time, which may be on the same day as the meeting, and may be to another place (and the new time and place will be taken to be the time and place for the meeting as if specified in the notice which called the meeting originally).
- (f) The chairperson may at any time during the course of the meeting:
 - (1) adjourn the meeting or any business, motion, question or resolution being considered or remaining to be considered by the meeting either to a later time at the same meeting or to an adjourned meeting; and
 - (2) for the purpose of allowing any poll to be taken or determined, suspend the proceedings of the meeting for such period or periods as he or she decides without effecting an adjournment. No business may be transacted and no discussion may take place during any suspension of proceedings unless the chairperson otherwise allows.
- (g) The chairperson's rights under rules 6.6(d) and 6.6(f) are exclusive and, unless the chairperson requires otherwise, no vote may be taken or demanded by the members present concerning any postponement, adjournment or suspension of proceedings.

- (h) Only unfinished business may be transacted at a meeting resumed after an adjournment.
- (i) Where a meeting is postponed or adjourned under this rule 6.6, notice of the postponed or adjourned meeting must be given to the Exchange, but, except as provided by rule 6.6(k), need not be given to any other person.
- (j) Where a meeting is postponed or adjourned, the directors may, by notice to the Exchange, postpone, cancel or change the place of the postponed or adjourned meeting.
- (k) Where a meeting is postponed or adjourned for 30 days or more, notice of the postponed or adjourned meeting must be given as in the case of the original meeting.

5.7.6.7 Decisions at general meetings

- (a) Except where a resolution requires a special majority, questions arising at a general meeting must be decided by a majority of votes cast by the members present at the meeting. A decision made in this way is for all purposes a decision of the members.
- (b) If the votes are equal on a proposed resolution, the chairperson of the meeting ~~has~~ is not entitled to a casting vote, in addition to any deliberative vote.
- (c) ~~A~~ Subject to the Listing Rules, a resolution put to the vote of a general meeting ~~must~~ may, at the election of the chairperson, be decided on a show of hands unless a poll is demanded:
 - (1) before the show of hands is taken;
 - (2) before the result of the show of hands is declared; or
 - (3) immediately after the result of the show of hands is declared.
- (d) A poll may be demanded by:
 - (1) the chairperson of the meeting;
 - (2) at least five members entitled to vote on the resolution; or
 - (3) members with at least 5% of the votes that may be cast on the resolution on a poll.
- (e) A demand for a poll does not prevent a general meeting continuing to transact any business except the question on which the poll is demanded.
- (f) Unless a poll is duly demanded, a declaration by the chairperson of a general meeting that a resolution has on a show of hands been carried or carried unanimously, or carried 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 for or against the resolution.
- (g) If a poll is duly demanded at a general meeting, it must be taken in the way and either at once or after an interval or adjournment as the chairperson of the meeting directs. The result of the poll as declared by the chairperson is the resolution of the meeting at which the poll was demanded. The result of the poll may be declared in the manner and at the time (whether during the relevant meeting or afterwards) that the chairperson considers appropriate.

- (h) A poll cannot be demanded at a general meeting on the election of a chairperson of the meeting.
- (i) The demand for a poll may be withdrawn with the chairperson's consent.

5.86.8 Voting rights

- (a) Subject to this constitution and to any rights or restrictions attached to any shares or class of shares, at a general meeting:
 - (1) on a show of hands, every member present has one vote; and
 - (2) on a poll, every member present ([and every member who has duly lodged a valid Direct Vote under rule 6.10](#)) has one vote for each share held as at the record time by the member entitling the member to vote, except for partly paid shares, each of which confers on a poll only the fraction of one vote which the amount paid (not credited) on the share bears to the total amounts paid and payable (excluding amounts credited) on the share. An amount paid in advance of a call is disregarded for this purpose.
- (b) If a person present at a general meeting represents personally or by proxy, attorney or representative more than one member, on a show of hands the person is entitled to one vote only even though he or she represents more than one member.
- (c) A joint holder may vote at a meeting either personally or by proxy, attorney or representative as if that person was the sole holder. If more than one joint holder tenders a vote in respect of the relevant shares, the vote of the holder named first in the register 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.
- (d) The parent or guardian of an infant member may vote at any general meeting upon such evidence being produced of the relationship or of the appointment of the guardian as the directors may require and any vote so tendered by a parent or guardian of an infant member must be accepted to the exclusion of the vote of the infant member.
- (e) A person entitled to a share because of a transmission event may vote at a general meeting in respect of that share in the same way as if that person were the registered holder of the share if, at least 48 hours before the meeting (or such shorter time as the directors determine), the directors:
 - (1) admitted that person's right to vote at that meeting in respect of the share; or
 - (2) were satisfied of that person's right to be registered as the holder of, or to transfer, the share.Any vote duly tendered by that person must be accepted and the vote of the registered holder of those shares must not be counted.
- (f) Where a member holds a share on which a call or other amount payable to the company has not been duly paid:
 - (1) that member is only entitled to be present at a general meeting and vote if that member holds, as at the record time, other shares on which no money is then due and payable; and

- (2) on a poll, that member is not entitled to vote in respect of that share but may vote in respect of any shares that member holds, as at the record time, on which no money is then due and payable.
- (g) A member is not entitled to vote on a resolution if, under the Act or the Listing Rules, the notice which called the meeting specified that:
 - (1) the member must not vote or must abstain from voting on the resolution; or
 - (2) a vote on the resolution by the member must be disregarded for any purposes.

If the member or a person acting as proxy, attorney or representative of the member does tender a vote on that resolution, their vote must not be counted.
- (h) An objection to the validity of a vote tendered at a general meeting must be:
 - (1) raised before or immediately after the result of the vote is declared; and
 - (2) referred to the chairperson of the meeting, whose decision is final.
- (i) A vote tendered, but not disallowed by the chairperson of a meeting under rule 6.8(h), is valid for all purposes, even if it would not otherwise have been valid.
- (j) The chairperson may decide any difficulty or dispute which arises as to the number of votes which may be cast by or on behalf of any member and the decision of the chairperson is final.

