This is an important document. Please read it carefully.
If you are unable to attend the Annual General Meeting, please complete the Proxy Form enclosed at the back of this document and return it in accordance with the instructions.

NOTICE OF ANNUAL GENERAL MEETING

To be held on
Tuesday 27 November 2018
at 10.00am (Sydney time)
at the Hilton Hotel
488 George Street, Sydney, NSW
Notice of Annual General Meeting

Notice is hereby given that the 2018 Annual General Meeting of shareholders of Lynas Corporation Limited (“Company”) will be at the Hilton Hotel at 488 George Street, Sydney, NSW on Tuesday 27 November 2018 at 10.00 am (Sydney time) for the purpose of transacting the following Business.

Ordinary Business

2018 FINANCIAL STATEMENTS
To receive and consider the financial statements of the Company for the year ended 30 June 2018, consisting of the Annual Financial Report, the Directors’ Report and the Auditor’s Report.

RESOLUTION 1 – REMUNERATION REPORT
To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That the Remuneration Report of the Company for the year ended 30 June 2018 be adopted.”

Note: Pursuant to section 250R(3) of the Corporations Act 2001, the vote on this resolution is advisory only and it does not bind the directors or the Company.

Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 1:
- by or on behalf of a member of the Key Management Personnel as disclosed in the Lynas Remuneration Report (KMP), or a closely related party of such a member (such as close family members and any companies the person controls) regardless of the capacity in which the vote is cast; and
- as a proxy by a member of the KMP at the date of the Annual General Meeting or a closely related party of such a member, unless the vote is cast by:
  - a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
  - the person chairing the meeting as proxy for a person who is entitled to vote and the proxy does not specify how the chair is to vote but expressly authorises the chair to vote undirected proxies as the chair sees fit (even if the resolution is connected with the remuneration of the key management personnel).

RESOLUTION 2 – RE-ELECTION OF MIKE HARDING AS A DIRECTOR
To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Mike Harding, having retired as a director of the Company pursuant to Article 13.2 of the Company’s Constitution and, being eligible, having offered himself for re-election, be appointed as a director of the Company.”

Note: Pursuant to article 13.2 of the Company’s Constitution, one-third of the directors of the Company (other than the managing director), or if their number is not a multiple of 3, then such number as is appropriate to ensure that no director other than alternate directors and the managing director holds office for more than 3 years, must retire at each Annual General Meeting and, being eligible, may offer themselves for re-election.
RESOLUTION 3 – RE-ELECTION OF PHILIPPE ETIENNE AS A DIRECTOR

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

“That Philippe Etienne, having retired as a director of the Company pursuant to Article 13.2 of the Company’s Constitution and, being eligible, having offered himself for re-election, be appointed as a director of the Company.”

Note: Pursuant to article 13.2 of the Company’s Constitution, one-third of the directors of the Company (other than the managing director), or if their number is not a multiple of 3, then such number as is appropriate to ensure that no director other than alternate directors and the managing director holds office for more than 3 years, must retire at each Annual General Meeting and, being eligible, may offer themselves for re-election.

RESOLUTION 4 - AMENDMENTS TO CONSTITUTION

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

“That the Constitution of the Company be amended as outlined in the Explanatory Statement in the Notice of Meeting, with effect from the close of the meeting.”

RESOLUTION 5 – GRANT OF PERFORMANCE RIGHTS FOR THE BENEFIT OF CEO & MANAGING DIRECTOR – AMANDA LACAZE

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

“That pursuant to and in accordance with Listing Rule 10.14 of the ASX Listing Rules, and for all other purposes, the Company approves and authorises the Directors of the Company to grant, for the benefit of Amanda Lacaze, the following rights to subscribe for ordinary shares in the Company:

(a) FY18 STI Performance Rights: 120,055 Performance Rights with a 12-month vesting period commencing on 31 August 2018 and an exercise date in the first employee trading window after 31 August 2019, as a Short Term Incentive (“STI”) award in respect of FY18, subject to the conditions set out in the attached Explanatory Memorandum and otherwise in accordance with the Rules of the Rights Plan

(b) LTI Performance Rights: A Long Term Incentive (“LTI”) of up to 324,353 Performance Rights with a 3 year vesting period and a 2 year exercise period, and subject to the conditions set out in the attached Explanatory Memorandum and otherwise in accordance with the Rules of the Rights Plan.”

Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 5 by any director who is eligible to participate in the performance rights plan and any associate of such persons. However, Lynas need not disregard a vote if it is cast by:

- a person as proxy for a person who is entitled to vote, in accordance with the directions on the voting form; or
- the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the voting form to vote as the proxy decides.

In addition, no KMP of Lynas or a closely related party of such a KMP may vote as a proxy on Resolution 5 above unless the vote is cast by:

- a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- the person chairing the meeting as proxy for a person who is entitled to vote and the proxy does not specify how the chair is to vote but expressly authorises the chair to vote undirected proxies as the chair sees fit (even if the resolution is connected with the remuneration of the key management personnel).

Note: As described in the Explanatory Memorandum, the Performance Rights were valued by the Company and its advisers using the 5 day VWAP as at the date of Board approval on 31 August 2018, being $2.2086 per Performance Right.

By order of the Board

Andrew Arnold
Secretary
Date: 24 September 2018
Information for Shareholders

1. ENTITLEMENTS TO ATTEND, SPEAK AND VOTE

All shareholders may attend the Annual General Meeting.

The Annual General Meeting gives shareholders the opportunity to hear both the Chair and the CEO and Managing Director talk about the year that has just passed and also give some insight into the Company’s strategy for the year ahead.

For the purposes of determining a person’s entitlement to vote at the meeting, a person will be recognised as a member and holder of shares if that person is registered as a holder of those shares at 7.00 pm (Sydney time) on 25 November 2018.

2. PROXY VOTES

A Proxy Form is enclosed with this Notice.

You can appoint a proxy to attend and vote for you at the meeting in accordance with the directions on the Proxy Form. If no directions as to voting are given to the proxy on the Proxy Form, the proxy may vote as he or she thinks fit, to the extent permitted by law.

If you are entitled to cast two or more votes, you may appoint not more than two proxies to attend and vote for you at the meeting and specify the proportion or number of votes each proxy may exercise.

3. LODGEMENT OF PROXY FORMS

For an appointment of a proxy for the meeting to be effective:

- the proxy’s appointment; and
- the power of attorney (if any) under which it is signed or satisfactory proof of that power or a certified copy of it,

must be received by the Company at the registered office or at the office of the Company’s share registry, Boardroom Pty Limited, by no later than 10.00am (Sydney time), on 25 November 2018:

By hand: Share Registry: Boardroom Pty Limited Level 12, 225 George Street, Sydney NSW 2000 Australia
By mail: Share Registry: Boardroom Pty Limited GPO Box 3993 Sydney NSW 2001 Australia
By facsimile: Share Registry: +61 2 9290 9655
Explanatory Memorandum

This Explanatory Memorandum contains information relevant to the Resolutions set out in the Notice of Annual General Meeting ("Notice") of Lynas Corporation Limited ACN 009 066 648 ("Company") and should be read carefully and in its entirety by shareholders before making any decision in relation to the Resolutions.

The Directors believe that it is in the best interests of Lynas that the Resolutions set out in the Notice be passed and, to the extent that they are permitted to make a recommendation, the Directors unanimously recommend that you vote in favour of the Resolutions. The Directors have abstained from Board discussions and from making any recommendation to shareholders in respect of those matters in which they have a personal interest.

If you have any doubt regarding the information contained in this Explanatory Memorandum or any action you should take in respect of such information, you should consult your financial, legal, taxation or other professional adviser.

Defined terms used in this Explanatory Memorandum are set out in the Glossary.

RESOLUTION 1 – REMUNERATION REPORT


The Remuneration Report:
(a) explains the Board’s policies relating to remuneration of directors, secretaries and executives of the Company;
(b) discusses the relationship between such policies and the Company’s performance;
(c) provides details of any performance conditions attached to such remuneration; and
(d) sets out remuneration details for each director and Key Management Personnel.

The Board submits the Remuneration Report to shareholders for consideration and adoption by way of a non-binding resolution as required by the Corporations Act 2001 (Cth) ("Corporations Act").

Shareholders should note that the vote on Resolution 1 is advisory only and, subject to the matters outlined below, will not bind the Company or the Directors. However, the Board will take the outcome of the vote into consideration when reviewing the Company’s remuneration policy.

A voting exclusion applies to this resolution, as set out earlier in this Notice of Meeting.

RESOLUTION 2 – RE-ELECTION OF MIKE HARDING AS A DIRECTOR

In accordance with the commentary and guidance to Recommendation 2.3 of the ASX Corporate Governance Principles, the Company provides the following information concerning Mr Harding:

Biographical details
Mr Harding joined the Company as Non-Executive Chairman on 1 January 2015 and has significant experience with industrial businesses, having previously held management positions around the world with British Petroleum (BP), including as President and General Manager of BP Exploration Australia.

Mr Harding is currently Chairman of Downer EDI Ltd, and a Non-Executive Director of Cleanaway Waste Management Limited. He is a former Chairman of Roc Oil Company Limited and a former Non-Executive Director of Santos Limited and Clough Limited.

Details of relationships between the Candidate and the Company
Mr Harding is the Non-Executive Chairman of the Company.

Details of relationships between the Candidate and Directors of the Company
Not applicable.
Other directorships held
Mr Harding is currently Chairman of Downer EDI Ltd, and a Non-Executive Director of Cleanaway Waste Management Limited.

The term of office already served by Mr Harding
Mr Harding joined the Board as Non-Executive Chairman from 1 January 2015.
The Board (with Mr Harding abstaining) supports the re-election of Mr Harding as a director and considers him to be independent.

RESOLUTION 3 – RE-ELECTION OF PHILIPPE ETIENNE AS A DIRECTOR
In accordance with the commentary and guidance to Recommendation 2.3 of the ASX Corporate Governance Principles, the Company provides the following information concerning Mr Etienne:

Biographical details
Mr Etienne joined the Company as a Non-Executive Director on 1 January 2015. He is a Non-Executive Director of Cleanaway Waste Management Limited and ANZ Terminals Pty Ltd. Mr Etienne is also the former Managing Director and Chief Executive Officer of Innovia Security Pty Ltd.

In addition, he was previously Chief Executive Officer of Orica Mining services and was a member of Orica Limited’s Executive Committee.
Mr Etienne is a graduate of the Australian Institute of Company Directors. His career includes senior executive positions with Orica in Australia, the USA and Germany including strategy and planning and responsibility for synergy delivery of large scale acquisitions.

Details of relationships between the Candidate and the Company
Mr Etienne is a Non-Executive Director of the Company.

Details of relationships between the Candidate and Directors of the Company
Not applicable.

Other directorships held
Mr Etienne is a Non-Executive Director of Cleanaway Waste Management Limited and ANZ Terminals Pty Ltd.

The term of office already served by Mr Etienne
Mr Etienne joined the Board as a Non-Executive Director from 1 January 2015.
The Board (with Mr Etienne abstaining) supports the re-election of Mr Etienne as a director and considers him to be independent.

RESOLUTION 4 – AMENDMENTS TO CONSTITUTION
Resolution 4 relates to the amendment of the constitution of the Company. The purpose of the proposed amendments is as follows.

1. To confirm that notices issued to Shareholders by the Company under the Constitution can be issued electronically. Specifically, it is proposed that clauses 26.1 and 26.3 of the Company’s constitution be amended to confirm that Shareholders may receive notices from the Company under the Constitution by electronic means, such as email.
2. To update references to outdated or superseded legislation and regulations. In particular, the constitution currently refers to outdated legislation such as the Corporations (Western Australia) Act 1990 (WA), rather than the Corporations Act 2001 (Cth) and contains references to sections of that legislation which are no longer accurate. Similarly, the SCH Business Rules have been superseded by the ASX Settlement Operating Rules. Clause 13.10 of the constitution also restricts directors serving past the age of 72 – a provision which has been removed from the Corporations Act.
Consequential changes to legislative references and defined terms have been drafted and account for the majority of the proposed changes to the constitution.
3. To reflect changes in law and/or market practice since the constitution was first adopted. Principally, it is proposed that the constitution be amended to:
   4.3.1. Extend the minimum time period from 30 days to 35 days before a general meeting for the nomination of directors. This will align the constitution with the ASX Listing Rules and facilitate adequate time for the company to print and distribute materials to shareholders (clause 13.4);
4.3.2. Allow a majority of directors to pass a circular resolution (clause 15.10). The current provision requires all directors to pass such a resolution; whereas this change would align the position for circular resolutions with the usual board majority and allow greater speed and flexibility in decision-making, noting that all directors will still need to receive notice of any such resolution; and

4.3.3. Enable persons appointed by the Board of the Company, other than just directors and the secretary, to countersign documents (clause 19.2).

These proposed changes allow for flexibility and efficiency, and reflect changes in technology, legislation, regulations and market practice since the Constitution was first adopted. The amendments also minimise duplication where provisions of the Constitution are already mandated under the Corporations Act or the ASX Listing Rules.

It is proposed that the Constitution be amended by way of special resolution to address these issues.

A full copy of the proposed amended Constitution is available online at www.lynascorp.com. A copy of the proposed amended Constitution is also available for inspection by shareholders at the offices of the Company at Suite 3, 5 Tully Road, East Perth, Western Australia from the date of this Notice of Meeting until the date of the Annual General Meeting or a copy can be requested free of charge by calling the Company’s share registry between 9am – 5pm (Monday to Friday) on +612 9290 9600. Full copies of the proposed amended Constitution will also be available at the Annual General Meeting.

RESOLUTION 5 – GRANT OF PERFORMANCE RIGHTS FOR THE BENEFIT OF CEO & MANAGING DIRECTOR – AMANDA LACAZE

Summary
In accordance with the terms of Amanda Lacaze’s employment contract (details of which were announced to the ASX on 25 June 2014), the Company proposes to grant up to the following number of Performance Rights for the benefit of its Chief Executive Officer and Managing Director, Amanda Lacaze:

(a) FY18 STI Performance Rights: 120,055 Performance Rights (value A$265,152.90) with a 12-month vesting period commencing 31 August 2018 and an exercise date in the first employee trading window after 31 August 2019, as an STI award in respect of FY18, subject to the conditions set out in this Explanatory Memorandum and otherwise in accordance with the Rules of the Rights Plan ("FY18 STI Performance Rights");

(b) LTI Performance Rights: A Long Term Incentive ("LTI") of up to 324,353 Performance Rights (value A$716,365.43) with a 3 year vesting period commencing 31 August 2018 and a 2 year exercise period, and otherwise in accordance with the Rules of the Rights Plan ("LTI Performance Rights"). The above figure includes the potential award of 120% of the LTI Performance Rights that are subject to an EBIT condition, as described below.

The proposed STI award equates to 20.36% of Ms Lacaze’s total fixed remuneration. The proposed STI award is for achieving significant milestones in cash balances, increased NdPr production, and improved team / individual performance, as described below.

The proposed LTI award equates to up to 50% of Ms Lacaze’s total fixed remuneration, however the proposed LTI award is subject to performance hurdles related to EBIT over the 3 year vesting period and Total Shareholder Return over the 3 year vesting period.

Each Performance Right is a right to acquire one share in the Company ("Share") in the future, subject to certain conditions. Unlike an Option, the holder of a Performance Right is not required to pay an exercise price in order to exercise his/her right to acquire Shares. The granting of Performance Rights is a recognised practice in Australia as part of the remuneration of senior executives.

Ms Lacaze is a very experienced manager who brings more than 25 years of senior operational experience to Lynas, including management of both publicly listed and private companies. It is appropriate that her remuneration package is benchmarked to the market and that her remuneration package includes incentives for long term performance that align with the interests of shareholders.

Lynas achieved excellent results for our shareholders in FY18, including significant improvements in market capitalization, share price, debt reduction, profitability and cash flow. Further details are provided on page 9.

Despite the significantly improved performance of the business in recent years there were no increases in the fixed pay of the CEO from FY14 to FY17. Gross profit for FY17 was $121.1m (FY17: $14.7m) reflecting increased production volumes, improved selling prices and continued cost discipline in the business. Net operating cash flows for FY18 were $118.5m (FY17: $34.0m) reflecting similar factors. The Company’s share price on 1 July 2017 was $1.05. By June 30, 2018, the Company’s share price had increased to $2.34 (both figures are calculated on a post-consolidation basis).

In FY18, the fixed pay of the CEO increased in line with CPI. In FY19, the fixed pay of the CEO will not increase.

