

Constitution

of

Marsden Maritime Holdings Limited



CONTENTS

- 1. INTERPRETATION**
- 2. MANAGEMENT OF THE COMPANY**
- 3. SHARES**
- 4. TRANSFER OF SHARES**
- 5. DISTRIBUTIONS (REPURCHASE, REDEMPTION, FINANCIAL ASSISTANCE, DIVIDENDS)**
- 6. MEETINGS OF SHAREHOLDERS**
- 7. APPOINTMENT AND REMOVAL OF DIRECTORS**
- 8. DIRECTORS' MEETINGS**
- 9. REMUNERATION AND OTHER BENEFITS**
- 10. INDEMNITY AND INSURANCE**
- 11. METHOD OF CONTRACTING**
- 12. AUDITOR**
- 13. ALTERATION OF CONSTITUTION - CHANGE OF NAME**
- 14. ACCOUNTS**
- 15. MANNER OF SERVICE ON SHAREHOLDERS AND CREDITORS**
- 16. TRANSFER OF PLACE OF INCORPORATION**
- 17. REGISTERED OFFICE AND ADDRESS FOR SERVICE**
- 18. INSPECTION OF RECORDS**
- 19. LIQUIDATION**

**CONSTITUTION OF
MARSDEN MARITIME HOLDINGS LIMITED**

1.0 **Interpretation**

Definitions

1.1 In this Constitution, unless the context otherwise requires:

"**Act**" means the Companies Act 1993 as the same may be amended from time to time.

"**Board**" and "**Board of Directors**" in relation to the Company means those Directors who number not less than the quorum specified in Regulation 8.4 of this Constitution acting together as a board of directors.

"**Business Day**" means a day on which NZX is open for trading.

"**Class**" means a class of Securities having identical rights, privileges, limitations and conditions and includes or excludes securities which NZX in its discretion deems to be of or not of that Class.

"**Company**" means **Marsden Maritime Holdings Limited**.

"**Constitution**" means this Constitution as may be amended from time to time.

"**Director**" means a person occupying the position of director of the Company by whatever name called.

"**Equity Security**" means an Equity Security, as defined in the Listing Rules, which has been issued, or is to be issued, by the Company, as the case may require.

"**Financial Product**" has the meaning set out in the Listing Rules.

"**Independent Director**" has the meaning given in the Listing Rules.

"**Listed**" has the meaning given to it in the Listing Rules.

"**Listing Rules**" means the NZX Listing Rules in force from time to time.

"**Minimum Holding**" has the meaning given in the Listing Rules.

"**NZX**" means NZX Limited, its successors and assigns and as the context permits includes any duly authorised delegate of NZX (including the Tribunal).

"**Ordinary Resolution**" means a resolution passed by a simple majority of the votes of Equity Security holders entitled to Vote and voting;

"**Ruling**" has the meaning given in the Listing Rules.

"**Quoted**" has the meaning set out in the Listing Rules.

"**Security**" has the meaning set out in section 6 of the Financial Markets Conduct Act 2013.

"Shareholding Local Authority" means any regional council or territorial authority (both terms as defined in the Local Government Act 2002) that directly or indirectly, holds any Equity Security in the Company of any class that confers rights to vote at any meeting of the Company.

"Special Resolution" means a resolution approved by a majority of seventy five percent (75%) of Equity Security holders entitled to Vote and voting on the question.

"Subsidiary" means:

- (a) a subsidiary within the meaning of section 5 of the Act (read together with sections 6 to 8 inclusive of the Act); and
- (b) an entity treated as a subsidiary or in substance subsidiary within the meaning of any financial reporting standard approved in terms of section 19 of the Financial Reporting Act 1993.

"Treasury Stock" means shares in the Company under the provisions of the Act which enable treasury stock to be held by the Company and includes shares which are held by a Subsidiary other than in accordance with section 82(6) of the Act.

"Tribunal" has the meaning set out in the Listing Rules.

"Vote" has the meaning given in the Listing Rules.

1.2 In this Constitution:

- (a) Any headings appear as a matter of convenience and shall not affect the construction of this Constitution.
- (b) References to any statute, statutory regulations or other statutory instrument shall be deemed to be references to the statute, statutory regulations or instrument as from time to time amended or re-enacted, or as the context permits, provisions substituted therefor and for the time being in force.
- (c) The singular includes the plural and vice versa and words importing any gender include the other genders.
- (d) The words "written" and "writing" include facsimile communications and any other means of communication resulting in permanent visible reproduction.
- (e) Unless stated otherwise, references to monetary amounts are to New Zealand currency.
- (f) Except as specified in Regulation 1.1, words or expressions which are defined in the Act, the Financial Markets Conduct Act 2013, the Financial Reporting Act 2013 or the Listing Rules shall have the meaning given by the relevant statute or the Listing Rules unless the context otherwise requires.
- (g) A reference to a Listing Rule includes that Listing Rule as from time to time amended or substituted.

Incorporation of Listing Rules

1.3 For so long as the Company is Listed:

- (a) subject to the Port Companies Act 1988 and the Public Audit Act 2001, those provisions of the Listing Rules which are required to be contained or incorporated by reference in this Constitution, as they may be modified by any Ruling relevant to the Company, will be deemed to be incorporated in this Constitution and have the same effect as though they were set out in full with any necessary modification;
- (b) shareholders must not cast a vote if prohibited from doing so by the Listing Rules;
- (c) Directors must not cast a vote if prohibited from doing so by the Listing Rules.

Listing Rules Prevail

1.4 Subject to the Port Companies Act 1988 and the Public Audit Act 2001, while the Company is Listed, if a provision of this Constitution is inconsistent with the Listing Rules as modified by any Ruling relevant to the Company, the Listing Rules shall prevail.

Compliance with Listing Rules

1.5 Subject to:

- (a) the terms of any Ruling from time to time given by NZX; and
- (b) the requirements of the Act and any other applicable legislative or regulatory requirement,

the Company shall, for so long as it is Listed, comply with the Listing Rules.

NZX Rulings

1.6 If NZX has granted a Ruling in relation to the Company authorising any act or omission which in the absence of the Ruling would be in contravention of the Listing Rules or this Constitution, that act or omission will be deemed to be authorised by the Listing Rules and this Constitution.

Effect of Failure to Comply

1.7 Failure to comply with the Listing Rules, or a failure to comply with a provision of the Constitution corresponding with a provision of the Listing Rules, shall not affect the enforceability of any transaction, contract, action or other matter whatsoever (including the proceedings of, or voting at, any meeting) done or entered into by, or affecting, the Company, except that a party to a transaction or contract who knew of the failure to comply with the Listing Rules shall not be entitled to enforce that transaction or contract. This provision does not affect the rights of any holder of Securities of the Company against the Company or the Directors arising from failure to comply with the Listing Rules or these provisions of the Constitution.

Companies Act 1993

1.8 This Constitution has no effect to the extent that it contravenes, or is inconsistent with, the Act.

- 1.9 The Company, the Board, each Director and each shareholder of the Company have the rights, powers, duties and obligations set out in the Act except to the extent that they are negated or modified by this Constitution.

Powers of Shareholders

- 1.10 Unless otherwise specified in the Act or this Constitution, any power reserved to shareholders may be exercised, and any approval of shareholders, may be given by Ordinary Resolution.

2.0 Management of the Company

Role of Board

- 2.1 The business and affairs of the Company must be managed by, or under the direction or supervision of, the Board, subject to the provisions of this Constitution and the Act.