5.96.9 Representation at general meetings

- (a) Subject to this constitution, each member entitled to vote at a general meeting may vote:
 - (1) in person or, where a member is a body corporate, by its representative;
 - (2) by not more than 2 proxies; or
 - (3) by not more than 2 attorneys.
- (b) A proxy, attorney or representative may, but need not, be a member of the company.
- (c) An instrument appointing a proxy is valid if it is in accordance with the Act or ~~in any form approved by the directors.~~
 - (1) in any form (including electronic); and
 - (2) received at any time,

that the directors prescribe or accept or that the chairperson of a general meeting accepts.
- (d) For the purposes of this rule 6.9 a proxy appointment received at an electronic address or by the electronic means specified in the notice of general meeting for the receipt of proxy appointment or otherwise received by the company in accordance with the Act is taken to have been ~~;~~
 - ~~(d)~~(1) signed or executed if the appointment:

~~(1)~~(A) includes or is accompanied by a personal identification code allocated by the company to the member making the appointment;

~~(2)~~(B) has been authorised by the member in another manner approved by the directors and specified in or with the notice of meeting; or

(C) is otherwise authenticated in accordance with the Act; and

(2) received at the registered office of the company and validated by the member if there is compliance with the requirements set out in the notice of meeting.

(e) If the company receives an instrument or form appointing a proxy, attorney or representative from a member and the directors consider that it is not properly executed or authenticated, or is incomplete or unclear:

(1) if the name, or the name of the office, of the proxy, attorney or representative, is not filled in or is unclear, then the proxy, attorney or representative of that member is the person specified by the company in the instrument or form of proxy or if no person is specified, the chairperson of that meeting;

(2) if the instrument or form has not been duly signed or authenticated, the company may return the instrument or form to the appointing member and request the member sign or authenticate the instrument or form and return it to the company within a period determined by the directors (which may be later than the time specified in the notice of meeting for the receipt of proxy appointments); and

(3) if the instrument or form is otherwise unclear or incomplete, the company may:

(A) by oral or written communication, clarify with the member any instruction on the appointment; and

(B) complete or amend the contents of any instrument or form to reflect the clarification in the instructions received from the member (which may occur later than the time specified in the notice of meeting for the receipt of proxy appointments) and the member appoints the company as its attorney for this purpose.

~~(0) is otherwise authenticated in accordance with the Act.~~

(f) A vote given in accordance with an instrument appointing a proxy or attorney is valid despite the transfer of the share in respect of which the instrument was given if the transfer is not registered by the time at which the instrument appointing the proxy or attorney is required to be received under rule ~~6.9(j)~~6.9(k).

(g) Unless the instrument or resolution appointing a proxy, attorney or representative provides differently, the proxy, attorney or representative has the same rights to speak, demand a poll, join in demanding a poll or act generally at the meeting as the member would have had if the member was present.

(h) Unless otherwise provided in the appointment of a proxy, attorney or representative, an appointment will be taken to confer authority:

- (1) even though the instrument may refer to specific resolutions and may direct the proxy, attorney or representative how to vote on those resolutions, to do any of the acts specified in rule ~~6.9(h)~~6.9(i); and
 - (2) even though the instrument may refer to a specific meeting to be held at a specified time or venue, where the meeting is rescheduled or adjourned to another time or changed to another venue, to attend and vote at the rescheduled or adjourned meeting or at the new venue.
- (i) The acts referred to in rule ~~6.9(g)~~6.9(h)(1) are:
- (1) to vote on any amendment moved to the proposed resolutions and on any motion that the proposed resolutions not be put or any similar motion;
 - (2) to vote on any procedural motion, including any motion to elect the chairperson, to vacate the chair or to adjourn the meeting; and
 - (3) to act generally at the meeting.
- (j) A proxy form issued by the company must allow for the insertion of the name of the person to be primarily appointed as proxy and may provide that, in circumstances and on conditions specified in the form that are not inconsistent with this constitution, the chairperson of the relevant meeting (or another person specified in the form) is appointed as proxy.
- (k) A proxy or attorney may not vote at a general meeting or adjourned meeting or on a poll unless the instrument appointing the proxy or attorney, and the authority under which the instrument is signed or a certified copy of the authority, are received by the company at least 48 hours (or, in the case of an adjournment or postponement of a meeting, including an adjourned meeting, any lesser time that the directors or the chairperson of the meeting decides) before the time for holding the meeting or adjourned meeting or taking the poll, as applicable. A document is received by the company under this rule ~~6.9(j)~~6.9(k) when it is received in accordance with the Act, and to the extent permitted by the Act, if the document is produced or the transmission of the document is otherwise verified to the company in the way specified in the notice of meeting.
- (l) The appointment of a proxy or attorney is not revoked by the appointor attending and taking part in the general meeting, but if the appointor votes on a resolution, the proxy or attorney is not entitled to vote, and must not vote, as the appointor's proxy or attorney on the resolution.
- (m) Where a member appoints 2 proxies or attorneys to vote at the same general meeting:
- (1) if the appointment does not specify the proportion or number of the member's votes each proxy or attorney may exercise, each proxy or attorney may exercise half the member's votes;
 - (2) on a show of hands, neither proxy or attorney may vote if more than one proxy or attorney attends; and
 - (3) on a poll, each proxy or attorney may only exercise votes in respect of those shares or voting rights the proxy or attorney represents.
- (n) Unless written notice of the matter has been received at the company's registered office (or at another place specified for lodging an appointment of a proxy or attorney for the meeting) at least 48 hours (or, in the case of an adjournment or postponement

of a meeting, any lesser time that the directors or the chairperson of the meeting decide) before the time for holding a meeting, adjourned meeting or poll, a vote cast by a proxy or attorney is valid even if, before the vote is cast:

- (1) a transmission event occurs to the member; or
 - (2) the member revokes the appointment of the proxy or attorney or revokes the authority under which a third party appointed the proxy or attorney.
- (o) Where authority is given to a proxy, attorney or representative concerning a meeting to be held on or before a specified date or at a specified place and that meeting is postponed to a later date or the meeting place is changed, the authority is taken to include authority to act at the re-scheduled meeting unless the member granting the authority gives the company notice to the contrary under rule ~~6.9~~[6.9\(k\)](#).
- (p) The chairperson of a meeting may:
- (1) permit a person claiming to be a representative to exercise the powers of a representative, even if the person is unable to establish to the chairperson's satisfaction that he or she has been validly appointed; or
 - (2) permit the person to exercise those powers on the condition that, if required by the company, he or she produce evidence of the appointment within the time set by the chairperson.
- (q) The chairperson of a meeting may require a person acting as a proxy, attorney or representative to establish to the chairperson's satisfaction that the person is the person duly appointed to act. If the person fails to satisfy the requirement, the chairperson may exclude the person from attending or voting at the meeting.
- (r) The chairperson may delegate his or her powers under ~~paragraph 6.9~~[rules 6.9\(p\)](#) and ~~6.9~~[6.9\(q\)](#) to any person.

