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Constitution

Murrumbidgee Irrigation Limited

ACN 084 943 037

Incorporating amendments up to and including all amendments passed at the Annual General Meeting on 11 November 2019.

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Constitution of Murrumbidgee Irrigation Limited

INTRODUCTORY

1. Replaceable Rules Excluded

1.1 The replaceable rules contained in the Law do not apply to the Company.

2. Definitions and Interpretation

2.1 Definitions

In this Constitution:

- (1) **A Class Director** means an individual who either:
 - (a) holds voting shares, which are A class shares, and is a Landholder; or
 - (b) is the Sole Body Corporate Representative of, and a shareholder of, a member, and that member:
 - (i) holds voting shares, which are A class shares;
 - (ii) is a Landholder; and
 - (iii) is a company or co-operative,and who is elected as a director under rule 20.1;
- (2) **Access Licence** has the meaning given to that term in the Act;
- (3) **Act** means the *Water Management Act 2000* (NSW);
- (4) **Area of Operations** means the area that can be serviced by the water supply and drainage works of the Company and includes the Murrumbidgee Irrigation Areas and Districts;
- (5) **Auditor** means a person appointed under rule 111.1;
- (6) **B Class Director** means an individual who either:
 - (a) holds voting shares, which are B class shares, and is a Landholder; or

- (b) is the Sole Body Corporate Representative of, and a shareholder of, a member, and that member:
 - (i) holds voting shares, which are B class shares;
 - (ii) is a Landholder; and
 - (iii) is a company or co-operative,and who is elected as a director under rule 20.1;
- (7) **Business Day** means a day that is not a Saturday, a Sunday or a public holiday or bank holiday in the place where the Company has its registered office;
- (8) **Certificate** means a certificate issued under rule 9.1;
- (9) **Chief Executive** means a person appointed under rule 55.1;
- (10) **Company** means Murrumbidgee Irrigation Limited ACN 084 943 037;
- (11) **Constitution** means this constitution and all annexures to it;
- (12) **Directors** means the Directors for the time being of the Company or the Directors assembled as a board;
- (13) **Executive Officers** means the secretary, the Chief Executive and any temporary Chief Executive;
- (14) **Independent Directors** means the persons appointed as Independent Directors under rule 29.1;
- (15) **Landholder** means the registered proprietor or the person entitled to be registered as the proprietor of a Landholding;
- (16) **Landholding** means a parcel of land:
 - (a) individually identified by a Landholding Reference Number; and
 - (b) located within or adjacent to the Area of Operations;
- (17) **Landholding Reference Number** means a unique number used by the Company to identify a Landholding;
- (18) **Law** means the *Corporations Act 2001*;
- (19) **Managing Director** means a person appointed as the Managing Director under rule 29.3;
- (20) **Member Directors** means the individuals elected as A Class Directors or B Class Directors under rule 20.1;
- (21) **Murrumbidgee Irrigation Areas and Districts** means the areas comprising:
 - (a) the former Yanco No. 1 and Mirrool No. 1 Irrigation Areas constituted under the former *Irrigation Act 1912* (NSW); and

- (b) the former Benerembah, Tabbita and Wah Wah Domestic and Stock Water Supply and Irrigation Districts constituted under the former *Water Act 1912* (NSW);
- (22) **Non-Member Directors** means those persons appointed as Independent Directors or the Managing Director under rule 29;
- (23) **Register** means the register of members maintained by the Company;
- (24) **Reserves** mean the reserves (if any) set aside by the Directors under rule 113.1;
- (25) **Seal** means the common seal of the Company and includes any share seal, certificate seal or official seal of the Company;
- (26) **Sole Body Corporate Representative** means an individual who has been appointed, and is the sole person who continues to hold appointment, pursuant to rule 94 or section 250D of the Law, as the body corporate representative of a member to exercise all the powers the member may exercise at meetings of the Company's members;
- (27) **Special Resolution** means a resolution of which notice as set out in paragraph 249L(1)(c) of the Law has been given and that has been passed by at least 75% of the votes cast (including votes cast in person or by proxy, attorney or body corporate representative) by members entitled to vote on the resolution;
- (28) **Water Entitlements** has the meaning given to that term in a Water Entitlements Contract;
- (29) **Water Entitlements Contract** means a contract between the Company and a person in relation to, among other things, Water Entitlements; and
- (30) **Water Entitlements Holder** means a person who holds Water Entitlements.

2.2 Interpretation

In this Constitution, unless the contrary intention appears:

- (1) references to:
 - (a) one gender includes the other gender;
 - (b) the singular includes the plural and the plural includes the singular;
 - (c) a person includes a body corporate and an unincorporated body;
 - (d) this Constitution or any other instrument includes any amendment, variation or replacement of them;
 - (e) an Annexure is to an annexure to this Constitution; and
 - (f) any statute, rule, regulation, proclamation, order, ordinance or by-law includes that statute, rule, regulation, proclamation, order, ordinance or by-law as amended or re-enacted from time to time and any statute, rule, regulation, proclamation, order, ordinance or by-law enacted in replacement of it;
- (2) an expression has in this Constitution the same meaning as in the Law;

- (3) if an expression is given different meanings for the purposes of different provisions of the Law, the expression has, in a provision of this Constitution that deals with a matter dealt with by a particular provision of the Law, the same meaning as in that provision of the Law;
- (4) “including” and similar expressions are not words of limitation;
- (5) headings are for convenience only and do not form part of this Constitution or affect its interpretation;
- (6) where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning; and
- (7) any resolution for which a Special Resolution is not required may be passed by an ordinary resolution, being a resolution passed by more than 50% of the votes cast (including votes cast in person or by proxy, attorney or body corporate representative) by members entitled to vote on the resolution.

SHARES

3. Control of Issue of Shares

- 3.1 Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares but subject to the Law, the issue of shares in the Company is under the control of the Directors.
- 3.2 Subject to the Law and this Constitution, the Directors may issue shares to persons at times and on terms and conditions as the Directors think fit.

4. Classes of Shares

- 4.1 Subject to this Constitution, the Directors may issue shares in any of the following classes:
 - (1) A class shares which confer on the holders:
 - (a) the right to attend meetings of the Company and a personal right to vote at those meetings on the basis of one vote per Landholding; and
 - (b) a personal right to vote for the election of A Class Directors on the basis of one vote per Landholding.
 - (2) B class shares which confer on the holders:
 - (a) the right to attend meetings of the Company and a personal right to vote at those meetings on the basis of one vote per Landholding; and
 - (b) a personal right to vote for the election of B Class Directors on the basis of one vote per Landholding.

5. Restriction on the Directors' Right to Issue Shares

- 5.1 Despite any other rule in this Constitution, the Directors may issue shares in the Company:

- (1) A class shares: only on the basis of one share per megalitre of category 3 (high security water entitlement) Water Entitlements to which the member is entitled under their Water Entitlements Contract;
- (2) B class shares: only on the basis of one share per megalitre of category 1 (general security water entitlement) or category 5 (high security (domestic and stock) water entitlement) Water Entitlements to which the member is entitled under their Water Entitlements Contract; and
- (3) otherwise at times and on terms and conditions the Directors see fit.

6. Qualification to Hold Shares

- 6.1 Subject to rule 6.2, shares may only be issued or transferred to Water Entitlements Holders.
- 6.2 Rule 6.1 does not prevent or restrict the Company from carrying out a share capital reduction or share buy-back under the Law.

7. Financial Assistance

- 7.1 None of the funds of the Company or of any subsidiary of the Company will be employed in the purchase of or subscription for or in loans upon the security of the Company's shares and the Company will not, except as authorised by the Law give any financial assistance for the purpose of or in connection with any purchase of, or subscription for, shares in the Company.

8. Joint Holders

- 8.1 Where two or more persons are registered as the holders of any share, they must be treated as holding the share as joint tenants with benefits of survivorship subject to rule 8.2 and to the following:
 - (1) the Company is not bound to register more than three persons (not being the trustees, executors or administrators of a deceased holder) as the holder of any share;
 - (2) the joint holders of any share are liable severally as well as jointly in respect of all payments which ought to be made in respect of the share;
 - (3) on the death of any one of the joint holders, the survivor or survivors are the only person or persons recognised by the Company as having any title to the share, but the Directors may require such evidence of death as they think fit;
 - (4) only the person whose name stands first in the Register as one of the joint holders of any share is entitled to delivery of the Certificate relating to the share or to receive notices from the Company and any notice given to that person must be treated as notice to all the joint holders; and
 - (5) any one of the joint holders may vote at any meeting either personally or by proxy, in respect of the share as if that person were solely entitled to the share, but if more than one of the joint holders are present at any meeting personally or by proxy the holder present whose name stands first in the Register in respect of the share is alone entitled to vote in respect of the share.

- 8.2 Where three or more persons are registered holders of a share in the Register (or a request is made to register more than three persons) only the first three named persons are regarded as holders of the share and all other named persons must be disregarded for all purposes except in the case of executors or trustees of a deceased shareholder.

TITLE TO AND TRANSFER OF SHARES

9. Entitlement to Certificate

- 9.1 A person whose name is entered as a member in the Register is entitled without payment to one Certificate specifying for the purposes of section 1070C of the Law:
- (1) the name of the Company and the fact that it is registered under the Law; and
 - (2) the class and number of shares held by the member.

10. Replacement of Certificates

- 10.1 If any Certificate is worn out or defaced then upon production of the Certificate to the Directors they may order it to be cancelled and issue a new Certificate in its place upon the conditions prescribed by the Law.
- 10.2 If any Certificate is stolen, lost or destroyed then the Directors must issue a duplicate of the Certificate upon the conditions prescribed by the Law.

11. Recognition of Ownership

- 11.1 Except as required by law, the Company is not bound to recognise a person as holding a share upon any trust.
- 11.2 The Company is not bound by or compelled in any way to recognise (whether or not it has notice of the interest or rights concerned) any equitable, contingent, future or past interest in any share or unit of a share or (except as otherwise provided by this Constitution or by law) any other right in respect of a share except an absolute right of ownership in the registered holder.

12. Transfer of Shares

- 12.1 Subject to this Constitution, a transfer of shares is to be made by instrument in writing in any usual or common form or in any other form that the Directors approve.

