



MEMO

To: Board of Directors
From: Company Secretary
Subject: **GENERAL MEETING RESULTS**

In my opinion it would be 'best practice' to advise all shareholders the results of today's general meeting because, as you know, only 2 of our 3,000 shareholders turned up.

It seems to me from the proxy votes received that an overwhelming number of shareholders are in support of all the resolutions, but I really think it would be a nice idea to strengthen the board's rapport with shareholders by sending them a brief letter summarising the meeting and voting results; you could even detail the proxy vote numbers. I would suggest that you might also include some commentary on where the company goes from here and its future prospects.

Whilst our company is not a disclosing entity, and therefore has no obligation under the Corporations Act or any other legal or regulatory requirement to advise anyone of the outcome of a general meeting, in support of my views I detail below what is required of disclosing entities (whether stock exchange listed or not).

Unlisted Disclosing Entity

For an unlisted disclosing entity the continuous disclosure requirements under Section 675 of the Corporations Act, in my opinion, probably require a disclosure notice to be lodged with ASIC detailing the results of shareholder/general meetings.

Listed Company

For a company listed on an Australian stock exchange it is mandatory under Listing Rule 3.13.2 to release to the market the outcome/results of each resolution considered by shareholders at general meetings 'immediately' afterwards.

In addition, a listed company must announce to the market after a general meeting under Sec.251AA(2), the proxy vote details as per Sec.251AA(1) (and record such proxy details in the minutes of the meeting) on the following basis:

1. The total number of proxy votes exercisable by all proxies validly appointed in respect of each resolution in the notice of meeting.
2. If the resolution is decided by a show of hands, the total number of proxy votes in respect of which the appointments specified that:



- (i) the proxy is to vote for the resolution; and
 - (ii) the proxy is to vote against the resolution; and
 - (iii) the proxy is to abstain on the resolution; and
 - (iv) the proxy may vote at the proxy's discretion.
3. If the resolution is decided on a poll, the information specified in 2. above and the total number of votes cast on the poll:
- (i) in favour of the resolution; and
 - (ii) against the resolution; and
 - (iii) abstaining on the resolution.

DISCLAIMER

The comments in this memo reflect some commercial aspects and observations on the matter experienced or observed by the writer in practice as he understands them. The information is given as a guide only and does not represent a definitive or legal view of any of the issues raised, covered or referred to and the reader is urged to seek his own professional advice on all aspects of, or pertaining to, this and any related matter.