Lynas is an ASX 200 company. During FY18, Lynas engaged KPMG-3dc to provide market data benchmarking for the CEO’s remuneration package against an ASX101-200 listed company peer group. Following the review of the data obtained, Lynas has concluded that the CEO’s remuneration is reasonable.

Unusually for an ASX 200 company, Lynas’ principal administrative office is not based in a major city – it is based in the regional township of Kuantan on the east coast of Malaysia. This creates additional issues for the company in attracting and retaining candidates of the calibre required to lead the company, including periods of separation from family, remoteness from major cities, and the need for salary to allow for accommodation, a motor vehicle, spousal travel and related matters. These factors are all relevant in the benchmarking of the CEO’s package.
Ms Lacaze’s package reflected the difficulty in recruiting a suitable candidate in June 2014 to undertake the challenging role of Lynas CEO, at a time of uncertainty regarding the Group’s future. The package also reflects the Group’s requirement for an expatriate CEO with the skills and experience necessary to manage the Group, and the need to attract and retain such a CEO in our main office in Kuantan, in regional Malaysia. Since June 2014, Ms Lacaze has led a significant turnaround in the Group’s performance, reflected in the improved operating metrics summarised in the previous paragraph. There remains significant work to be done in the business by a CEO with Ms Lacaze’s skill set, including strengthening the Company’s position in the volatile global market for Rare Earth products and maintaining the Company’s improved relations with lenders, customers, investors, regulators, local communities and other key stakeholders.

The Board of Lynas initially set Ms Lacaze’s fixed remuneration to attract an appropriately qualified executive to accept the role given the circumstance of the Company at that point in time and that Ms Lacaze would be expected to work in the regional township of Kuantan (away from her home in Sydney).

Ms Lacaze does not receive additional expatriate benefits beyond the fixed pay, short-term benefits and non-monetary benefits listed on page 27 of the Lynas FY18 Financial Report. The overall amount of remuneration paid to Ms Lacaze is consistent with current market practice, which has been confirmed by our adviser KPMG-3dc

Listing Rule 10.14

Listing Rule 10.14 states that a company must not permit a Director or an associate of a Director to acquire securities under an employee incentive scheme without the approval of ordinary shareholders.

The following information is provided to shareholders for the purpose of Listing Rule 10.15:

(a) The Performance Rights will be granted for the benefit of Amanda Lacaze, who is the Managing Director.

(b) The maximum number of Performance Rights to be granted under Resolution 5 is as follows:

(i) FY17 STI: 120,055 Performance Rights (value A$ A$265,152.90)

(ii) LTI: 324,353 Performance Rights (value A$716,365.43) – This figure includes the potential award of 120% of the LTI Performance Rights that are subject to an EBIT condition, as described below.

(c) The Performance Rights will be granted as employee incentives and accordingly, the Performance Rights will be granted for no additional cash consideration. No amount will be payable on the exercise of the Performance Rights. The FY18 STI Performance Rights will have a 12 month vesting period commencing 31 August 2018, and an exercise date in the first employee share trading window after 31 August 2018. The LTI Performance Rights will have a 3 year vesting period commencing 31 August 2018 and a 2 year exercise period.

(d) The Performance Rights are subject to the following vesting conditions and performance hurdles:

(i) FY18 STI: The FY18 STI Performance Rights have a 12-month vesting period commencing on 31 August 2018. They were awarded to Ms Lacaze, subject to shareholder approval, as an STI award in accordance with the STI program that was set for Ms Lacaze’s performance at the commencement of FY18. Those STI hurdles were as follows:

The FY18 STI Program had 4 hurdles as follows:

1. Cash balance – 25%
2. NdPr production – 25%
3. Operating Cost targets – 25%
4. Team / Individual Performance – 25%

The table below summarises the STI targets and outcomes for the financial year ended June 30, 2018 on Cash Balance, NdPr Production and Operating Costs.

<table>
<thead>
<tr>
<th>FY18 STI Goal</th>
<th>Target for 80% of Award</th>
<th>Target for 100% of Award</th>
<th>Target for 120% of Award</th>
<th>FY17 Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cashflow Available for Debt Service</td>
<td>A$45,431K</td>
<td>A$50,479K</td>
<td>A$55,527K</td>
<td>A$60,869K 120% of Award</td>
</tr>
<tr>
<td>NdPr production volume (PF output) (*the 85.73% award took into account approximately 200 tonnes lost due to water supply issues)</td>
<td>5,486t</td>
<td>6,069t</td>
<td>6,676t</td>
<td>5,653t* 85.73% of Award</td>
</tr>
<tr>
<td>Operating Costs – Actual targets commercial in confidence</td>
<td>Threshold not met 0% of Award</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
As shown in the above table, three bands of performance were specified at the beginning of FY18 for the above STI goals, with awards to be made equal to 80%, 100% or 120% of the available STI award pool for each goal, depending on which performance band was achieved. Awards would be prorated if performance fell between the 80%, 100% or 120% targets.

In addition, 25% of the STI award pool was available based on Team / Individual Performance goals. The Board resolved to make an award at the 120% level for Team / Individual Performance in FY18 in light of the strong improvement in Lynas’ performance during FY18, which benefitted all shareholders. This improvement included the following:

(a) The increase in Lynas market capitalisation from $386 million on 1 July 2017 to $1.55 billion on 30 June 2018.
(b) The increase in the share price from $1.05 on 1 July 2017 to $2.34 on 30 June 2018 (both calculated on a post-consolidation basis).
(c) The reduction in debt from US$425 million on 1 July 2017 to US$165.24 million on 30 June 2018.
(d) Delivery of a positive EBIT for the first time during FY18.
(e) A significantly improved cash position, with Cashflow Available for Debt Service of $61 million. This included bringing many of Lynas’ trailing liabilities up to date, including: (i) payment of all historical interest on the two loan facilities other than 2016 interest on the JARE facility and the small number of unconverted bonds (which is scheduled to be paid on maturity), and (ii) bringing the AELB security deposits up-to-date.
(f) The funding of Lynas Next from cashflow.

In accordance with the above calculations, the overall outcome was that 81.43% of the available STI awards will be made in respect of the financial year ended June 30, 2018. Those awards will be made 50% in cash and 50% in Performance Rights with a 12 month vesting period. After the end of the financial year, the Board calculates the STI award outcome based on the above criteria, and the Board reserves the right to adjust the outcome, or the timing of payments, based on factors such as cash availability to pay the proposed award. No such adjustment was made for FY18. In addition, if there had been a fatality during the year (which there was not), no STI awards would have been made unless so resolved by the Board.

(ii) LTI: The LTI Performance Rights will have a 3-year vesting period. The LTI Performance Rights are subject to the following performance hurdles:

(A) 50% will be conditional on the Company’s average annual EBIT growth in the period from 1 July 2018 to 30 June 2021, using the period from 1 July 2017 to 30 June 2018 as the base period, in accordance with the following sliding scale:
   a. If the average annual EBIT growth from 1 July 2018 to 30 June 2021 is at least 7% per annum, then 50% of the EBIT portion will vest.
   b. If the average annual EBIT growth from 1 July 2018 to 30 June 2021 is at least 10% per annum, then 100% of the EBIT portion will vest.
   c. If the average annual EBIT growth from 1 July 2018 to 30 June 2021 is at least 15% per annum, then 120% of the EBIT portion will vest.

   Awards would be prorated if the EBIT growth outcome falls between bands (a) and (b) or between bands (b) and (c). The EBIT figure that will be used to measure the outcome will be an adjusted EBIT figure (after removing non-cash expenses such as employee share based payments). The EBIT for the base period from 1 July 2017 to 30 June 2018 was A$81.0 million.

(B) 50% will be conditional on the company’s Total Shareholder Return (TSR) being at least at the 51st percentile of ASX 200 companies calculated over the 3-year vesting period, in accordance with the following sliding scale:
   a. If the Lyrnas TSR is at least at the 51st percentile, 50% of the TSR portion will vest.
   b. If the Lyrnas TSR is at least at the 76th percentile, 100% of the TSR portion will vest.
   c. If the Lyrnas TSR is between the 51st percentile and the 76th percentile, a pro rata amount of between 50% and 100% of the TSR portion will vest (with the relevant percentile being rounded up or down to the nearest 5%, for ease of calculation).

The Directors believe that the above performance hurdles are important measures of long-term success for the Group that are fully aligned with the interests of shareholders. After several years of ramping up NdPr production to the current levels while tightly managing costs, the Company’s EBIT growth over the next 3 financial years will be an important measure of the success of the improvements to the business implemented by Ms Lacaze and her team.

The TSR hurdle compares shareholder returns from Lynas to shareholder returns from ASX 200 companies over the 3-year vesting period. Lynas is currently a member of the S&P ASX 200 Index, and TSR performance at the 51st percentile or above of ASX 200 companies is considered to be an appropriate hurdle that is directly aligned with shareholder returns.

(e) The Performance Rights were valued by the Company and its advisers at the 5 day VWAP as at 31 August 2018, being the date that the Board approved the proposed award of Performance Rights, subject to shareholder approval. The 5 day VWAP on that date was $2.2086.

(f) Details of the securities granted under the Company’s Employee Performance Rights Plan to persons referred to in Listing Rule 10.14 since the issuance of securities pursuant to the Company’s Employee Performance Rights Plan was approved by shareholders at the Annual General Meeting on 28 November 2017 are set out below. Each of the numbers of securities listed below is expressed on a post-consolidation basis, following the share consolidation of the Company that was approved by shareholders at the Annual General Meeting on 28 November 2017.
Explanatory Memorandum

The following Performance Rights have been granted for the benefit of Amanda Lacaze, as approved by shareholders at previous Annual General Meetings of Shareholders:

(a) 212,391 Short Term Incentive ("STI") with a 12-month vesting period and an exercise period in the first employee share trading window after 28 August 2018, and subject to the Rules of the Rights Plan.

(b) 809,107 Strategic Performance Rights with a 24-month vesting period commencing on 28 August 2017 and an exercise date in the first employee trading window after 28 August 2019, subject to the Rules of the Rights Plan and the following vesting conditions:

(i) Ms Lacaze remaining employed by Lynas for at least the 24-month vesting period and performing at an acceptable level; and

(ii) delivery of the Lynas NEXT targets on time and on budget, including 600 tonnes of NdPr per month.

(c) 423,621 Long Term Incentive ("LTI") Performance Rights subject to EBIT growth and Total Shareholder Return hurdles with a 3 year vesting period expiring 28 August 2020 and a 2 year exercise period, and subject to the Rules of the Rights Plan.

The above Performance Rights were granted as employee incentives and accordingly, the Performance Rights were granted for no additional cash consideration.

(g) The names of all persons referred to in Listing Rule 10.14 who are entitled to participate in the Plan are: Amanda Lacaze.

(h) No loan is granted by the Company for the acquisition of the Performance Rights.

(i) The Performance Rights will be issued no later than 12 months after the date of this Annual General meeting.

Related Party Transactions

Ms Lacaze is a Director of the Company, and accordingly she is a "related party" for the purposes of Chapter 2E of the Corporations Act. The proposed grant of Performance Rights for the benefit of Ms Lacaze, as described above, constitutes a "financial benefit" as described in the Corporations Act.

Under Chapter 2E of the Corporations Act a public company cannot give a financial benefit to a related party unless: (i) shareholders have resolved to approve the giving of the financial benefit, or (ii) an exception applies. Section 211(1) of the Corporations Act contains an exception where the financial benefit is remuneration given to an employee that is reasonable in the circumstances of the company and the employee.

In the view of the Board, the proposed grant of Performance Rights for the benefit of Ms Lacaze, as a component of her remuneration, does not require shareholder approval under Chapter 2E of the Corporations Act because the exception in section 211(1) of the Corporations Act applies.

The Board considers that the proposed grant of Performance Rights for the benefit of Ms Lacaze constitutes reasonable remuneration given the circumstances of the Company and the responsibilities involved in Ms Lacaze’s role as CEO. In this respect, the Board has specifically considered the number of Performance Rights proposed to be granted, the number of Performance Rights previously granted to Ms Lacaze, the performance conditions to be attached to the Performance Rights, and the underlying value of the Performance Rights. Accordingly, the Company is not seeking shareholder approval under Chapter 2E of the Corporations Act for the proposed grant of Performance Rights. The Company is seeking shareholder approval of the proposed grant of Performance Rights in accordance with Listing Rule 10.14 of the ASX Listing Rules.

In addition, the information on Resolution 5 in this Explanatory Memorandum is equivalent to the information that would be provided if shareholder approval were being sought under Chapter 2E of the Corporations Act.

Directors’ recommendation and interests

All the Directors were available to consider the proposed Resolution 5.

Section 195 of the Corporations Act provides, in essence, that a Director of a public company may not vote or be present during meetings of Directors when matters in which that Director holds a “material personal interest” are being considered.

Amanda Lacaze has an interest in the outcome of the proposed resolution because she will be granted an interest in Performance Rights in accordance with the proposed resolution. Accordingly, Amanda Lacaze is unable to make a recommendation to shareholders concerning the proposed Resolution 5.

The other Directors of the Company (Non Participating Directors) do not have an interest in the outcome of the proposed resolution, and are not eligible to participate in the Lynas Employee Performance Rights Plan, and consider themselves justified in making a recommendation to shareholders concerning Resolution 5. Each of the Non Participating Directors considers that Resolution 5 is in the best interests of the Company and its shareholders. It is important that the remuneration of the Directors is linked to the medium term and long term strategies of the Company. Resolution 5 will provide Amanda Lacaze with additional incentives to successfully implement the Company’s strategies.

Therefore, the Non Participating Directors unanimously recommend that shareholders vote in favour of Resolution 5.

A voting exclusion applies to this resolution, as set out earlier in this Notice of Meeting.
Other information that is reasonably required by members to make a decision and that is known to the Company or any of its Directors

Resolution 5 would have the effect of giving power to the Directors to grant Amanda Lacaze Performance Rights on the terms and conditions as set out in Annexure A and as otherwise mentioned above. The Company presently has on issue 662,547,136 ordinary shares. If the Performance Rights proposed to be granted for the benefit of Amanda Lacaze are approved by shareholders, the total number of Options and Performance Rights granted by the Company will be 12,178,595. This represents approximately 1.84% of the 662,547,136 ordinary shares that the Company has issued at the date of this Explanatory Memorandum.

If any Performance Rights granted as proposed above are exercised, the effect would be to dilute the shareholding of existing shareholders.

The highest closing price for Shares trading on ASX during the past 12 months was A$2.89 which occurred on 8 May 2018 and the lowest closing price of Shares trading on ASX during the past 12 months was A$1.65 which occurred on 6 December 2017. The most recent closing price of Shares trading on the ASX prior to the date of this Explanatory Memorandum was A$2.10 which occurred on 21 September 2018. Each of the share prices quoted above is expressed on a post-consolidation basis, following the share consolidation of the Company that was approved by shareholders at the Annual General Meeting on 28 November 2017.

The other remuneration currently being received by the proposed recipient of the Performance Rights is set out on page 27 of the Lynas FY18 Financial Report and in the Company’s ASX announcement dated 25 June 2014.

At the date of this Notice the proposed recipient of the Performance Rights, Amanda Lacaze, has an interest in 1,486,962 ordinary shares, and 4,409,553 employee performance rights that have been awarded.

The FY18 STI Performance Rights equate to 20.36% of Ms Lacaze’s total fixed remuneration. In addition, as announced to the ASX on 25 June 2014, Ms Lacaze may receive, in the Board’s discretion, an annual LTI Performance Rights award equal to 50% of Ms Lacaze’s total fixed remuneration, i.e. in the amount of $651,241.30.

Below are tables setting out the maximum number of LTI Performance Rights that could be exercised by Ms Lacaze if the vesting condition is satisfied, and if the EBIT and TSR conditions are wholly or partly satisfied.