13. Registration of Transfers - Directors' Discretion

- 13.1 The Directors may in their discretion refuse to register a transfer of shares without assigning any reason for refusal.
- 13.2 Without limiting rule 13.1, the Directors must refuse to register a transfer of shares that does not comply with rule 6.1 or any Water Entitlements Contract between the transferor and the Company.

- 13.3 If the Directors refuse to register a transfer of shares, the Company must within 30 days of the date of lodgement of the transfer, notify the transferee of that refusal.

14. Registration of Transfers - Procedure

- 14.1 A person transferring shares remains the holder of the shares until the transfer is registered and the name of the person to whom they are being transferred is entered in the Register in respect of the shares.
- 14.2 Before a transfer of shares is registered:
- (1) the transfer and any Certificate must be lodged at the Company's registered office or any other place the Directors allow;
 - (2) any fee payable on registration of the transfer must be paid; and
 - (3) the Directors must be given any further information they reasonably require to establish the right of the person transferring the shares to make the transfer.
- 14.3 The Directors may suspend the registration of transfers of shares at the times and for the periods they determine. The periods of suspension must not exceed 30 days in any one calendar year.
- 14.4 The Directors may in their discretion dispense with any of the requirements of rule 14.2.
- 14.5 The instrument of transfer must be executed by or on behalf of both the transferor and the transferee.
- 14.6 All powers of attorney granted by members which may be used for the purpose of transferring shares and which are lodged, produced or exhibited to the Company are deemed as between the Company and the grantor of the powers to remain in full force and may be acted upon until express notice in writing of their revocation or of the death of the grantor is lodged at the registered office of the Company.

15. Special Provisions with Respect to Transfer of Shares

- 15.1 If a member is not, or ceases to be, a Water Entitlements Holder, the member must, if requested by the Company, deliver to the Company, within 14 days after the request is made, an application, by instrument in writing in any form that the Directors approve, for the cancellation of their shares and must not alter or withdraw that application without the prior written agreement of the Company.
- 15.2 Subject to the Law, the Company must seek shareholder approval in accordance with the Law for any reduction in share capital arising in connection with the cancellation of any shares as a result of the Company's acceptance of an application under rule 15.1.
- 15.3 Without limiting rules 15.1 and 15.2, if either:
- (1) a member is not, or ceases to be, a Water Entitlements Holder; or
 - (2) a member holds, by number, more shares than Corresponding Water Entitlements,
- then the Company may, at any time, give a notice to the member requiring the member to either:

- (3) dispose of:
 - (a) if subrule 15.3(1) applies (and regardless of whether subrule 15.3(2) applies) – all of the member's shares; or
 - (b) if subrule 15.3(1) does not apply but subrule 15.3(2) applies – the number of shares held by the member in excess of the number of Corresponding Water Entitlements held by the member; or
- (4) acquire Corresponding Water Entitlements such that, after the acquisition, the member holds a Corresponding Water Entitlement for every share,

in either case, within 28 days after the notice is given to the member or within such longer period as may be specified in the notice.

15.4 If, after the expiry of the relevant period referred to in rule 15.3, either:

- (1) the member is not, or ceases to be, a Water Entitlements Holder; or
- (2) the member holds, by number, more shares than Corresponding Water Entitlements,

then, at any time while one of the circumstances referred to in subrule 15.4(1) or subrule 15.4(2) continues to apply, the Company may, by resolution of the Directors, cause the following shares to be forfeited:

- (3) if subrule 15.4(1) continues to apply (and regardless of whether subrule 15.4(2) applies) – all of the member's shares; or
- (4) if subrule 15.4(1) does not apply but subrule 15.4(2) applies – the number of shares held by the member in excess of the number of Corresponding Water Entitlements held by the member,

and, in either case, the Directors must take into account any shares disposed of by the member and any Water Entitlements acquired by the member after the notice was given to the member under rule 15.3 and before the date of the resolution, and must not cause any share to be forfeited for which the member holds a Corresponding Water Entitlement at the date of the resolution.

15.5 If any share is forfeited under rule 15.4, notice of the forfeiture must be given to the person who held the share immediately before the forfeiture and an entry of the forfeiture and its date must be made in the Register. Any failure to give notice or enter the forfeiture in the Register does not invalidate the forfeiture.

15.6 Subject to the Law, the Company may cancel a forfeited share.

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

15.8 In this rule 15, **Corresponding Water Entitlements** means:

- (1) in relation to A class shares in the Company – High Security Water Entitlements of category 3 (as defined in Schedule 2 of the Water Entitlements Contract);

- (2) in relation to B class shares in the Company – General Security Water Entitlements of category 1 or High Security Water Entitlements of category 5 (as defined in Schedule 2 of the Water Entitlements Contract); and
- (3) in relation to C class shares in the Company – High Security Water Entitlements of categories 3, 6 or 7 (as defined in Schedule 2 of the Water Entitlements Contract).

16. Transmission of Shares

- 16.1 If a member who does not hold shares jointly dies, the legal personal representatives of the deceased are the only persons recognised by the Company as having any title to the deceased's interest in the shares. Rule 8.1 applies where two or more persons are registered as the holders of any share.
- 16.2 Subject to the *Bankruptcy Act 1966*, a person becoming entitled to a share in consequence of the mental incapacity, death or bankruptcy of a member may, upon giving the Directors the information they reasonably require to establish the person's entitlement, elect either to be registered himself or herself as holder of the share or to have some other person nominated by him or her registered as the transferee of the share.
- 16.3 If the person becoming entitled elects to be registered himself or herself, he or she must deliver or send to the Company a notice in writing signed by him or her stating that he or she so elects.
- 16.4 If the person elects to have another person registered, he or she must execute a transfer of the share to that other person.
- 16.5 All the limitations, restrictions and provisions of this Constitution relating to the right to transfer, and the registration of transfer of, shares are applicable to the notice or transfer as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer signed by that member.

17. Rights of Person Entitled

- 17.1 Where the registered holder of a share is an infant, is of unsound mind, dies or becomes bankrupt, the guardian, the committee, the personal representative or the trustee of the estate of the registered holder, as the case may be, is, upon giving the Directors the information they reasonably require to establish the entitlement, and whether or not registered as the holder of the shares, entitled to the same benefits and to the same rights (whether in relation to meetings of the Company, or to voting or otherwise), as the registered holder would have been entitled to if he or she had not been an infant, of unsound mind, died or become bankrupt.
- 17.2 Where two or more persons are jointly entitled to any share in consequence of the death of the registered holder, they must, for the purpose of this Constitution, be treated as joint holders of the share.

NUMBER OF DIRECTORS

18. Number of Directors

- 18.1 The number of Directors must be not more than eight, of whom:

- (1) two are to be A Class Directors, except where the Directors have determined that a casual vacancy may exist in accordance with rule 26.2;
- (2) two are to be B Class Directors, except where the Directors have determined that a casual vacancy may exist in accordance with rule 26.2;
- (3) not more than three are to be Independent Directors; and
- (4) one is to be the Managing Director, if the Chief Executive is appointed as the Managing Director under rule 29.3.

APPOINTMENT OF MEMBER DIRECTORS

19. Qualifications to Hold Office and Elect Member Directors

19.1 An individual is qualified to hold office as a Member Director as follows:

- (1) in the case of an A Class Director:
 - (a) if the person holds voting shares, which are A class shares, and is a Landholder; or
 - (b) if the person is the Sole Body Corporate Representative of, and a shareholder of, a member, and that member:
 - (i) holds voting shares, which are A class shares; and
 - (ii) is a Landholder; and
 - (iii) is a company or co-operative; and
- (2) in the case of a B Class Director:
 - (a) if the person holds voting shares, which are B class shares, and is a Landholder; or
 - (b) if the person is the Sole Body Corporate Representative of, and a shareholder of, a member, and that member:
 - (i) holds voting shares, which are B class shares; and
 - (ii) is a Landholder; and
 - (iii) is a company or co-operative.

19.2 A member is eligible to vote for the election of a Member Director as follows:

- (1) in the case of an A Class Director, if the member holds voting shares, which are A class shares, and is a Landholder; and
- (2) in the case of a B Class Director, if the member holds voting shares, which are B class shares, and is a Landholder.

19.3 For the purpose of rules 19.1 and 19.2, a member who holds both A class shares and B class shares will be taken to hold:

- (1) only A class shares if the member holds:
 - (a) an equal number of A class shares and B class shares; or
 - (b) more A class shares than B class shares; or
 - (2) only B class shares if the member holds more B class shares than A class shares.
- 19.4 A member who holds only C class shares is not qualified to hold office as, or participate in the election of, a Member Director.
- 19.5 A person who holds any office or employment under the Company is not qualified to hold office as a Member Director.

20. Election of Member Directors

- 20.1 The Member Directors are elected:
- (1) prior to each annual general meeting of the Company when the relevant office is vacated by ballot in accordance with rule 22; or
 - (2) at a meeting of the members holding shares in the relevant class where, at any such meeting held at least three months prior to the relevant annual general meeting, the members holding shares in the relevant class resolve by Special Resolution that the election of the relevant Member Directors be held at a meeting of the members holding shares in the relevant class.

21. Nomination for Election

- 21.1 Each candidate for election as an A Class Director must:
- (1) be proposed by a member, or the Sole Body Corporate Representative of a member, holding A class shares; and
 - (2) be seconded by another member, or the Sole Body Corporate Representative of another member, holding A class shares.
- 21.2 Each candidate for election as a B Class Director must:
- (1) be proposed by a member, or the Sole Body Corporate Representative of a member, holding B class shares; and
 - (2) be seconded by another member, or the Sole Body Corporate Representative of another member, holding B class shares.
- 21.3 No member or Sole Body Corporate Representative of a member may propose more than one person as a candidate for election as a Member Director but may second more than one nomination.
- 21.4 No person may be a candidate for election to more than one office of director.
- 21.5 No person holding office as a Member Director may be a candidate for another office of director unless that person will retire from his or her current office at the relevant annual general meeting.

21.6 A nomination of a candidate for election as a Member Director must:

- (1) be in writing;
- (2) be signed by the candidate; and
- (3) be signed by the proposer and seconder.

22. Election Procedure: Member Directors - Ballot

22.1 This rule 22 applies only with respect to ballots to be held under subrule 20.1(1), subrule 26.1(1) or subrule 26.2(2)(a) (as far as practicable).