- 2.2 Notwithstanding Regulation 2.1 of this Constitution:

- (a) The chairperson of a meeting of shareholders must allow a reasonable opportunity for shareholders at the meeting to question, discuss or comment on the management of the Company; and
- (b) A meeting of shareholders may pass a resolution relating to the management of the Company.

Shareholders' Resolutions Regarding Management

- 2.3 A resolution relating to the management of the Company passed by a meeting of shareholders shall not be binding on the Board.

Delegation by the Board

- 2.4 The Board may delegate to a committee of Directors, a Director or employee of the Company, or any other person, any one or more of its powers, other than those specified in the Second Schedule to the Act.

- 2.5 The Board is responsible for the exercise of the power by the delegate as if the power had been exercised by the Board, unless the Board:

- (a) Believed on reasonable grounds at all times before the exercise of the power that the delegate would exercise the power in conformity with the duties imposed on Directors of the Company by the Act and this Constitution; and
- (b) Has monitored, by means of reasonable methods properly used, the exercise of the power by the delegate.

Managing Director

Power to appoint Managing Director and Term

- 2.6 (a) The Board may from time to time appoint one of the Directors to the office of Managing Director of the Company for a period and on such conditions as it thinks fit.
- (b) Notwithstanding Regulation 2.6(a) the Managing Director may be reappointed as Managing Director upon expiry of the term of appointment.

(c) Nothing in Regulation 2.6(a) shall affect the terms of engagement of the Managing Director as an employee.

(d) If the Board so determines, the Managing Director may be referred to as the Chief Executive of the Company.

Managing Director Liable to Dismissal

(e) Every Managing Director shall be liable to be dismissed or removed by the Board (with or without cause), but the Board may enter into any agreement on behalf of the Company with any person who is, or is about to become, the Managing Director, with regard to the length and terms of his or her employment, but so that the remedy of any such person for any breach of the agreement shall be in damages only, and he or she shall have no right to claim to continue in such office contrary to the will of the Board.

Remuneration of Managing Director

(f) The remuneration of the Managing Director shall be fixed by the Board and may be in addition to the remuneration of that Managing Director as an ordinary Director.

Managing Director Subject to Retirement by Rotation

(g) The Managing Director shall be subject to the same provisions as regards rotation, resignation, removal, and disqualification as the other Directors, and if he or she ceases to hold the office of Director from any cause, he or she shall thereupon cease to be a Managing Director. If a Managing Director shall cease to be employed by the Company then, unless the Board otherwise determines, he or she shall ipso facto cease to be a Director.

Powers Capable of Being Conferred Upon Managing Director

(h) Subject to Regulations 2.4 and 2.5, the Board may from time to time entrust to and confer upon the Managing Director any of the powers exercisable by the Board upon such terms and conditions, and with such restrictions, as it may think fit and either collaterally with or to the exclusion of its own powers and may from time to time revoke, withdraw, alter or vary all or any of those powers.

3.0 Shares

Rights and Powers Attaching to Shares

3.1 Subject to Regulation 3.2, a share in the Company confers on the holder:

(a) The right to one vote at a meeting of the Company on any resolution, including any resolution to:

(i) appoint or remove a Director or auditor;

(ii) alter the Constitution;

(iii) approve a major transaction;

(iv) approve an amalgamation of the Company under section 221 of the Act;

(v) put the Company into liquidation.

- (b) The right to an equal share in dividends authorised by the Board;
- (c) The right to an equal share in the distribution of the surplus assets of the Company.

Subject to section 53 of the Act, the rights specified in this Regulation 3.1 may be negated, altered, or added to by the terms on which the share is issued.

- 3.2
- (a) The rights, privileges, limitations and conditions attached to any shares in the Company may, subject to compliance with sections 116 and 117 of the Act, be modified, abrogated or altered only with the sanction of a Special Resolution passed at a meeting of each interest group but section 116 and section 117 shall be read as if the references to “shares” in those sections shall (subject to Regulation 3.2(b)) be deemed to include references to all Equity Securities of the Company and the references to shareholders shall be read accordingly. In respect of Equity Securities which are not shares in the Company, in section 116 and section 117 the reference to a Special Resolution shall be read as a reference to a resolution approved by a majority of 75% of votes of the holders of those Financial Products entitled to vote and voting and the reference to the constitution as a reference to the document which governs the rights of those Equity Securities.
 - (b) The Company shall be required by Regulation 3.2(a) to comply with section 116 and section 117 of the Act but shall not be required by the modifications deemed to be made thereto by Regulation 3.2(a) to comply with those sections in respect of actions that affect the rights attaching to:
 - (i) Equity Securities which are not Quoted; or
 - (ii) Equity Securities which are not shares of the Company if those Equity Securities were issued on terms which expressly permitted the action in question to be taken without the approval of holders of those Equity Securities, and those terms were clearly disclosed in the Offering Document (if any) pursuant to which those Equity Securities were offered.
 - (c) No obligation to pay any amount which is unpaid on any Equity Security shall be cancelled, reduced or deferred without the authority of an Ordinary Resolution.

Terms of Issue

- 3.3
- (a) Without limiting the classes of shares that may be issued, shares in the Company may be issued on terms that they:
 - (i) are convertible; or
 - (ii) are redeemable within the meaning of section 68 of the Act, and redeemable at the option of the Company as contemplated by section 69(1)(b) of the Act; or
 - (iii) confer preferential rights to distributions of capital which may be made subject to the power of the Directors to make distributions; or
 - (iv) confer preferential rights to distributions of income which may be made subject to the power of the Directors to make distributions; or

- (v) confer special, limited or conditional voting rights; or
 - (vi) do not confer voting rights; or
 - (vii) possess any combination of two or more of the foregoing characteristics.
- (b) The issue of shares ranking equally with, or in priority to, existing shares, whether as to voting rights or distributions or both is expressly permitted. Accordingly any such issue of shares shall not be an action modifying, abrogating or altering the rights, privileges, limitations and conditions attached to these shares as contemplated by section 117(3) of the Act.

Issue of new Equity Securities

- 3.4 The Board may issue Shares or other Equity Securities to any person and in any number it thinks fit provided that, while the Company is Listed, the issue is made in accordance with the Listing Rules. The provisions of sections 45(1) and 45(2) of the Act shall not apply to any issue or proposed issue of Shares by the Company.
- 3.5 The transfer by the Company of Treasury Stock shall, for the purposes of this Constitution, be deemed to be an issue of Equity Securities.

Consolidation and subdivision of shares

- 3.6 Subject to any applicable provisions of the Listing Rules, the Board may:
- (a) consolidate and divide the shares or shares of any Class in proportion to those shares or the shares in that Class; or
 - (b) subdivide the shares or shares of any Class in proportion to those shares or the shares in that Class.

3.7 Bonus Issue

Subject to any applicable provisions of the Listing Rules, the Board may resolve to apply any amount which is available for distribution to shareholders either:

- (a) in paying up in full shares or other Securities of the Company to be issued credited as fully paid to:
 - (i) the shareholders who would be entitled to that amount if it were distributed by way of dividend, and in the same proportions; and
 - (ii) if applicable, the holders of any other Securities of the Company who are entitled by the terms of issue of those Securities to participate in bonus issues by the Company, whether at the time the bonus issue is made to the shareholders, or at some time later, in accordance with their respective entitlements; or
- (b) in paying up any amount which is unpaid on any shares held by the shareholders referred to in Regulation 3.6(a)(i) above,

or partly in one way and partly in the other.

