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CONSTITUTION OF QUEENSLAND RACING LIMITED

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INDEX
CONSTITUTION OF QUEENSLAND RACING LIMITED

1.	INTERPRETATION	1
2.	LIMITED COMPANY	2
3.	OBJECTS.....	2
4.	MEMBERSHIP	2
5.	APPLICATION FOR MEMBERSHIP.....	3
6.	APPOINTMENT OF NEW MEMBERS	3
7.	SUBSCRIPTIONS.....	3
8.	CESSATION OF MEMBERSHIP	3
9.	ANNUAL GENERAL MEETING.....	5
10.	GENERAL MEETINGS.....	5
11.	PROCEEDINGS AT GENERAL MEETINGS.....	5
12.	APPOINTMENT, REMOVAL AND REMUNERATION OF DIRECTORS	8
13.	POWERS AND DUTIES OF THE DIRECTORS	11
14.	PROCEEDINGS OF THE BOARD	11
15.	MEETINGS USING TECHNOLOGY.....	12
16.	ALTERNATE DIRECTORS	13
17.	DIRECTORS CONTRACTING WITH THE COMPANY	13
18.	COMPANY SECRETARY	14
19.	ACCOUNTS	14
20.	NOTICES.....	14
21.	WINDING UP.....	15
22.	INDEMNITY	15

Corporations Act 2001

A Company Limited by Guarantee and not having a Share Capital

**CONSTITUTION OF
QUEENSLAND RACING LIMITED**

1. INTERPRETATION

1.1 In this Constitution:

“**Annual General Meeting**” means the general meeting held each year as required by the Corporations Act and this Constitution;

“**Application**” means an application for membership of the Company.

“**By-Laws**” means the By-laws of the Company for the time being in force;

“**Company**” means Queensland Racing Limited

“**Corporations Act**” means the Corporations Act 2001;

“**Directors**” or “**Board Of Directors**” or “**Board**” means the directors of the Company;

“**Financial Year**” means the period from the date of establishment of the Company to the following 30 June, and after that, the period 1 July in a calendar year through to 30 June in the next calendar year or such other period of 12 consecutive months determined by the Board;

“**Member**” means each person or company admitted to membership of the Company in accordance with this Constitution.

“**Office**” means the registered office for the time being of the Company;

“**Register**” means the Register of Members of the Company;

“**Special Resolution**” means a resolution of the Company proposed and passed at a meeting of the Company of which not less than 21 days' notice has been given to Members specifying the intention to propose the resolution as a Special Resolution and passed by a majority of at least three quarters of those Members who, being entitled to do so, vote in person or by proxy at the meeting; and

“**State**” means the State of Queensland or other State in which the Registered Office of the Company is located.

1.2 Unless the contrary intention appears in these Articles, an expression used in a particular Part or Division of the Corporations Act that is given a special meaning for the purposes of that Part or Division has, in this Constitution where it deals with a matter dealt with by that Part or Division, the same meaning as in that Part or Division.

1.3 Words importing the singular include the plural (and vice versa) and words denoting a gender include all other genders;

1.4 Clause headings are inserted for convenience only and are not to be used in interpreting this Constitution;

1.5 Reference to legislation or to a provision of legislation includes any modification or re-enactment or any legislative provision substituted for it, and all regulations and subordinate legislation and statutory instruments issued under such legislation.

2. LIMITED COMPANY

2.1 The liability of the Members is limited.

2.2 The name of the Company is "Queensland Racing Limited".

2.3 The registered office of the Company will be as the Board of Directors determines from time to time.

3. OBJECTS

3.1 The objects for which the Company is established is to exercise the powers and perform the functions of a control body under the Racing Act 2001 and under the Act amending it or in substitution of it.

3.2 The income and property of the Company must be applied solely towards the promotion of the objects of the Company as set forth in this Constitution and no portion of it can be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise by way of profit to the Members of the Company.

3.3 Nothing in clause 3.2 prevents:

- (a) the payment in good faith of reasonable and proper remuneration to any officer or servant of the Company or to any Member of the Company or other person in return for any services rendered to the Company; or
- (b) the payment of interest on money borrowed from a Member of the Company for any of the purposes of the Company.

4. MEMBERSHIP

4.1 Subject to this Constitution, all Members are entitled to:

- (a) hold office in the Company (with the exception of the office of auditor or auditors);
- (b) be elected or appointed to the Board;
- (c) nominate any persons to hold office or be elected or appointed to the Board; and
- (d) vote on all matters at any meeting of the Company.