### Class I – EBIT Growth from 1 July 2018 to 30 June 2021

<table>
<thead>
<tr>
<th>Performance Conditions</th>
<th>7% per annum annual growth</th>
<th>10% per annum annual growth</th>
<th>15% per annum annual growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of LTI Performance Rights that may be Exercised</td>
<td>50% of EBIT portion</td>
<td>100% of EBIT portion</td>
<td>120% of EBIT portion</td>
</tr>
<tr>
<td>Number of LTI Performance Rights that may be Exercised</td>
<td>73,717</td>
<td>147,433</td>
<td>176,920</td>
</tr>
<tr>
<td>Value of those LTI Performance Rights at A$2.2086</td>
<td>$162,810.33</td>
<td>$325,620.65</td>
<td>$390,744.78</td>
</tr>
</tbody>
</table>

### Class II – Three Year Total Shareholder Return (TSR) vs. ASX 200 Companies

<table>
<thead>
<tr>
<th>Performance Conditions</th>
<th>at least 51st percentile</th>
<th>at least 76th percentile</th>
<th>between 51st and 76th percentile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of LTI Performance Rights that may be Exercised</td>
<td>50% of TSR portion</td>
<td>100% of TSR portion</td>
<td>pro rata between 50% and 100% of the TSR portion</td>
</tr>
<tr>
<td>Number of LTI Performance Rights that may be Exercised</td>
<td>73,717</td>
<td>147,433</td>
<td>Between 73,717 and 147,433</td>
</tr>
<tr>
<td>Value of those LTI Performance Rights at A$2.2086</td>
<td>$162,810.33</td>
<td>$325,620.65</td>
<td>Between $162,810.33 and $325,620.65</td>
</tr>
</tbody>
</table>

**Note:** A$325,620.65 is 25% of Ms Lacaze’s total fixed remuneration.

One LTI Performance Right in each of the above classes was valued at A$2.2086, being the 5 day VWAP of Lynas shares as at 31 August 2018.
## Effect on the Company’s Issued Securities of Resolution 5

On the date of this Explanatory Memorandum, excluding the securities referred to in Resolution 5, the Company has on issue, or has agreed to issue, the following equity securities:

<table>
<thead>
<tr>
<th>Type of Security Issued or Agreed to be Issued</th>
<th>Equivalent Number of Ordinary Shares on a Fully Diluted Basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinary Shares (ASX Code: LYC)</td>
<td>662,547,136</td>
</tr>
<tr>
<td>Unlisted Employee Options and Unlisted Employee Performance Rights</td>
<td>11,734,187</td>
</tr>
<tr>
<td>Unlisted Warrants – Exercise Price A$0.50, Expiry Date: 30 September 2020</td>
<td>23,256,258</td>
</tr>
<tr>
<td>US$15,242,003.79 Convertible Bonds maturing 30 September 2020, convertible at A$1.00 per share (subject to adjustment) based on a fixed exchange rate of A$1.00 = US$0.75</td>
<td>20,322,671</td>
</tr>
</tbody>
</table>

If all of the securities referred to in Resolution 5 were added to the above table, it would read as follows:

<table>
<thead>
<tr>
<th>Type of Security Issued or Agreed to be Issued</th>
<th>Equivalent Number of Ordinary Shares on a Fully Diluted Basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinary Shares (ASX Code: LYC)</td>
<td>662,547,136</td>
</tr>
<tr>
<td>Unlisted Employee Options and Unlisted Employee Performance Rights (including the Unlisted Employee Performance Rights referred to in Resolution 5)</td>
<td>12,178,595</td>
</tr>
<tr>
<td>Unlisted Warrants – Exercise Price A$0.50, Expiry Date: 30 September 2020</td>
<td>23,256,258</td>
</tr>
<tr>
<td>US$15,242,003.79 Convertible Bonds maturing 30 September 2020, convertible at A$1.00 per share (subject to adjustment) based on a fixed exchange rate of A$1.00 = US$0.75</td>
<td>20,322,671</td>
</tr>
</tbody>
</table>
Glossary

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

Board means the board or Directors of the Company.

Closely Related Party means the board or Directors of the Company:
(a) a spouse or child of the member;
(b) a child of the member’s spouse;
(c) a dependant of the member or of the member’s spouse;
(d) anyone else who is one of the member’s family and may be expected to influence the member, or be influenced by the member, in the member’s dealings with the entity;
(e) a company the member controls; or
(f) a person prescribed by the Corporations Regulations 2001 (Cth).


Director means a director of the Company.

Key Management Personnel has the same meaning as in the accounting standards (so the term broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director, whether executor or otherwise, of the Company).
Annexure A

Terms of the Lynas Employee Performance Rights Plan (Resolution 5)

1. Name
   This Plan shall be called the Lynas Corporation Limited (ACN 009 066 648) – Performance Rights Plan.

2. Purpose
   The Purpose of this Plan is to:
   (1) recognise the ability and efforts of the directors, employees and consultants of the Company who have contributed to the success of the Company;
   (2) provide an incentive to the directors, employees and consultants to achieve the long term objectives of the Company and improve the performance of the Company; and
   (3) attract persons of experience and ability to employment with the Company and foster and promote loyalty between the Company and its directors, employees and consultants.

3. Commencement
   This Plan shall take effect from such date as is resolved by the Board of Directors.

4. Interpretation
   In these rules, unless the context otherwise requires:
   - "ASX" means ASX Limited;
   - "Board of Directors" means the Board of Directors of the Company from time to time acting by resolutions made in accordance with the Corporations Act and the Constitution of the Company;
   - "Business Day" means a day on which trading banks are open for business in Sydney, Australia;
   - "Change of Control Event" means a shareholder, or a group of associated shareholders, acquiring relevant interests in sufficient shares in the Company to give it or them the ability, in general meeting, to replace all or a majority of the Board of Directors and that ability is successfully exercised;
   - "Company" means Lynas Corporation Limited ACN 009 066 648;
   - "Corporations Act" means the Corporations Act 2001 (Cth);
   - "Director" means an executive or non-executive director of the Company, from time to time;
   - "Eligible Person" means each individual or corporate entity that is a full-time or part-time employee or consultant of the Company, a Director or an Officer of the Company. The Board of Directors has determined that non-executive Directors may not participate in the Plan;
   - "Listing Rules" means the Listing Rules of ASX;
   - "Offeree" means a person to whom Rights are offered under this Plan;
   - "Officer" has the same meaning as is ascribed to that term in the Corporations Act;
   - "Official Quotation" means quotation on the Official List of ASX;
   - "Plan" means this Plan as amended from time to time;
   - "Rights Holder" means a person to whom Rights are issued under this Plan;
   - "Rights" means the Rights granted under this Plan to subscribe for Shares;
   - "Rules" means these rules as from time to time amended;
   - "Shares" means the ordinary fully paid shares in the capital of the Company; and
   - "Vesting Date" means, in respect of a Right, the date three (3) years after the date of grant of the Right, or such other period as is specified by the Board of Directors on the date of grant of the Right.
5. **Eligibility**  
All Eligible Persons shall be entitled to participate in the Plan.

6. **Limitation on Total Number of Rights**  
The combined number of options and performance rights over unissued Shares in the Company that may be issued under this Plan and under any other employee incentive plan at any time shall not exceed 5% of the total number of Shares on issue from time to time.

7. **Number of Rights**  
The number of Rights an Eligible Person is to be allocated shall be determined by the Board of Directors in its sole and absolute discretion. The number of Rights that Directors are to be allocated will be subject to the approval of shareholders in general meeting.

8. **Terms and Conditions of Rights**  
The terms and conditions of each allocation of Rights shall be determined by the Board of Directors in its sole and absolute discretion. The expiry date of Rights shall be up to five (5) years after the date on which the Rights were granted. In addition to the requirement that the Offeree must be an Eligible Person on the Vesting Date, Rights may be issued subject to such additional vesting conditions as are determined by the Board of Directors in its sole and absolute discretion.

9. **Recipient of Shares**  
Subject to Rule 18, an Eligible Person may only apply in his/her own name to take up his/her entitlement, or part thereof, to Rights under the Plan.

10. **Offer Letter and No Certificates**  
The Company shall issue a letter to each Offeree setting out the number of Rights offered and the deadline for acceptance of the offer. If an Offeree does not accept the offer before the deadline for acceptance, the offer will lapse and those Rights will not be issued. No certificates will be issued for the Rights, and the Company’s register of Rights Holders will be conclusive evidence of the matters set out therein.

11. **Terms and Conditions of Rights to be Issued to Eligible Persons**

   11.1 Monies may be payable for the issue of the Rights.
   
   11.2 If a Change of Control Event occurs, Rights do not vest automatically. The general position is that Rights will remain in effect, with no change to the Vesting Date. Ultimately, a discretion remains with the Board as to whether Rights will vest upon a Change of Control Event, and if so, how many. The key criteria to be applied by the Board is what is reasonable in the circumstances. For example, if the management team remains intact following a Change of Control Event, the general position is that Rights will remain in effect, with no change to the Vesting Date.
   
   11.3 Despite anything contained elsewhere in these Rules, but subject to Rules 11.4 and 12.1, a Right is only exercisable, if immediately following the Vesting Date, the Rights Holder is an Eligible Person.
   
   11.4 The Board of Directors may waive or amend the operation of Rule 11.3 (but so as not to increase the period for the exercise of a Right) as it applies to a Rights Holder in the case of hardship or for any other just reason.
   
   11.5 Each Right shall carry the right in favour of a Rights Holder to subscribe for one Share.
   
   11.6 Shares allotted to Rights Holders on the exercise of Rights shall be issued for no additional monetary consideration.
   
   11.7 Rights shall not be listed for official quotation on ASX.
   
   11.8 A Rights Holder may not sell, transfer, assign, give or otherwise dispose of, in equity or in law, the benefit of a Right. The Board of Directors may waive or amend the operation of this Rule as it applies to a Rights Holder in cases of hardship or for any other just reason.
   
   11.9 Rights may be issued on the basis that (subject to satisfaction of the vesting conditions) they will be automatically exercised on a specified date without further action required by the Rights Holder. Subject to satisfaction of the vesting conditions, all other Rights shall be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the Rights Holder to exercise all or a specified number of Rights held by him. An exercise of only some Rights shall not affect the rights of the Rights Holder to the balance of the Rights held by him.
   
   11.10 The Company shall allot the resultant Shares within five (5) business days of the exercise of the Rights.
   
   11.11 Shares allotted pursuant to an exercise of Rights shall rank, from the date of allotment, equally with existing Shares of the Company in all respects.
   
   11.12 The Company shall, in accordance with Listing Rule 2.8, make application to have Shares allotted pursuant to an exercise of Rights listed for Official Quotation.
11.13 Rights Holders do not have a right to participate in new issues without exercising their Rights in accordance with Listing Rule 6.19.

11.14 In the event of any reorganisation of capital of the Company, all rights of the Rights Holder will be changed to the extent necessary to comply with the Listing Rules applying to a re-organisation of capital at the time of the re-organisation in accordance with the Listing Rules.

11.15 The Rights will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Rights.

11.16 The number of Shares to be issued pursuant to the exercise of Rights will be adjusted for bonus issues made prior to exercise of Rights. The effect will be that upon exercise of the Rights the number of Shares received by the Rights Holder will include the number of bonus Shares that would have been issued if the Rights had been exercised prior to the record date for bonus issues. The exercise price of the Rights shall not change as a result of any such bonus issue.

11.17 The Company shall notify each Rights Holder and ASX within one (1) month after the record date for a bonus issue of the adjustment to the number of Shares over which the Rights exist.

12. Termination of Rights

12.1 Despite anything contained elsewhere in this Plan, if a Rights Holder ceases to be an Eligible Person prior to the specified Vesting Date of his / her Rights, then unless otherwise determined by the Board at its sole discretion, the unvested Rights held by the Rights Holder will continue to be subject to the rules of the Plan until the Vesting Date of the Rights, at which time the Rights will vest in accordance with the rules of the Plan.

12.2 If the Board exercises its discretion to cancel such Rights, such Rights will be cancelled within 6 months of the Board decision, except where the Rights Holder has been retrenched where cancellation will occur within 36 months of the Board decision.

13. Restrictions on Alterations to the Plan

The Plan may be amended at any time by resolution of the Board of Directors of the Company subject to the requirements from time to time of the Corporations Act and the Listing Rules. Any such amendment however shall not adversely affect the rights of Rights Holders who are granted Rights prior to such amendment without the consent of the Rights Holder, unless such amendment is required by, or necessitated by amendments to, either the Corporations Act or the Listing Rules.

14. Rights of Employees

The Plan shall not form part of any contract of employment between the Company and any of its employees or Directors and shall not confer directly or indirectly on any Eligible Person the right to be employed by or to continue to be employed by or hold any position in relation to the Company.

15. Powers of the Directors

The Plan shall be administered by the Board of Directors who shall have the power to:

15.1 determine procedures from time to time for administration of the Plan consistent with these rules;
15.2 resolve conclusively all questions of fact or interpretation arising in connection with the Plan; and
15.3 delegate to any one or more persons for such period and on such conditions as may be determined by the Board of Directors, the exercise of any of the Board of Directors’ powers or discretions arising under the Plan.

16. Termination of Plan

The Plan may at any time be terminated by the Board of Directors but such termination shall not affect the rights of holders of Rights issued prior to termination.

17. Governing Law

This Plan shall be governed by, administered and construed in accordance with the Laws of New South Wales.
YOUR VOTE IS IMPORTANT
For your vote to be effective it must be recorded before 10.00am (Sydney Time) on Sunday 25 November 2018.

TO VOTE ONLINE


STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)

STEP 3: Enter your Voting Access Code (VAC):

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1: Appointment of Proxy
Indicate who you want to appoint as your Proxy
If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy
You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company’s securities registry or you may copy this form.

To appoint a second proxy you must:
(a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
(b) return both forms together in the same envelope.

STEP 2: Voting Directions to your Proxy
To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate
Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company’s securities registry.

STEP 3: Sign the Form
The form must be signed as follows:
Individual: This form is to be signed by the securityholder.
Joint Holding: Where the holding is in more than one name, all the securityholders should sign.
Power of Attorney: To sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.
Companies: This form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person.

Please indicate the office held by signing in the appropriate place.

STEP 4: Lodgement
Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by 10:00am (Sydney Time) on Sunday, 25 November 2018. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:
By Fax + 61 2 9290 9655
By Mail Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
In Person Boardroom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000 Australia

Attending the Meeting
If you wish to attend the meeting please bring this form with you to assist registration.
STEP 1: Appoint a Proxy

I/We being a member/s of Lynas Corporation Limited (Company) and entitled to attend and vote hereby appoint:

☐ the Chair of the Meeting (mark box)

OR if you are NOT appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at the Hilton Hotel, 488 George Street, Sydney, NSW 2000 on Tuesday 27 November, 2018 at 10:00am (Sydney Time) and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1 & 5 are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 1). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the ‘Against’ or ‘Abstain’ box opposite that resolution.