Liens on Shares

- 3.8 The Company shall have a lien in respect of each share and on dividends and other distributions from time to time declared in respect of such Securities only to the extent described in Regulation 3.8.
- 3.9 The lien referred to in Regulation 3.7 shall be restricted to:
- (a) unpaid calls, instalments, premiums or other amounts, and any interest payable on such amounts, relating to the specific Securities; and
 - (b) such amounts as the Company may be called upon to pay under any legislation in respect of the specific Securities, whether or not the due date for payment has passed.
- 3.10 Any dividends or distributions may be applied in reduction or satisfaction of any amount presently payable to the Company in respect of which the lien exists.
- 3.11 (a) The Company may sell, in a manner decided by the Board, any share on which the Company has a lien if:
- (i) an amount of the kind specified in Regulation 3.8 is presently payable in respect of the share; and
 - (ii) the Company demands the amount in writing, and payment is not made within 14 days after the demand.
- (b) To give effect to a sale the Board may authorise a person to transfer the shares sold to the purchaser. The purchaser shall be registered as the holder of the shares comprised in the transfer. The purchaser shall not be bound to see to the application of the purchase money. The title of the purchaser to the shares shall not be affected by any irregularity or invalidity affecting the sale or the payment of the proceeds.
- 3.12 The Company shall apply the proceeds received from the sale first to the reasonable expenses of the sale and, secondly to the amount which is presently payable to the Company when the proceeds are received. Any remaining balance shall then be paid to the shareholder, the shares of whom were sold pursuant to the power of sale contained in Regulation 3.10.

Power to sell where less than Minimum Holdings

- 3.13 (a) Where the shares registered in the name of a shareholder (**Affected Holder**) are less than a Minimum Holding the Board may at any time give written notice of that fact and initiate the procedure set out in this Regulation 3.13.
- (b) Where notice has been given under Regulation 3.13(a) the Company may, at any time after the expiration of three months from the date of the notice if the shares then registered in the name of the Affected Holder are less than a Minimum Holding, sell the shares in a manner determined by the Board.
- (c) To give effect to any sale under Regulation 3.13(b) the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall not be bound to see to the application of the purchase money, nor shall his or her title to the shares be affected by any irregularity or invalidity in the proceedings relating

to the sale. The remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

- (d) The proceeds of sale of any shares sold under this Regulation 3.13 shall be applied as follows:
- (i) First, in payment of any reasonable expenses incurred in regard to the sale;
 - (ii) Secondly, in satisfaction of any unpaid calls, instalments or premiums, interest thereon, expenses, and any other money in respect of which a lien existed;
 - (iii) The residue (if any) shall be paid to, or in accordance with a direction of, the Affected Holder or the executors or administrators or assigns of that person.

Issue of Statements

- 3.14 The Company shall issue a Statement of holding of Quoted Financial Products to each holder of Quoted Financial Products in accordance with and subject to Listing Rule 8.3.

4.0 Transfer of Shares

Transferability of Shares

- 4.1 Subject to the terms of this Constitution:

- (a) A share in the Company is transferable.
- (b) A share may be transferred by entry of the name of the transferee on the share register.

- 4.2 A transfer of Quoted Financial Products may be effected in a manner permitted by law subject to the rights of the Company under Listing Rule 8.1 to decline, accept or register to do so.

5.0 Distributions (Repurchase, Redemption, Financial Assistance, Dividends)

Repurchase and Redemption

- 5.1 The Company may:

- (a) purchase or otherwise acquire shares issued by it from one or more shareholders;
- (b) purchase or otherwise acquire other Equity Securities from one or more shareholders;
- (c) hold any shares or other Equity Securities so purchased or acquired; and
- (d) redeem any redeemable shares or other Equity Securities held by one or more holders,

in accordance with the provisions, and subject to the restrictions of the Act, this Constitution and the Listing Rules.

Prohibition on Acquisition

- 5.2 The Company shall not acquire or redeem Equity Securities of the Company other than as permitted by and in accordance with Listing Rule 4.14.

Prohibition on Financial Assistance

- 5.3 The Company shall not give financial assistance for the purpose of, or in connection with, the acquisition of any shares or other Equity Securities issued except as permitted by and in accordance with Listing Rule 4.15.

Dividends

- 5.4 The Board must not authorise a dividend in respect of some but not all the shares in a class or that is of a greater value per share in respect of some shares of a class than it is in respect of other shares of that class, unless the amount of the dividend is in proportion to the amount paid to the Company in satisfaction of the liability of the shareholder under this Constitution or under the terms of issue of the share.
- 5.5 A shareholder's entitlement to receive a dividend may be waived by notice in writing to the Company signed by or on behalf of a shareholder.
- 5.6 The Board may deduct from dividends payable to any shareholder in respect of the shares any:
- (a) unpaid calls, instalments or other amounts, and any interest payable on such amounts, relating to the specific shares; and
 - (b) amounts to the Company may be called upon to pay under any legislation in respect of the specific shares.
- 5.7 Dividends and other distributions or payments to holders of Securities of the Company will be payable to the persons who are registered as the holders of those Securities on an entitlement date fixed by the Board. Any dividend or other money payment may be paid by bank transfer or in any manner determined by the Board and directed by the person entitled to the payment. In the case of joint holders, payments may be made to the bank account in the name of the person first named on the register. In any case where a dividend is to be paid in a currency other than New Zealand currency, the amount payable will be converted to New Zealand currency in a manner, at a time and at an exchange rate determined by the Board.

Shares in Lieu of Dividends

- 5.8 The Board may issue shares to any shareholders who have agreed to accept the issue of shares, wholly or partly, in lieu of a proposed dividend or proposed future dividends if:
- (a) the right to receive shares, wholly or partly, in lieu of the proposed dividend or proposed future dividends has been offered to all shareholders of the same class on the same terms; and
 - (b) if all shareholders elected to receive the shares in lieu of the proposed dividend, relative voting or distribution rights, or both, would be maintained; and
 - (c) the shareholders to whom the right is offered are afforded a reasonable opportunity of accepting it; and
 - (d) the shares issued to each shareholder are issued on the same terms and subject to the same rights as the shares issued to all shareholders in that class who agree to receive the shares.

Unclaimed Dividends

- 5.9 All dividends unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall be entitled to mingle the amounts of any such dividends with other money of the Company or spend the same, (and in the meantime shall carry no right to interest) and shall not be required to hold them or regard them as being impressed with any trust.
- 5.10 All dividends, and any other moneys payable to any shareholder or former shareholder in respect of shares and/or interests in respect of Securities issued by the Company remaining unclaimed for five years after having been declared or otherwise having become payable, shall, at the expiry of such period of five years after having been declared or otherwise having become payable, be automatically forfeited for the benefit of the Company, unless the Board shall resolve otherwise. The Board must annul such forfeiture and pay the dividend or other money so forfeited to any person producing evidence that he or she is entitled to the same.

6.0 Meetings of Shareholders

Annual Meetings

- 6.1 An annual meeting of shareholders shall be held:

- (a) not later than 6 months after the balance date of the Company; and
- (b) not later than 15 months after the previous annual meeting.

Special Meetings

- 6.2 (a) All meetings of shareholders other than the annual meeting shall be called special meetings.

Directors May Attend Meetings

- (b) Each Director shall be entitled to attend every meeting of shareholders of the Company notwithstanding that he or she is not a shareholder of the Company.

Notices, Reports, Financial Statements

- (c) Equity Security holders of all Classes shall be entitled to attend meetings of shareholders and to receive copies of all notices, reports and financial statements issued generally to holders of Securities carrying Votes.

Convening Special Meetings

- 6.3 A special meeting of shareholders entitled to vote on an issue:

- (a) may be called at any time by the Board; and
- (b) must be called by the Board on the written request of shareholders holding shares carrying together not less than 5 percent of the voting rights entitled to be exercised on the issue.