6.10 Direct Votes

- (a) In this rule 6.10, a "Direct Vote" is a notice of a member's voting intention delivered to the company by post, fax, electronic or other means approved by the directors and otherwise in accordance with the constitution and regulations, rules and procedures made by the directors in accordance with this rule 6.10.
- (b) The directors may, subject to this constitution, prescribe regulations, rules and procedures in relation to the giving of Direct Votes (including specifying the form, method and timing of giving a Direct Vote at or for the purposes of a meeting of members in order for the vote to be valid) and for revoking a Direct Vote. Without limitation, such regulations, rules and procedures may permit a member to give a Direct Vote prior to the particular meeting of members. The directors must specify in the notice of meeting, or in any document accompanying the notice of meeting or otherwise made available to members for the purpose of the meeting, the form, method and timing of giving a Direct Vote in order for the Direct Vote to be valid.
- (c) If sent by post or fax, a Direct Vote must be signed by the member or by a properly authorised attorney, or if the member is a company, either under seal or by a duly authorised officer or representative.
- (d) If sent or lodged electronically, a Direct Vote is taken to have been signed if it has been signed or authorised by the member in the manner approved by the directors or specified in the notice of meeting.

- (e) At least 48 hours before the time for holding the particular meeting of members, adjourned meeting or a poll at which a person proposes to cast a vote (or by any other time as the directors may permit (including the time of the vote where the directors permit voting to occur electronically in real time) or as specified by the Act), the company must receive at its registered office or at such other electronic address or by such other electronic means specified for that purpose in the notice of meeting:
- (1) the Direct Vote; and
 - (2) if relevant, any power or authority under which the Direct Vote was signed or a certified copy of that power or authority if not already lodged with the company.
- (f) A Direct Vote is valid if it contains the member's name and address or any applicable identifying notations approved by the directors or specified in the notice of meeting.
- (g) A Direct Vote by a member is not revoked by the member attending the meeting of members unless the member instructs the company (or at the company's instruction, the company's share registry) prior to the meeting that the member wishes to vote in person on any or all of the resolutions to be put before the meeting, in which case the Direct Vote by the member is revoked.
- (h) A Direct Vote by a member is automatically revoked if the company receives a further valid Direct Vote from the member.
- (i) A Direct Vote by a member is automatically revoked if, after the Direct Vote is received, the company receives a valid proxy, attorney or representative appointment in respect of that member for the particular meeting.
- (j) A Direct Vote by a member revokes the authority of a previously provided proxy, power of attorney or representative under rule 6.9, in respect of that member for the particular meeting.
- (k) A Direct Vote by a member is valid even if prior to the vote being counted:
- (1) the member becomes of unsound mind or dies;
 - (2) the member wishes to change their vote; or
 - (3) where the Direct Vote is given on behalf of the member by an attorney, the appointment of the attorney or the authority under which the appointment was made is revoked.
- if no notice in writing of the relevant event has been received by the company at its registered office at least 48 hours (or any shorter period as the directors may permit or specified in the Act) before the commencement of the meeting of members or adjourned meeting to which the Direct Vote relates.
- (l) If the chairperson of the meeting determines it is appropriate, a Direct Vote by a member on a resolution is taken to be a Direct Vote on the resolution as amended.

67 Directors

6.17.1 Appointment and retirement of directors

- (a) The minimum number of directors is 3. The maximum number of directors is to be fixed by the directors, but may not be more than 10 unless the company in general

meeting resolves otherwise. The directors must not determine a maximum which is less than the number of directors in office at the time the determination takes effect.

- (b) The directors may appoint any individual to be a director, either as an addition to the existing directors or to fill a casual vacancy, but so that the total number of directors does not exceed the maximum number fixed under this constitution.
- (c) A director appointed by the directors under rule 7.1(b), who is not a managing director, holds office only until the conclusion of the next AGM following his or her appointment.

- (d) ~~At~~ There must be an election of directors at every AGM if the ~~This can be satisfied by one or more of the following, so long as the maximum~~ number of directors, ~~after excluding:~~ determined in accordance with rule 7.1(a) is not exceeded:

~~(1) — a director who is a managing director; and~~

~~(2)(1) — a director appointed by the directors under rule 7.1(b) and a person standing for election;~~ as a new director in accordance with rules 7.1(g) or 7.1(i);

~~(2) —~~ any director who was appointed under rule 7.1(b) standing for election as a director;

~~(3) —~~ any director who is retiring at the end of the AGM due to the tenure limitation in rule 7.1(e), standing for re-election; or

~~(4) —~~ if no person or director is standing for election or re-election in accordance with paragraphs (1), (2) or (3), any director who wishes to retire and stand for re-election. Otherwise, the person, who is not a managing director, who has been a director the longest without re-election must retire and stand for re-election. If two or more directors have been a director the longest and for an equal time without re-election, then in default of agreement, the director to retire will be determined by lot.

~~is 5 or less, then 2 of the remaining directors must retire from office or, if the number is more than 5, one third of those directors (to the nearest whole number) must retire from office.~~

- ~~(f)(e) —~~ No director who is not the managing director may hold office without re-election beyond the third AGM following the meeting at which the director was last elected or re-elected.;

~~(1) —~~ beyond the third AGM following the director's appointment or last election;
or

~~(2) —~~ for more than 3 years,

whichever is longer.

- ~~(g)(f) —~~ If there is more than one managing director, only one of them, nominated by the directors, is entitled not to be subject to vacation of office under rule 7.1(c) or retirement under rule-rules 7.1(d) or 7.1(e).

- ~~(h) —~~ The directors to retire under rule 7.1(d) are those directors who wish to retire and not offer themselves for re-election and, so far as is necessary to obtain the number required, those who have been longest in office since their last election or appointment. As between directors who were last elected or appointed on the same

~~day, those to retire must, unless they can agree among themselves, be decided by lot.~~

~~(j) The directors to retire under rule 7.1(d) (both as to number and identity) is decided having regard to the composition of the board of directors at the date of the notice calling the AGM. A director is not required to retire and is not relieved from retiring because of a change in the number or identity of the directors after the date of the notice but before the meeting closes.~~

~~(j)(g)~~ The company may by resolution at an AGM fill an office vacated by a director under rules 7.1(c) ~~or~~ 7.1(d) or 7.1(e) by electing or re-electing an eligible person to that office.

~~(k)(h)~~ The retirement of a director from office under this constitution and the re-election of the director or the election of another person to that office (as the case may be) takes effect at the conclusion of the meeting at which the retirement and re-election or election occur.