STEP 2: Voting Directions

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

<table>
<thead>
<tr>
<th>Resolution</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resolution 1</td>
<td>Remuneration Report</td>
</tr>
<tr>
<td>Resolution 2</td>
<td>Re-election of Mike Harding as a Director</td>
</tr>
<tr>
<td>Resolution 3</td>
<td>Re-election of Philippe Etienne as a Director</td>
</tr>
<tr>
<td>Resolution 4</td>
<td>Amendments to Constitution</td>
</tr>
<tr>
<td>Resolution 5</td>
<td>Grant of Performance Rights for the benefit of CEO &amp; Managing Director – Amanda Lacaze</td>
</tr>
</tbody>
</table>

For   Against   Abstain

STEP 3: Signature of Securityholders

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

☐ Sole Director and Sole Company Secretary

Securityholder 2

☐ Director

Securityholder 3

☐ Director/Company Secretary

Contact Name: ___________________________________________ Contact Daytime Telephone: ___________________________ Date: ____________ / _______ / 2018

YOUR ADDRESS:

☐ This is your address as it appears on the company’s share register. If this is incorrect, please mark the box with an “X” and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.
LYNAS CORPORATION LIMITED

ACN 009 066 648

COMPANY CONSTITUTION

INCORPORATING AMENDMENTS FROM THE MEETING OF
LYNAS SHAREHOLDERS HELD ON 20 NOVEMBER 2018
# TABLE OF CONTENTS

1. **INTERPRETATION**  
   1.1 Replaceable Rules  
   1.2 Definitions  
   1.3 Interpretation  
   1.4 [Corporations Act](#) Definitions  
   1.5 Headings  
   1.6 Listing Rules  

2. **SHARE CAPITAL AND VARIATION OF RIGHTS**  
   2.1 Issue of Shares  
   2.2 Share Options  
   2.3 Classes of Shares  
   2.4 Preference Shares  
   2.5 Recognition of Trusts  
   2.6 Unregistered Interests  
   2.7 Uncertificated Holdings and Electronic Transfer  
   2.8 Share Holding Statements  
   2.9 [Settlement Agent](#) Cancellation of Certificate  
   2.10 Share Certificates  
   2.11 Joint Holders of Shares  
   2.12 Commissions  
   2.13 Restricted Securities  
   2.14 Option Holdings  

3. **SMALL SHAREHOLDERS**  
   3.1 Marketable Parcels  
   3.2 Sale of Shares of Small Shareholder  
   3.3 Proceeds of Sale  
   3.4 Manner of Giving Notice  
   3.5 Exercise of Powers on Behalf of Company  

4. **LIEN**  
   4.1 Generally  
   4.2 Lien on Share  
   4.3 Protection of Rights  
   4.4 Extinguishment of Lien
4.5  Exemptions
4.6  Dividends
4.7  Sale of Shares
4.8  Restrictions on Sale
4.9  Person Authorised to Sign Transfers
4.10 Proceeds of Sale

5. CALLS ON SHARES

5.1  Calls
5.2  Revocation Or Postponement of Call
5.3  Making A Call
5.4  Payments in Advance of Calls
5.5  Transfer of Shares Call Unpaid
5.6  Notice of Call and Shareholders
5.7  Joint Holders
5.8  Non Receipt of Notice of Call
5.9  Interest on default
5.10 Instalments deemed calls
5.11 Differentiation between Shareholders as to calls

6. FORFEITURE OF SHARES

6.1  Notice requiring payment of call
6.2  Forfeiture for failure to comply with notice
6.3  Notice of Forfeiture
6.4  Surrender of Share
6.5  Cancellation of forfeiture
6.6  Effect of forfeiture on former holder's liability
6.7  Evidence of forfeiture
6.8  Transfer of forfeited share
6.9  Forfeiture applies to non-payment of instalment
6.10 Listing Rules

7. TRANSFER OF SHARES

7.1  Forms of Instrument of Transfer
7.2  Registration Procedure
7.3  Transferor Holds Shares Until Registration of Transfer
7.4  Directors' Powers to Decline to Register
7.5  Company to Retain Instrument of Transfer
7.6 Other Securities 17

8. TRANSMISSION OF SHARES 17
8.1 Transmission of Shares on Death of Holder 17
8.2 Death or Bankruptcy of Shareholder 17
8.3 Registration by Transmission or to Beneficiary 17
8.4 Limitations to Apply 17

9. REDUCTIONS OF CAPITAL 17
9.1 Reduce Share Capital 17

10. SHARE BUY-BACKS 18
10.1 Power to Buy Back Shares 18

11. GENERAL MEETINGS 18
11.1 Convening of General Meetings of Shareholders 18
11.2 Notice 18
11.3 Notice to ASX 18
11.4 Annual General Meeting 19

12. PROCEEDINGS AT GENERAL MEETINGS 19
12.1 Quorum 19
12.2 Business At General Meetings 19
12.3 Persons Entitled to Attend A General Meeting 19
12.4 Chairman 19
12.5 Adjournment 20
12.6 Notice of Resumption of Adjourned General Meeting 20
12.7 Voting Rights 20
12.8 Voting - Show of Hands 20
12.9 Results of Voting 21
12.10 Poll 21
12.11 Manner of Taking Poll 21
12.12 Meeting May Continue 21
12.13 Voting by Joint Holders 21
12.14 Shareholder Under Disability 21
12.15 Payment of Calls 22
12.16 Objection to Voting 22
12.17 Appointment of Proxy 22
12.18 Proxy Votes 23
12.19 Representatives of Corporate Shareholders 23
13. **THE DIRECTORS**

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>13.1</td>
<td>Number of Directors</td>
<td>24</td>
</tr>
<tr>
<td>13.2</td>
<td>Rotation of Directors</td>
<td>24</td>
</tr>
<tr>
<td>13.3</td>
<td>Election of Directors</td>
<td>24</td>
</tr>
<tr>
<td>13.4</td>
<td>Nomination of Directors for Election</td>
<td>24</td>
</tr>
<tr>
<td>13.5</td>
<td>Casual Vacancies and Additional Directors</td>
<td>25</td>
</tr>
<tr>
<td>13.6</td>
<td>Removal of Director</td>
<td>25</td>
</tr>
<tr>
<td>13.7</td>
<td>Vacation of Office</td>
<td>25</td>
</tr>
<tr>
<td>13.8</td>
<td>Remuneration</td>
<td>26</td>
</tr>
<tr>
<td>13.9</td>
<td>Expenses</td>
<td>26</td>
</tr>
<tr>
<td>13.10</td>
<td>Qualification of Directors</td>
<td>26</td>
</tr>
</tbody>
</table>

14. **POWERS AND DUTIES OF DIRECTORS**

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.1</td>
<td>Management of the Company</td>
<td>26</td>
</tr>
<tr>
<td>14.2</td>
<td>Borrowings</td>
<td>26</td>
</tr>
<tr>
<td>14.3</td>
<td>Attorneys</td>
<td>27</td>
</tr>
<tr>
<td>14.4</td>
<td>Cheques Etc.</td>
<td>27</td>
</tr>
<tr>
<td>14.5</td>
<td>Retirement Benefits for Directors</td>
<td>27</td>
</tr>
<tr>
<td>14.6</td>
<td>Securities to Directors</td>
<td>28</td>
</tr>
</tbody>
</table>

15. **PROCEEDING OF DIRECTORS**

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>15.1</td>
<td>Convening A Meeting</td>
<td>28</td>
</tr>
<tr>
<td>15.2</td>
<td>Procedure At Meetings</td>
<td>28</td>
</tr>
<tr>
<td>15.3</td>
<td>Quorum</td>
<td>28</td>
</tr>
<tr>
<td>15.4</td>
<td>Majority Decisions</td>
<td>28</td>
</tr>
<tr>
<td>15.5</td>
<td>Casting Votes</td>
<td>29</td>
</tr>
<tr>
<td>15.6</td>
<td>Alternate Directors</td>
<td>29</td>
</tr>
<tr>
<td>15.7</td>
<td>Continuing Directors May Act</td>
<td>29</td>
</tr>
<tr>
<td>15.8</td>
<td>Chairman</td>
<td>29</td>
</tr>
<tr>
<td>15.9</td>
<td>Committees</td>
<td>30</td>
</tr>
<tr>
<td>15.10</td>
<td>Written Resolutions</td>
<td>30</td>
</tr>
<tr>
<td>15.11</td>
<td>Defective Appointment</td>
<td>30</td>
</tr>
<tr>
<td>15.12</td>
<td>Directors May Hold Other Offices</td>
<td>30</td>
</tr>
<tr>
<td>15.13</td>
<td>Directors May Hold Shares, Etc.</td>
<td>30</td>
</tr>
<tr>
<td>15.14</td>
<td>Directors Not Accountable for Benefits</td>
<td>31</td>
</tr>
<tr>
<td>15.15</td>
<td>Disclosure of Interests</td>
<td>31</td>
</tr>
<tr>
<td>15.16</td>
<td>Related Body Corporate Contracts</td>
<td>31</td>
</tr>
</tbody>
</table>
15.17 Voting, Affixation of Seal

16. **MEETING BY INSTANTANEOUS COMMUNICATION DEVICE**  
   16.1 Meetings to Be Effectual  
   16.2 Procedure At Meetings  
   16.3 Minutes  
   16.4 Definition

17. **MANAGING DIRECTOR**  
   17.1 Appointment  
   17.2 Remuneration  
   17.3 Powers  
   17.4 Rotation

18. **SECRETARY**  
   18.1 Secretary

19. **SEALS**  
   19.1 Common Seal  
   19.2 Execution of Documents without the Seal  
   19.3 Share Seal

20. **ACCOUNTS, AUDIT, RECORDS AND RECORD DATE**  
   20.1 Accounting Records to Be Kept  
   20.2 Audit  
   20.3 Inspection  
   20.4 Record Date

21. **MINUTES**  
   21.1 Minutes to Be Kept  
   21.2 Signature of Minutes  
   21.3 Requirements of the Corporations Law

22. **DIVIDENDS AND RESERVES**  
   22.1 Dividends  
   22.2 Interim Dividend  
   22.3 Dividends Only Payable From Profits  
   22.4 No Interest  
   22.5 Reserves  
   22.6 Alternative Method of Payment of Dividend  
   22.7 Payment of Dividends  
   22.8 Unclaimed Dividends
22.9 Breach of Restriction Agreement

23. CAPITALISATION
  23.1 Capitalisation
  23.2 Procedures

24. BONUS SHARE PLAN
  24.1 Authorisation of Bonus Share Plan
  24.2 Amendment and Revocation

25. DIVIDEND REINVESTMENT PLAN
  25.1 Authorisation of Dividend Reinvestment Plan

26. NOTICES
  26.1 Service
  26.2 Service by Post
  26.3 Service by Facsimile or Electronic Means
  26.4 Notice to Joint Holders
  26.5 Notices to Personal Representatives and Others
  26.6 Persons Entitled to Notice
  26.7 Incorrect Address

27. WINDING-UP
  27.1 Distribution in Kind
  27.2 Trust For Shareholders
  27.3 Distribution in Proportion to Shares Held

28. OFFICERS' AND AUDITOR'S INDEMNITY
  28.1 Generally
  28.2 Employees' Indemnity
  28.3 Liability
  28.4 Relevant Amount
  28.5 Insurance

29. OVERSEAS SHAREHOLDERS
  29.1 Overseas Shareholders

30. LISTING RULES
  30.1 Listing Rules

31. ASX SETTLEMENT OPERATING RULES
  31.1 ASX Settlement Operating Rules

Andrew Arnold/Constitution - 2018 AGM Amendments
CONSTITUTION OF LYNAS CORPORATION LIMITED

ACN 009 066 648

1. INTERPRETATION

1.1 Replaceable Rules

The Replaceable Rules contained in the Corporations Law do not apply to this Company.

1.2 Definitions

In this Constitution:

"ASX" means Australian Stock Exchange (ABN 98 008 624 691);

"ASX Settlement" means ASX Settlement Pty Ltd (ABN 49 008 504 532);

"ASX Settlement Operating Rules" means the operating rules of ASX Settlement or of any relevant organisation which is an alternative or successor to, or replacement of, ASX Settlement or of any applicable CS facility licensee.

"Bonus Share Plan" means a plan implemented under clause 24;

"Broker" has the same meaning as that term has in the SCH Business Rules;

"Business Day" means a day other than a Saturday, a Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day which ASX shall declare and publish to be a day which is not a business day;

"Chairman" and "Vice-Chairman" means the persons elected by the Directors to the office of Chairman and Vice-Chairman from time to time in accordance with clause 15.8 or as otherwise elected in accordance with clause 12.4;

"CHESS" has the same meaning as that term has in the SCH Business Rules;

"CHESS approved Securities" means Securities for which CHESS approval has been given in accordance with the SCH Business Rules;

"Company" means this company as it is from time to time named in accordance with the Corporations Law;

"Constitution" means this constitution as altered or amended from time to time;
"Corporations Law Act" and "Corporations Regulations" have the meanings given to them by Part 3 of the Corporations (Western Australia) Act 1990 and references to the Corporations Law and the Corporations Regulations have the effect given to them by Section 13 of that Act means the Corporations Act 2001 (Cth);

"CS facility licensee" means a person who holds a licence under the Corporations Act that authorises the person to operate a clearing and settlement facility.

"Directors" means the directors of the Company from time to time or such number of them as have authority to act for the Company (including any alternate director duly acting as such), and "Director" has a corresponding meaning;

"Dividend Reinvestment Plan" means a plan implemented under clause 25;

"Executive Director" means a Director appointed in accordance with clause 17.1 to an office of, or otherwise employed by, the Company;

"Holding Lock" has the same meaning as that term has in the SCH Business Rules ASX Settlement Operating Rules;

"Listing Rules" means the Listing Rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the Official List of ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX;

"Listed Securities" means any Shares, Share Options, stock, debentures, debenture stock or other securities for the time being issued by the Company and officially quoted by ASX;

"Managing Director" means the Director appointed as the managing director of the Company in accordance with clause 17.1;

"Market Transfer" means:

(a) a transfer of Shares where the transfer is pursuant to or connected with a transaction entered into on a stocksecurities market operated by ASX and for the avoidance of doubt includes a proper SCH-ASTC transfer; or

(b) an allotment of Shares as a result of the exercise of any rights, options or notes that are traded on a stocksecurities market operated by ASX;

"Officer" means any Director or Secretary of the Company;

"Official List" means the official list of ASX;

"Prescribed Rate" means the interest rate which is 2% above the Reserve Bank of Australia Indicator Cash Rate as published or quoted from time to time, or such other rate as may from time to time be fixed by the Directors, calculated daily;
"proper SCH-ASTC transfer" has the same meaning as that term has in the Corporations Law Regulations 2001 (Cth);

"Record Date" has the same meaning as that term has in the SCH Business Rules ASX Settlement Operating Rules;

"Registered Office" means the registered office of the Company;

"Register of Shareholders" means the register of Shareholders kept by the Company in accordance with Section 169 of the Corporations Law Corporations Act;

"Related Body Corporate" means a body corporate which by virtue of the provisions of Section 50 of the Corporations Law Corporations Act is deemed to be related to the Company and 'related' has a corresponding meaning;

"Representative" means a person authorised to act as a representative of a body corporate under clause 12.19;

"Replaceable Rules" has the same meaning as that term has in the Corporations Law Corporations Act;

"Restricted Securities" has the same meaning as that term has in the Listing Rules;

"SCH" has the same meaning as that term has in the SCH Business Rules;

"SCH Business Rules" has the same meaning as that term has in the Corporations Law;

"Seal" means the common seal of the Company and includes any official seal and, where the context so admits, the Share Seal of the Company;

"Secretary" means any person appointed to perform the duties of a secretary of the Company;

"Settlement Agent" has the same meaning as that term has in the ASX Settlement Operating Rules;

"Share" means a share in the capital of the Company;

"Shareholder" means a person or body corporate registered in the Register of Shareholders as the holder of one or more Shares and includes any person or body corporate who is a member of the Company in accordance with or for the purposes of the Corporations Law Corporations Act;

"Share Option" means an option to require the Company to allot and issue a Share; and

"Share Seal" means the duplicate common seal referred to in clause 19.3.
1.3 **Interpretation**

In this Constitution:

(a) word importing any gender include all other genders;

(b) the word person includes a firm, a body corporate, an unincorporated association or an authority;

(c) the singular includes the plural and vice versa; and

(d) a reference to a statute or code or the [Corporations Law](https://example.com) (or to a provision of same) means the statute, code or the [Corporations Act](https://example.com) (or provisions of same) as modified or amended and in operation for the time being, or any statute, code or provision enacted (whether by the State or Commonwealth of Australia) in its place and includes any regulation or rule for the time being in force under the statute, code or the [Corporations Act](https://example.com).

1.4 **Corporations Law** [Corporations Act](https://example.com) **Definitions**

Any word or expression defined in or for the purposes of the [Corporations Act](https://example.com) shall, unless otherwise defined in clause 1.2 or the context otherwise requires, have the same meaning when used in this Constitution, and the rules of interpretation specified in or otherwise applicable to the [Corporations Act](https://example.com) shall, unless the context otherwise requires, apply in the interpretation of this Constitution.

1.5 **Headings**

Headings are inserted in this Constitution for convenience only, and shall not affect the interpretation of this Constitution.

1.6 **Listing Rules**

In this Constitution a reference to the Listing Rules is to have effect if, and only if, at the relevant time, the Company has been admitted to and remains on the Official List and is otherwise to be disregarded.

2. **SHARE CAPITAL AND VARIATION OF RIGHTS**

2.1 **Issue of Shares**

Without prejudice to any special rights previously conferred on the holders of any existing Shares or class of Shares, Shares for the time being unissued shall be under the control of the Directors, and subject to the [Corporations Act](https://example.com), the Listing Rules and this Constitution, the Directors may at any time and from time to time issue such number of Shares either as ordinary Shares or Shares of a named class or classes (being either an existing class or a new class) and with such preferred, deferred, or other special rights or such restrictions, whether with regard to dividend, return of capital, or otherwise, and whether as preference Shares that are or at the option of the
Company are liable to be redeemed, as the Directors shall, in their absolute discretion determine.

2.2 Share Options

Subject to the Listing Rules, the Directors may at any time and from time to time issue Share Options on such terms and conditions as the Directors shall, in their absolute discretion, determine.

2.3 Classes of Shares

Subject to the Listing Rules, if at any time the share capital of the Company is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may be varied, whether or not the Company is being wound up, with the consent in writing of the holders of three quarters of the issued Shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the Shares of that class. Any variation of rights under this clause 2.3 shall be subject to Sections 246B to 246E of the Corporations Act. The provisions of this Constitution relating to general meetings shall apply so far as they are capable of application and with necessary alterations to every such separate meeting except that a quorum is constituted by two persons who together hold or represent by proxy one-third of the issued Shares of the class.