Chairperson

- 6.4 (a) If the Directors have elected a chairperson of the Board, and the chairperson of the Board is present at a meeting of shareholders, he or she must chair the meeting.

- (b) If no chairperson of the Board has been elected or if, at any meeting of shareholders, the chairperson of the Board is not present within 15 minutes of the time appointed for the meeting, the shareholders present may choose one of their number to be chairperson of the meeting.

Notice of Meetings

- 6.5 (a) Written notice of the time and place of a meeting (whether an Annual Meeting or a Special Meeting) must be given to every shareholder and Equity Security holder entitled to receive notice of the meeting and to every Director and the auditor of the Company not less than 10 working days before the meeting.
- (b) The notice must:-
 - (i) State the nature of the business to be transacted at the meeting and contain or be accompanied by sufficient explanation, reports, valuations, and other information, as to enable a reasonable person entitled to Vote to understand the effect of each resolution proposed, including:
 - (aa) the consequences if the resolution in question is not passed (unless such resolution concerns a matter listed in Rule 7.1.2(a)(i) to (vii), and
 - (ab) a statement outlining who is subject to voting restrictions in relation to such resolution,and otherwise comply with Rules 7.8.3 to 7.8.8 (inclusive);
 - (ii) State the text of any Special Resolution to be submitted to the meeting or any resolution required to be put to a meeting in accordance with the requirements set out in the Listing Rules or this Constitution (and to the extent reasonably practicable must be framed in a manner which facilitates two-way voting instructions for proxy holders);
 - (iii) If a resolution is proposed which if passed will give shareholders who voted against the resolution the right to require the Company to purchase their shares by virtue of section 110 [Major transactions, amalgamations and removal of constitutional restrictions] or section 118 [modification of rights of Interest Groups], contain a prominent statement to that effect;
 - (iv) be accompanied by an Appraisal Report if required by the Listing Rules;
 - (v) be approved by NZX if required by the Listing Rules; and
 - (vi) be accompanied by a proxy form for Equity Security holders entitled to vote at the meeting.
- (c) An irregularity in a notice of a meeting is waived if all the shareholders entitled to attend and vote at the meeting attend the meeting without protest as to the irregularity, or if all such shareholders agree to the waiver. The accidental omission to give notice of a meeting to, or the failure to receive notice of a meeting by, a shareholder does not invalidate the proceedings at that meeting.

- (d) If a meeting of shareholders is adjourned for less than 30 days it is not necessary to give notice of the time and place of the adjourned meeting other than by announcement at the meeting which is adjourned.

Entitlement to Notice of Meetings

- 6.6 (a) The shareholders and Equity Security holders who are entitled to receive notice of a meeting are:
 - (i) If the Board fixes a date for the purpose, those shareholders and Equity Security holders whose names are registered in the applicable register on that date;
 - (ii) If the Board does not fix a date for the purpose, those shareholders and Equity Security holders whose names are registered in the applicable register at the close of business on the day immediately preceding the day on which the notice is given.

Methods of Holding Meetings

- 6.7 A meeting of shareholders may be held by a number of shareholders, who constitute a quorum:
 - (a) being assembled together at the place, date and time appointed for the meeting; or
 - (b) participating in the meeting by means of audio, audio and visual or electronic communications; or
 - (c) by a combination of the methods described in paragraphs (a) and (b) above.

Quorum

- 6.8 (a) No business may be transacted at a meeting of shareholders if a quorum is not present.
- (b) A quorum for a meeting of shareholders is present if shareholders or their proxies, attorneys or representatives (in the case of a body corporate) are present who number not less than three (3).
- (c) If a quorum is not present within 30 minutes after the time appointed for the meeting:
 - (i) In the case of a meeting called by the Board on the written request of shareholders pursuant to section 121(b) of the Act, the meeting is dissolved;
 - (ii) In the case of any other meeting, the meeting is adjourned to the same day in the following week at the same time and place or to such other date, time and place as the Directors may appoint, and, if at the adjourned meeting a quorum is not present within 30 minutes after the time appointed for the meeting, the shareholders or their proxies present are a quorum.
- (d) To avoid doubt, a shareholder participating in a meeting by means of audio, audio and visual, or electronic communication is present at the meeting and part of the quorum.

Voting

- 6.9
- (a) Voting at a meeting must be conducted by poll.
 - (b) Votes must be counted according to the votes attached to the Equity Securities of each holder of Equity Securities or that holder's proxy, entitled to Vote and voting.
 - (c) The chairperson of a meeting is not entitled to a casting vote.
 - (d) When a poll is taken, the scrutineers shall be the auditors of the Company unless they are unable or unwilling to act or unless the chairperson directs to the contrary in which case the scrutineers shall be appointed by the chairperson.
 - (e) The chairperson shall be entitled to declare the result of a poll upon receipt of a certificate from the auditors setting out the maximum number of votes which could be cast at the meeting and upon receipt of notice from the scrutineers that, in the light of the auditor's certificate, sufficient votes to determine the result of the resolution have been counted. The auditor's certificate may set out the maximum number of votes which could be cast at the meeting if all persons entitled to attend and vote at the meeting did so, or it may set out the maximum number of votes which could be cast at the meeting if all persons at the meeting who are entitled to vote did vote.
 - (f) A declaration by the chairperson of the meeting that a resolution is carried by the requisite majority is conclusive evidence of that fact.

Restrictions in Listing Rules on Voting

- 6.10
- (a) A holder of Equity Securities shall not be entitled to vote at any meeting in favour of a resolution when that person is disqualified from doing so by virtue of Listing Rule 6.3.1.
 - (b) The Board shall use reasonable endeavours to ascertain, not later than five Business Days before any meeting to consider a resolution referred to in Rule 6.3.1 of the Listing Rules, the identity of the holders of Securities who are disqualified from voting under that Rule and prepare a list of the holders, if any, who the Board considers are so disqualified. The Board shall supply a copy of a list prepared under this Regulation 6.10(b) to any holder of voting Equity Securities who so requests, and if requested by the NZX, must supply the list to the NZX.
 - (c) Any objection to the accuracy or completeness of any list supplied under Regulation 6.10(b) shall be disregarded by the Company and the Chairman of the relevant meeting if the objection is notified to the Company less than one full Business Day before the time fixed for commencement of the meeting.
 - (d) A person disqualified from voting under Regulation 6.10(a) may act as a proxy or Voting representative for another person who is qualified to Vote in respect of Equity Securities held by that person and in accordance with that person's express instructions.
 - (e) A person is not disqualified by Regulation 6.10(a) from voting on a resolution to issue Equity Securities pursuant to Regulation 3.4 of this Constitution if the new Equity Securities are to be offered on the same basis to all holders of Equity Securities of the same class.

- (f) No resolution of, or proceeding at, a meeting of Equity Securities holders will be void on the basis of a breach of Regulation 6.10(a).

Proxies

- 6.11 (a) A holder of Equity Securities may exercise the right to Vote either by being present in person or by proxy.
- (b) A proxy is entitled to attend and be heard at a meeting as if the proxy were the holder of Equity Securities.
- (c) A proxy must be appointed by notice in writing signed by or, in the case an electronic notice, sent by the Equity Security holder and the notice must state whether the appointment is for a particular meeting or a specified term and a copy of which must be produced before the start of the meeting. A proxy need not be a holder of Equity Securities.
- (d) A holder of Equity Securities may appoint more than one proxy for a particular meeting, provided that more than one proxy is not appointed to exercise the rights attached to a particular Equity Security held by the holder.
- (e) A notice appointing a proxy shall be in such form as the Board may direct but otherwise in compliance with the Listing Rules.