~~(l)(i)~~ A person is eligible for election to the office of a director at a general meeting only if:

- (1) the person is in office as a director immediately before that meeting;
- (2) the person has been nominated by the directors for election at that meeting;
- (3) where the person is a member, he or she has at least 35 business days and, in the case of a general meeting the directors have been duly requested by members under the Act to call, at least 30 business days but, in each case, no more than 90 business days before the meeting, given the company a notice signed by him or her stating the member's desire to be a candidate for election at that meeting; or
- (4) where the person is not a member, a member intending to nominate the person for election at that meeting has, at least 35 business days and, in the case of a general meeting the directors have been duly requested by members under the Act to call, at least 30 business days but, in each case, no more than 90 business days before the meeting, given the company a notice signed by the member stating the member's intention to nominate the person for election, and a notice signed by the person stating his or her consent to the nomination.

~~(m)(j)~~ A partner, employer or employee of an auditor of the company may not be appointed or elected as a director.

~~(n) Where the office of a director has become vacant under rule 7.1(l) and the vacancy is not filled at the relevant AGM, the office may be filled as a casual vacancy.~~

6.37.2 Vacating office

In addition to the circumstances prescribed by the Act and this constitution, the office of a director becomes vacant if the director:

- (a) becomes of unsound mind or a person who is, or whose estate is, liable to be dealt with in any way under the law relating to mental health;
- (b) becomes bankrupt or insolvent or makes any arrangement or composition with his or her creditors generally;

- (c) is convicted on indictment of an offence and the directors do not within 1 month after that conviction resolve to confirm the director's appointment or election (as the case may be) to the office of director;
- (d) fails to attend meetings of the directors for more than 6 consecutive months without leave of absence from the directors and a majority of the other directors have not, within 14 days of having been given a notice by the company secretary giving details of the absence, resolved that leave of absence be granted; or
- (e) resigns by written notice to the company.

6.47.3 Remuneration

- (a) Each director is entitled to such remuneration from the company for his or her services as a director as the directors decide but the total amount provided to all directors (excluding any managing director or executive directors) for their services as directors must not exceed in aggregate in any financial year the amount fixed by the company in general meeting.
 - (b) The sum fixed by the company in general meeting under rule 7.3(a) includes superannuation contributions and any fees sacrificed for other benefits, but does not include payments under rules 7.3(g) (unless otherwise determined), 7.3(f), 7.3(j) (except superannuation contributions for the benefit of a director) or 9 or securities issued under Listing Rule 10.11 or 10.14 with the approval of the holders of the company's ordinary securities.
 - ~~(b)~~(c) Remuneration under rule 7.3(a) may be provided in such manner that the directors decide, including by way of non cash benefit, such as a contribution to a superannuation fund.
 - ~~(e)~~(d) The remuneration is taken to accrue from day to day.
 - ~~(d)~~(e) The remuneration of a director (who is not a managing director or an executive director) must not include a commission on, or a percentage of, profits or operating revenue.
 - ~~(e)~~(f) The directors are entitled to be paid all travelling and other expenses they incur in attending to the company's affairs, including attending and returning from general meetings of the company or meetings of the directors or of committees of the directors.
 - ~~(f)~~(g) If a director, with the concurrence of the directors, performs extra services or makes any special exertions for the benefit of the company, the directors may cause that director to be paid out of the funds of the company such special and additional remuneration as the directors decide is appropriate having regard to the value to the company of the extra services or special exertions.
 - ~~(g)~~(h) If a director is also an officer of the company or of a related body corporate in a capacity other than director, any remuneration that director may receive for acting as that officer may be either in addition to or instead of that director's remuneration under rule 7.3(a).
 - ~~(h)~~(i) The directors may:
 - (1) at any time after a director dies or ceases to hold office as a director for any other reason, pay or provide to the director or a legal personal representative, spouse, relative or dependant of the director, in addition to

the remuneration of that director under rule 7.3(a), a pension or benefit for past services rendered by that director; and

- (2) cause the company to enter into a contract with the director or a legal personal representative, spouse, relative or dependant of the director to give effect to such a payment or provide for such a benefit.

~~(h)~~(j) The directors may establish or support, or assist in the establishment or support, of funds and trusts to provide pension, retirement, superannuation or similar payments or benefits to or in respect of the directors or former directors and grant pensions and allowances to those persons or their dependants either by periodic payment or a lump sum.

6.57.4 Director need not be a member

- (a) A director is not required to hold any shares in the company to qualify for appointment.
- (b) A director is entitled to attend and speak at general meetings and at meetings of the holders of a class of shares, even if he or she is not a member or a holder of shares in the relevant class.

6.67.5 Directors may contract with the company and hold other offices

- (a) The directors may make regulations requiring the disclosure of interests that a director, and any person deemed by the directors to be related to or associated with the director, may have in any matter concerning the company or a related body corporate. Any regulations made under this constitution bind all directors.
- (b) No act, transaction, agreement, instrument, resolution or other thing is invalid or voidable only because a person fails to comply with any regulation made under rule 7.5(a).
- (c) A director is not disqualified from contracting or entering into an arrangement with the company as vendor, purchaser or in another capacity, merely because the director holds office as a director or because of the fiduciary obligations arising from that office.
- (d) A contract or arrangement entered into by or on behalf of the company in which a director is in anyway interested is not invalid or voidable merely because the director holds office as a director or because of the fiduciary obligations arising from that office.
- (e) A director who is interested in any arrangement involving the company is not liable to account to the company for any profit realised under the arrangement merely because the director holds office as a director or because of the fiduciary obligations arising from that office, provided that the director complies with the disclosure requirements applicable to the director under rule 7.5(a) and under the Act regarding that interest.
- (f) A director may hold any other office or position (except auditor) in the company or any related body corporate in conjunction with his or her directorship and may be appointed to that office or position on terms (including remuneration and tenure) the directors decide.
- (g) A director may be or become a director or other officer of, or interested in, any related body corporate or any other body corporate, and need not account to the company

for any remuneration or other benefits the director receives as a director or officer of, or from having an interest in, that body corporate.

- (h) A director who has an interest in a matter that is being considered at a meeting of directors may, despite that interest, vote, be present and be counted in a quorum at the meeting, unless that is prohibited by the Act. No act, transaction, agreement, instrument, resolution or other thing is invalid or voidable only because a director fails to comply with that prohibition.
- (i) The directors may exercise the voting rights given by shares in any corporation held or owned by the company in any way the directors decide. This includes voting for any resolution appointing a director as a director or other officer of that corporation or voting for the payment of remuneration to the directors or other officers of that corporation. A director may, if the law permits, vote for the exercise of those voting rights even though he or she is, or may be about to be appointed, a director or other officer of that other corporation and, in that capacity, may be interested in the exercise of those voting rights.
- (j) A director who is interested in any contract or arrangement may, despite that interest, witness the fixing of the seal to any document evidencing or otherwise connected with that contract or arrangement.