2.4 Preference Shares

Subject to this clause 2.4 and the provisions of Section 254A of the Corporations Act and the Listing Rules, the Company may issue preference Shares that are liable to be redeemed whether at the option of the Company or otherwise, and the following provisions shall apply in respect of such preference Shares:

(a) the Directors may, subject to the provisions of Section 254A of the Corporations Act, exercise the power in any manner they think fit;

(b) any preference Shares so issued shall confer upon the holders of those Shares, inter alia, the same rights as the holders of ordinary Shares to receive notices, reports and audited profit and loss accounts and audited balance sheets, and to attend General Meetings and to vote in the circumstances outlined in the Listing Rules;

(c) the total nominal value of issued preference Shares shall not exceed the total nominal value of the issued ordinary Shares at any time;

(d) the Company acknowledges that any issue of securities ranking in priority, or any conversion of existing securities to securities ranking equally or in priority, to an existing class of preference shares is a variation or abrogation of the rights attached to that existing class of preference shares; and

(e) other conditions, restrictions or rights attaching or relating to any preference Shares issued with respect to redemption, repayment of capital, participation in surplus assets and profits, cumulative or non-cumulative dividend, voting and priority of payment of capital and dividend in relation to other Shares or classes of preference Shares shall be
set forth in the Constitution by amendment of the Constitution prior to the issue of any such Shares.

2.5 **Recognition of Trusts**

Except as permitted or required by the [Corporations Act](https://www.legislation.gov.au), the Company shall not recognise a person as holding a Share or Share Option upon any trust.

2.6 **Unregistered Interests**

The Company is not bound by or compelled in any way to recognise any equitable, contingent, future or partial right or interest in any Share or Share Option (whether or not it has notice of the interest or right concerned) unless otherwise provided by this Constitution or by law, except an absolute right of ownership in the registered holder of the Share or Share Option.

2.7 **Uncertificated Holdings and Electronic Transfer**

Despite any other provision of this Constitution:

(a) the Company need not issue a certificate, and may cancel any certificate without issuing in substitution, in respect of any marketable security of the Company in any circumstances where the non-issue of that certificate is permitted by the [Corporations Act](https://www.legislation.gov.au); and

(b) where paragraph (a) applies, any reference to a certificate in this Constitution is to be disregarded in relation to that marketable security.

2.8 **Share Holding Statements**

Subject to the Listing Rules, a Shareholder shall have the right to receive such statements of the holdings of the Shareholder as are required to be distributed to a Shareholder under the [Corporations Act](https://www.legislation.gov.au), the [SCH Business Rules](https://www.asx.com.au/investor/publications-and-news/australian-securities-and-commodities-market-regulations/sch-business-rules), the [ASX Settlement Operating Rules](https://www.asx.com.au/regulations/operating-rules-and-guidelines/asx-settlement-operating-rules) or the Listing Rules.

2.9 **Broker–Settlement Agent Cancellation of Certificate**


2.10 **Share Certificates**

To the extent that certificates are required for marketable securities of the Company:

(a) the Company must issue certificates of title to marketable securities of the Company in accordance with the [Corporations Act](https://www.legislation.gov.au) and, if the Company is listed, the Listing Rules;
(b) a Shareholder is entitled, without charge, to one certificate for the marketable securities of the Company of each class registered in this Shareholders' sole name or to several certificates each for a reasonable part of those marketable securities;

(c) if any marketable securities of the Company are held by two or more persons, the Company is only required to issue the same number of certificates as if those marketable securities were held by one person and delivery of an issue to any of those persons is sufficient delivery to all of them; and

(d) if a certificate is lost, destroyed, worn out or defaced, then upon production of the document (if available) to the Directors, they may order it to be cancelled and may issue a new certificate in substitution subject to the conditions prescribed by the Corporations Law and the Listing Rules.

2.11 Joint Holders of Shares

Where two or more persons are registered as the joint holders of Shares they are deemed to hold the Shares as joint tenants.

2.12 Commissions

Subject to the Listing Rules the Company may exercise the powers of paying commission or brokerage conferred by Section 258C of the Corporations Act.

2.13 Restricted Securities

The Company shall comply in all respects with the requirements of the Listing Rules with respect to Restricted Securities. Restricted Securities cannot be disposed of during the escrow period except as permitted by the Listing Rules or ASX. The Company will refuse to acknowledge a disposal (including registering a transfer) of Restricted Securities during the escrow period except as permitted by the Listing Rules or ASX.

2.14 Option Holdings

The foregoing provisions of clause 2 shall with necessary alterations apply to Share Options or any other class of security issued by the Company.

3. SMALL SHAREHOLDERS

3.1 Marketable Parcels

In this clause "Marketable Parcel" shall have the same meaning as is given to that expression in the Listing Rules or otherwise determined by ASX.

3.2 Sale of Shares of Small Shareholder

Subject to this clause, the Company at any time may give written notice ("Company Notice") to a Shareholder whose holding of Shares is less than a Marketable Parcel ("Small Shareholder") of its intention to exercise its powers under this clause. Unless within the period specified in the Company
Notice, being not less than 6 weeks after dispatch of the Company Notice, the Small Shareholder concerned gives notice ("Small Shareholder Notice") to the Company that the Small Shareholder wishes to retain such Shares or there is registered or lodged for registration a transfer of Shares which, together with Shares already registered in the Small Shareholder's name, will result in the holding by the Small Shareholder of at least a Marketable Parcel, the Company at its cost may arrange for the sale of the Small Shareholder's Shares through the stock exchange of the country in which such Shares are registered by the Company ASX. For the purposes of this clause the Small Shareholder concerned is deemed to have appointed any Director or the Secretary as the holder's attorney to execute all documents relating to the sale and transfer of such Shares.

3.3 **Proceeds of Sale**

The proceeds of sale shall be held by the Company in trust for the Small Shareholder concerned and paid on surrender of the certificate (if any) for the Shares so sold or on an indemnity being given to the Company in the case of a certificate (if any) which has been lost or destroyed.

3.4 **Manner of Giving Notice**

Any notice under this clause shall be in writing and in the case of a Company Notice given in the manner specified in clause 26 and in the case of a Shareholder Notice given in the manner specified in the Company Notice.

3.5 **Exercise of Powers on Behalf of Company**

(a) Any Director or the Secretary may act on the Company's behalf in exercising the powers of the Company under this clause.

(b) The provisions of this clause have effect subject to the Listing Rules and notwithstanding any other provision of this Constitution.

(c) In any 12 month period the Company may give only one Company Notice to a Small Shareholder.

(d) The powers of the Company under this clause shall cease to have effect following the announcement of a takeover offer or takeover announcement but, notwithstanding the provision that in any 12 month period the Company may give only one Company Notice to a Small Shareholder, may be started again after the close of the offers made under the takeover offer or takeover announcement.

4. **LIEN**

4.1 **Generally**

The Company shall have a first and paramount lien:

(a) on every Share (not being a fully paid Share) for all due and unpaid calls and instalments due and unpaid in respect of that Share;
(b) on all the Shares of a Shareholder or deceased Shareholder for all amounts the Company may be called upon by law to pay (and has paid) in respect of the Shares of the Shareholder or deceased Shareholder; and

(c) on all the Shares of a Shareholder who obtains Shares pursuant to an employee incentive scheme loan and to the extent such a loan remains.

4.2 **Lien on Share**

Whenever any law for the time being of any country, state or place imposes or purports to impose any immediate or future or possible liability on the Company to make any payment or empowers any government or taxing authority or government official to require the Company to make any payment in respect of any Share registered in the name of any Shareholder (whether solely or jointly with others) or in respect of any dividends or other moneys paid or due or payable or which may become due or payable to that Shareholder by the Company on or in respect of any of those shares the Company in that case:

(a) is fully indemnified by that Shareholder or that Shareholder's executor or administrator from all that liability;

(b) has a lien on the Shares registered in the name of that Shareholder for all money paid by the Company in respect of those Shares under or in consequence of any such law together with interest at the Prescribed Rate from the date of payment to the date of repayment;

(c) has a lien on all dividends, payable in respect of the Shares registered in the name of that Shareholder for all moneys paid by the Company in respect of those Shares or in respect of such dividends under or in consequence of any such law together with interest at the Prescribed Rate from the date of payment to the date of repayment and may deduct or set off against any of those dividends or other moneys any of those moneys paid by the Company together with interest;

(d) may recover as a debt due from such Shareholder or that Shareholder's executor or administrator wherever constituted or situated any moneys paid by the Company under any such law; and

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

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

The Company may do all such things as may be necessary or appropriate for it to do under the [SCH Business Rules](#) and [ASX Settlement Operating Rules](#) to protect any lien, charge or other right to which it may be entitled under any law or this Constitution, including where appropriate requesting the [ASX Settlement](#) to apply a Holding Lock.

4.4 **Extinguishment of Lien**

The Company's lien on a Share is extinguished if a transfer of the Share is registered without the Company giving notice of the claim to the transferee.

4.5 **Exemptions**

The Directors may at any time exempt a Share wholly or in part from the provisions of this clause 4.

4.6 **Dividends**

Whenever the Company has a lien on a Share, the lien extends to all dividends, rights and other distributions from time to time payable in respect of the Share.

4.7 **Sale of Shares**

Subject to clause 4.8 and the Listing Rules, the Company may sell, in such manner as the Directors think fit, any Shares on which the Company has a lien.

4.8 **Restrictions on Sale**

A Share on which the Company has a lien shall not be sold unless:

(a) the sum in respect of which the lien exists is presently payable; and

(b) the Company has, not less than 14 days before the date of the sale, given to the registered holder for the time being of the Share or the person entitled to the Share by reason of the death or bankruptcy of the registered holder a notice in writing setting out, and demanding payment of, such part of the amount in respect of which the lien exists as is presently payable.

4.9 **Person Authorised to Sign Transfers**

For the purpose of giving effect to a sale of a Share under clause 4.7, the Directors may receive the consideration (if any) given for the Share so sold and may (if required) execute a transfer of the Share sold to the purchaser of the Shares or where the transfer of the Share is to be effected as a Market Transfer, the Company may do all such things as may be necessary or appropriate for it to do or effect the transfer. The Company shall register the purchaser as the holder of the Shares comprised in any such transfer and he is not bound to see to the application of the purchase money. The title of the purchaser to the Shares is not affected by any irregularity or invalidity in connection with the sale.
4.10 **Proceeds of Sale**

The proceeds of a sale under clause 4.7 shall be applied by the Company in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue (if any), shall (subject to any like lien for sums not presently payable that existed upon the Shares before the sale) be paid to the person entitled to the Shares at the date of the sale.

5. **CALLS ON SHARES**

5.1 **Calls**

The Directors may, subject to the requirements of the [Corporations Law](https://www.legislation.gov.au/), make calls upon a Shareholder in respect of any money unpaid on the Shares of that Shareholder and not by the terms of issue of those Shares made payable at fixed times.

5.2 **Revocation Or Postponement of Call**

The Directors may revoke or postpone a call.

5.3 **Making A Call**

A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be required to be paid by instalments.

5.4 **Payments in Advance of Calls**

The Directors may accept from a Shareholder the whole or any part of the amount unpaid on a Share although no part of that amount has been called up, and in that event the Directors shall nominate whether the amount so paid is to be treated as capital or a loan to the Company by the Shareholder. If the amount so paid is nominated to be capital, it shall be deemed as from the date of such nomination to have been applied in paying up (so far as it will extend) the unpaid balance of the total issue price of the Share, but the dividend entitlement attaching to such Share shall remain as it was prior to the payment so made until there is a call in respect of the Share under this clause 5 of an amount equal to or greater than the amount so paid. If the amount so paid is nominated to be a loan to the Company, it shall carry interest at such rate, not exceeding the Prescribed Rate, as is agreed between the Directors and the Shareholder, shall not be repayable unless the Directors so determine, shall not confer on the Shareholder any rights attributable to subscribed capital, and shall, unless so repaid, be applied in payment of calls on the Share as and when the same become due.

5.5 **Transfer of Shares Call Unpaid**

Subject to the Listing Rules, the Company shall accept transfers of Shares call unpaid.
5.6 **Notice of Call and Shareholders**

Each Shareholder must, on receiving at least 15 Business Days notice (or such longer period as the Listing Rules shall require) specifying:

(a) the name of the Shareholder;
(b) the number of shares held by the Shareholder;
(c) the amount of the call;
(d) the due date for payment of the call;
(e) the consequences of non-payment of the call;
(f) the taxation deductions applicable (if any) and how they may be applied for;
(g) market details regarding the shares and any other shares in the Company as required by the Listing Rules; and
(h) such other information as required by the Listing Rules,

pay to the Company at the time or times and place so specified the amount called on the Shares.

5.7 **Joint Holders**

The joint holders of a Share are jointly and severally liable to pay all calls in respect of the share.

5.8 **Non Receipt of Notice of Call**

The non-receipt of a notice of any call by, or the accidental omission to give notice of a call to, a Shareholder does not invalidate the call.

5.9 **Interest on default**

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

5.10 **Instalments deemed calls**

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

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

6. **FORFEITURE OF SHARES**

6.1 **Notice requiring payment of call**

(a) If a Shareholder fails to pay a call or instalment of a call on the day appointed for payment of the call or instalment, the Directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on the Shareholder requiring payment of so much of the call or instalment as is unpaid, together with any interest that has accrued and all costs and expenses that have been incurred by the Company by reason of such non-payment.

(b) The notice must name a further day being the date 10 Business Days after the day for payment of the call or instalment on or before which the payment required by the notice is to be made and must state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.

6.2 **Forfeiture for failure to comply with notice**

If the requirements of a notice served under clause 6.1 are not complied with, any Share of which a call is unpaid at the expiration of 10 Business Days after the day for its payment is thereupon forfeited without any resolution of the Directors to that effect. Such a forfeiture includes all dividends declared in respect of the forfeited Shares and not actually paid before the forfeiture.

Any Share forfeited under this clause may be sold, re-allotted or otherwise disposed of to whom and on such terms and conditions, subject to the Corporations Law Corporations Act and Listing Rules, as the Directors think fit.

6.3 **Notice of Forfeiture**

If any Share is forfeited under this clause 6, notice of the forfeiture must be given to the Shareholder holding the Share immediately prior to the forfeiture and an entry of forfeiture with the date thereof must be made in the Register.

6.4 **Surrender of Share**

The Directors may accept the surrender of any Share which they are entitled to forfeit on such terms as they think fit and any Share so surrendered is deemed to be a forfeited Share.

6.5 **Cancellation of forfeiture**

At any time before a sale or disposition of a Share, the forfeiture of that Share may be cancelled on such terms as the Directors think fit.
6.6 Effect of forfeiture on former holder's liability

A person whose Shares have been forfeited ceases to be a Shareholder in respect of the forfeited Shares, but remains liable to pay the Company all money that, at the date of forfeiture, was payable by that person to the Company in respect of the shares (including interest at the Prescribed Rate, from the date of forfeiture on the money for the time being unpaid if the Directors think fit to enforce payment of the interest and also expenses owing), but that person's liability ceases if and when the Company receives payment in full of all money (including interest and expenses) so payable in respect of the Shares.

6.7 Evidence of forfeiture

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

6.8 Transfer of forfeited share

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

6.9 Forfeiture applies to non-payment of instalment

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

6.10 Listing Rules

The Company shall comply with the Listing Rules with respect to forfeited Shares.
7. TRANSFER OF SHARES

7.1 Forms of Instrument of Transfer

Subject to this Constitution, a Shareholder may transfer all or any of the Shareholder's Shares by:

(a) Market Transfer in accordance with any computerised or electronic system established or recognised by the Listing Rules or the Corporations Act for the purpose of facilitating dealings in shares, including a transfer that may be effected pursuant to the ASX Settlement Operating Rules or other electronic transfer process; and

(b) an instrument which is:

(i) in writing in any usual or common form or in any other form that the Directors approve;

(ii) a sufficient instrument or transfer of marketable securities under Section 1071B of the Corporations Act;

(iii) in a form approved by ASX; or

(iv) in any other usual or common form.