22.2 A nomination of a candidate for election as a Member Director must be received at the registered office of the Company not later than 5pm on the day that is nominated by the returning officer.

22.3 No nomination shall be valid unless the person nominated consents to act if elected and the nomination paper and consent are received before the close of nominations. The consent will be sufficient if the person signs a form of consent on the nomination paper but the secretary may accept any other form of consent whether accompanying the nomination paper or not that the secretary deems satisfactory, and such acceptance shall be final. A candidate may withdraw his or her consent to nomination at any time before a date seven days after the close of nominations by lodging with the secretary a notice of withdrawal, and as a consequence the nomination shall be cancelled. If a candidate withdraws his or her consent after a date seven days after the close of nominations the provisions of rules 22.25 and 22.26 will apply as if the withdrawing candidate has died.

22.4 If the number of candidates for election as Member Directors is equal to or less than the number of vacancies the chair of the annual general meeting must declare those candidates to be duly elected as Member Directors.

22.5 If the number of candidates for election as Member Directors is greater than the number of vacancies a ballot must be conducted in accordance with this rule 22 and any election rules made by the Directors under rule 22.28.

22.6 The secretary, or such other person as may be determined by the Directors, must act as returning officer.

22.7 Any method of voting must be approved by the returning officer. The approved methods of voting may include voting by postal ballot, electronic means or both.

22.8 The returning officer may only approve a method of voting by electronic means if they are satisfied that the method:

- (1) sets out instructions on how to vote;
- (2) does not allow a member to vote in an election in which they are ineligible to vote;
- (3) allows a member to select their preferred candidate;
- (4) provides a member with an opportunity to correct any mistake in their selection of a preferred candidate before finally submitting their vote;
- (5) does not allow a member to vote more than once in any ballot; and

- (6) does not allow any person to identify how a particular member cast their vote.
- 22.9 Rules 22.10 to 22.14, 22.17, 22.18 and 22.27 apply to voting by a postal ballot only.
- 22.10 The returning officer must cause ballot papers to be prepared. The ballot papers must contain:
- (1) the names of the candidates in order drawn by lot, together with the proposer's and seconder's names;
 - (2) where in the opinion of the returning officer the names of two or more candidates are so similar as to be likely to cause confusion, such other matter as will, in the opinion of the returning officer, distinguish them from one another;
 - (3) a statement as to the number of candidates to be elected; and
 - (4) whether on the front or back of the ballot paper, such directions as to the manner in which the vote is to be recorded, ballot paper returned to the returning officer and recording of particulars to identify the member as determined from time to time by the Directors. Such directions may be omitted in whole or part where such directions are set out in material which, in the opinion of the Directors, is likely to accompany the ballot paper when despatched to the members.
- 22.11 The Directors may from time to time determine the manner of identifying the member. Whatever procedure is determined on (whether it be by recording particulars on an envelope addressed to the returning officer, the use of slips of paper, a second envelope for enclosing the ballot paper, technical devices or otherwise) the requirements of the next three rules will be read subject to the procedure so determined by the Directors. Unless otherwise determined by the Directors the procedure will be as set out in the next two rules.
- 22.12 The returning officer must despatch a ballot paper to each member entitled to participate in the ballot and may despatch an envelope addressed to the returning officer. The envelope may be pre-paid and must provide on it for the member to record particulars which identify the member such particulars being determined from time to time by the Directors.
- 22.13 A member who wishes to vote shall record the member's vote by:
- (1) completing the ballot paper in accordance with the directions shown on it or material which accompanied the ballot paper when despatched;
 - (2) placing the completed ballot paper in either the envelope addressed to the returning officer and despatched with the ballot paper or an envelope provided by the member which is so addressed;
 - (3) sealing the envelope;
 - (4) recording on the envelope the necessary particulars which identify the member; and
 - (5) returning the envelope to the returning officer at any nominated place no later than the close of the ballot.
- 22.14 Upon receipt of an envelope purporting to contain a ballot paper, the returning officer shall examine the name or other particulars on the envelope and if satisfied by such examination that a member of the name or with such particulars is on the register, is entitled to vote and has not apparently already voted in that ballot, accept the ballot paper in that envelope for

scrutiny but the returning officer shall reject any ballot paper where the returning officer is not so satisfied or where the envelope is received after the close of the ballot.

- 22.15 The returning officer may adopt and act on as the voting roll, the Register or a copy of the Register, as at such date in the election period as the returning officer determines. Each member will only be entitled to one vote per Landholding.
- 22.16 The ballot will close on the date to be fixed by the Directors such date being not later than one day before the date fixed for the holding of the annual general meeting.
- 22.17 The scrutiny of the ballot papers must commence after the close of the ballot, and must be conducted by the returning officer. Subject to the rules concerning death of a candidate, a ballot paper will not be informal for any reason, but shall be given effect to according to the voter's intention so far as that intention is clear.
- 22.18 The returning officer must count the votes given for each candidate on all unrejected ballot papers.
- 22.19 If any candidates have an equal number of votes the returning officer must determine the successful candidate by lot. The returning officer must make out and sign a report setting out the number of votes given for each candidate and must convey the report to the secretary.
- 22.20 The returning officer's decision, as contained in any declaration under rule 22.14 or otherwise, as to the validity of any vote will be final and conclusive.
- 22.21 The returning officer must in writing declare elected as Directors the eligible candidates who, according to the returning officer's report, have received the highest number of votes from members holding shares in the relevant class or are elected unopposed. The Directors so elected will take office at the next meeting of Directors after declaration of the poll by the returning officer.
- 22.22 Any vacancy in the office of director to occur at the conclusion of an election period not filled under rule 22.21 must be treated as a casual vacancy.
- 22.23 If during the election period any candidate dies and the deceased was a director who renominated:
- (1) the number of candidates then required to be elected must be reduced by one (for each such deceased) and each of the relevant rules must be read accordingly;
 - (2) the Directors may, in that election period or thereafter, fill the vacancy under rule 26.1 or rule 26.2 as a casual vacancy;
 - (3) if the vacancy is not filled by the Directors in that election period it will not be capable of being filled by the ballot being held during that election period.
- 22.24 If during the election period a director, other than a candidate who had renominated, vacates office:
- (1) the Directors may, in that election period or thereafter, fill the vacancy under rule 26.1 or rule 26.2 as a casual vacancy;
 - (2) if the vacancy is not so filled in that election period it will not be capable of being filled by the ballot being held during that election period.

- 22.25 If during the election period any candidate dies and the candidates remaining are not greater in number than the candidates then required to be elected, no ballot will be conducted and the secretary must declare the eligible candidates nominated duly elected.
- 22.26 If during the election period any candidate dies and the candidates remaining are greater in number than the candidates then required to be elected, a ballot must be conducted and the ballot will not be informal by reason only:
- (1) of the inclusion of the name of the deceased candidate;
 - (2) of the incorrect statement of the number of candidates to be elected;
 - (3) of any vote recorded for the deceased candidate or of any resultant failure to vote for the exact number of candidates then required to be elected.
- 22.27 The non-receipt of a ballot paper by a member, the omission of the returning officer to forward a ballot paper to a member, or the failure of either a member or the returning officer to comply strictly with any of the technicalities required by these rules will not invalidate an election. The returning officer, in cases where a member voting has not strictly complied with the directions as regards:
- (1) the manner of recording votes;
 - (2) the returning of the ballot paper;
 - (3) recording of particulars to identify the member; or
 - (4) the technicalities required by the rules,
- will have a discretion, if the returning officer is satisfied as regards the identity and intent of the member voting, to accept the ballot paper of such member and count the member's vote.
- 22.28 The Directors may make election rules that are consistent with this Constitution (including this rule 22) for, or about, the election procedure including in relation to:
- (1) the nomination of candidates;
 - (2) the provision of information to members concerning candidates;
 - (3) the approved methods of voting;
 - (4) the format and content of ballot papers and other election documents;
 - (5) the system for validating and counting votes;
 - (6) the requirements for a valid vote;
 - (7) the returning officer's powers and functions; and
 - (8) the means of identifying members.

23. Election Procedure: Member Directors - Vote at Meetings of Members Holding Shares in a Class

- 23.1 This rule 23 applies only with respect to the election of Member Directors under subrule 20.1(2) or subrule 26.1(2).
- 23.2 If the number of candidates for election as Member Directors is equal to or less than the number of vacancies, the chair of the meeting of members holding shares in the relevant class must declare those candidates to be duly elected as Member Directors.
- 23.3 If the number of candidates for election as Member Directors is greater than the number of vacancies, a ballot must be held for the election of the candidates.
- 23.4 If a ballot is required, balloting lists must be prepared listing the names of the candidates in order drawn by lot.
- 23.5 At the meeting of members holding shares in the relevant class each person entitled to vote will only be entitled to one vote per Landholding.
- 23.6 The candidates receiving the greatest number of votes cast in their favour must be declared by the chair of the meeting to be elected as Directors.
- 23.7 If an equality of votes would otherwise prevent the successful candidate for a vacancy from being determined, the chair must put the names of the candidates who received the same number of votes to a further ballot immediately.

24. Retirement of Member Directors

- 24.1 Subject to this Constitution, a Member Director holds office until the conclusion of the fourth annual general meeting held after his or her election.
- 24.2 Despite anything to the contrary in this Constitution, including rule 24.1, the transitional arrangements set out in this rule 24.2 apply:
- (1) Subject to this Constitution, A Class Director Frank Sergi holds office until the conclusion of the 2019 annual general meeting.
 - (2) If Frank Sergi's office as an A Class Director were to become vacant, for any reason (including where he resigns or is removed from office), before the conclusion of the 2019 annual general meeting, the A Class Director appointed or elected to fill this vacancy (or any subsequent casual vacancy in this position) would, subject to rules 43, 44 and 45:
 - (a) if appointed or elected before the conclusion of the 2019 annual general meeting to fill a casual vacancy – serve the remainder of Frank Sergi's term of office but, despite rule 26.3, would not be subject to retirement at the end of that term of office and would continue to hold office until the conclusion of the 2022 annual general meeting; or
 - (b) otherwise – take office in accordance with this Constitution after the conclusion of the 2019 annual general meeting and hold office until the conclusion of the 2022 annual general meeting.
 - (3) If Frank Sergi's office as an A Class Director were not to become vacant before the conclusion of the 2019 annual general meeting, the A Class Director appointed or

elected to fill this position (or any subsequent casual vacancy in this position) would, subject to rules 43, 44 and 45, take office in accordance with this Constitution after the conclusion of the 2019 annual general meeting and hold office until the conclusion of the 2022 annual general meeting.