Form of Proxy – Binary Voting Choice

- (f) A proxy form sent with the notice of meeting in accordance with clause 6.5(b) must:
 - (i) (as a minimum, so far as the subject matter and form of the relevant resolutions reasonably permits) provide for a binary voting choice (for or against) to enable the Equity Security holder to instruct the proxy as to the casting of the vote;
 - (ii) not be sent with any name or office filled in a proxy holder; and
 - (iii) contain a statement outlining who is subject to voting restrictions in relation to each resolution.
- (g) Notwithstanding Regulation 6.11(f)(ii), above, the Company may provide in the proxy form that:
 - (i) if in appointing a proxy, an Equity Security holder does not name a person as a proxy but otherwise completes the proxy form in full; or
 - (ii) the Equity Security holder's proxy does not attend the meeting,

a named person or office with act at that Equity Security holder's proxy and vote in accordance with their express direction. If such statement is included in the proxy form, the proxy form and notice of meeting must:

- (iii) clearly and prominently disclose the intention to appoint a named person or office in the circumstances set out in Regulation 6.11(f) (i) and (ii); and

- (iv) provide that the named person or office acting as proxy must:
 - (aa) only vote in accordance with the express directions of the relevant Equity Security holder; and
 - (ab) may not vote on a resolution if expressly granted a discretion on how to vote on a resolution and such resolution is subject to a voting restriction that applies to the proxy under Regulation 6.10(a).

Validity on Death or Insanity

- (h) A vote given in accordance with the terms of a notice of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy is given or the transfer of the Equity Security in respect of which the proxy is given, if no intimation in writing of such death, insanity, revocation, or transfer has been received by the Company at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used or has been handed to the Chairperson of the meeting before the vote is given.

Notice of Proxy to be Lodged 48 Hours Before Meeting

- (i) No proxy is effective in relation to a meeting unless a copy of the notice of appointment together with, as the case may require, the authority under which it is signed (e.g. a power of attorney) is deposited at the registered office or at such other place within New Zealand as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the notice proposes to vote.

Minutes

- 6.12 (a) The Board must ensure that minutes are kept of all proceedings at meetings of shareholders.
- (b) Minutes which have been signed correct by the chairperson of the meeting are prima facie evidence of the proceedings.

Shareholder Proposals

- 6.13 (a) A shareholder may give written notice to the Board of a matter the shareholder proposes to raise for discussion or resolution at the next meeting of shareholders at which the shareholder is entitled to vote.
- (b) If the notice is received by the Board not less than 20 working days before the last day on which notice of the relevant meeting of shareholders is required to be given by the Board, the Board must, at the expense of the Company, give notice of the shareholder proposal and the text of any proposed resolution to all shareholders entitled to receive notice of the meeting.
- (c) If the notice is received by the Board not less than 5 working days and not more than 20 working days before the last day on which notice of the relevant meeting of shareholders is required to be given by the Board, the Board must, at the expense of the shareholder, give notice of the shareholder proposal and the text of any proposed resolution to all shareholders entitled to receive notice of the meeting.

- (d) If the notice is received by the Board less than 5 working days before the last day on which notice of the relevant meeting of shareholders is required to be given by the Board, the Board may, if practicable, and at the expense of the shareholder, give notice of the shareholder proposal and the text of any proposed resolution to all shareholders entitled to receive notice of the meeting.
- (e) If the Directors intend that shareholders may vote on the proposal by proxy, they must give the proposing shareholder the right to include in or with the notice given by the Board a statement of not more than 1000 words prepared by the proposing shareholder in support of the proposal, together with the name and address of the proposing shareholder.
- (f) The Board is not required to include in or with the notice given by the Board:
 - (i) any part of a statement prepared by a shareholder that the Directors consider to be defamatory (within the meaning of the Defamation Act 1992), frivolous or vexatious; or
 - (ii) any part of a proposal or resolution prepared by a shareholder that the Directors consider to be defamatory (within the meaning of the Defamation Act 1992).
- (g) Where the costs of giving notice of the shareholder proposal and the text of any proposed resolution are required to be met by the proposing shareholder, the proposing shareholder must, on giving notice to the Board, deposit with the Company or tender to the Company a sum sufficient to meet those costs.

Corporations May Act by Representatives

- 6.14 A body corporate which is a shareholder may appoint a representative to attend a meeting of shareholders on its behalf in the same manner as that in which it could appoint a proxy.

Votes of Joint Holders and Personal Representatives

- 6.15 (a) Where 2 or more persons are registered as the holder of a share, the vote of the person named first in the share register and voting on a matter must be accepted to the exclusion of the votes of the other joint holders.
- (b) Where two or more persons are entitled under s.93 of the Act to be registered as holder of shares of a deceased or bankrupt Shareholder, the right of one of them to vote shall be determined by the order in which their names appear in the register of shareholders.

Voting Rights if Calls Unpaid or Partly Paid

- 6.16 (a) If a sum due to the Company in respect of a share has not been paid, that share may not be voted at a shareholders' meeting other than a meeting of an Interest group.
- (b) Each Security which is not fully paid shall carry only a fraction of the Vote which would be exercisable if the Security were fully paid. The fraction must be equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited and amounts paid in advance of a call), provided that for the purposes of this Regulation 6.17(b), a Security which is not fully paid is not of the same Class as a fully paid Security.

Appointment of Attorney

- 6.17 Any shareholder may at any time and from time to time by power of attorney appoint any person to be his or her attorney to attend meetings of shareholders of the Company and on behalf of the shareholder to vote and generally to act for the shareholder in the capacity as such as fully and effectually to all intents and purposes as such shareholder could do if present in person or by Proxy or Representative.

Powers to Adjourn Meetings

- 6.18 (a) The chairperson of any meeting at which a quorum is present may, at his or her sole discretion (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place.
- (b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (c) When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting, but otherwise it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Powers to Dissolve Meetings

- 6.19 (a) If any meeting shall become so unruly, disorderly or inordinately protracted, that in the opinion of the chairperson the business of the meeting cannot be conducted in a proper and orderly manner, the chairperson, notwithstanding any provision to the contrary contained in this Constitution and without the consent of the meeting, may in his or her sole and absolute discretion and without giving any reason therefor, either adjourn or dissolve the meeting.
- (b) If any meeting is dissolved by the chairperson pursuant to Regulation 6.19(a) and the unfinished business of the meeting relates to any resolution not voted upon by the meeting concerning the appointment of the Auditor, then in that case, the meeting shall be deemed to have resolved that the Board be authorised to fix the remuneration of the Auditor.

Shareholder Participation by Electronic means

- 6.20 A shareholder, or the shareholder's proxy or representative, may participate in a meeting of shareholders by means of audio, audio and visual, or electronic communication if:
- (a) the Board approves those means in the notice of meeting; and
- (b) the shareholder, proxy, or representative complies with any conditions imposed by the Board in relation to the use of those means (including for example, conditions relating to the identity of the shareholder, proxy, or representative and that persons approval or authentication (including electronic authentication) of the information communicated by electronic means).

To avoid doubt, participation in a meeting of shareholders includes participation in any manner specified in this constitution.

7.0 Appointment and Removal of Directors

Board composition

- 7.1 The composition of the Board must include the following:

- (a) the minimum number of Directors (other than Alternate Directors) is six. The number of Directors shall be not more than 7 or such other number as is fixed by an Ordinary Resolution; and
- (b) at least two Directors must be ordinarily resident in New Zealand; and
- (c) while the Company is Listed, it shall have not less than the minimum number of Independent Directors prescribed by the Listing Rules.

