

(ii) subject to the provisions of this Constitution as to transfers, by giving a proper instrument of transfer to the Company, transfer any Securities owned by the Holder to another person.

(b) A trustee or administrator of a person who is mentally or physically incapable of managing his or her affairs, may be registered as the holder of any Security owned by that person as trustee or administrator of that person's affairs.

### 13.4 Operating Rules

The provisions of this rule are subject to any provisions of the Operating Rules which deal with transmission on death or by operation of law.

## 14 Interests recognised

Subject to this Constitution, the Company is entitled to treat the Holder of any Security as the sole legal owner of that Security. Subject to the Corporations Act and this Constitution, the Company is not required to recognise any other interest in respect of any Security of any other person.

## 15 Compliance with Operating Rules

Notwithstanding anything to the contrary in this Constitution, the Company must comply with the Operating Rules in relation to any of its Securities that are CHESSE Approved Securities.

## 16 Sale of Non-Marketable Parcels

### 16.1 Definitions

In this rule:

**Marketable Parcel** means the number of Securities which in aggregate constitutes a marketable parcel of Securities within the meaning of the Listing Rules.

**Minority Holder** means any Holder who from time to time holds a Non-Marketable Parcel.

**Non-Marketable Parcel** means a parcel of Securities that is less than a Marketable Parcel.

**Notice** means the notice given to Minority Holders in accordance with **rule 16.3**.

**Notice Date** means the date a Notice is sent by the Company to a Minority Holder under **rule 16.3**.

**Sale Consideration** means the proceeds of any sale or other disposal of Securities under **rule 16.5**.

**Takeover** means:

- (a) a takeover bid; or
- (b) a similar bid under a foreign regime.

## 16.2 Power to sell Non-Marketable Parcels

- (a) Subject to the Listing Rules, the Operating Rules, and this Constitution, the Company may dispose of the Non-Marketable Parcels of Minority Holders in the manner set out in this **rule 16**.
- (b) Subject to **rule 16.2(c)**, the Company may dispose of the Non-Marketable Parcels under this **rule 16** only once in any twelve month period.
- (c) This **rule 16** ceases to have effect following the announcement of a Takeover, but begins to have effect again after the close of offers made under the Takeover.

## 16.3 Notice

- (a) The Company must not sell a Non-Marketable Parcel of a Minority Holder unless it has, not less than 42 days prior to the sale, given a Notice in writing to the Minority Holder of its intention to dispose of the Non-Marketable Parcel.
- (b) Each Minority Holder on whom a Notice has been served, may by notice in writing addressed to the Secretary and delivered to the registered office of the Company within 42 days after the Notice Date, request the Company not to sell the Minority Holder's Non-Marketable Parcel, in which event the provisions of this **rule 16** will not apply to that Minority Holder.

## 16.4 Procedure

- (a) Each Minority Holder appoints the Company as the Minority Holder's agent to sell, within a reasonable period after the period ending 42 days after the Notice Date, the Minority Holder's Non-Marketable Parcel in the ordinary course of trading on the stock market conducted by ASX and acting in good faith and to receive the Sale Consideration on behalf of the Minority Holder.
- (b) Each Minority Holder appoints the Company and each of its Directors from time to time as the Holder's attorney in the name and on behalf of the Holder to effect all transfers and execute all deeds or other documents or instruments and do all things necessary to transfer the Non-Marketable Parcel from the Minority Holder to the transferee.
- (c) The transferee of Securities sold under this **rule 16** is not responsible for the regularity of proceedings or to the application of the purchase money in respect of the sale of a Non-Marketable Parcel. After the transferee's name has been entered in the Register in respect of the Securities, the validity of the sale or other disposal may not be impeached by any person and the remedy of any person aggrieved by the sale or other disposal will be in damages only and against the Company exclusively.
- (d) The Company may issue to the transferee such Certificates as may be required in order to vest title in the transferee. The title of the transferee to Securities sold under this **rule 16** will not be affected by any irregularity in connection with the sale or disposal of the Securities to the transferee.
- (e) If the relevant Securities are certificated, the Company must cancel the Certificates of all Minority Holders whose Securities are sold under this **rule 16**.
- (f) If all the Securities of two or more Minority Holders to whom this **rule 16** applies are sold to one purchaser the transfer may be effected by one transfer document.

## 16.5 Sale Consideration

- (a) The Sale Consideration must be received by the Company and paid to the Minority Holder or as the Minority Holder may direct.
- (b) The Company must bear all costs as a result of the sale or disposal of Securities under this **rule 16**.
- (c) Payment by the Company of any consideration under this **rule 16** is at the risk of the Minority Holder to whom it is sent.
- (d) The Sale Consideration so received by the Company must be paid into a bank account opened and maintained by the Company for that purpose only.
- (e) The Company must hold the Sale Consideration so received in trust for a Holder whose Securities are sold under this **rule 16** pending distribution of the Sale Consideration. The Company must, as soon as practicable after the sale of the Securities of a Minority Holder, and to the extent that it may reasonably do so, distribute the Sale Consideration received to such Holder provided that the Company has received any Certificates issued to the Holder with respect to the Security or, in the case of loss or destruction of any such Certificate, any additional documentation required by the Corporations Act.
- (f) Where the Sale Consideration is held in trust by the Company under this **rule 16** and is unclaimed, the Company must pay the money in accordance with applicable legislative requirements.

## 16.6 Certificates

A certificate in writing under the hand of any two Directors or of any one Director and Secretary that:

- (a) any notice required to be served by or on the Company was or was not served, as the case may be;
- (b) any advertisement required to be published was published; and
- (c) any resolution of Directors required to be made was made,

is, for the purpose of this **rule 16**, sufficient evidence of the facts stated as against all persons claiming to be entitled to such Securities and to the right and title of the Company to dispose of such Securities.

## 17 General meetings

### 17.1 Annual general meetings

Annual general meetings must be held in accordance with the Corporations Act.

### 17.2 Business at annual general meeting

- (a) The ordinary business of an annual general meeting is to:
  - (i) consider the annual financial report, Directors' report and Auditor's report;
  - (ii) elect Directors; and
  - (iii) transact any other business which under the Corporations Act or this Constitution ought to be transacted at an annual general meeting.