- (4) The A Class Director appointed or elected to fill this position in 2022 will hold office in accordance with rule 24.1.
- (5) Subject to this Constitution, A Class Director Antonio (Tony) Sergi holds office until the conclusion of the 2021 annual general meeting.
- (6) If Tony Sergi's office as an A Class Director were to become vacant, for any reason (including where he resigns or is removed from office), before the conclusion of the 2019 annual general meeting:
 - (a) the A Class Director appointed or elected to fill this vacancy (or any subsequent casual vacancy in this position) would, subject to rules 43, 44 and 45, serve the remainder of Tony Sergi's term of office and would, in accordance with rule 26.3, hold office until the conclusion of the 2021 annual general meeting; and
 - (b) the A Class Director appointed or elected to fill this position in 2021 would, subject to rules 43, 44 and 45, hold office until the conclusion of the 2024 annual general meeting.
- (7) If Tony Sergi's office as an A Class Director were to become vacant, for any reason (including where he resigns or is removed from office), at or after the conclusion of the 2019 annual general meeting and before the conclusion of the 2021 annual general meeting, the A Class Director appointed or elected to fill this vacancy (or any subsequent casual vacancy in this position) would, subject to rules 43, 44 and 45:
 - (a) if appointed or elected before the conclusion of the 2021 annual general meeting to fill a casual vacancy – serve the remainder of Tony Sergi's term of office but, despite rule 26.3, would not be subject to retirement at the end of that term of office and would continue to hold office until the conclusion of the 2024 annual general meeting; or
 - (b) otherwise – take office in accordance with this Constitution after the conclusion of the 2021 annual general meeting and hold office until the conclusion of the 2024 annual general meeting.
- (8) If Tony Sergi's office as an A Class Director were not to become vacant before the conclusion of the 2021 annual general meeting, the A Class Director appointed or elected to fill this position (or any subsequent casual vacancy in this position) would, subject to rules 43, 44 and 45, take office in accordance with this Constitution after the conclusion of the 2021 annual general meeting and hold office until the conclusion of the 2024 annual general meeting.
- (9) The A Class Director appointed or elected to fill this position in 2024 will hold office in accordance with rule 24.1.

25. Tenure of Member Directors

- 25.1 If the office of a Member Director retiring under rule 24.1 is not filled, the Member Director continues in office if willing to do so until the next annual general meeting and so on from

annual general meeting to annual general meeting until the Member Director's office is filled unless or until:

- (1) the Company determines to amend this Constitution and in so doing reduces the number of Member Directors; or
- (2) a resolution for the re-election of that Member Director is put to a meeting of members holding shares in the relevant class and lost.

26. Casual Vacancies

26.1 In the event of either a casual vacancy occurring in a position of Member Director more than six months before the latest date by which the Company must hold its next annual general meeting or the Directors determining, under rule 26.2(1), that the procedure under this rule 26.1 is to be followed, the returning officer must notify members of that casual vacancy and provide a period of at least 21 days for nominations of a candidate to fill the casual vacancy and the Company will appoint a replacement to fill the casual vacancy:

- (1) by ballot in accordance with rule 22; or
- (2) at a meeting of the members holding shares in the relevant class where, at any such meeting held at least three months prior to the relevant annual general meeting, the members holding shares in the relevant class resolve by Special Resolution that the election of the relevant Member Directors be held at a meeting of the members holding shares in the relevant class.

26.2 In the event of a casual vacancy occurring in a position of Member Director on or after the date that is six months before the latest date by which the Company must hold its next annual general meeting, the Directors may:

- (1) determine that the procedure under rule 26.1 is to be followed; or
- (2) determine that the position of the Member Director will remain vacant until a new Member Director is elected either:
 - (a) by ballot in accordance with rule 22 before the next annual general meeting; or
 - (b) in accordance with subrule 20.1(2).

26.3 Any director appointed or elected under this rule 26 will be subject to retirement at the same time as if the director had been appointed on the day on which the director who they replace, was last appointed or elected as a director.

27. Insufficient Directors

27.1 In the event of a vacancy or vacancies in the office of a director or offices of Directors, the remaining Directors may act, but if the number of remaining Directors is less than three, they may, except in an emergency, act only for the purpose of filling vacancies to bring the number of Directors to three or convening a general meeting of the Company or a meeting of members holding shares in a class.

APPOINTMENT OF NON-MEMBER DIRECTORS

28. Non-Member Directors' Qualifications

- 28.1 An individual is qualified to hold office as a Non-Member Director as follows:
- (1) in the case of an Independent Director: if the person -
 - (a) does not hold voting shares in the Company and did not hold voting shares in the Company for a period of at least four years prior to being appointed as an Independent Director; and
 - (b) is not the Sole Body Corporate Representative of a member and has not been the Sole Body Corporate Representative of a member for a period of at least four years prior to being appointed as an Independent Director; and
 - (2) in the case of a Managing Director: if the person is the Chief Executive and does not hold voting shares in the Company and has not held voting shares in the Company for a period of at least four years prior to being appointed under rule 29.3 as Managing Director.
- 28.2 A person who holds any office or employment under the Company is not qualified to hold office as an Independent Director.
- 28.3 No person may be a candidate for election to more than one office of Non-Member Director.
- 28.4 No person holding office as a Non-Member Director may be a candidate for another office of director unless that person will retire from his or her current office at the relevant annual general meeting.

29. Appointment of New Non-Member Directors

- 29.1 The Directors may appoint any person qualified under rule 28 as an Independent Director to fill any vacancy in that office.
- 29.2 At the annual general meeting next occurring after the appointment of a person under rule 29.1 to fill any vacancy, confirmation of the appointment of the Independent Director must be included as an item of special business. If the appointment is not confirmed, the person ceases to be an Independent Director at the conclusion of the annual general meeting.
- 29.3 The Directors may appoint the Chief Executive, if qualified under rule 28, to be the Managing Director.

30. Retirement of Non-Member Directors

- 30.1 Subject to this Constitution, an Independent Director holds office until the conclusion of either the first, second or third annual general meeting held after his or her appointment, as determined by the Directors when making the appointment. If the Directors do not make that determination when making the appointment, subject to this Constitution, an Independent Director holds office until the conclusion of the first annual general meeting held after his or her appointment.

- 30.2 Subject to this Constitution, a Managing Director holds office until his or her appointment automatically terminates under this rule 30.2. A Managing Director's appointment automatically terminates if the Managing Director ceases for any reason to be the Chief Executive or acquires voting shares in the Company. If a person ceases to be the Managing Director, that person will automatically cease to be a director.

31. Not used

32. Casual Vacancies

- 32.1 The Directors or the Company in general meeting may by resolution appoint any person qualified to be an Independent Director to fill a casual vacancy.
- 32.2 Any director appointed or elected under this rule 32 will be subject to retirement at the same time as if the director had been appointed on the day on which the director who they replaced, was last appointed or elected as a director.

ALTERNATE DIRECTORS

33. Appointment of Alternate Directors

- 33.1 A director may not appoint an alternate director.

POWERS OF DIRECTORS

34. Validation of Acts of Directors

- 34.1 All acts done at any meeting of Directors or of a committee of Directors or by any person acting as a director are, although it is afterwards discovered that there was some defect in the appointment or continuance in office of any of the persons concerned or that any of them were disqualified or were not entitled to vote, as valid as if each of them had been duly appointed and had duly continued in office and was qualified to be a director and was entitled to vote.

35. General Business Management

- 35.1 The business of the Company is to be managed by or under the direction of the Directors.
- 35.2 The Directors may exercise all the powers of the Company except any powers that the Law or this Constitution requires the Company to exercise in general meeting.
- 35.3 No rule made or resolution passed by the Company in general meeting can invalidate any prior act of the Directors which would have been valid if that rule or resolution had not been made or passed.
- 35.4 The Directors may, upon the terms and conditions and with any restrictions they think fit, delegate the management of the business of the Company to the Executive Officers or the Managing Director. Any powers so conferred may be concurrent with the powers of the Directors. The Directors may at any time withdraw, suspend or vary any of the powers conferred on the Executive Officers or the Managing Director.

- 35.5 The general powers given by this rule 35 will not be limited or restricted by any special authority or power given to the Directors by any other rule.
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36. Borrowing Powers

- 36.1 Without limiting rule 35 but subject to rules 36.2 and 36.3, the Directors may exercise all the powers of the Company to borrow money, to mortgage or charge any property or business of the Company and to issue debentures or give any other security for a debt, liability or obligation of the Company or of any other person.
- 36.2 Subject to rule 36.3, the Directors may only sell, or mortgage, charge or in any other way use as security for a debt, liability or obligation of the Company or of any other person, any of the Company's Access licences if, in the reasonable opinion of the Directors, the share component of the Company's Access Licence is additional to the Water Entitlements of all Water Entitlements Holders.
- 36.3 The Directors may only sell, or mortgage, charge or in any other way use as security for a debt, liability or obligation of the Company or of any other person, any share component of the Company's conveyance Access Licences if, in the reasonable opinion of the Directors, the share component is surplus to the conveyance needs of the Company.
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37. Appointment of Attorney

- 37.1 The Directors may appoint any person or persons to be the attorney or attorneys of the Company for the purposes, with the powers and discretions (being powers and discretions vested in or exercisable by the Directors), for the period and subject to the conditions they think fit.
- 37.2 A power of attorney may contain those provisions for the protection and convenience of persons dealing with the attorney that the Directors think fit and may also authorise the attorney to delegate all or any of the powers and discretions vested in the attorney.
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38. Negotiable Instruments

- 38.1 Any two Directors may sign, draw, accept, endorse or otherwise execute a negotiable instrument.
- 38.2 The Directors may determine that a negotiable instrument may be signed, drawn, accepted, endorsed or otherwise executed in a different way.
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39. Committees of Directors

- 39.1 The Directors may delegate any of their powers to a committee, a majority of whose members are Directors, except their powers relating to:
- (1) the determination of any conditions attaching to a subscription for shares, including (without limitation) the determination of the consideration payable for the allotment and issue of shares; or
 - (2) the investment of Reserves.
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- 39.2 The Directors must, in delegating any of their powers to a committee, specify in writing the terms of reference of the committee and the extent to which and the matters in respect of which the committee may bind the Company (if at all).
- 39.3 A committee must exercise the powers delegated to it in accordance with any directions of the Directors. The effect of the committee exercising a power in this way is the same as if the Directors exercised it.
- 39.4 Subject to rule 40, the meetings and proceedings of any committee are governed by the provisions in this Constitution regulating the meetings and proceedings of the Directors.