Independent Directors

- 7.2 While the Company is Listed, the Company and the Board shall comply with the Listing Rules applicable to the appointment and identification of Independent Directors under Regulation 7.1(c), including, but not limited to Listing Rules 2.6.1 to 2.6.4 (inclusive).

Existing Directors to continue in office

- 7.3 The Directors in office at the date of this Constitution shall continue in office subject to the provisions of this Constitution.

Appointment and removal by Ordinary Resolution

- 7.4 A Director may be appointed by Ordinary Resolution. All Directors shall be subject to removal from office as director by Ordinary Resolution.

Appointment by Board

- 7.5 The Board may at any time appoint additional Directors. A Director appointed by the Board shall hold office only until the next annual meeting of the Company but shall be eligible for election at that meeting.

Nominations

- 7.6 (a) No person (other than a Director retiring at the meeting) shall be elected as a Director at a meeting of the Company's Equity Security holders unless that person has been nominated by an Equity Security holder who will be entitled to attend and vote at the meeting if he or she shall continue to hold Equity Securities on the date when the entitlement to attend and Vote at the meeting is determined.
- (b) There shall be no restriction on the persons who may be nominated as directors, nor shall there be any precondition to the nomination of a director other than compliance with time limits in accordance with this Regulation 7.6 or applicable legislation which restricts who may be appointed as a director of the Company.
- (c) The closing date for nominations shall not be earlier than two months before the date of the meeting at which the election is to take place. The Company shall make an announcement to the market of the closing date for Director nominations and contact details for making nominations no less than ten Business Days prior to the closing date for Director nominations. Notice of every nomination received by the Company before the closing date for nominations shall be given by the Company to all persons entitled to attend the meeting together with or as part of the notice of meeting and the Company shall specify in such notice the Board's view on whether or not the nominee would qualify as an Independent Director.

Voting

- 7.7 Each resolution of the holders of Equity Securities to appoint, elect or re-elect a Director of the Company must be for the appointment, election or re-election of one Director only.

Rotation

- 7.8 A Director of the Company must not hold office (without re-election) past the third annual meeting following his or her appointment, or three years, whichever is the longer.

Vacation of Office

- 7.9 A Director shall cease to hold office as a Director if the Director:

- (a) becomes bankrupt or makes an arrangement or compromise with the Director's creditors generally;
- (b) becomes disqualified from being a Director pursuant to the section 151 of the Act;
- (c) resigns from office by notice in writing to the Company;
- (d) is removed from office pursuant to this Constitution or the Act; or
- (e) being an executive Director, ceases for any reason to be in salaried employment of the Company or any of its subsidiaries unless the Board decides otherwise; or
- (f) has for more than six months been absent without permission of the Board from meetings of the Board held during that period;
- (g) becomes a member or employee of any Shareholding Local Authority if there are already two Directors who are members or employees of a Shareholding Local Authority. Where a Director is elected and the effect is that there would be more than 2 Directors who are also members or employees of a Shareholding Local Authority, the Directors so elected shall determine which of them is or are not to hold office as Directors or are to vacate membership of or employment with the relevant Shareholding Local Authority. In the absence of agreement the matter shall be determined by lot with the losing Director or Directors having the option to relinquish either the Directorship of the Company or the membership of or employment with the relevant Shareholding Local Authority concerned.

Alternates

- 7.10 No Director may appoint an alternate director to act for him or her except with the consent of a majority of his or her co-directors. The following provisions shall apply to the appointment of an alternate Director:

- (a) Without limiting Regulation 7.4, the office of the alternate Director shall be vacated if the Director who nominated the alternate Director shall no longer hold office, or if the appointment of the alternate is revoked by the nominating Director, or by a majority of the co-directors of the nominating Director.
- (b) A nominating Director and his or her alternate Director shall be counted as one Director for the purposes of this Constitution.
- (c) An alternate for the Managing Director may not act as Managing Director, neither may a Director act as an alternate for another Director.
- (d) An alternate Director may be paid expenses, and shall be entitled to be indemnified by the Company to the same extent, with any necessary modifications, as if he or she were a Director but he or she shall not be entitled to receive from the Company,

in respect of his or her appointment as alternate Director, remuneration other than such proportion (if any) of the remuneration otherwise payable to his or her appointor as such appointor may by notice in writing to the Company from time to time direct.

- (e) No Director shall appoint a deputy or agent otherwise than by way of an appointment of an alternate.
- (f) No member or employee of any Shareholding Local Authority shall be eligible for appointment as an alternate director except by a Director who is a member or employee of a Shareholding Local Authority.

No Shareholding/Other Qualifications

- 7.11 (a) A person shall not be required to hold shares in the Company in order to make him or her eligible for appointment as a Director or as an alternate Director.
- (b) Not more than 2 members or employees of a Shareholding Local Authority may hold office as directors of the Company at the same time.

Timing of retirement and appointment

- 7.12 If:
 - (a) a Director retires at a meeting of shareholders and is not re-elected, the Directors shall remain in office until, and his or her retirement shall take effect at, the conclusion of the meeting;
 - (b) a Director is removed from office at a meeting of shareholders by Ordinary Resolution, the Director shall remain in office until, and his or her removal shall take effect at, the conclusion of the meeting;
 - (c) a person who is not already a Director is appointed as a Director at a meeting of shareholders, that person shall take office as a Director immediately after the conclusion of the meeting.

Consent to Appointment

- 7.13 A person must not be appointed a director of the Company unless he or she has consented in writing to be a director and certified that he or she is not disqualified from being appointed or holding office as a director of the Company.

Audit Committee

- 7.14 The Company must establish an Audit Committee. The Audit Committee shall:

- (a) be comprised solely Directors of the Company; and
- (b) have a minimum of three members; and
- (c) have a majority of members that are Independent Directors; and
- (d) have at least one member with an accounting or financial background.

- 7.15 The responsibilities of the Company's Audit Committee include as a minimum:

- (a) ensuring that processes are in place and monitoring those processes so that the Board is properly and regularly informed and updated on corporate finance matters; and
- (b) recommending the appointment and removal of the independent auditor; and
- (c) meeting regularly to monitor and review the independent and internal auditing practices; and
- (d) having direct communication with an unrestricted access to the independent and any internal auditors or accountants; and
- (e) reviewing the financial reports and advising all Directors whether they comply with the appropriate laws and regulations; and
- (f) ensuring that the Key Audit Partner (as defined in the Listing Rules) is changed at least every five years.

8.0 **Directors' Meetings**

Chairperson

- 8.1 (a) The Directors may elect one of their number as chairperson of the Board to hold office until he or she dies or resigns or until the Directors elect a chairperson in his or her place.
- (b) If no chairperson is elected, or if at a meeting of the Board the chairperson is not present within 10 minutes after the time appointed for the meeting, the Directors present may choose one of their number to be chairperson of the meeting.

Notice of Meeting

- 8.2 (a) A Director or, if requested by a Director to do so, an employee of the Company, may convene a meeting of the Board by giving not less than 5 days' notice in accordance with this Regulation 8.2.
- (b) The notice of meeting must be a written notice delivered by hand to the Director, or sent to the address or facsimile number, or an electronic mail message sent to the electronic mail address, which the Director provides to the Company for that purpose, or if an address or facsimile number, or electronic mail address, is not provided, then a written notice to the Director's last place of employment or residence or facsimile number known to the Company..
- (c) An irregularity in the notice of a meeting or a failure to give notice is waived if all Directors entitled to receive notice of the meeting attend the meeting without protest as to the irregularity or if all Directors agree to the waiver.