7.2 Registration Procedure

Where an instrument of transfer referred to in clause 7.1(b) is to be used by a Shareholder to transfer Shares the following provisions apply:

(a) it must be executed by or on behalf of both the transferor and the transferee unless it is a sufficient transfer of marketable securities within the meaning of the Corporations Act;

(b) the instrument of transfer must be left for registration at the share registry of the Company, accompanied by the certificate for the Shares to which it relates (if any) and such information as the Directors properly require to show the right of the transferor to make the transfer, and in that event, the Company must, subject to the powers vested in the Directors by this Constitution, register the transferee as a Shareholder;

(c) the Company must register all registrable transfer forms, split certificates, renunciations and transfers, issue certificates and transmission receipts and market or note transfer forms without charge except in the case where the Company issues certificates for Shares to replace a lost or destroyed certificate; and

(d) on registration of a transfer of Shares, the Company must cancel the old certificate (if any).

7.3 Transferor Holds Shares Until Registration of Transfer

(a) Except in the case of a proper SCH-ASTC Transfer, a transferor of Shares remains the holder of the Shares transferred until the transfer (if any) is registered and
the name of the transferee is entered in the Register of Shareholders in respect of the Shares. The right to any dividends declared on any Shares subject to a transfer will be determined by reference to the Record Date for the purpose of that dividend and the date of registration of the transfer.

(b) In the case of a Market Transfer or any other transfer the Company must comply with such obligations as may be imposed on it by the Listing Rules and SCH Business Rules ASX Settlement Operating Rules in connection with any transfer of Shares.

7.4 Directors' Powers to Decline to Register

(a) The Directors may decline to register any transfer of Shares (other than a Market Transfer) where:

(i) the Listing Rules or SCH Business Rules ASX Settlement Operating Rules permit the Company to do so;

(ii) the Listing Rules or SCH Business Rules ASX Settlement Operating Rules require the Company to do so; or

(iii) the transfer is in breach of the Listing Rules or any escrow agreement relating to Restricted Securities entered into by the Company under the Listing Rules.

(b) If in the exercise of their rights under clause 7.4(a) the Directors refuse to register a transfer of a Share, they must give written notice in accordance with the Listing Rules of the refusal to the transferee and the Broker Settlement Agent lodging the transfer (if any). Failure to give such notice will not invalidate the decision of the Directors.

(c) Notwithstanding any other provisions contained in this Constitution, the Company must not:

(i) prevent, delay or interfere with the generation of a proper SCH ASTC transfer or the registration of a paper based transfer in registrable form; or

(ii) divest or disenfranchise the rights of a Shareholder, in a manner which is contrary to the provisions of any of the Listing Rules or the SCH Business Rules ASX Settlement Operating Rules.

7.5 Company to Retain Instrument of Transfer

(a) The Company must retain every instrument of transfer which is registered for such period as the Directors determine.

(b) Where the Directors refuse registration of a transfer under this Constitution, the transfer must be returned to the person who deposited it if demand is made within 12 months of the giving of notice of refusal to register unless there has been an allegation of fraud concerning the transfer or the transaction to which it relates.
7.6 Other Securities

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

8. TRANSMISSION OF SHARES

8.1 Transmission of Shares on Death of Holder

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

8.2 Death or Bankruptcy of Shareholder

Subject to clause 8.1, where the registered holder of a Share dies or becomes bankrupt, his personal representative or the trustee of his estate, as the case may be, shall be entitled upon the production of such information as is properly required by the Directors, to the same dividends and other advantages, and to the same rights (whether in relation to meetings of the Company, or to voting or otherwise), as the registered holder would have been entitled to if he had not died or become bankrupt.

8.3 Registration by Transmission or to Beneficiary

A person becoming entitled to a Share in consequence of the death or, subject to the Bankruptcy Act 1966 (Cth), the bankruptcy of a Shareholder may, upon such information being produced as is properly required by the Directors, elect by written notice to the Company either to be registered as holder of the Share or to nominate some other person to be registered as the transferee of the Share. If he elects to have another person registered, he shall execute a transfer of the Share to that other person.

8.4 Limitations to Apply

All the limitations, restrictions and provision of this Constitution relating to the right to transfer Shares and the registration of a transfer of Shares are applicable to any such notice or transfer as if the death or bankruptcy of the Shareholder had not occurred and the notice of transfer were a transfer signed by that Shareholder.

9. REDUCTIONS OF CAPITAL

9.1 Reduce Share Capital

The Company may reduce its share capital by any of the means authorised by the Corporations Law, subject to the provisions of that law
and, where applicable, the Listing Rules. The Company may reduce its share capital in any way that is not otherwise authorised by law, including by way of an in specie distribution of the assets of the Company (including any shares in another company), if the reduction:

(a) is fair and reasonable to the Company's Shareholders as a whole;
(b) does not materially prejudice the Company's ability to pay its creditors; and
(c) is approved by Shareholders in accordance with Section 256C of the Corporations LawCorporations Act.

10. SHARE BUY-BACKS

10.1 Power to Buy Back Shares

The Company may buy ordinary Shares in itself by any of the means authorised by the Corporations LawCorporations Act, subject to the provisions of that law and, where applicable, the Listing Rules.

11. GENERAL MEETINGS

11.1 Convening of General Meetings of Shareholders

The Directors may, whenever they think fit, convene a general meeting of Shareholders provided that, in the event that there are no Directors holding office, the Secretary shall convene a general meeting for the purpose of electing Directors. A general meeting shall also be convened on requisition as is provided for by the Corporations LawCorporations Act or, in default, may be convened by such requisitions as empowered to do so by the Corporations LawCorporations Act.

11.2 Notice

Subject to the Listing Rules and to the provisions of the Corporations LawCorporations Act, a notice of a general meeting shall be given in accordance with the requirements of Part 2G.2 Division 3 of the Corporations LawCorporations Act and clause 26, and shall specify the place, the day and the time of the meeting and shall state the general nature of the business to be transacted at the meeting. For the purposes of receipt of proxy appointments, the notice must specify a place and fax number and may specify an electronic address. The non-receipt of a notice of a general meeting by a Shareholder or the accidental omission to give such a notice to a Shareholder shall not invalidate any resolution passed at any such meeting.

11.3 Notice to ASX

The Company shall notify ASX of the date of any general meeting at which Directors are to be elected at least 5 Business Days before the closing date for the receipt of nominations for election to the office of Director. The Company must immediately give to ASX a copy of a document it sends to the holders of
securities in a class. All notices convening general meetings shall specify the
place, date and hour of the meeting.

11.4 Annual General Meeting

An annual general meeting shall be held in accordance with the requirements
of Section 250N of the Corporations Act.

12. PROCEEDINGS AT GENERAL MEETINGS

12.1 Quorum

No business shall be transacted at any general meeting unless a quorum is
present comprising 2 Shareholders present in person, by proxy, attorney or
Representative. For the purpose of determining whether a quorum is present, a
person attending as a proxy, attorney or Representative, shall be deemed to be
a Shareholder present in person. If a quorum is not present within 30 minutes
after the time appointed for a general meeting, the general meeting, if convened
upon a requisition, shall be dissolved, but in any other case it shall stand
adjourned sine die.

12.2 Business At General Meetings

Only matters that appear in a notice of meeting shall be dealt with at a general
meeting or an annual general meeting, as the case may be.

12.3 Persons Entitled to Attend A General Meeting

The persons entitled to attend a general meeting shall be:

(a) Shareholders, in person, by proxy, attorney or Representative;

(b) Directors;

(c) the Company's auditor; and

(d) such other person or persons as the Chairman may approve.

12.4 Chairman

If the Directors have elected one of their number as Chairman of Directors'
meetings he shall, if willing, preside as Chairman at every general meeting.
Where a general meeting is held and a Chairman has not been so elected, or the
Chairman is not present within 15 minutes after the time appointed for the
holding of the general meeting or is unwilling to act, the Directors present shall
elect one of their number to be Chairman of the general meeting, but failing an
election by the Directors, the Shareholders present shall elect one of their
number to be Chairman of the General Meeting.
12.5 **Adjournment**

The Chairman may, with the consent of the general meeting at which a quorum is present, and shall, if so directed by the general meeting, adjourn the general meeting from time to time and from place to place, but no business shall be transacted on the resumption of any adjourned general meeting other than the business left unfinished at the general meeting from which the adjournment took place.

12.6 **Notice of Resumption of Adjourned General Meeting**

When a general meeting is adjourned for 30 days or more, notice of the resumption of the meeting shall be given in the same manner as for the original general meeting, but otherwise, it is not necessary to give any notice of any adjournment or of the business to be transacted on the resumption of the adjourned general meeting.

12.7 **Voting Rights**

(a) Subject to paragraph (b) of this clause 12.7, the Listing Rules and any rights or restrictions for the time being attached to any class or classes of Shares at general meetings of Shareholders or classes of Shareholders:

(i) each Shareholder entitled to vote may vote in person or by proxy, attorney or Representative, or, subject to this Constitution, by direct vote;

(ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or Representative of a Shareholder has one vote; and

(iii) on a poll, every person present who is a Shareholder or a proxy, attorney or Representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or Representative, have one vote for the Share, but in respect of partly paid Shares, shall have a fraction of a vote for each partly paid Share. The fraction shall be equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable, excluding amounts credited, provided that amounts paid in advance of a call are ignored when calculating a true proportion.

(b) In the event of a breach of the Listing Rules relating to Restricted Securities or of any escrow agreement entered into by the Company under the Listing Rules in relation to any Shares which are classified under the Listing Rules or by ASX as Restricted Securities, the member holding the Shares in question shall cease to be entitled to any voting rights in respect of those Shares for so long as the breach subsists.

12.8 **Voting - Show of Hands**

At any general meeting a resolution put to the vote of the general meeting shall be decided on a show of hands unless a poll is demanded in accordance with clause 12.10.
12.9 Results of Voting

Unless a poll is so demanded, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of general meetings of the Company, is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution, provided that the declaration reflects the show of hands and the votes of the proxies received.

12.10 Poll

A poll may be demanded before or immediately upon the declaration of the result of the show of hands by:

(a) the chairman of the general meeting; or

(b) at least 5 Shareholders entitled to vote on the resolution present in person or by proxy, attorney or Representative; or

(c) any one or more Shareholders holding not less than 5% of the total voting rights of all Shareholders having the right to vote on the resolution.

12.11 Manner of Taking Poll

If a poll is duly demanded, it shall be taken in such manner and either at once or after an interval or adjournment or otherwise as the Chairman directs, and the result of the poll shall be the resolution of the general meeting at which the poll was demanded. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. The demand for a poll may be withdrawn.

12.12 Meeting May Continue

A demand for a poll shall not prevent the continuation of the general meeting for the transaction of other business.

12.13 Voting by Joint Holders

In the case of joint holders of Shares, the vote of the senior who tenders a vote, whether in person or by proxy, attorney or Representative, shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the Register of Shareholders.

12.14 Shareholder Under Disability

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

At a general meeting a Shareholder can on a show of hands and on a poll, vote in respect of Shares held by him on which all calls presently payable by him in respect of those Shares have been paid, but not in respect of those Shares held by him on which calls presently payable by him in respect of those Shares have not been paid.

12.16 **Objection to Voting**

An objection may be raised to the qualification of a voter only at the general meeting or adjourned general meeting at which the vote objected to is given or tendered. Any such objection shall be referred to the Chairman of the general meeting, whose decision shall be final. A vote not disallowed pursuant to such an objection is valid for all purposes.

12.17 **Appointment of Proxy**

A Shareholder who is entitled to attend and cast a vote at a general meeting may appoint a person as the Shareholder's proxy to attend and vote for the Shareholder at the general meeting. The appointment may specify the proportion or number of votes that the proxy may exercise. Each Shareholder may appoint a proxy. A Shareholder who is entitled to cast 2 or more votes at the meeting may appoint 2 proxies. If the Shareholder appoints 2 proxies and the appointment does not specify the proportion or number of votes that the proxy may exercise, each proxy may exercise half the votes. Any fraction of votes resulting from the application of this clause 12.17 shall be disregarded. An instrument appointing a proxy:

(a) shall be in writing under the hand of the appointor or of his attorney, or, if the appointer is a body corporate, either under seal or under the hand of a duly authorised officer, or officers (as the case may be) or attorney;

(b) may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument;

(c) shall be deemed to confer authority to demand or join in demanding a poll;

(d) shall be in such form as the Directors determine and which complies with Section 250A of the Corporations Act;

(e) shall not be valid unless the original instrument and the power of attorney or other authority (if any) under which the instrument is signed (duly stamped where necessary) or a certified copy of that proxy, power or authority, is or are deposited at or sent by facsimile transmission to the Registered Office, or deposited at or sent by facsimile transmission to such other place as is specified for that purpose in the notice convening the general meeting, no later than 48 hours prior to the time of the commencement of the general meeting in the place that the general meeting is being convened (or the resumption thereof if the general meeting is adjourned and notice is given in accordance with clause 12.6) as shall be specified in the notice convening the general meeting (or the notice under clause 12.6, as the case may be), and
(e) shall comply with the Listing Rules;

(f) shall not be valid unless it is:

(i) deposited at the Registered Office or at a place, facsimile number or electronic address as is specified for that purpose in the notice convening the general meeting; and

(ii) received no later than 48 hours prior to the time of the commencement of the general meeting in the place that the general meeting is being convened (or the resumption thereof if the general meeting is adjourned and notice is given in accordance with clause 12.6) as shall be specified in the notice convening the general meeting (or the notice under clause 12.6, as the case may be); and

(g) for the purposes of clause 12.17(f), a proxy appointment received at an electronic address specified in the notice convening the general meeting for the receipt of proxy appointment or otherwise received by the Company in accordance with the Corporations Act is taken to have been signed or executed if the appointment:

(i) includes or is accompanied by a personal identification code allocated by the Company to the Shareholder making the appointment;

(ii) has been authorised by the Shareholder in another manner approved by the Directors and specified in or with the notice of meeting; or

(iii) is otherwise authenticated in accordance with the Corporations Act.

The Company shall send out proxy forms which will enable Shareholders to vote for or against each resolution with notices covering general meetings of the Company.

12.18 Proxy Votes

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

12.19 Representatives of Corporate Shareholders

A body corporate ("appointor") that is a Shareholder may authorise, in accordance with Section 250D of the Corporations Act, by resolution of its Directors or other governing body, such person or persons as it may determine to act as its Representative at any general meeting of the Company or of any class of Shareholders. A person so authorised shall be entitled to exercise all the rights and privileges of the appointor as a Shareholder. When a Representative is present at a general meeting of the
Company, the appointor shall be deemed to be personally present at the general meeting unless the Representative is otherwise entitled to be present at the general meeting.

12.20 The Directors may determine that, at any general meeting of Shareholders, a Shareholder who is entitled to attend and vote at that meeting is entitled to a direct vote. A direct vote includes a vote delivered to the Company by post, facsimile transmission or other electronic means approved by the Directors. The Directors may prescribe rules to govern direct voting including rules specifying the form, method and timing of giving the direct vote in order for the vote to be valid.

13. THE DIRECTORS

13.1 Number of Directors

The Company shall at all times have at least 3 Directors at least 2 of whom must ordinarily reside in Australia. The number of Directors shall not exceed 9 provided that the Company may, by ordinary resolution, increase or reduce the number of Directors and may also determine in what rotation the increased or reduced number is to go out of office provided that no Director other than the Managing Director shall be entitled to hold office for more than 3 years without rotation.

13.2 Rotation of Directors

Subject to clause 17.4 at every annual general meeting of the Company one-third of the Directors (other than alternate Directors and the Managing Director) for the time being, or, if their number is not a multiple of 3, then such number as is appropriate to ensure that no Director other than alternate Directors and the Managing Director holds office for more than 3 years, shall retire from office. The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots. A retiring Director is eligible for re-election.

13.3 Election of Directors

The Company may, at the general meeting at which a Director so retires, fill the vacated office by electing the retiring Director (if offering himself for re-election and not being disqualified under the Corporations Law Corporations Act from holding office as a Director) or another person to that office by resolution. The Company shall observe the requirements of Section 225 of the Corporations Law Corporations Act with respect to the election of Directors.

13.4 Nomination of Directors for Election

No person, other than a Director seeking re-election, shall be eligible for election to the office of Director at any general meeting unless he or some Shareholder intending to propose his nomination has, at least 30-35 Business
Days before the meeting (or, in the case of a meeting that shareholders have requested the Directors to call, 30 Business Days), left at the Registered Office a notice in writing, duly signed by the nominee, giving his consent to the nomination and signifying his candidature for the office or the intention of such Shareholder to propose him. Notice of each and every candidature for election as a Director shall be given to each Shareholder with or as part of the notice of the meeting at which the election is to take place.