40. Chair of Committees of Directors

- 40.1 A committee of Directors may elect a person to chair its meetings.
- 40.2 Where a committee meeting is held and:
- (1) a person has not been elected to chair the meetings of the committee; or
 - (2) if at any meeting the chair is not present within 30 minutes after the time appointed for holding the meeting,
- the members of the committee, or the Directors present as the case may be, may choose one of their number to chair the meeting.
- 40.3 The chair does not have a casting vote.

41. Not used

42. Advisory Committees - Other

- 42.1 The directors may establish one or more other committees to provide advice to them on issues of importance.
- 42.2 Each advisory committee must be chaired by a director acting under delegation from the directors.
- 42.3 The Company may, at its discretion, provide all reasonable assistance to each advisory committee including the provision of administrative and secretarial support and must meet the reasonable travel and accommodation costs of members of the advisory committee in attending meetings and to other business of the advisory committee that is authorised by the directors.

REMOVAL AND RESIGNATION OF DIRECTORS

43. Removal of Directors

- 43.1 The Company may by resolution remove a director from office.

44. Resignation of Director

- 44.1 A director may resign as a director of the Company by giving a written notice of resignation to the Company at its registered office.

45. Vacation of Office of Director

- 45.1 In addition to the circumstances in which the office of a director becomes vacant by virtue of the Law, the office of a director becomes vacant if:
- (1) the director becomes bankrupt or suspends payment or compounds with his or her creditors;
 - (2) in the case of a Member Director who is qualified to hold office because they are the Sole Body Corporate Representative of, and a shareholder of, a member, the member suspends payment or compounds with its creditors;
 - (3) the director becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;
 - (4) the director is absent from meetings of Directors for a six month period without special leave of absence from the Directors and the Directors thereupon declare his or her seat to be vacant;
 - (5) in the case of a Member Director, the director ceases to be qualified under rule 19;
 - (6) in the case of a Non-Member Director, the director ceases to be qualified under rule 28; or
 - (7) the director becomes prohibited from being a director under or by reason of any order made under the Law.

DIRECTORS' INTERESTS

46. Prohibition on Being Present or Voting

- 46.1 Except where permitted by the Law a director who has a material personal interest in a matter that is being considered at a meeting of Directors:
- (1) must not be counted in a quorum;
 - (2) must not vote on the matter; and
 - (3) must not be present while the matter is being considered at the meeting.

47. Director to Disclose Interests

- 47.1 A director who has a material personal interest in a matter that relates to the affairs of the Company must give the other Directors notice of the interest as soon as practicable after the director becomes aware of his or her interest in the matter and in the manner required by section 191(3) of the Law.

47.2 The requirements of rule 47.1 are subject to the limitations and qualifications set out in section 191 of the Law.

48. Standing Notice of Interest

48.1 A director who has an interest in a matter may give the other Directors standing notice of the nature and extent of the interest in the matter. The notice may be given at any time and whether or not the matter relates to the affairs of the Company at the time the notice is given.

48.2 A notice under rule 48.1 may be given:

- (1) at a Directors' meeting (either orally or in writing); or
- (2) to the other Directors individually in writing.

48.3 If the standing notice is given to the other Directors individually in writing:

- (1) the notice is effective when it has been given to every director; and
- (2) the notice must be tabled at the next Directors' meeting after it is given.

48.4 The director must ensure that the nature and extent of the interest is recorded in the minutes of the meeting at which the standing notice is given or tabled.

49. Other Directorships and Shareholdings

49.1 A director of the Company may be or become a director, officer, employee or member of any company promoted by the Company or in which the Company may be interested as a vendor, shareholder or otherwise and is not accountable for any reasonable benefits received as a director, officer, employee or member of the Company.

49.2 Subject to the Law:

- (1) the Directors of the Company may exercise the voting power conferred by the shares or other interest held by the Company in another company in favour of a resolution appointing themselves or any of them as directors or other officers of the other company;
- (2) any director of the Company may vote at a meeting of Directors of the Company in favour of a resolution that the Company exercises its voting power conferred by the shares or other interest held by the Company in the other company to appoint that director as a director or other officer of the other company;
- (3) any director of the Company may be appointed as representative of the Company and may vote at a general meeting of the other company in favour of a resolution appointing that director as a director or officer of the other company; and
- (4) a director of the Company who is also a director of the other company may vote as a director of the other company in whatever manner he or she sees fit, including voting in favour of a resolution appointing the director to any other office in the other company and a resolution appointing any other directors of the Company as directors or other officers of the other company.

REMUNERATION OF DIRECTORS

50. Payment of Fees

- 50.1 The Directors are to be paid the remuneration that the Company determines by resolution.
- 50.2 The remuneration of Directors accrues daily.

51. Payment of Expenses

- 51.1 The Company may also pay the Directors' travelling and other expenses that they properly incur:
- (1) in attending Directors' meetings or any meetings of committees of Directors or advisory committees;
 - (2) in attending any general meetings of the Company; and
 - (3) in connection with the Company's business.

52. Payment for Extra Services

- 52.1 Subject to rules 19.5 and 28.2, any director who being willing is called upon to perform extra services or to make any special exertions or to undertake any executive or other work for the Company beyond his or her ordinary duties or to go or reside abroad or otherwise away from home for any of the purposes of the Company may, subject to the Law, be remunerated either by a fixed sum or a salary as determined by the Directors and this remuneration may be either in addition to or in substitution for his or her share in the remuneration provided by rule 50.

53. Cancellation, Suspension, Reduction or Postponement

- 53.1 A resolution of Directors cancelling, suspending, reducing or postponing payment of any remuneration of any director binds the director.

EXECUTIVE OFFICERS

54. Secretary

- 54.1 A secretary of the Company holds office on the terms and conditions (including as to remuneration) that the Directors determine.

55. Chief Executive

- 55.1 The Directors may appoint a Chief Executive.
- 55.2 A Chief Executive holds office on the terms and conditions (including as to remuneration) that the Directors determine.

55.3 Subject to the terms of any agreement entered into in a particular case, the Directors may, at any time, revoke any appointment as Chief Executive, with or without cause.

56. Temporary Chief Executive

56.1 If at any time the Chief Executive is unable to carry out his or her duties, the Directors may appoint the chair of meetings of the Directors for the time being to temporarily carry out those duties and may remunerate the chair for doing so.

56.2 Each appointment made under rule 56.1 terminates on the date upon which:

- (1) the Chief Executive recommences carrying out his or her duties; or
- (2) the appointment of a new Chief Executive takes effect,

whichever is the first to occur.

56.3 Despite any other provision in this Constitution including rules 19.5 and 28.2, the appointment, or remuneration, of the chair of meetings of the Directors for the time being under rule 56.1 will not be taken to affect the eligibility of the chair to continue to hold office as a director.

INDEMNITY AND INSURANCE

57. Indemnity

57.1 To the extent permitted by the Law, the Company must indemnify:

- (1) every person who is or has been an officer of the Company; and
- (2) where the Directors consider it appropriate to do so, any person who is or has been an officer of a related body corporate of the Company;

against any liability incurred by that person in his or her capacity as an officer of the Company or of the related body corporate (as the case may be):

- (3) to any other person (other than the Company or a related body corporate) unless the liability arises out of conduct involving a lack of good faith; and
- (4) for costs and expenses:
 - (a) in defending proceedings, whether civil or criminal, in which judgment is given in favour of the person or in which the person is acquitted; and
 - (b) in connection with an application in relation to those proceedings, in which the Court grants relief to the person under the Law.

58. Insurance

58.1 The Company may, where the director considers it appropriate to do so, pay or agree to pay a premium in respect of a contract insuring a person who is or has been an officer of the Company against any of the following liabilities incurred by the person as an officer of the Company, namely:

- (1) any liability which does not arise out of conduct involving:
 - (a) a wilful breach of duty in relation to the Company; or
 - (b) without limiting subrule 58.1(1)(a), a contravention of section 182 or section 183 of the Law; and
- (2) any liability for costs and expenses incurred by the person in defending proceedings, whether civil or criminal, whatever their outcome, and without the qualifications set out in subrule 58.1(1)(a).

58.2 In the case of a director, any premium paid under this rule is paid in addition to remuneration paid to that director by the Company under this constitution.

59. Director Voting on Contract of Indemnity or Insurance

59.1 Despite any other provision in this Constitution, a director is not precluded from voting in respect of any contract or proposed contract of indemnity or insurance merely because the contract indemnifies or insures or would indemnify or insure the director against a liability incurred by the director as an officer of the Company or of a related body corporate.

60. Meaning of “Officer”

60.1 For the purposes of rules 57, 58 and 59, “officer” means a director, secretary or other officer.

INSPECTION OF RECORDS

61. Rights of Inspection

61.1 The Directors determine whether and to what extent, and at what times and places and under what conditions, the accounting records and other documents of the Company or any of them are open to the inspection of members other than Directors, and a member other than a director does not have the right to inspect any document of the Company except as provided by law or authorised by the Directors or by the Company in general meeting.

62. Confidential Information

62.1 Except as provided by the Law, no member (not being a director) is entitled to require or receive any information concerning the business, trading or customers of the Company or any trade secret, secret process or other confidential information of or used by the Company.

DIRECTORS' MEETINGS

63. Circulating Resolutions

63.1 The Directors may pass a resolution without a Directors' meeting being held if all the Directors entitled to vote on the resolution, except a director absent from Australia who has not left a facsimile number or electronic address at which he or she may be given notice,

sign a document containing a statement that they are in favour of the resolution set out in the document.