Methods of Holding Meetings

8.3 A meeting of the Board may be held either:

- (a) By a number of the Directors who constitute a quorum, being assembled together at the place, date and time appointed for the meeting; or
- (b) By the contemporaneous linking together by telephone or other means of communication of the Directors constituting a quorum, whether or not any one or

more of the Directors are absent from New Zealand and such meeting shall be deemed to be properly held provided the following conditions are met:

- (i) all the Directors including alternate Directors entitled to receive notice of a meeting of the Directors shall have received notice of the meeting and be entitled to be linked by telephone or such other means of communication for the purposes of such meeting;
- (ii) each of the Directors taking part in the meeting by telephone or other means of communication must throughout the meeting be able to hear each of the other Directors taking part;
- (iii) at the commencement of the meeting each Director must acknowledge his or her presence for the purpose of a meeting of the Board to all the other Directors taking part;
- (iv) a Director may not leave the meeting by disconnecting the telephone or other means of communication unless he or she has previously obtained the express consent of the chairperson of the meeting, and a Director shall be presumed to have been present and to have formed part of the quorum at all times during the meeting by telephone or other means of communication unless he or she has previously obtained the express consent of the chairperson of the meeting to leave the meeting.

Quorum

- 8.4 (a) Until otherwise determined by the Board a quorum for a meeting of the Board, other than an adjourned meeting, shall be 4 Directors.
- (b) No business may be transacted at a meeting of the Board if a quorum is not present.
- (c) If a quorum is not present within 15 minutes of the time appointed for the commencement of the meeting, the meeting shall then stand adjourned for seven days. The quorum for an adjourned meeting of the Board shall be those present.

Voting

- 8.5 (a) Every Director has one vote. A Director must not vote where that Director is not permitted to vote by the Listing Rules or this Constitution. An alternate Director shall not vote at a meeting at which the person for whom he or she is an alternate Director attends.
- (b) In the case of an equality of votes the chairperson shall have a second and casting vote except for a meeting at which only 4 directors are present and the Chairperson of the meeting is a member or employee of a Shareholding Local Authority.
- (c) A resolution of the Board is passed if a majority of the votes cast on it are in favour of it.
- (d) A Director present at a meeting of the Board is presumed to have agreed to, and to have voted in favour of, a resolution of the Board unless he or she expressly abstains from voting or dissents from or votes against the resolution at the meeting.

Minutes

- 8.6 The Board must ensure that minutes are kept of all proceedings at meetings of the Board. Minutes signed correct are prima facie evidence of the proceeding at the meeting.

Unanimous Resolution

- 8.7 (a) A resolution in writing, signed or assented to by all Directors then entitled to receive notice of a Board meeting, is as valid and effective as if it had been passed at a meeting of the Board duly convened and held.
- (b) A resolution pursuant to Regulation 8.7(a) may consist of several documents (including documents transmitted by means of electronic communication) in like form each signed or assented to by one or more Directors.
- (c) A copy of any such resolution must be entered in the minute book of Board proceedings.

Presence by Telephone/Audio Visual

- 8.8 A Director may attend any meeting of the Board convened pursuant to Regulation 8.3(a) by telephone or other instantaneous audio (or audio and visual) communication provided such Director has given notice in writing of his or her intention so to do to the Company at least 2 days prior to the scheduled commencement time of such meeting. The requirements as to such notice may be waived by the Board. Any such Director:

- (a) must throughout the meeting be able to hear each of the other Directors taking part;
- (b) must at the commencement of the meeting, acknowledge his or her presence for the purpose of the meeting, to all the other Directors taking part;
- (c) may not leave such meeting by disconnecting his or her telephone or other means of communications unless he or she has first obtained the express consent of the chairperson;
- (d) shall (for the purposes of this Constitution) be conclusively presumed to have been physically present and to have formed part of the quorum at all times during the meeting unless he or she first obtained the express consent of the chairperson of the meeting to leave the meeting as aforesaid. Neither the meeting, nor any business conducted thereat, shall be invalidated if a Director does leave a meeting conducted as aforesaid, without the express consent of the chairperson.

Other

- 8.9 (a) The provisions in Regulation 8 of this Constitution replace those contained in the Third Schedule to the Act.

Proceedings in Case of Vacancy

- (b) The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the number fixed by or pursuant to this Constitution as the minimum number of Directors, the continuing Directors or Director may act only for the purposes of increasing the number of Directors to the said minimum number or to summon a meeting of shareholders of the Company but for no other purpose.
- (c) Except as provided in this Constitution, the Board may regulate its own procedure.

Interested Directors may not vote

- 8.10 Subject to Regulation 8.11 a Director may not vote on a Board resolution if not permitted to do so under the Listing Rules or in respect of a matter in which the Director is interested, and the Director shall not be counted in the quorum for the purposes of consideration of that matter. In this Regulation and Regulation 8.11 the word “interested” has the meaning given to that word in section 139 of the Act.

Exception to voting prohibition

- 8.11 Notwithstanding Regulation 8.10 a Director may vote in respect of and be counted in the quorum for the Board for the purposes of a matter in which the Director is interested if the matter is one in respect of which, pursuant to an express provision of the Act, Directors are required to sign a certificate or one which relates to the grant of an indemnity pursuant to section 162 of the Act.

9.0 Remuneration and Other Benefits

- 9.1 The Board may authorise the:

- (a) Payment of remuneration or the provision of other benefits by the Company to a Director for services in any capacity other than as a Director, subject to the Listing Rules (if applicable);
- (b) Payment by the Company to a Director or former Director of compensation for loss of office other than as a Director;
- (c) Making of loans by the Company to a Director;
- (d) Giving of guarantees by the Company for debts incurred by a Director;
- (e) Entering into of a contract to do any of the things set out in paragraphs (a) to (d) of this Regulation 9.1;

if the Board is satisfied that to do so is fair to the Company.

- 9.2 If a payment, benefit, loan, guarantee or contract is authorised under Regulation 9.1:

- (a) The Board must ensure that particulars thereof are forthwith entered in the interests register; and
- (b) Directors who vote in favour thereof must sign a certificate stating that, in their opinion, it is fair to the Company, and the grounds for that opinion.

Directors' Remuneration

Fixing Remuneration

- 9.3 (a) No remuneration shall be paid to a Director in his or her capacity as a Director of the Company or any Subsidiary, other than a Subsidiary which has Equity Securities Quoted, unless that remuneration has been authorised by an ordinary resolution of the Company. Each such resolution shall express Directors' remuneration as either:
- (i) a monetary sum per annum payable to all Directors taken together; or

- (ii) a monetary sum per annum payable to any person who from time to time holds office as a Director.
- (b) If remuneration is expressed in accordance with Regulation 9.3(a)(i), then in the event of an increase in the total number of Directors holding office, the Directors may, without the authorisation of an ordinary resolution of the Company, increase the total remuneration by such amount as is necessary to enable the Company to pay to the additional Director or Directors remuneration not exceeding the average amount then being paid to each of the other non-executive Directors (other than the chairperson) of the Company.
- (c) No resolution which increases the amount fixed pursuant to a previous resolution shall be passed at a meeting of shareholders of the Company unless notice of the amount of increase has been given in the notice of meeting. Nothing in this Regulation 9.3 shall affect the remuneration of executive Directors in their capacity as executives.