6.77.6 Powers and duties of directors

- (a) The directors are responsible for managing the business of the company and may exercise all powers and do all things that are within the company's power and are not expressly required by the Act or this constitution to be exercised by the company in a general meeting.
- (b) The directors may exercise all the powers of the company:
 - (1) to borrow or raise money in any other way;
 - (2) to charge any of the company's property or business or any of its uncalled capital; and
 - (3) to issue debentures or give any security for a debt, liability or obligation of the company or of any other person.
- (c) Debentures or other securities may be issued on the terms and at prices decided by the directors, including bearing interest or not, with rights to subscribe for, or exchange into, shares or other securities in the company or a related body corporate or with special privileges as to redemption, participating in share issues, attending and voting at general meetings and appointing directors.
- (d) The directors may decide how cheques, promissory notes, banker's drafts, bills of exchange or other negotiable instruments must be signed, drawn, accepted, endorsed or otherwise executed, as applicable, by or on behalf of the company.
- (e) The directors may:
 - (1) appoint or employ any person as an officer, agent or attorney of the company for the purposes, with the powers, discretions and duties (including powers, discretions and duties vested in or exercisable by the directors), for any period and on any other conditions they decide;
 - (2) authorise an officer, agent or attorney to delegate any of the powers, discretions and duties vested in the officer, agent or attorney; and

- (3) remove or dismiss any officer, agent or attorney of the company at any time, with or without cause.
- (f) A power of attorney may contain any provisions for the protection and convenience of the attorney or persons dealing with the attorney that the directors decide.
- (g) Nothing in this rule 7.6 limits the general nature of ~~the~~ rule 7.6(a).

6.87.7 Proceedings of directors

- (a) The directors may meet together to attend to business and adjourn and otherwise regulate their meetings as they decide.
- (b) The contemporaneous linking together by telephone or other electronic means of a sufficient number of directors to constitute a quorum, constitutes a meeting of the directors. All the provisions in this constitution relating to meetings of the directors apply, as far as they can and with any necessary changes, to meetings of the directors by telephone or other electronic means.
- (c) A meeting by telephone or other electronic means is to be taken to be held at the place where the chairperson of the meeting is or at such other place the chairperson of the meeting decides on, as long as at least one of the directors involved was at that place for the duration of the meeting.
- (d) A director taking part in a meeting by telephone or other electronic means is to be taken to be present in person at the meeting.
- (e) If, before or during the meeting, any technical difficulty occurs whereby one or more directors cease to participate, the chairperson may adjourn the meeting until the difficulty is remedied or may, where a quorum of directors remains present, continue with the meeting.

6.97.8 Calling meetings of directors

- (a) A director may, whenever the director thinks fit, call a meeting of the directors.
- (b) A secretary must, if requested by a director, call a meeting of the directors.

6.107.9 Notice of meetings of directors

- (a) Notice of a meeting of directors must be given to each person who is at the time the notice is given:
 - (1) a director, except a director on leave of absence approved by the directors;
or
 - (2) an alternate director appointed under rule 7.14 by a director on leave of absence approved by the directors.
- (b) A notice of a meeting of directors:
 - (1) must specify the time and place of the meeting;
 - (2) need not state the nature of the business to be transacted at the meeting;
 - (3) may, if necessary, be given immediately before the meeting;
 - (4) may be given in person or by post or by telephone, fax or other electronic means; and

- (5) will be taken to have been given to an alternate director if it is given to the director who appointed that alternate director.
- (c) A director or alternate director may waive notice of a meeting of directors by giving notice to that effect in person or by post or by telephone, fax or other electronic means.
- (d) Failure to give a director or alternate director notice of a meeting of directors does not invalidate anything done or any resolution passed at the meeting if:
 - (1) the failure occurred by accident or inadvertent error; or
 - (2) the director or alternate director attended the meeting or waived notice of the meeting (whether before or after the meeting).
- (e) A person who attends a meeting of directors waives any objection that person may have to a failure to give notice of the meeting.

6.117.10 Quorum at meetings of directors

- (a) No business may be transacted at a meeting of directors unless a quorum of directors is present at the time the business is dealt with.
- (b) Unless the directors decide differently, 2 directors constitute a quorum.
- (c) If there is a vacancy in the office of a director, the remaining directors may act. But, if their number is not sufficient to constitute a quorum, they may act only in an emergency or to increase the number of directors to a number sufficient to constitute a quorum or to call a general meeting of the company.

6.127.11 Chairperson and deputy chairperson of directors

- (a) The directors may elect a director to the office of chairperson of directors and may elect one or more directors to the office of deputy chairperson of directors. The directors may decide the period for which those offices will be held.
- (b) The office of chairperson of directors or deputy chairperson of directors may, if the directors so resolve, be treated as an extra service or special exertion performed by the director holding that office for the purposes of rule ~~7.3~~7.3(g).
- (c) The chairperson of directors is entitled (if present within 10 minutes after the time appointed for the meeting and willing to act) to preside as chairperson at a meeting of directors.
- (d) If at a meeting of directors:
 - (1) there is no chairperson of directors:
 - (2) the chairperson of directors is not present within 10 minutes after the time appointed for the holding of the meeting; or
 - (3) the chairperson of directors is present within that time but is not willing or declines to act as chairperson of the meeting,

the deputy chairperson if any, if then present and willing to act, is entitled to be chairperson of the meeting or if the deputy chairperson is not present or is unwilling or declines to act as chairperson of the meeting, the directors present must elect one of themselves to chair the meeting.

6.137.12 Decisions of directors

- (a) The directors, at a meeting at which a quorum is present, may exercise any authorities, powers and discretions vested in or exercisable by the directors under this constitution.
- (b) Questions arising at a meeting of directors must be decided by a majority of votes cast by the directors present entitled to vote on the matter.
- (c) Subject to rule 7.12(d), if the votes are equal on a proposed resolution, the chairperson of the meeting has a casting vote, in addition to his or her deliberative vote.
- (d) Where only 2 directors are present or entitled to vote at a meeting of directors and the votes are equal on a proposed resolution:
 - (1) the chairperson of the meeting does not have a second or casting vote; and
 - (2) the proposed resolution is taken as lost.

6.147.13 Written resolutions

- (a) If:
 - (1) all of the directors (other than any director on leave of absence approved by the directors, any director who disqualifies himself or herself from considering the resolution in question and any director who would be prohibited by the Act from voting on the resolution in question) sign or consent to a written resolution; and
 - (2) the directors who sign or consent to the resolution would have constituted a quorum at a meeting of directors held to consider that resolution,

then the resolution is taken to have been passed by a meeting of the directors.