- 63.2 Separate copies of a document may be used for signing by Directors if the wording of the resolution and statement is identical in each copy.
- 63.3 The resolution is passed when the last director signs.
- 63.4 A facsimile, or document transmitted by other electronic means, addressed to or received by the Company and purporting to be signed by a director for the purpose of this rule 63 must be treated as a document in writing signed by that director.

64. Meetings of Directors

- 64.1 The Directors may meet together for the dispatch of business and adjourn and otherwise regulate their meetings as they think fit.
- 64.2 The minutes of any meeting of the Directors must state the method of meeting and the persons present.

65. Calling Directors' Meetings

- 65.1 A director may at any time and the secretary must on the requisition of a director, call a meeting of the Directors.

66. Notice of Meeting

- 66.1 Reasonable notice of every Directors' meeting must be given to each director except that it is not necessary to give notice of a meeting of Directors to any director who:
- (1) has been given special leave of absence; or
 - (2) is absent from Australia and has not left a facsimile number or electronic address at which he or she may be given notice.
- 66.2 A notice of a meeting of Directors may be given in writing or orally, by facsimile, telephone, electronic mail or any other means of communication.

67. Waiver of Notice

- 67.1 All resolutions of the Directors passed at a meeting where a quorum is present but where notice of meeting has not been given to each director, or any act carried out pursuant to any of the resolutions, is as valid as if notice of meeting had been duly given to all Directors if each director to whom notice was not given subsequently agrees to waive the notice.

68. Telecommunication Meeting of Directors

- 68.1 For the purpose of this Constitution the contemporaneous linking together in oral communication by telephone, audio-visual or other instantaneous means ("telecommunication meeting") of a number of the Directors not less than a quorum constitutes a meeting of the Directors. All the provisions of this Constitution relating to a meeting of the Directors apply to a telecommunication meeting so far as they are not

inconsistent with the provisions of this rule 68. The following provisions apply to a telecommunication meeting:

- (1) all the Directors for the time being entitled to receive notice of a meeting of the Directors are entitled to notice of a telecommunication meeting;
 - (2) all the Directors taking part in the meeting must be linked by telephone, audio-visual or other instantaneous means for the purpose of the meeting;
 - (3) notice of the meeting may be given by telephone or other electronic means;
 - (4) each of the Directors taking part in the meeting must be able to hear and be heard by each of the other Directors taking part at the commencement of the meeting and each director so taking part must be treated for the purposes of this Constitution as present at the meeting; and
 - (5) at the commencement of the meeting each director must announce his or her presence to all the other Directors taking part in the meeting.
- 68.2 If the secretary is not present at a telecommunication meeting one of the Directors present must take minutes of the meeting.
- 68.3 A director may not leave a telecommunication meeting by disconnecting his or her telephone, audio-visual or other communication equipment unless that director has previously notified the chair of the meeting.
- 68.4 A director is conclusively presumed to have been present and to have formed part of a quorum at all times during a telecommunication meeting unless that director has previously obtained the express consent of the chair to leave the meeting.
- 68.5 A minute of the proceedings of a telecommunication meeting is sufficient evidence of the proceedings and of the observance of all necessary formalities if the minute is certified to be a correct minute by the chair of the meeting.

69. Chairing Directors' Meetings

- 69.1 At intervals of not more than two years, all Directors other than the Managing Director must elect a director to chair their meetings. The chair is eligible for re-election.
- 69.2 The Directors must elect a director present to chair a meeting, or part of it, if:
- (1) a director has not already been elected to chair the meeting; or
 - (2) previously elected chair is not present within 30 minutes after the time appointed for the holding of the meeting or declines to act, for the meeting or the part of the meeting.
- 69.3 The Directors may appoint a deputy chair who in the absence of the chair at a meeting of the Directors may exercise all the powers and authorities of the chair.

70. Quorum

- 70.1 At a meeting of Directors, the number of Directors whose presence is necessary to constitute a quorum will be a simple majority of the number of Directors holding office at

the time of the meeting, or any other number determined by the Directors at a previous Directors' meeting.

70.2 A quorum must be present at all times during the meeting.

71. Passing of Directors' Resolutions

71.1 A resolution of the Directors must be passed by a majority of the votes cast by Directors entitled to vote on the resolution.

71.2 The chair has a casting vote in addition to any vote he or she has as a director.

MEETINGS OF MEMBERS

72. Calling of General Meeting

72.1 A majority of Directors may call a general meeting whenever they think fit by lodging a written requisition with the secretary and a general meeting must be convened by the secretary on such requisition within 28 days.

72.2 Except as permitted by law, a general meeting, to be called the "annual general meeting", must be held at least once in every calendar year.

73. Requisitioned Meetings

73.1 The Directors must, on the requisition of not less than five percent of the members, forthwith convene a general meeting of the Company to be held as soon as practicable but, in any case, not later than two months after the receipt by the Company of the requisition.

73.2 The requisition for a general meeting must:

- (1) state the objects of the meeting;
- (2) be signed by the requisitionists; and
- (3) be deposited at the office of the Company. The requisition may consist of several documents in like form each signed by one or more of the requisitionists.

73.3 If, within 21 days after the deposit of the requisition, the Directors do not proceed to convene a general meeting, all of the members who requisitioned the meeting, or such number of them as represents more than one-half of the total voting rights of all of those members, may themselves, in the same manner as that in which meetings are to be convened by the Directors, convene a meeting. A meeting convened by the members in accordance with this rule must not be held after the expiration of three months from the date of the deposit of the requisition.

74. Amount of Notice of Meeting

74.1 Subject to the provisions of the Law as to short notice, at least 21 days' notice of a general meeting must be given in writing to those persons who are entitled to receive notices from the Company.

75. Persons Entitled to Notice of General Meeting

- 75.1 Written notice of a meeting of the members must be given individually to:
- (1) each member entitled to attend the meeting;
 - (2) each director;
 - (3) the Auditor; and
 - (4) subject to rule 76.1, every person entitled to a share in consequence of the death or bankruptcy of a member who, but for his or her death or bankruptcy, would be entitled to receive notice of the meeting.
- 75.2 No other person is entitled to receive notice of general meetings.
- 75.3 If a share is held jointly, then unless the share is the only issued share in the Company, notice need only be given to one of the members, being the member named first in the Register.

76. Notice upon Transmission

- 76.1 A person entitled to a share in consequence of the death or bankruptcy of a member is not entitled to notice of meetings until the person has produced all information as to the person's entitlement that the Directors properly require.
- 76.2 A notice may be given by the Company to a person entitled to a share in consequence of the death or bankruptcy of a member by serving it on the person personally or by sending it to the person by post, facsimile or electronic mail addressed to the person by name, or by the title of representative of the deceased or assignee of the bankrupt, or by any like description, at the address, facsimile number or electronic address (if any) in Australia supplied for the purpose by the person or, if an address, facsimile number or electronic address has not been supplied, at the address, facsimile number or electronic address to which the notice might have been sent if the death or bankruptcy had not occurred.

77. How Notice is Given

- 77.1 The Company may give the notice of meeting to a member:
- (1) personally;
 - (2) by sending it by post to the address for the member in the register of members;
 - (3) by sending it to the facsimile number or electronic address (if any) nominated by the member;
 - (4) by sending it to the member by other electronic means (if any) nominated by the member;
 - (5) by publication in or accompanying any newsletter issued by the Company from time to time if it is given or sent in any manner referred to in rules 77.1(1) to 77.1(4); or
 - (6) if the member nominates an electronic means (the nominated notification means) by which the member may be notified that notices of meeting are available and the

member nominates an electronic means (the nominated access means) the member may use to access notices of meeting, by notifying the member (using the nominated notification means) that the notice of meeting is available and how the member may use the nominated access means to access the notice of meeting.

78. When Notice Is Given

- 78.1 A notice of meeting sent by post is taken to be given five days after it is posted.
- 78.2 Except as provided by rule 78.3, a notice of meeting sent by facsimile, or other electronic means, is taken to be given on the business day after it is sent.
- 78.3 Service by facsimile or electronic mail is not effective if:
- (1) in the case of service by facsimile, the Company's facsimile machine issues a transmission report which shows that the transmission was unsuccessful;
 - (2) in the case of service by electronic mail, the Company's computer reports that delivery has failed; or
 - (3) in either case the addressee notifies the Company immediately that the notice was not fully received in a legible form.

79. Contents of Notice

- 79.1 A notice of a general meeting must:
- (1) set out the place, date and time for the meeting (and, if the meeting is to be held in two or more places, the technology that will be used to facilitate this);
 - (2) state the general nature of the meeting's business;
 - (3) if a Special Resolution is to be proposed at the meeting, set out an intention to propose the Special Resolution and state the resolution; and
 - (4) contain a statement setting out the following information:
 - (a) that the member has a right to appoint a proxy;
 - (b) that the proxy need not be a member of the Company; and
 - (c) that a member who is entitled to cast two or more votes may appoint two proxies and may specify the number of votes each proxy is appointed to exercise.

80. Constructive Notice

- 80.1 Every person who by operation of law, transfer or any other means becomes entitled to any share is bound by every notice in respect of the share which, before his or her name and address is entered on the Register, has been duly given to the person from whom he or she derives title or to any previous holder of the share.

81. Notice of Adjourned Meeting

- 81.1 When a meeting is adjourned, new notice of the resumed meeting must be given if the meeting is adjourned for one month or more.

82. Accidental Omission to Give Notice

- 82.1 The accidental omission to give notice of any general meeting to or the non-receipt of the notice by any person entitled to receive notice of a general meeting under this Constitution does not automatically invalidate the proceedings at or any resolution passed at the meeting.

83. Postponement of General Meeting

- 83.1 The Directors may postpone the holding of any general meeting whenever they think fit (other than a meeting requisitioned by shareholders as provided by the Law) for not more than 42 days after the date for which it was originally called.
- 83.2 Whenever any meeting is postponed (as distinct from being adjourned under rule 85.4(2) or rule 86.4) the same period of notice of the meeting must be given to persons entitled to receive notice of a meeting as if a new meeting were being called for the date to which the original meeting is postponed.

84. Technology

- 84.1 The Company may hold a meeting of its members at two or more venues using any technology that gives the members as a whole a reasonable opportunity to participate.