4.2 A Member (or representative of a Member) is not entitled to vote at any general meeting or to be elected a Director if the Member's annual subscription is in arrears.

4.3 Members are those persons who:

- (a) are subscribers to this Constitution; or

(b) are admitted to Membership in accordance this Constitution.

5. APPLICATION FOR MEMBERSHIP

5.1 Application for Membership of the Company must be made to the Secretary.

5.2 The annual subscription must accompany an Application for Membership and is refundable if the application is rejected by the Board. An applicant must also lodge with the Secretary:

(a) a written application in a form approved by the Board; and

(b) such proof that the applicant has met the criteria in Clause 5.2 as the Secretary may reasonably require.

5.3 The amount payable as the annual subscription by an applicant for Membership in the last quarter of a Financial Year is 50% of the amount of the annual subscription determined for that Financial Year.

6. APPOINTMENT OF NEW MEMBERS

6.1 Upon receipt of an Application and the items required under Clause 5.3, the Secretary must present the Application to the next meeting of the Board.

6.2 Acceptance of an Application will be by majority vote of the Directors present and voting at such meeting.

6.3 Upon acceptance of an Application, the Board will enter the applicant as a Member on the Register.

6.4 The Board has unfettered discretion to determine whether an Application will be accepted or rejected.

6.5 If an Application is refused, the Secretary must notify the applicant in writing within seven days, and that applicant may re-apply to the Board for admission as a Member, but not within six months from the date of the meeting of Directors at which the Application was refused.

7. SUBSCRIPTIONS

7.1 The annual subscription is payable in advance on the first day of July each year.

7.2 The amount of the annual subscription for each Financial Year will be determined by the Board. Until otherwise determined, the annual subscription is \$10.

7.3 A Member becomes non financial if the Member's annual subscription is not paid by 30 September following the commencement of the financial year in respect of which it is determined however the Board has the power to extend the time for payment of any subscription and/or levy.

7.4 Any Member whose name has been removed from the register for reason of being non financial, may be re-admitted on a majority vote by the Board and, in such a case, the Board may waive the requirements in Clause 5.3.

8. CESSATION OF MEMBERSHIP

8.1 A person ceases to be a Member if any of the following circumstances occur:

- (a) the Member gives notice in writing to the Secretary resigning as a Member;
- (b) the Member is declared bankrupt or in case of a corporate Member, is placed into liquidation, or external administration;
- (c) the Member dies;
- (d) the Member becomes non-financial.

8.2 A Member remains liable for any annual subscription, levies and all other monies due and unpaid at the date of his or her cessation of Membership.

8.3 The date of resignation of a Member resigning in accordance with the provisions of Clause 8.1(a) is the date on which the notice of resignation is received by the Secretary. The provisions of this Constitution regarding the giving of notices apply as if the notice of resignation was a notice to a Member.

8.4 Every person ceasing to be a Member of the Company whether by resignation or expulsion forfeits all rights as a Member.

8.5 Subject to the rest of this Clause 8, the Board by resolution has power to expel any Member from the Company or suspend any Member's membership if that Member:

- (a) is found guilty of a criminal offence;
- (b) in the opinion of the Board, acts in his or her own interests while performing any official duties for the Company;
- (c) wilfully refuses or neglects to comply with the provisions of this Constitution; or
- (d) is guilty of any conduct which in the opinion of the Board is unbecoming of a Member or prejudicial to the interests of the Company.

8.6 At least seven clear days' notice in writing must be given to a Member of the meeting of the Board at which a resolution to expel or suspend the Member is to be proposed. The notice must include particulars of the alleged conduct.

8.7 At the meeting of the Board to consider the expulsion or suspension of the Member, and before the passing of the resolution, the Member must have a reasonable opportunity of giving orally or in writing an explanation and/or defence.

8.8 No Member can be expelled or suspended from the Company unless the resolution for expulsion or suspension is passed by a majority of the Directors present and voting.

8.9 The Secretary must immediately notify the Member in writing once a resolution for expulsion or suspension is passed.

8.10 Any Member with respect to which a resolution under Clause 8.5 is made may lodge a written appeal with the Board within 30 days of receipt of notice of the resolution expelling or suspending the Member.