- (b) A director may consent to a resolution by:
 - (1) signing the document containing the resolution (or a copy of that document);
 - (2) giving to the company at its registered office a written notice (including by fax or other electronic means) addressed to the secretary or to the chairperson of directors signifying assent to the resolution and either setting out its terms or otherwise clearly identifying them; or
 - (3) telephoning the secretary or the chairperson of directors and signifying assent to the resolution and clearly identifying its terms.

6.157.14 Alternate directors

- (a) A director may, with the approval of a majority of the other directors, appoint a person to be the director's alternate director for such period as the director decides.
- (b) An alternate director may, but need not, be a member or a director of the company.
- (c) One person may act as alternate director to more than 1 director.
- (d) In the absence of the appointee, an alternate director may exercise any powers (except the power to appoint an alternate director) that the appointee may exercise.

- (e) An alternate director is entitled, if the appointee does not attend a meeting of directors, to attend and vote in place of and on behalf of the appointee.
- (f) An alternate director is entitled to a separate vote for each director the alternate director represents in addition to any vote the alternate director may have as a director in his or her own right.
- (g) An alternate director, when acting as a director, is responsible to the company for his or her own acts and defaults and is not to be taken to be the agent of the director by whom he or she was appointed.
- (h) The office of an alternate director is vacated if and when the appointee vacates office as a director.
- (i) The appointment of an alternate director may be terminated or suspended at any time by the appointee or by a majority of the other directors.
- (j) An appointment, or the termination or suspension of an appointment of an alternate director, must be in writing and signed and takes effect only when the company has received notice in writing of the appointment, termination or suspension.
- (k) An alternate director is not to be taken into account in determining the minimum or maximum number of directors allowed or the rotation of directors under this constitution.
- (l) In determining whether a quorum is present at a meeting of directors, an alternate director who attends the meeting is to be counted as a director for each director on whose behalf the alternate director is attending the meeting.
- (m) An alternate director is not entitled to receive any remuneration as a director from the company otherwise than out of the remuneration of the director appointing the alternate director but is entitled to travelling, hotel and other expenses reasonably incurred for the purpose of attending any meeting of directors at which the appointee is not present.

6.167.15 Committees of directors

- (a) The directors may delegate any of their powers, ~~other than powers required by law to be dealt with by directors as a board,~~ to a committee ~~of directors or committees consisting of at least one director and such other persons as they think fit.~~
- (b) A committee to which any powers have been delegated must exercise the powers delegated in accordance with any directions of the directors.
- (c) The provisions of this constitution applying to meetings and resolutions of directors apply, so far as they can and with any necessary changes, to meetings and resolutions of a committee ~~of directors~~, except to the extent they are contrary to any direction given under rule 7.15(b).
- (d) Membership of a committee ~~of directors~~ may, if the directors so resolve, be treated as an extra service or special exertion performed by the directors for the purposes of rule ~~7.3~~(f7.3(g)).

6.177.16 Delegation to a director

- (a) The directors may delegate any of their powers to 1 director.
- (b) A director to whom any powers have been so delegated must exercise the powers delegated in accordance with any directions of the directors.

- (c) The acceptance of a delegation of powers by a director may, if the directors so resolve, be treated as an extra service or special exertion performed by the delegate for the purposes of rule ~~7.3~~[7.3\(g\)](#).

~~6.18~~[7.17](#) **Validity of acts**

An act done by a meeting of directors, a committee ~~of directors~~ or a person acting as a director is not invalidated by:

- (a) a defect in the appointment of a person as a director or a member of a committee; or
- (b) a person so appointed being disqualified or not being entitled to vote,

if that circumstance was not known by the directors, committee or person when the act was done.

[78](#) **Executive officers**

~~7.18.1~~ **Managing directors and executive directors**

- (a) The directors may appoint one or more of the directors to the office of managing director or other executive director.
- (b) A managing director's or other executive director's appointment automatically terminates if the managing director or other executive director ceases to be a director.
- (c) A managing director or other executive director may be referred to by any title the directors decide on.

~~7.28.2~~ **Secretary**

- (a) The directors must appoint at least 1 secretary and may appoint additional secretaries.
- (b) The directors may appoint 1 or more assistant secretaries.

~~7.38.3~~ **Provisions applicable to all executive officers**

- (a) A reference in this rule 8.3 to an executive officer is a reference to a managing director, deputy managing director, executive director, associate director, secretary or assistant secretary appointed under this rule 8.
- (b) The appointment of an executive officer may be for the period, at the remuneration and on the conditions the directors decide.
- (c) The remuneration payable by the company to an executive officer must not include a commission on, or percentage of, operating revenue.
- (d) The directors may:
- (1) delegate to or give an executive officer any powers, discretions and duties they decide;
 - (2) withdraw, suspend or vary any of the powers, discretions and duties given to an executive officer; and

- (3) authorise the executive officer to delegate any of the powers, discretions and duties given to the executive officer.
- (e) Unless the directors decide differently, the office of a director who is employed by the company or by a subsidiary of the company automatically becomes vacant if the director ceases to be so employed.
- (f) An act done by a person acting as an executive officer is not invalidated by:
 - (1) a defect in the person's appointment as an executive officer;
 - (2) the person being disqualified to be an executive officer; or
 - (3) the person having vacated office,
 if the person did not know that circumstance when the act was done.

89 Indemnity and insurance

8.19.1 Persons to whom rules 9.2 and ~~9.5~~9.3 apply

Rules 9.2 and ~~9.5~~9.3 apply:

- (a) to each person who is or has been a director, alternate director or executive officer (within the meaning of rule 8.3(a)) of the company; and
- (b) to such other officers or former officers of the company or of its related bodies corporate as the directors in each case determine; and
- (c) if the directors so determine, to any auditor or former auditor of the company or of its related bodies corporate,

(each an **Officer** for the purposes of this rule).

8.29.2 Indemnity

The company ~~must~~may indemnify each Officer on a full indemnity basis and to the full extent permitted by law against all losses, liabilities, costs, charges and expenses (**Liabilities**) incurred by the Officer as an officer of the company or of a related body corporate.