85. Quorum

- 85.1 No business may be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- 85.2 Except as otherwise provided in this Constitution a quorum for a general meeting will be either:
- (1) at least one of the A Class Directors and at least one of the B Class Directors plus 30 members who are not Directors of which 15 must be holders of A class shares and 15 must be holders of B class shares, all present in person; or
 - (2) 50 members of which 25 must be holders of A class shares and 25 must be holders of B class shares, all present in person,
- whichever is the first to be formed.
- 85.3 In determining whether a quorum is present, count individuals attending as proxies or body corporate representatives. However, if a member has appointed more than one proxy or representative, count only one of them. If an individual is attending both as a member and as a proxy or body corporate representative, count them only once.
- 85.4 If a quorum is not present within 30 minutes after the time for the meeting set out in the notice of meeting:

- (1) where the meeting was called by the members or upon the requisition of members, the meeting is dissolved; or
- (2) in any other case, the meeting is adjourned to the date, time and place the Directors specify. If the Directors do not specify one or more of those things, the meeting is adjourned to:
 - (a) if the date is not specified: the same day in the next week;
 - (b) if the time is not specified: the same time; and
 - (c) if the place is not specified: the same place.

85.5 If no quorum is present at the resumed meeting within 30 minutes after the time for the meeting, the meeting is dissolved.

86. Chair at General Meetings

86.1 If the Directors other than the Managing Director have appointed a director as chair of their meetings, the person appointed presides as chair at every general meeting.

86.2 If the Directors other than the Managing Director have appointed a director as deputy chair of their meetings, to act as chair in the absence of the chair, the person appointed presides as chair at every general meeting at which the chair is absent.

86.3 Where a general meeting is held and:

- (1) a chair has not been appointed as referred to in rule 86.1;
- (2) a deputy chair has not been appointed as referred to in rule 86.2; or
- (3) the chair and deputy chair are not present within 30 minutes after the time appointed for the holding of the meeting or are unwilling to act;

the members present must appoint another director or if no director is present or willing to act then the members present may appoint any one of their number, to be chair of the meeting.

86.4 The chair may adjourn a meeting of the Company's members with the consent of a majority of the Company's members.

86.5 The chair must adjourn a meeting of the Company's members if the members present with a majority of votes at the meeting agree or direct that the chair must do so.

87. Business at Adjourned Meetings

87.1 Only unfinished business is to be transacted at a meeting resumed after an adjournment.

PROXIES AND BODY CORPORATE REPRESENTATIVES

88. Who Can Appoint A Proxy

- 88.1 A member who is entitled to attend and cast a vote at a meeting of the Company or at a meeting of the holders of a class of shares may appoint a person as the member's proxy to attend and vote for the member at the meeting. The proxy need not be a member.
- 88.2 The appointment may specify the proportion or number of votes that the proxy may exercise.
- 88.3 If the member is entitled to cast two or more votes at the meeting, the member may appoint two proxies. If the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half of the votes (disregarding any fractions).

89. Rights of Proxies

- 89.1 A proxy appointed to attend and vote for a member has the same rights as the member:
- (1) to speak at the meeting;
 - (2) to vote (but only to the extent allowed by the appointment); and
 - (3) to join in a demand for a poll.
- 89.2 No proxy, other than the chair, may exercise more than five votes either in their own right or on behalf of those members who have appointed them as proxy on any poll.
- 89.3 If a proxy is only for a single meeting it may be used at any postponement or adjournment of that meeting, unless the proxy states otherwise.
- 89.4 A proxy's authority to speak and vote for a member at a meeting is suspended while the member is present at the meeting.

90. Appointing a Proxy

- 90.1 An appointment of a proxy is valid if it is signed by the member making the appointment and contains the following information:
- (1) the member's name and address;
 - (2) the Company's name;
 - (3) the proxy's name or the name of the office held by the proxy; and
 - (4) the meetings at which the appointment may be used.
- An appointment may be a standing one.
- 90.2 An undated appointment is taken to have been dated on the day it is given to the Company.

- 90.3 An appointment may specify the way the proxy is to vote on a particular resolution. If it does:
- (1) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way;
 - (2) if the proxy has two or more appointments that specify different ways to vote on the resolution: the proxy must not vote on a show of hands;
 - (3) if the proxy is the chair: the proxy must vote on a poll, and must vote that way;
 - (4) if the proxy is not the chair: the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.
- If a proxy is also a member, this rule 90.3 does not affect the way that the person can cast any votes the person holds as a member.
- 90.4 An appointment does not have to be witnessed.
- 90.5 A later appointment revokes an earlier one if both appointments could not be validly exercised at the meeting.

91. Form of Proxy Sent Out by Company

- 91.1 A form of proxy made available by the Company may be in a form determined by the Directors.

92. Receipt of Proxy Documents

- 92.1 For an appointment of a proxy for a meeting of the Company's members to be effective, the following documents must be received by the Company at least 24 hours before the meeting:
- (1) the proxy's appointment; and
 - (2) if the appointment is signed by the appointor's attorney: the authority under which the appointment was signed or a certified copy of the authority.
- 92.2 If a meeting of the Company's members has been adjourned, an appointment and any authority received by the Company at least 24 hours before the resumption of the meeting are effective for the resumed part of the meeting.
- 92.3 The Company receives an appointment or authority when it is received at any of the following:
- (1) the Company's registered office;
 - (2) a facsimile number at the Company's registered office; or
 - (3) a place, facsimile number or electronic address specified for the purpose in the notice of meeting.

- 92.4 An appointment of a proxy is ineffective if:
- (1) the Company receives either or both the appointment or authority at a facsimile number or electronic address; and
 - (2) a requirement (if any) in the notice of meeting that:
 - (a) the transmission be verified in a way specified in the notice; or
 - (b) the proxy produce the appointment and authority (if any) at the meeting;is not complied with.

93. Validity of Proxy Vote

- 93.1 A proxy who is not entitled to vote on a resolution as a member may vote as a proxy for another member who can vote if the appointment specifies the way the proxy is to vote on the resolution and the proxy votes that way.
- 93.2 Unless the Company has received written notice of the matter before the start or resumption of the meeting at which a proxy votes, a vote cast by the proxy will be valid even if, before the proxy votes:
- (1) the appointing member dies;
 - (2) the member is mentally incapacitated;
 - (3) the member revokes the proxy's appointment;
 - (4) the member revokes the authority under which the proxy was appointed by a third party; or
 - (5) the member transfers the share in respect of which the proxy was given.

94. Body Corporate Representative

- 94.1 A body corporate which is a member of the Company may appoint an individual as a representative to exercise all or any of the powers the body corporate may exercise:
- (1) at meetings of the Company's members;
 - (2) at meetings of creditors or debenture holders;
 - (3) relating to resolutions to be passed without meetings; or
 - (4) in the capacity of a member's proxy appointed under subsection 249X(1) of the Law.

The appointment may be a standing one.

- 94.2 The appointment may set out restrictions on the representative's powers. If the appointment is to be by reference to a position held, the appointment must identify the position.

94.3 A body corporate may appoint more than one representative but only one representative may exercise the body's powers at any one time.

94.4 Unless otherwise specified in the appointment, the representative may exercise, on the body corporate's behalf, all of the powers that the body could exercise at a meeting or in voting on a resolution.

95. Attorney of Member

95.1 An attorney for a member may do whatever the member could do personally as a member, but if the attorney is to vote at a meeting of members or a class of members the instrument conferring the power of attorney or a certified copy of the authority must be produced to the Company at least 24 hours before the meeting, in the same way as the appointment of a proxy.

VOTING AT MEETINGS OF MEMBERS

96. How Many Votes a Member Has

96.1 Voting rights are personal to members holding A class and B class shares.

96.2 Every member holding A class shares and/or B class shares has one vote in respect of each Landholding of which that member is the Landholder, irrespective of the number of shares held by the member.

96.3 Members holding C class shares have no voting rights.

96.4 The vote may be exercised in person or by body corporate representative, attorney or, subject to rule 89.2, by proxy.

97. Objections to Right to Vote

97.1 A challenge to a right to vote at a meeting of members:

- (1) may only be made at the meeting; and
- (2) must be determined by the chair, whose decision is final.

97.2 A vote not disallowed following the challenge is valid for all purposes.

98. Votes Need Not All Be Cast in the Same Way

98.1 On a poll a person voting who is entitled to two or more votes:

- (1) need not cast all the votes; and
- (2) may cast the votes in different ways.

99. How Voting Is Carried Out

- 99.1 A resolution put to the vote at a meeting of the Company's members must be decided on a show of hands unless a poll is demanded.
- 99.2 On a show of hands, a declaration by the chair is conclusive evidence of the result. Neither the chair nor the minutes need to state the number or proportion of the votes recorded in favour or against.

100. Matters on which a Poll may be Demanded

- 100.1 A poll may be demanded on any resolution.
- 100.2 A demand for a poll may be withdrawn.

101. When a Poll is Effectively Demanded

- 101.1 At a meeting of the Company's members, a poll may be demanded by:
- (1) at least three members entitled to vote on the resolution;
 - (2) a member or members with at least 10 percent of the votes that may be cast on the resolution on a poll; or
 - (3) the chair.
- 101.2 The poll may be demanded:
- (1) before a vote is taken;
 - (2) before the voting results on a show of hands are declared; or
 - (3) immediately after the voting results on a show of hands are declared.
- 101.3 The percentage of votes that members have is to be worked out as at the midnight before the poll is demanded.

102. When and How Polls Must Be Taken

- 102.1 A poll demanded on a matter other than the election of a chair or the question of an adjournment must be taken when and in the manner the chair directs.
- 102.2 A poll on the election of a chair or on the question of an adjournment must be taken immediately.
- 102.3 The demand for a poll does not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.
- 102.4 The result of the poll is the resolution of the meeting at which the poll was demanded.

103. Chair's Casting Vote

103.1 In the case of an equality of votes, whether on a show of hands or on a poll, the chair of the meeting does not have a casting vote.

104. Voting Rights of Persons Entitled under Transmission Rule

- 104.1 A person entitled under rule 16 to any shares may not vote at a meeting or adjourned meeting in respect of the shares unless:
- (1) 48 hours at least before the time of holding the meeting or adjourned meeting there is lodged at the registered office of the Company documentation of entitlement which satisfies the chair of the meeting or adjourned meeting of the entitlement; or
 - (2) the Directors have previously admitted the person's right to vote at the meeting in respect of the shares.