Where the number of nominations for election as a Director exceeds the number of Directors who have or are to resign at the general meeting, the order in which the nominations are to be voted on shall be determined by drawing lots and once the relevant vacancies have been filled, no further nominations shall be voted on.

13.5 Casual Vacancies and Additional Directors

The Directors may at any time appoint a person to be a Director (but not as an alternate Director), either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the maximum number specified by this Constitution. Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

13.6 Removal of Director

The Company may by resolution remove any Director before the expiration of his period of office, and may by resolution appoint another person in his place. The person so appointed is subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

13.7 Vacation of Office

The office of Director shall automatically become vacant if the Director:

(a) ceases to be a Director by virtue of any other provision of the Corporations Law; or
(b) becomes bankrupt or makes any arrangement or composition with his creditors generally;
(c) becomes prohibited from being a Director by reason of any order made under the Corporations Law;
(d) 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;
(e) resigns his office by notice in writing to the Company;
(f) is removed from office under clause 13.6; or
he is absent for more than 6 months, without permission of the Directors, from meetings of the Directors held during that period.

13.8 Remuneration

The Directors shall be paid out of the funds of the Company by way of remuneration for their services as Directors such sum as may from time to time be determined by the Company in general meeting, to be divided among the Directors in such proportions as they shall from time to time agree or in default of agreement equally. The remuneration of the Directors shall not be increased except pursuant to a resolution passed at a general meeting of the Company where notice of the suggested increase shall have been given to Shareholders in the notice convening the meeting. Fees payable to non-Executive Directors shall be by a fixed sum and not by a commission on or percentage of profits or operating revenue. Remuneration payable to Executive Directors shall not include a commission on or percentage of operating revenue. The remuneration of a Director shall be deemed to accrue from day to day.

13.9 Expenses

The Directors shall be entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors. If any of the Directors being willing shall be called upon to perform extra services or make any special exertions on behalf of the Company or the business of the Company, the Directors may remunerate such Director in accordance with such services or exertions, and such remuneration may be either in addition to or in substitution for his Share in the remuneration provided for by clause 13.8.

13.10 Qualification of Directors

A Director is not required to hold any Shares. A person of or over the age of 72 years may not be appointed or re-appointed as a Director except pursuant to a resolution of the Company in accordance with the Corporations Law.

14. POWERS AND DUTIES OF DIRECTORS

14.1 Management of the Company

Subject to the Corporations Law Corporations Act, the Listing Rules and to any other provision of this Constitution, the business of the Company shall be managed by the Directors, who may pay all expenses incurred in promoting and forming the Company, and may exercise all such powers of the Company as are not, by the Corporations Law Corporations Act or by this Constitution, required to be exercised by the Company in general meeting.

14.2 Borrowings

Without limiting the generality of clause 14.1, the Directors may at any time:
(a) exercise all powers of the Company to borrow money, to charge any property or business of the Company or all or any of its uncalled capital and to issue debentures or give any other security for a debt, liability or obligation of the Company or of any other person;

(b) sell or otherwise dispose of the whole or any part of the assets, undertakings and other properties of the Company or any that may be hereafter acquired on such terms and conditions as they may deem advisable, but:

(i) the Company shall comply with the Listing Rules;

(ii) any sale or disposal of the Company’s main undertaking shall only be made subject to the prior approval or ratification of the sale or disposal by the Company in general meeting; and

(iii) on the sale or disposition of the Company’s main undertaking or on the liquidation of the Company, no commission or fee shall be paid to any Director or Directors or to any liquidator of the Company unless it shall have been ratified by the Company in general meeting, with prior notification of the amount of such proposed payments having been given to all Shareholders at least 10 Business Days (in the case of an ordinary resolution) or 15 Business Days (in the case of a special resolution) prior to the meeting at which any such payment is to be considered; and

(c) take any action necessary or desirable to enable the Company to comply with the Listing Rules.

14.3 Attorneys

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

14.4 Cheques Etc.

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

14.5 Retirement Benefits for Directors

Subject to Section 237 of the Corporations Law and the Listing Rules, the Directors may at any time adopt any scheme or plan which they consider to be in the interests of the Company and which is designed to provide retiring or superannuation benefits for both present and future non-Executive Directors, and they may from time to time vary any such scheme or plan. Any scheme or plan may be effected by agreements entered into by the
Company with individual Directors, or by the establishment of a separate trust or fund, or in such other manner as the Directors consider proper. The Directors may, subject to Section 237 of the Corporations Law Corporations Act and the Listing Rules, attach such terms and conditions to any entitlement under any such scheme or plan as they think fit, including, without limitation, a minimum period of service by a Director before the accrual of any entitlement and the acceptance by the Directors of a prescribed retiring age.

14.6 Securities to Directors

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

15. PROCEEDING OF DIRECTORS

15.1 Convening A Meeting

A Director may at any time, and a Secretary shall, whenever requested to do so by one or more Directors, convene a Directors' meeting but not less than 24 hours' notice of every such Directors' meeting shall be given to each Director either by personal or telephone contact or in writing (including, without limitation, by facsimile or electronic transmission to a machine at a Director's home or usual place of business) by the convenor of the meeting. The Directors may by unanimous resolution agree to shorter notice.

15.2 Procedure At Meetings

The Directors may meet together for the dispatch of business and adjourn and, subject to this clause 15, otherwise regulate the Directors' meetings as they think fit.

15.3 Quorum

No business shall be transacted at any Directors' meeting unless a quorum is present, comprising 2 Directors present in person who are entitled to vote at the meeting, or such greater number as is determined by the Directors. Provided a quorum is present at the place where the meeting is held, other Directors unable to attend in person may participate in the proceedings of the meeting in accordance with clause 16.

15.4 Majority Decisions

Questions arising at any Directors' meeting shall be decided by a majority of votes. A resolution passed by a majority of Directors shall for all purposes be deemed a determination of the Directors.
15.5 **Casting Votes**

In the case of an equality of votes, the Chairman of the meeting shall have a second or casting vote, but the Chairman shall have no casting vote where only 2 Directors are competent to vote on the question.

15.6 **Alternate Directors**

A Director may appoint any person to be an alternate Director in his place during such period as he thinks fit, and the following provisions shall apply with respect to any alternate Director:

(a) he is entitled to notice of Directors' meetings and, if his appointor Director is not present at such a Directors' meeting, he is entitled to attend and vote in the place of the absent Director;

(b) he may exercise any powers that his appointor Director may exercise, and the exercise of any such power by the alternate Director shall be deemed to be the exercise of the power by his appointor Director;

(c) he is not required to hold any Shares;

(d) his appointment may be terminated at any time by his appointor Director notwithstanding that the period of the appointment of the alternate Director has not expired, and the appointment shall terminate in any event if his appointor Director ceases to be a Director except where the appointor retires at an annual general meeting under clause 13.2 and is reappointed as a Director at that annual general meeting; and

(e) the appointment, or the termination of an appointment, of an alternate Director shall be effected by a written notice signed by the Director who made the appointment given to the Company.

15.7 **Continuing Directors May Act**

In the event of a vacancy or vacancies in the office of a Director, the remaining Directors may act but, if the number of remaining Directors is not sufficient to constitute a quorum at a meeting of Directors, they may act only for the purpose of increasing the number of Directors to a number sufficient to constitute such a quorum, or in order to convene a general meeting of the Company.

15.8 **Chairman**

The Directors shall elect from among their number a Chairman and may elect from their numbers a Vice-Chairman of their meetings and may determine the period for which each is to hold office. Where a Directors' meeting is held and a chairman has not been elected or the Chairman or in his absence, the Vice-Chairman (if one has been elected) is not present within 10 minutes after the time appointed for holding of the Directors' meeting or is unwilling to act, the Directors present shall elect one of their number to be a chairman of the Directors' meeting.
15.9 **Committees**

The Directors may delegate any of their powers, other than powers required by law to be dealt with by the Directors as a board, to a committee or committees consisting of such of their number as they think fit. A committee to which any powers have been so delegated shall exercise the powers delegated in accordance with any directions of the Directors, and a power so exercised shall be deemed to have been exercised by the Directors. The members of such a committee may elect one of their number as chairman of their meetings. Questions arising at a meeting of a committee shall be determined by a majority of votes of the members present and voting. In the case of an equality of votes, the chairman shall have a casting vote.

15.10 **Written Resolutions**

A resolution in writing signed by all Directors, or a majority of the Directors (where notice of the resolution has been given to all Directors), who are entitled to vote on the resolution (not being less than the number required for a quorum under clause 15.3) for the time being or their respective alternate Directors (except those Directors (or their alternates) who expressly indicate their abstention in writing to the Company and those who would not be permitted by virtue of Section 232A of the Corporations Law to vote were the resolution to be put to a meeting of the Directors) shall be as valid and effectual as if it had been passed at a Directors' meeting duly convened and held. Any such resolution may consist of several documents in like form but each document must contain a statement that the Directors are in favour of the resolution and the statement of the Directors must be identical, each document signed by one or more Directors. A telex, telegram, facsimile transmission or other document produced by electronic or mechanical means and bearing the signature of the Director, printed electronically or mechanically and with his authority, shall be deemed to be a document in writing signed by the Director.

15.11 **Defective Appointment**

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

15.12 **Directors May Hold Other Offices**

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

15.13 **Directors May Hold Shares, Etc.**

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

15.14 Directors Not Accountable for Benefits

No Director shall be accountable for any benefits received as the holder of any other office or place of profit in or in relation to the Company or any other company referred to in clause 15.13 or as a shareholder in or director of any such other company.

15.15 Disclosure of Interests

Subject to the Listing Rules, no Director shall be disqualified by his office from contracting with the Company whether as vendor purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided or prejudiced on that account, nor shall any Director be liable to account to the Company for any profit arising from any such contract or agreement by reason only of such Director holding that office or of the fiduciary relationship thereby established, but the nature of his interest must be disclosed by him at a Directors' meeting as soon as practicable after the relevant facts have come to his knowledge and such Director shall not vote on any resolution relating to a contract or arrangement in which he has directly or indirectly a material interest.

15.16 Related Body Corporate Contracts

Subject to the requirements of Chapter 2E and Section 232A of the Corporations Law, any other requirements of the Corporations Act, a Director shall not be deemed to be interested or to have been at any time interested in any contract or arrangement by reason only that in a case where the contract or arrangement has been or will be made with, for the benefit of, or on behalf of a Related Body Corporate, he is a shareholder in that Related Body Corporate.

15.17 Voting, Affixation of Seal

Subject to the Corporations Law and the Listing Rules, a Director may in all respects act as a Director in relation to any contract or arrangement in which he is interested, including, without limiting the generality of the foregoing, in relation to the use of the Seal, but the Director may not vote in relation to any contract or proposed contract or arrangement in which the Director has directly or indirectly a material interest and in that respect the Director shall comply with the requirements of Section 232A of the Corporations Law.

16. MEETING BY INSTANTANEOUS COMMUNICATION DEVICE

16.1 Meetings to Be Effectual

For the purposes of this Constitution, the contemporaneous linking together by instantaneous communication device of a number of consenting Directors not
less than the quorum, whether or not any one or more of the Directors is out of Australia, shall be deemed to constitute a Directors' meeting and all the provisions of this Constitution as to the Directors' meetings shall apply to such meetings held by instantaneous communication device so long as the following conditions are met:

(a) all the Directors for the time being entitled to receive notice of the Directors' meeting (including any alternate for any Director) shall be entitled to notice of a meeting by instantaneous communication device for the purposes of such meeting. Notice of any such Directors' meeting shall be given on the instantaneous communication device or in any other manner permitted by this Constitution;

(b) each of the Directors taking part in the Directors' meeting by instantaneous communication device must be able to hear each of the other Directors taking part at the commencement of the Directors' meeting; and

(c) at the commencement of the Directors' meeting each Director must acknowledge his or her presence for the purpose of a Directors' meeting of the Company to all the other Directors taking part.

16.2 **Procedure At Meetings**

A Director may not leave a Directors' meeting held under clause 16.1 by disconnecting his instantaneous communication device unless the Director has previously obtained the express consent of the Chairman of the Directors' meeting and shall be conclusively presumed to have been present and to have formed part of the quorum at all times during the Directors' meeting by instantaneous communication device unless the Director has previously obtained the consent to leave as aforesaid. However, if the Director would not be permitted by virtue of Section 232A of the Corporations Law to be present or to vote during the consideration of a matter then such Director may disconnect his instantaneous communication device during the consideration of such matter without obtaining the express consent of the Chairman and the Director shall not be counted for the purpose of determining a quorum during the consideration of the matter.

16.3 **Minutes**

A minute of the proceedings at a Directors' meeting held under clause 16.1 shall be sufficient evidence of such proceedings and of the observance of all necessary formalities if certified as a correct minute by the Chairman or the person taking the chair at the Directors' meeting under clause 16.1.

16.4 **Definition**

For the purpose of this Constitution "instantaneous communication device" shall include telephone, television or any other audio or audio-visual device which permits instantaneous communication.
17. **MANAGING DIRECTOR**

17.1 **Appointment**

The Directors may, from time to time appoint, one of their number to the office of Managing Director of the Company either for a fixed term or at will, but not for life and one or more of their number to the office of Executive Director or Executive Directors for a term not exceeding 3 years and, subject to the terms of any agreement entered into in a particular case, may revoke any such appointment. The appointment of the Managing Director or of an Executive Director so appointed automatically terminates if he ceases for any reason to be a Director.

17.2 **Remuneration**

The Managing Director or an Executive Director shall, subject to the terms of any agreement entered into in a particular case, receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors may determine provided that no Executive Director shall be paid as the whole or part of his remuneration a commission on or percentage of operating revenue.

17.3 **Powers**

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

17.4 **Rotation**

The Managing Director shall not retire by rotation in accordance with clause 13.2 or be taken into account in determining the rotation of retirement of Directors but Executive Directors shall.

18. **SECRETARY**

18.1 **Secretary**

A Secretary of the Company shall hold office on such terms and conditions, as to remuneration and otherwise, as the Directors determine.

19. **SEALS**

19.1 **Common Seal**

The Directors shall provide for the safe custody of the Seal. The Seal shall only be used by the authority of the Directors, or of a committee of the Directors authorised by the Directors to authorise the use of the Seal. Every document to
which the Seal is affixed shall be signed by a Director and countersigned by another Director, (who may be an alternate Director) a Secretary or another person appointed by the Directors to countersign that document or a class of documents in which that document is included.

19.2 Execution of Documents without the Seal

The Company may execute a document without using the Seal if the document is signed by:

(a) two Directors; or

(b) a Director and a Secretary; or

(c) another person appointed by the Company to countersign that document or a class of documents in which that document is included.

19.3 Share Seal

Subject to Section 123 of the Corporations Law, the Company is authorised to have a duplicate Common Seal, known as the Share Seal, which shall be a copy of the Common Seal with the addition on its face of the words "Share Seal", and the following provisions shall apply to its use:

(a) any certificate for Shares may be issued under the Share Seal and if so issued shall be deemed to be sealed with the Common Seal;

(b) subject to the following provisions of this clause 19.3, the signatures required by clause 19.1 on a document to which the Common Seal is affixed may be imposed by some mechanical means;

(c) subject to the following provisions of this clause 19.3, the Directors may determine the manner in which the Share Seal shall be affixed to any document and by whom a document to which the Share Seal is affixed shall be signed, and whether any signature so required on such a document must be actually written on the document or whether it may be imposed by some mechanical means;

(d) the only documents on which the Share Seal may be used shall be Share or stock unit certificates, debentures or certificates of debenture stock, secured or unsecured notes, option certificates and any certificates or other documents evidencing any Share Options or rights to take up any Shares in or debenture stock or debentures or notes of the Company; and

(e) signatures shall not be imposed by electronic or mechanical means, nor (except when the requirements of clause 19.1 as to signatures are complied with) shall the Share Seal be used on any certificate or other document mentioned in paragraph (d) of this clause unless such certificate or other document has first been approved for sealing or signature (as the case may be) by the Directors or other authorised person or persons.
20. ACCOUNTS, AUDIT, RECORDS AND RECORD DATE

20.1 Accounting Records to Be Kept

The Directors shall cause proper accounting and other records to be kept by the Company and shall distribute copies of the Company's accounts and reports as required by the Corporations Law and the Listing Rules.

20.2 Audit

The Company shall comply with the requirements of the Corporations Law and the Listing Rules as to the audit of accounts, registers and records.