~~8.3~~ — ~~Limit on indemnity~~

~~The indemnity in rule 9.2 does not operate in respect of any Liability of the Officer to the extent that Liability is covered by insurance.~~

~~8.5~~ — ~~Extent of indemnity~~

~~The indemnity in rule 9.2:~~

- ~~(—) is enforceable without the Officer having to first incur any expense or make any payment;~~
- ~~(—) is a continuing obligation and is enforceable by the Officer even though the Officer may have ceased to be an officer of the company or its related bodies corporate; and~~
- ~~(—) applies to Liabilities incurred both before and after the adoption of this constitution.~~

8.109.3 Insurance

The company may, to the extent permitted by law:

- (a) purchase and maintain insurance; or
- (b) pay or agree to pay a premium for insurance,

for each Officer against any Liability incurred by the Officer as an officer or auditor of the company or of a related body corporate including, but not limited to, a liability for negligence or for reasonable costs and expenses incurred in defending proceedings, whether civil or criminal and whatever their outcome.

8.119.4 Savings

Nothing in rule 9.2 or [9.59.3](#):

- (a) affects any other right or remedy that a person to whom those rules apply may have in respect of any Liability referred to in those rules;
- (b) limits the capacity of the company to indemnify or provide or pay for insurance for any person to whom those rules do not apply; or
- (c) limits or diminishes the terms of any indemnity conferred or agreement to indemnify entered into prior to the adoption of this constitution.

8.129.5 Deed

The company may enter into a deed with any Officer to give effect to the rights conferred by this rule 9 or the exercise of a discretion under this rule 9 on such terms as the directors think fit which are not inconsistent with this rule 9.

910 Winding up

9.110.1 Distributing surplus

Subject to this constitution and the rights or restrictions attached to any shares or class of shares:

- (a) if the company is wound up and the property of the company available for distribution among the members is more than sufficient to pay:
 - (1) all the debts and liabilities of the company; and
 - (2) the costs, charges and expenses of the winding up,

the excess must be divided among the members in proportion to the number of shares held by them, irrespective of the amounts paid or credited as paid on the shares;

- (b) for the purpose of calculating the excess referred to in rule 10.1(a), any amount unpaid on a share is to be treated as property of the company;
- (c) the amount of the excess that would otherwise be distributed to the holder of a partly paid share under rule 10.1(a) must be reduced by the amount unpaid on that share at the date of the distribution; and
- (d) if the effect of the reduction under rule 10.1(c) would be to reduce the distribution to the holder of a partly paid share to a negative amount, the holder must contribute that amount to the company.

~~9.2~~10.2 Dividing property

- (a) If the company is wound up, the liquidator may, with the sanction of a special resolution:
 - (1) divide amongst the members the whole or any part of the company's property; and
 - (2) decide how the division is to be carried out as between the members or different classes of members.
- (b) A division under rule 10.2(a) need not accord with the legal rights of the members and, in particular, any class may be given preferential or special rights or may be excluded altogether or in part.
- (c) Where a division under rule 10.2(a) does not accord with the legal rights of the members, a member is entitled to dissent and to exercise the same rights as if the special resolution sanctioning that division were a special resolution passed under section 507 of the Act.
- (d) If any of the property to be divided under rule 10.2(a) includes securities with a liability to calls, any person entitled under the division to any of the securities may, within 10 days after the passing of the special resolution referred to in rule 10.2(a), by written notice direct the liquidator to sell the person's proportion of the securities and account for the net proceeds. The liquidator must, if practicable, act accordingly.
- (e) Nothing in this rule 10.2 takes away from or affects any right to exercise any statutory or other power which would have existed if this rule were omitted.
- (f) Rule 4.3 applies, so far as it can and with any necessary changes, to a division by a liquidator under rule 10.2(a) as if references in rule 4.3 to:
 - (1) the directors were references to the liquidator; and
 - (2) a distribution or capitalisation were references to the division under rule 10.2(a).

~~10~~11 Inspection of and access to records

- (a) A person who is not a director does not have the right to inspect any of the board papers, books, records or documents of the company, except as provided by law, or this constitution, or as authorised by the directors, or by resolution of the members.
- (b) The company may enter into contracts with its directors or former directors agreeing to provide continuing access for a specified period after the director ceases to be a director to board papers, books, records and documents of the company which relate to the period during which the director or former director was a director on such terms and conditions as the directors think fit and which are not inconsistent with this rule 11.
- (c) The company may procure that its subsidiaries provide similar access to board papers, books, records or documents as that set out in rules 11(a) and 11(b).
- (d) This rule 11 does not limit any right the directors or former directors otherwise have.

11.12 Seals

11.112.1 **Manner of execution**

Without limiting the ways in which the company can execute documents under the Act and subject to this constitution, the company may execute a document if the document is signed by:

- (a) 2 directors; or
- (b) a director and a secretary; or
- (c) any other person or persons authorised by the directors for that purpose.

11.212.2 **Common seal**

The company may have a common seal. If the company has a common seal, rules 12.3 to 12.7 apply.

11.312.3 **Safe custody of seal**

The directors must provide for the safe custody of the seal.

11.412.4 **Using the seal**

Subject to rule 12.7 and unless a different procedure is decided by the directors, if the company has a common seal any document to which it is affixed must be signed by:

- (a) 2 directors; or
- (b) by a director and a secretary; or
- (c) a director and another person appointed by the directors to countersign that document or a class of documents in which that document is included.

11.512.5 **Seal register**

- (a) The company may keep a seal register and, on affixing the seal to any document (other than a certificate for securities of the company) may enter in the register particulars of the document, including a short description of the document.
- (b) The register, or any details from it that the directors require, may be produced at meetings of directors for noting the use of the seal since the previous meeting of directors.
- (c) Failure to comply with rules 12.5(a) or 12.5(b) does not invalidate any document to which the seal is properly affixed.

11.612.6 **Duplicate seals and certificate seals**

- (a) The company may have 1 or more duplicate seals for use in place of its common seal outside the State or Territory where its common seal is kept. Each duplicate seal must be a facsimile of the common seal of the company with the addition on its face of the words "duplicate seal" and the name of the place where it is to be used.
- (b) A document sealed with a duplicate seal, or a certificate seal as provided in rule 12.7, is to be taken to have been sealed with the common seal of the company.

44.712.7 Sealing and signing certificates

The directors may decide either generally or in a particular case that the seal and the signature of any director, secretary or other person is to be printed on or affixed to any certificates for securities in the company by some mechanical or other means.