ANNUAL GENERAL MEETING

105. Annual General Meeting

- 105.1 The Company will hold all annual general meetings within five months after the end of each financial year of the Company at such time and place as may be determined by the Directors.
- 105.2 The Company may in accordance with the Law apply for an extended period in which to hold an annual general meeting and, subject to permission being granted by the Australian Securities and Investment Commission, the relevant annual general meeting may be held within that extended period. Any meeting of members other than an annual general meeting will be called a general meeting.

106. Business of an Annual General Meeting

- 106.1 The business of an annual general meeting may include any of the following, even if not referred to in the notice of meeting:
- (1) the consideration of the annual financial report, Directors' report and Auditor's report;
 - (2) the appointment of the Auditor; and
 - (3) the fixing of the Auditor's remuneration;
- all other business transacted at an annual general meeting and all other business transacted at any other general meeting is special business.
- 106.2 The business of the annual general meeting also includes any other business which under this Constitution or the Law ought to be transacted at an annual general meeting.
- 106.3 The chair of the annual general meeting must allow a reasonable opportunity for the members as a whole at the meeting to ask questions about or make comments on the management of the Company.

106.4 If the Auditor or the Auditor's representative is at the meeting, the chair of an annual general meeting must allow a reasonable opportunity for members to ask the Auditor or that representative questions relevant to the conduct of the audit and the preparation and content of the Auditor's report.

107. Resolutions Proposed by Members

107.1 No member may at any meeting move any ordinary or Special Resolution relating to special business unless:

- (1) the resolution has previously been approved by the Directors; or
- (2) the member has given not less than two months' prior notice in writing of the member's intention to move the resolution at the meeting by leaving the notice and a signed copy of the resolution at the Company's registered office.

107.2 Upon receiving a notice referred to in rule 107.1(2) the secretary must:

- (1) if the notice convening the meeting has already been despatched, immediately notify the members of the proposed resolution; or
- (2) otherwise include notice of the proposed resolution in the notice convening the meeting.

MEETINGS OF MEMBERS HOLDING SHARES IN A CLASS

108. Variation of Class Rights

108.1 Rights attached to shares in a class of shares may be varied or cancelled only:

- (1) by Special Resolution of the Company; and
- (2) either:
 - (a) Special Resolution passed at a meeting of the members holding shares in the class; or
 - (b) with the written consent of members with at least 75% of the votes in the class.

108.2 Rule 108.1 applies whether or not the Company is being wound up.

108.3 The Company must give a notice in writing, by any of the methods referred to in rule 77, of the variation or cancellation of shares to members of the class affected within 7 days after variation or cancellation of the shares.

108.4 The provisions of this Constitution relating to general meetings apply so far as they are capable of application and with the necessary changes to every meeting of members holding shares in a class except that:

- (1) a quorum is 10 members holding the issued shares of that class; and
- (2) any member who holds or represents shares of the class may demand a poll.

108.5 C class shares confer on the holders the right to vote at class meetings of members holding C class shares.

MINUTES

109. Minutes to be Kept

109.1 The Directors must ensure that:

- (1) minutes of all proceedings of general meetings and of meetings of its Directors are entered, within one month after the relevant meeting is held, in books kept for that purpose; and
- (2) those minutes are signed by the chair of the meeting at which the proceedings took place or by the chair of the next succeeding meeting; and
- (3) minutes of the passing of a resolution of members or Directors without a meeting are entered in the minute books and signed by a director within a reasonable time after the resolution is passed.

109.2 Without limiting rule 109.1 the Directors must cause minutes to be made of:

- (1) all appointments of officers and executive employees;
- (2) the names of the Directors present at all meetings of Directors and the Company; and
- (3) the method by which a meeting of Directors was held.

ACCOUNTS, AUDIT AND RECORDS

110. Accounts

110.1 The Directors must:

- (1) cause to be kept such proper accounting and other records as will sufficiently explain the transactions and financial position of the Company and enable true and fair accounts and balance sheets and any documents required to be attached to them to be prepared from time to time; and
- (2) cause the records referred to in subrule 110.1(1) to be kept in such manner as to enable them to be conveniently and properly audited.

110.2 The accounting and other records of the Company must be kept at the registered office of the Company or at such other place in Australia as the Directors think fit and must at all times be open to inspection by the Directors.

110.3 The Directors may from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting and other records of the Company or any of them will be open to the inspection of members not being Directors, and no member (not being a director) will have any right of inspecting any account or book or document of the Company except:

- (1) as conferred by statute;

- (2) authorised by the Directors; or
- (3) authorised by the Company in general meeting.

110.4 Subject to any extension of time granted pursuant to the Law, the Directors must at the annual general meeting lay before the Company all of the accounts prepared for the Company as required by the Law, for the period since the preceding accounts (or in the case of the first accounts, since the incorporation of the Company) made up to date not more than five months before the date of the meeting together with a balance sheet as at the date to which the accounts are made up.

111. Audit

- 111.1 A registered company auditor must be appointed.
- 111.2 The remuneration of the Auditor must be fixed and the Auditor's duties regulated in accordance with the Law.

DIVIDENDS AND RESERVES

112. Dividends

- 112.1 The Company may not declare any dividend.

113. Power to Employ Reserves

- 113.1 The directors may set aside out of the profits of the Company those sums they think proper as reserves, to be applied at the discretion of the directors, for any purpose to which the profits of the Company may be properly applied.
- 113.2 Pending the application of reserves under rule 113.1, the reserves may, at the discretion of the directors, be used in business of the Company or be invested as the directors think fit.
- 113.3 The directors may carry forward so much of the profits remaining as they consider without transferring those profits to a reserve.

EXECUTION OF DOCUMENTS

114. Company Seal

- 114.1 The Company must have a Seal.

115. Share Seal

- 115.1 The Company may adopt a duplicate Seal. It must be a copy of the Seal with the words "duplicate seal", "share seal" or "certificate seal" added.
- 115.2 Any certificate may be issued under the share seal.

115.3 For the purposes of rule 115.2 “certificate” means the Certificate and a certificate in respect of shares, debentures, registered unsecured notes, convertible notes, certificates of debenture or any certificate or other document evidencing any options or rights to take up shares or other interests in the Company.

115.4 The Directors may determine 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.

116. Use of Company Seal

116.1 The Directors must provide for the safe custody of the Seal.

116.2 The Seal may not be fixed to any document except by the authority of a resolution of the Directors or of a committee of the Directors duly authorised by the Directors.

116.3 The Company may not execute a document without the Seal except by the authority of a resolution of the Directors or of a committee of the Directors duly authorised by the Directors.

116.4 The Company executes a document if the document is signed by:

- (1) two Directors of the Company;
- (2) a director and a company secretary of the Company;
- (3) the chair of meetings of the Directors for the time being and the Chief Executive; or
- (4) a person who has been delegated authority by a resolution of the Directors to execute documents.

117. Execution of Document as a Deed

117.1 The Company may execute a document as a deed if the document is expressed to be executed as a deed and is executed in accordance with rule 116.

118. Execution - General

118.1 The same person may not sign in the dual capacities of:

- (1) director and secretary; or
- (2) the chair of meetings of the Directors for the time being and temporary Chief Executive.

118.2 A director may sign any document as director, with or without the Seal, although the document relates to a contract, arrangement, dealing or other transaction in which he or she is interested and his or her signature is effective in regard to compliance with the requirements of this Constitution as to execution despite his or her interest.

118.3 Rule 116 does not limit the ways in which the Directors may authorise documents (including deeds) to be executed on behalf of the Company.

INADVERTENT OMISSIONS

119. Formalities Omitted

If some formality required by this constitution is inadvertently omitted or is not carried out the omission does not invalidate anything, including any resolution, which but for the omission would have been valid unless it is proved to the satisfaction of the Directors that the omission has directly prejudiced any member financially. The decision of the Directors is final and binding on all members.

WINDING UP

120. Shareholders' Rights on Distribution of Assets

120.1 If upon the winding up or dissolution of the Company there remains after the satisfaction of all debts and liabilities any property whatsoever, it:-

- (1) must not be paid or distributed among members but must be given or transferred to an irrigation corporation as defined in the Act, in respect of the whole or the majority of the Area of Operations) established permanently for the purposes of carrying on the business of water reticulation formerly carried on by the Company; or
- (2) to some other institution or institutions having objects wholly or partly similar to the objects of the Company which prohibits the distribution of its or their property amongst its or their members. Such institution will be determined by the members at or before the time of dissolution or in default thereof by the Chief Judge of such Court as may have or acquire jurisdiction on the matter.

REGISTER OF FOREIGN OWNERSHIP OF WATER OR AGRICULTURAL LAND ACT 2015 (CTH)

121. Information and notices to be provided

121.1 In this rule 121, "foreign person" has the same meaning as in the *Register of Foreign Ownership of Water or Agricultural Land Act 2015* (Cth) but also includes a foreign corporation to which paragraph 51(xx) of the *Commonwealth of Australia Constitution Act* applies.

121.2 Each member acknowledges that:

- (1) the Company must comply with the *Register of Foreign Ownership of Water or Agricultural Land Act 2015* (Cth);
- (2) this requires the Company to determine periodically whether it is, has become, or has ceased to be, a foreign person; and
- (3) in order to make that determination, the Company needs information from its members.

121.3 If a member is, or becomes, or ceases to be, a foreign person during a financial year (1 July to 30 June), the member must give notice of that circumstance to the Company by the 7th day after the end of the financial year but this rule does not apply if either:

- (1) the member is not a foreign person at the end of the financial year and was not a foreign person at the end of the previous financial year; or
- (2) the member is no longer a member at the end of the financial year.

121.4 Without limiting rules 121.1 to 121.3, if a member gives a notice to the Commissioner of Taxation under Part 3B (Requirements to give information about foreign holdings of water entitlements) of the *Register of Foreign Ownership of Water or Agricultural Land Act 2015* (Cth) in respect of a registrable water entitlement (including a Water Entitlement) or a contractual water right, the member must give a copy of the notice to the Company at the same time.