Payments Upon Cessation of Office

- 9.4
- (a) The Company may make a payment to a Director or former Director, or his or her dependents, by way of a lump sum or pension, upon or in connection with the retirement or cessation of office of that Director, only if the amount of the payment, or the method of calculation of the amount of that payment is authorised by an Ordinary Resolution of the Company.
 - (b) Nothing in this Regulation 9.4 shall affect any amount paid to an executive Director upon or in connection with the termination of his or her employment with the Company, or the payment of any amount attributable to the contribution (or any normal subsidy related thereto) made by a Director to a superannuation scheme.

10.0 Indemnity and Insurance

10.1 Except as provided in Regulations 10.2 to 10.6, the Company must not indemnify, or directly or indirectly effect insurance for, a Director or employee of the Company or a Related Company in respect of:

- (a) Liability for any act or omission in his or her capacity as a Director or employee; or
- (b) Costs incurred by that Director or employee in defending or settling any claim or proceeding relating to any such liability.

10.2 The Company shall indemnify every Director and every employee of the Company and of each wholly-owned subsidiary of the Company for any costs incurred by him or her in any proceeding:

- (a) That relates to liability for any act or omission in his or her capacity as a Director or employee; and
- (b) In which judgment is given in his or her favour, or in which he or she is acquitted, or which is discontinued.

10.3 The Company shall indemnify every Director and every employee of the Company and of each wholly-owned subsidiary of the Company in respect of:

- (a) Liability to any person other than the Company or a related company for any act or omission in his or her capacity as a Director or employee; or
- (b) Costs incurred by that Director or employee in defending or settling any claim or proceeding relating to any such liability;

not being criminal liability or liability in respect of a breach, in the case of a Director, of the duties of a director specified in the Act or, in the case of an employee, of any fiduciary duty owed to the Company or related company.

10.4 The Company may, with the prior approval of the Board, effect insurance for a Director or employee of the Company and of each wholly-owned subsidiary in respect of:

- (a) Liability, not being criminal liability, for any act or omission in his or her capacity as a Director or employee; or
- (b) Costs incurred by that Director or employee in defending or settling any claim or proceeding relating to any such liability; or
- (c) Costs incurred by that Director or employee in defending any criminal proceedings:
 - (i) that have been brought against the Director or employee in relation to any act or omission in his or her capacity as a Director or employee; and
 - (ii) in which he or she is acquitted.

10.5 The Directors who vote in favour of authorising the effecting of insurance under Regulation 10.4 must sign a certificate stating that, in their opinion, the cost of effecting the insurance is fair to the Company.

10.6 The Board must ensure that particulars of any indemnity given to, or insurance effected for, any Director or employee of the Company or a related company are forthwith entered in the interests register.

11.0 **Method of Contracting**

11.1 A contract or other enforceable obligation may be entered into by the Company as follows:

- (a) An obligation which, if entered into by a natural person, would, by law, be required to be by deed, may be entered into on behalf of the Company in writing signed under the name of the Company by:
 - (i) Two or more Directors of the Company; or
 - (ii) A Director, or other person or persons authorised to do so by the Board whose signature or signatures must be witnessed; or
 - (iii) One or more attorneys appointed by the Company in accordance with s.181 of the Act.
- (b) An obligation which, if entered into by a natural person, is, by law, required to be in writing, may be entered into on behalf of the Company in writing by a person acting under the Company's express or implied authority.

- (c) An obligation which, if entered into by a natural person, is not, by law, required to be in writing, may be entered into on behalf of the Company in writing or orally by a person acting under the Company's express or implied authority.

12.0 Auditor

12.1 Subject to automatic reappointment of the auditor pursuant to section 207T of the Act, the Company must, at each annual meeting, appoint an auditor to:

- (a) Hold office from the conclusion of the meeting until the conclusion of the next annual meeting; and
- (b) Audit the financial statements of the Company for the accounting period next after the meeting.

12.2 The Board may fill any casual vacancy in the office of auditor, but while the vacancy remains, the surviving or continuing auditor, if any, may continue to act as auditor.

13.0 Alteration of Constitution - Change of Name Not an Alteration

13.1 Subject to the Act, this Constitution may be altered at any time by Special Resolution.

13.2 An application to change the name of the Company is not an amendment of this Constitution for the purposes of this Constitution or the Act, and may be made by a Director with the approval of the Board.

14.0 Accounts

14.1 The Board must ensure that financial statements that comply with generally accepted accounting practice, the Financial Reporting Act 2013 and the Financial Markets Conduct Act 2013 (as applicable) are:

- (a) Completed in relation to the Company and that balance date; and
- (b) Dated and signed on behalf of the Directors by 2 Directors of the Company and made available not later than and in the manner required by the Listing Rules.

15.0 Manner of Service on Shareholders and Creditors

15.1 A notice, statement, report, accounts, or other document to be sent to a shareholder or creditor who is a natural person may be:

- (a) Delivered to that person; or
- (b) Posted to that person's address or delivered to a box at a document exchange which that person is using at the time; or
- (c) Sent by facsimile machine to a telephone number used by that person for the transmission of documents by facsimile.

15.2 A notice, statement, report, accounts, or other document to be sent to a shareholder or creditor that is a company or an overseas company may be sent by any of the methods of serving documents referred to in section 388 or section 390, as the case may be, of the Act.

15.3 Notwithstanding Regulations 15.1 and 15.2, if the shareholder is the holder of a Security and has no registered address within New Zealand and has not supplied to the Company an address within New Zealand for the giving of notices, but has supplied an address outside New Zealand, then notices shall be posted to that Security holder at such international address and shall be deemed to have been received by that Security holder 24 hours after the time of the posting.

15.4 A notice may be given by the Company to the joint holders of a Security by giving the notice to the joint holder named first in the register in respect of the Security.

16.0 **Transfer of Place of Incorporation**

16.1 Subject to Part XIX of the Act, the Company may be removed from the New Zealand register in connection with becoming incorporated under the law in force, in or in any part of, another country.

16.2 The application to be removed from the New Zealand register must be approved by Special Resolution.

17.0 **Registered Office and Address for Service**

17.1 Subject to the Act, the Board may change the registered office of the Company at any time.

17.2 Subject to the Act, the Board may change the address for service of the Company at any time.

18.0 **Inspection of Records**

18.1 Except as provided in the Act or unless the Board determines otherwise in any particular case, no holder of Securities shall be entitled to:

(a) inspect any records, books, papers, correspondence or documents of the Company
or

(b) require or receive any information concerning the Company's business, trading or customers, or any trade secret or secret process of or used by the Company.

19.0 **Liquidation**

Distribution of surplus

19.1 Subject to the rights of the holders of any Equity Securities in the Company and to Regulations 19.2 and 19.3, upon the liquidation of the Company the surplus assets of the Company (if any) must be distributed among the shareholders in proportion to their shareholding. If any shareholder's shares are not fully paid up the liquidator of the Company may require those shares to be fully paid up before the shareholder receives any distribution of the surplus assets of the Company in respect of those shares.

Distribution in kind

19.2 With the approval of the shareholders of the Company by Ordinary Resolution, the liquidator of the Company may divide amongst the shareholders in kind the whole or any

part of the surplus assets of the Company (whether or not they are of the same kind) and for that purpose the liquidator may:

- (a) attribute values to assets as the liquidator considers appropriate; and
- (b) determine how the division will be carried out as between the shareholders or different Classes of shareholders.

Trusts

19.3 With the approval of the shareholders of the Company by Ordinary Resolution, the liquidator may vest the whole or any part of any surplus assets of the Company in trustees upon trust for the benefit of shareholders of the Company. The liquidator may determine the terms of the trusts.