20.3 Inspection

Except as otherwise required by the Corporations Law, the Directors shall determine whether and to what extent, and at what time and places and under what conditions, the accounting records and other documents of the Company or any of them will be open to the inspection of Shareholders other than Directors. A Shareholder, other than a Director, shall not be entitled to inspect any document of the Company except as provided by law or authorised by the Directors or by the Company in general meeting.

20.4 Record Date

The Company may, in accordance with the Listing Rules and the SCH Business Rules, fix a record date for the purpose of determining entitlements.

21. MINUTES

21.1 Minutes to Be Kept

The Directors shall cause to be kept, in accordance with Sections 251A and 1306 of the Corporations Law, minutes of:

(a) all proceedings of general meetings and Directors' meetings; and

(b) all appointments of Officers and persons ceasing to be Officers.

21.2 Signature of Minutes

All minutes shall be signed by the chairman of the meeting at which the proceedings took place or by the chairman of the next succeeding meeting.

21.3 Requirements of the Corporations Law

The Company and the Officers shall comply with the requirements of Sections 251A and 251AA of the Corporations Law.
22. **DIVIDENDS AND RESERVES**

22.1 **Dividends**

The Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend. The dividend as declared shall (subject to clause 22.9, the rights of any preference Shareholders and to the right of the holders of any shares created or raised under any special arrangement as to dividend) be payable on all Shares in accordance with Section 254W of the Corporations Act.

22.2 **Interim Dividend**

Subject to clause 22.9 the Directors may from time to time pay to the Shareholders such interim dividends as they may determine.

22.3 **Dividends Only Payable From Profits**

No dividend shall be payable except out of profits. A determination by the Directors as to the profits of the Company shall be conclusive.

22.4 **No Interest**

No dividend shall carry interest as against the Company.

22.5 **Reserves**

The Directors may set aside out of the profits of the Company such amounts as they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

22.6 **Alternative Method of Payment of Dividend**

When declaring any dividend, the Directors may:

(a) direct payment of the dividend to be made wholly or in part by the distribution of specific assets or documents of title (including, without limitation, paid-up Shares, debentures or debenture stock of this or any other company, gold, gold or mint certificates or receipts and like documents) or in any one or more of such ways, and where any difficulty arises with regard to the distribution the Directors may settle it as they think expedient and in particular may issue fractional certificates and may fix the value for distribution of such specific assets or any part of such assets and may determine that cash payments shall be made to any Shareholders upon the basis of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees upon such trusts for the persons entitled to the dividend as may seem expedient to the Directors; or

(b) subject to the Listing Rules, direct that such dividend be payable to particular Shareholders wholly or partly out of any particular fund or reserve or out of profits derived from any particular source and to the remaining Shareholders wholly or partly out of any other particular fund or reserve or out of profits derived from any other particular source and may so direct notwithstanding that by so doing the dividend will
form part of the assessable income for taxation purposes of some Shareholders and will not form part of the assessable income of others.

22.7 **Payment of Dividends**

All dividends shall be dispatched simultaneously to the Shareholders entitled to the dividend. Any one or two or more joint holders may give effectual receipts for any dividends, interest or other money payable in respect of the Shares held by them as joint holders.

22.8 **Unclaimed Dividends**

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

22.9 **Breach of Restriction Agreement**

In the event of a breach of the Listing Rules relating to Restricted Securities or of any escrow agreement entered into by the Company under the Listing Rules in relation to any Shares which are classified under the Listing Rules or by ASX as Restricted Securities, the Shareholder holding the Shares in question shall cease to be entitled to any dividends or distribution in respect of those Shares for so long as the breach subsists.

23. **CAPITALISATION**

23.1 **Capitalisation**

Subject to the Listing Rules, the Directors may from time to time capitalise profits. The capitalisation need not be accompanied by the issue of Shares.

23.2 **Procedures**

Subject to the Listing Rules, if the capitalisation involves the issue of Shares, the Directors shall do all things necessary to give effect to the resolution and, in particular, to the extent necessary to adjust the rights of the Shareholders among themselves, may:

(a) make cash payments in cases where Shares or debentures could only be issued in fractions; and

(b) authorise any person to make, on behalf of all the Shareholders entitled to any further Shares or debentures upon the capitalisation, an agreement with the Company providing for the issue to them, credited as fully paid up, of any such further Shares or debentures or for the payment up by the Company on their behalf of the amounts or any part of the amounts remaining unpaid on their existing Shares by the application of their respective proportions of the sum resolved to be capitalised, and any agreement made under an authority referred to in paragraph (b) is effective and binding on all the Shareholders concerned.
24. **BONUS SHARE PLAN**

24.1 **Authorisation of Bonus Share Plan**

The Company may, by ordinary resolution in general meeting, authorise the Directors to implement a Bonus Share Plan on such terms and conditions as are referred to in such resolution and which plan provides for any dividend which the Directors may declare from time to time under clause 22, less any amount which the Company shall either pursuant to this Constitution or any law be entitled or obliged to retain, not to be payable on Shares which are participating Shares in the Bonus Share Plan but for those Shares to carry instead an entitlement to receive an allotment of additional fully paid ordinary Shares to be issued as bonus Shares.

24.2 **Amendment and Revocation**

Any resolution passed by the Company in general meeting pursuant to clause 24.1 may, at any time, be amended or revoked by the Company by ordinary resolution in general meeting.

25. **DIVIDEND REINVESTMENT PLAN**

25.1 **Authorisation of Dividend Reinvestment Plan**

(a) Notwithstanding any other provision of this Constitution, but subject to the requirements of the Corporations Act and the Listing Rules, the Directors may in their absolute discretion establish on such terms and conditions as they think fit:

(b) plans (to be called a "dividend reinvestment plan" or an "interest reinvestment plan" as the case may be) for cash dividends paid by the Company in respect of Shares issued by the Company and interest paid by the Company on unsecured notes or debenture stock issued by the Company to be reinvested by way of subscription for Shares in the Company; and

(c) a plan (to be called a "dividend election plan") permitting holders of Shares to the extent that his Shares are fully paid up, to have the option to elect to forego his right to share in any dividends (whether interim or otherwise) payable in respect of such Shares and to receive instead an issue of Shares credited as fully paid up to the extent as determined by the Directors.

(d) The Directors may in their absolute discretion, modify, suspend or terminate all or any plans established pursuant to clause 25.1 from time to time on not less than one month's written notice to all Shareholders.

(e) The powers given to the Directors by this clause 25.1 are additional to the other powers reposed in the Directors by this Constitution and shall not in any way be limited, restricted or otherwise affected by clause 23 and this clause 25.
26. **NOTICES**

26.1 **Service**

A notice may be given by the Company to any Shareholder or other person receiving notice under this Constitution either by, in the Company's discretion:

(a) serving it on the Shareholder personally;

(b) sending it by post to the Shareholder or leaving it at the Shareholder's address as shown in the Register of Shareholders or the address nominated by the Shareholder to the Company;

(c) sending it to the fax number nominated by the Shareholder to the Company;

(d) sending it to the electronic address nominated by the Shareholder to the Company or by other electronic means nominated by the Shareholder; or

(e) if a Shareholder nominates any electronic means by which the Shareholder may be notified that a notice is available and may access a notice, sending a notification that the notice is available for access, in each case by the relevant electronic means.

26.2 **Service by Post**

Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and to have been effected, in the case of a notice of a meeting, on the date after the date of its posting and, in any other case, at the time at which the letter would be delivered in the ordinary course of post.

26.3 **Service by Facsimile or Electronic Means**

Where a notice is sent by facsimile transmission or other electronic means, service of the notice is deemed to be effected by properly addressing and transmitting the facsimile or electronic transmission and to have been served on the Business Day following its despatch.
26.4 **Notice to Joint Holders**

A notice may be given by the Company to the joint holders of a Share by giving the notice to the joint holder first named in the Register of Shareholders in respect of the Share.

26.5 **Notices to Personal Representatives and Others**

A notice may be given by the Company to a person entitled to a Share in consequence of the death or bankruptcy of a Shareholder by serving it on him or by sending it to him by post addressed to him by name or by the title of representative of the deceased or assignee of the bankrupt, or by any like description, at the address (if any) supplied for the purpose by the person or, if such an address has not been supplied, at the address to which the notice might have been sent if the death or bankruptcy had not occurred.

26.6 **Persons Entitled to Notice**

Notice of every general meeting shall be given to:

(a) every Shareholder;

(b) every Director or alternate Director;

(c) every person entitled to a Share in consequence of the death or bankruptcy of a Shareholder who, but for his death or bankruptcy, would be entitled to receive notice of the meeting;

(d) the auditor for the time being of the Company; and

(e) ASX, if the Company is admitted to the Official List of ASX.

No other person is entitled to receive notices of general meetings.

26.7 **Incorrect Address**

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

27.1 **Distribution in Kind**

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

27.2 **Trust For Shareholders**

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

27.3 **Distribution in Proportion to Shares Held**

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

28. **OFFICERS' AND AUDITOR'S INDEMNITY**

28.1 **Generally**

| (a) | Subject to the Corporations Law Corporations Act, every person who from time to time who is or has been an officer or auditor of the Company shall be indemnified for the relevant amount out of the property of the Company against any liability (other than for costs and expenses as referred to in clause 28.1(b)) to another person (other than the Company or a Related Body Corporate) incurred by the person in the person's capacity as, or as a result of the person having been an, officer or auditor of the Company or of a Related Body Corporate in respect of any act or omission whatsoever and howsoever occurring unless the liability arose out of conduct involving a lack of good faith or dishonesty. |

| (b) | Subject to the Corporations Law Corporations Act, every person who from time to time is or has been an officer or auditor of the Company shall be indemnified for costs and expenses incurred by the person: |

| (i) | in defending proceedings, whether civil or criminal, in relation to any act or omission of the person as an officer or auditor of the Company or of a Related Body Corporate in which judgement is given in favour of the person or in which the person is acquitted; or |
in connection with an application, in relation to such proceedings, in which the Court grants relief to the person under the Corporations Law.

For the purposes of this clause 28.1 "officer" has the same meaning as given to that term in Section 241(4)(a)9 of the Corporations Law.

28.2 Employees' Indemnity

Subject to the Corporations Law, every person who from time to time is or has been an employee of the Company shall be indemnified for the relevant amount out of the property of the Company against any liability incurred by the person in the person's capacity as, or as a result of the person having, been an employee of the Company or of a Related Body Corporate in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal unless:

(a) the liability was incurred by the person through the person's own dishonesty, negligence, default, breach of duty or breach of trust; and

(b) the Directors consider that the liability was incurred in circumstances which do not justify indemnification.

28.3 Liability

For the purposes of clauses 28.1 and 28.2 "liability" shall include all costs, charges, losses, damages, expenses and liabilities of any kind, including in particular (without limitation) legal costs incurred in defending any proceedings (whether criminal, civil, administrative or judicial) or appearing before any court, tribunal or government authority.

28.4 Relevant Amount

For the purposes of clauses 28.1 and 28.2 "relevant amount" means the amount of the liability after deducting:

(a) the amount in respect of which the relevant person is otherwise entitled to be indemnified and is otherwise actually indemnified by another person (including in particular, an insurer under any insurance policy); and

(b) where the liability is incurred in the conduct of the business of a Related Body Corporate or in the discharge of the duties of the person, in relation to a Related Body Corporate the amount in respect of which the person is entitled to be indemnified and is actually indemnified out of the assets of that Related Body Corporate.

28.5 Insurance

The Company may, to the extent permitted by law:

(a) purchase and maintain insurance; or

(b) pay or agree to pay a premium for insurance for any person to whom clauses 28.1 and 28.2 apply against any liability incurred by the person as an officer or auditor of the...
Company or of a Related Body Corporate including, but not limited to, a liability for negligence or for reasonable costs and expenses incurred in defending proceedings, whether civil or criminal and whatever their outcome.

29. OVERSEAS SHAREHOLDERS

29.1 Overseas Shareholders

Each Shareholder with a registered address outside Australia acknowledges that, with the approval of ASX, the Company may, in accordance with the Listing Rules, arrange for a nominee to dispose of any of its entitlement to participate in any issue of Shares or Share Options by the Company to Shareholders, subject to compliance with the Corporations Act and/or Listing Rules (as applicable).

30. LISTING RULES

30.1 Listing Rules

If the Company is admitted to the Official List of ASX, the following clauses apply:

(a) Notwithstanding anything contained in this Constitution, if the Listing Rules prohibit an act being done, the act shall not be done.

(b) Nothing contained in this Constitution prevents an act being done that the Listing Rules require to be done.

(c) If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be).

(d) If the Listing Rules require this Constitution to contain a provision and it does not contain such a provision, this Constitution is deemed to contain that provision.

(e) If the Listing Rules require this Constitution not to contain a provision and it contains such a provision, this Constitution is deemed not to contain that provision.

(f) If any provision of this Constitution is or becomes inconsistent with the Listing Rules, this Constitution is deemed not to contain that provision to the extent of the inconsistency.

31. SCH BUSINESS RULES ASX SETTLEMENT OPERATING RULES

31.1 SCH Business Rules ASX Settlement Operating Rules

Where the securities of the Company are CHESS approved Securities, the Company shall comply with the SCH Business Rules ASX Settlement Operating Rules.
32. PARTIAL TAKEOVER PLEBISCITES

32.1 Resolution to Approve Takeover Scheme

Where offers have been made under a takeover scheme in respect of Shares included in a class of shares in the Company:

(a) the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under the takeover scheme is prohibited unless and until a resolution (in this clause 32.1 referred to as a "prescribed resolution") to approve the takeover scheme is passed in accordance with the provisions of these Articles;

(b) a person (other than the offeror or a person associated with the offeror) who, as at the end of the day on which the first offer under the takeover scheme was made, held shares included in that class is entitled to vote on a prescribed resolution and, for the purposes of so voting, is entitled to one vote for each of the last mentioned shares; and

(ii) the offeror or a person associated with the offeror is not entitled to vote on a prescribed resolution;

(iii) a prescribed resolution is to be voted on at a meeting, convened and conducted by the Company, of the persons entitled to vote on the resolution; and

(c) a prescribed resolution, being a resolution that has been voted on, is to be taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than one half, and otherwise is taken to have been rejected.

32.2 Meetings

(a) The provisions of these Articles that apply in relation to a general meeting of the Company apply, with modifications as the circumstances require, in relation to a meeting that is convened pursuant to this Article 32 as if the last mentioned meeting was a general meeting of the Company.

(b) Where takeover offers have been made under a takeover scheme, the Directors are to ensure that a resolution to approve the takeover scheme is voted on in accordance with this Article 32 before the relevant day in relation to the takeover scheme.

32.3 Notice of Resolution

Where a resolution to approve a takeover scheme is voted on in accordance with this Article 32 in relation to the takeover scheme, before the relevant day in relation to the takeover scheme, the Company is, on or before the relevant day:

(a) to give to the offeror; and

(b) to serve on each notifiable securities exchange in relation to the Company,
a notice in writing stating that a resolution to approve the takeover scheme has been voted on and that the resolution has been passed, or has been rejected, as the case requires.

32.4 **Takeover Resolution Deemed Passed**

Where, at the end of the day before the relevant day in relation to a takeover scheme under which offers have been made, no resolution to approve the takeover scheme has been voted on in accordance with this Article 32, a resolution to approve the takeover scheme is to be, for the purposes of this Article 32, deemed to have been passed in accordance with this Article 32.

32.5 **Takeover Resolution Rejected**

Where a resolution to approve a takeover scheme under which offers have been made is voted on, in accordance with this Article 32, before the relevant day in relation to the takeover scheme and is rejected, then:

(a) notwithstanding Section 653 of the Corporations Law, all offers under the takeover scheme that have not as at the end of the relevant day, been accepted, and all offers (in this Article 32.6 referred to as the "accepted offers") under the takeover scheme that have been accepted and from whose acceptance binding contracts have not, at the end of the relevant day, resulted, are deemed to be withdrawn at the end of the relevant day;

(b) the offeror is, forthwith after the end of the relevant day, to return to each person who has accepted any of the accepted offers any documents that were sent by the person to the offeror with the acceptance of the offer;

(c) the offeror is entitled to rescind, and is required, forthwith after the end of the relevant day, to rescind, each contract resulting from the acceptance of an offer made under the takeover scheme; and

(d) a person who has accepted an offer made under the takeover scheme is entitled to rescind the contract (if any) resulting from that acceptance.

32.6 **Renewal**

This Article 32 ceases to have effect on the third anniversary of the date of the adoption of last renewal of this Article 32.