1213 Notices

42.413.1 Notices by the company to members

- (a) Without limiting any other way in which notice may be given to a member under this constitution, the Act or the Listing Rules, the company may give a notice to a member by:
- (1) delivering it personally to the member;
 - (2) sending it by prepaid post to the member's address in the register of members or any other address the member ~~supplies to the company for giving notices~~nominates; or
 - (3) sending it by fax or other electronic means to the fax number or electronic address the member has ~~supplied to the company for giving notices~~nominated; or
 - (4) notifying the member by an electronic means nominated by the member that:
 - (A) the notice is available; and
 - (B) how the member may access the notice.
- (b) The company may give a notice to the joint holders of a share by giving the notice in the way authorised by rule 13.1(a) to the joint holder who is named first in the register of members for the share.
- (c) The company may give a notice to a person entitled to a share as a result of a transmission event by delivering it or sending it in the manner authorised by rule 13.1(a) addressed to the name or title of the person, ~~to; or by notifying the person in the manner authorised by rule 13.1(a)(4):~~
- (1) to the address, fax number or electronic address, ~~or by the electronic means (as applicable)~~, that person has ~~supplied to the company for giving notices to that person~~nominated; or
 - (2) if that person has not ~~supplied~~nominated an address, fax number ~~or~~ electronic address or electronic means for receiving notices, to the address, fax number or electronic address to which the notice might have been sent, ~~or by the electronic means by which the member might have been notified (as applicable)~~, if that transmission event had not occurred.
- (d) A notice given to a member under rules 13.1(a) or 13.1(b) is, even if a transmission event has occurred and whether or not the company has notice of that occurrence:
- (1) duly given for any shares registered in that person's name, whether solely or jointly with another person; and
 - (2) sufficiently served on any person entitled to the shares because of the transmission event.

- (e) A notice given to a person who is entitled to a share because of a transmission event is sufficiently served on the member in whose name the share is registered.
- (f) A person who, because of a transfer of shares, becomes entitled to any shares registered in the name of a member, is taken to have received every notice which, before that person's name and address is entered in the register of members for those shares, is given to the member complying with this rule 13.1.
- (g) A signature to any notice given by the company to a member under this rule 13.1 may be printed or affixed by some mechanical or other means.
- (h) Where a member does not have a registered address [and has not nominated an alternative address in accordance with rule 13.1\(a\)](#), or where the company [reasonably](#) believes that member is not known at the member's registered address [or any alternative address provided](#), all notices are taken to be:
 - (1) given to the member if the notice is exhibited in the company's registered office for a period of 48 hours; and
 - (2) served at the commencement of that period,
 unless and until the member informs the company of the member's address. [The notice need not be addressed to the member.](#)

12.213.2 Notices by the company to directors

The company may give a notice to a director or alternate director by:

- (a) delivering it personally to him or her;
- (b) sending it by prepaid post to his or her usual residential or business address, or any other address he or she has ~~supplied to the company for giving notices~~ [nominated](#); or
- (c) sending it by fax or other electronic means to the fax number or electronic address he or she has ~~supplied to the company for giving notices~~ [nominated](#).

12.313.3 Notices by directors to the company

A director or alternate director may give a notice to the company by:

- (a) delivering it to the company's registered office;
- (b) sending it by prepaid post to the company's registered office; or
- (c) sending it by fax or other electronic means to the principal fax number or electronic address at the company's registered office.

12.413.4 Time of service

- (a) A notice from the company properly addressed and posted is taken to be served [on the day after the date it is posted.](#)
- (b) _____
- (c) [A notice from the company properly sent by fax or other electronic means is taken to:](#)
 - (1) [be delivered by properly addressing and transmitting the fax or other electronic transmission; and](#)

(2) be given and received on the day of its transmission.

~~(0) if it is a notice concerning a general meeting, at 10.00am on the day after the date it is posted; or~~

~~(0) in any other case, at the time the letter would be delivered in the ordinary course of post.~~

(d) A certificate signed by a secretary or officer of the company to the effect that a notice was ~~duly posted under this constitution~~ sent, delivered or given to a member personally, by post, fax or other electronic means on a particular date is conclusive evidence of that fact.

~~(e) Where the company sends a notice by fax, the notice is taken as served at the time the fax is sent if the correct fax number appears on the facsimile transmission report produced by the sender's fax machine.~~

~~(f) Where the company sends a notice by electronic transmission, the notice is taken as served at the time the electronic transmission is sent if a message indicating receipt has been received by the company.~~

~~(g) Where the company gives a notice to a member by any other means permitted by the Act relating to the giving of notices and electronic means of access to them, the notice is taken as given at 10.00am on the day after the date on which the member is notified that the notice is available.~~

~~(h)~~(e) Where a given number of days' notice or notice extending over any other period must be given, the day of service is not to be counted in the number of days or other period.

12.513.5 Other communications and documents

Rules 13.1 to 13.4 (inclusive) apply, so far as they can and with any necessary changes, to serving any communication or document.

12.613.6 Written notices

A reference in this constitution to a written notice includes a notice given by fax or other electronic means.

1314 General

13.114.1 Appendix 15A

If the company is admitted to the Official List of the Exchange, the following clauses apply:

- (a) Notwithstanding anything contained in this constitution, if the Listing Rules prohibit an act being done, the act shall not be done.
- (b) Nothing contained in this constitution prevents an act being done that the Listing Rules require to be done.
- (c) If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be).
- (d) If the Listing Rules require this constitution to contain a provision and it does not contain such a provision, this constitution is deemed to contain that provision.

- (e) 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.
- (f) 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.

13.214.2 **Submission to jurisdiction**

Each member submits to the non-exclusive jurisdiction of the Supreme Court of the State or Territory in which the company is taken to be registered for the purposes of the Act, the Federal Court of Australia and the courts which may hear appeals from those courts.

13.314.3 **Prohibition and enforceability**

- (a) Any provision of, or the application of any provision of, this constitution which is prohibited in any place is, in that place, ineffective only to the extent of that prohibition.
- (b) Any provision of, or the application of any provision of, this constitution which is void, illegal or unenforceable in any place does not affect the validity, legality or enforceability of that provision in any other place or of the remaining provisions in that or any other place.

DATED:



ARAFURA
RESOURCES LIMITED

ABN 22 080 933 455

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
Arafura Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

ALL ENQUIRIES TO
Telephone: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Arafura Resources Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (WST) on Thursday, 22 October 2020 at BDO Australia, 38 Station Street, Subiaco WA 6008 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolutions 1, 6 & 7: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, 6 & 7, even though the Resolutions are connected directly or indirectly with the remuneration of a member of key management personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

STEP 1

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Amendments to the Company's Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr. Mark Southey as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Renewed Approval of Employee Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Mr. Chris Tonkin as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Renewed Approval of Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Election of Ms. Cathy Moises as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 2

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

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

STEP 3

ARU PRX2001C



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on an item of business, your proxy may vote on that item as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (WST) on Tuesday, 20 October 2020**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

Arafura Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* in business hours (Monday to Friday, 9:00am–5:00pm)



COMMUNICATIONS PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**