8.11 If a Member lodges an appeal in accordance with Clause 8.10, the Board must immediately call a General Meeting of the Company at which the resolution with respect to the Member's expulsion or suspension will be voted upon by Members.

8.12 At a General Meeting called pursuant to Clause 8.11, the Member must be given the opportunity of giving orally or in writing an explanation and/or defence.

8.13 The decision of the Company in general meeting is binding and no further appeal lies from the decision of the Company nor does any Member expelled or suspended pursuant to this Constitution have any rights against the Company or the Board or any Member by reason of such expulsion or suspension or by reason of any act done or notice given in connection with the expulsion or suspension.

9. ANNUAL GENERAL MEETING

9.1 The Annual General Meeting must be held each year no later than five months after the end of the previous financial year.

10. GENERAL MEETINGS

10.1 A general meeting may be convened by the Board at any time and must be convened within two calendar months of receiving a requisition in writing from members with at least 5% of the votes that may be cast at a general meeting.

10.2 Subject to the provisions of the Corporations Act relating to Special Resolutions, at least 21 days written notice of a general meeting must be given to all Members who are entitled to receive such a notice.

10.3 A notice of a general meeting must contain all information required by the Corporations Act, including:

- (a) the place, the day and the hour of the meeting; and
- (b) the general nature of the business to be transacted at the meeting.

11. PROCEEDINGS AT GENERAL MEETINGS

11.1 No business can be transacted at any Annual General Meeting or General Meeting unless a quorum of Members is present in person or by proxy, attorney or representative at the time when the meeting is due to commence.

11.2 Unless otherwise determined by the Company in general meeting, a quorum is one-quarter of the total Members of the Company or three members, as at the date of the notice of meeting, whichever is the greater.

11.3 If a quorum is not present within half an hour from the time appointed for the meeting, the meeting:

- (a) if convened upon the requisition of Members, is dissolved; or
- (b) in any other case, the meeting is adjourned to the same day in the next week at the same time and place, or to such other day, time and place as the Chairman may determine.

11.4 If a quorum is not present at the adjourned meeting within half an hour from the time appointed for the meeting, the Members present constitute a quorum.

11.5 The Chairman may, with the consent of the Members present at any meeting at which a quorum is present (and must if so directed by those Members), adjourn the meeting from time to time and from place to place but no business can be transacted at

any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

11.6 When a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of an original meeting but it is not otherwise necessary to give notice of an adjournment or the business to be transacted at an adjourned meeting.

11.7 At any general meeting of Members a resolution put to the vote of the meeting is decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:

- (a) by the Chairman; or
- (b) by at least 5% of the votes that may be cast on the resolution.

11.8 The demand for a poll may be withdrawn.

11.9 Before a vote is taken the Chairman must inform the meeting whether any proxy votes have been received and how the proxy votes are cast.

11.10 Unless a poll is demanded, a declaration by the Chairman is conclusive evidence of the result, provided the declaration reflects a show of hands and the proxies received. Neither the Chair nor the minutes need to state the number or proportion of votes recorded in favour or against.

11.11 If a poll is duly demanded it must be taken in such manner and time as the Chairman directs, and the result of the poll is the resolution of the meeting at which the poll was demanded. If a poll is demanded on the election of a Chairman or on a question of adjournment, it must be taken immediately.

11.12 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded is entitled to a second or casting vote.

11.13 A Member may vote in person or by proxy, attorney or representative and whether on a show of hands or on a poll every Member present in person or by proxy, attorney or representative has one vote.

11.14 A Member who is of unsound mind or whose person or estate is liable to be dealt with in any way relating to mental health may vote, by the Member's committee or trustee or by such other person who has the management of his or her estate, and any such committee, trustee or other person may vote by proxy or attorney.

11.15 No Member is entitled to vote at any general meeting if the Member's annual subscription is in arrears at the date of the meeting.

11.16 A Member may only appoint one proxy.

11.17 An instrument appointing a proxy must:

- (a) be in writing under the hand of the appointer or of the appointer's attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised; and
- (b) contain:

- (i) the Member's name;
- (ii) the Company's name;
- (iii) the proxy's name or the name of the office held by the proxy; and
- (iv) the meetings at which the proxy may be used.

11.18 An instrument appointing a proxy 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.

11.19 An instrument appointing a proxy is taken to confer authority to demand or join in demanding a poll.

11.20 An instrument appointing a proxy must be in the following form or in a form that is as similar to the following form as the circumstances allow:

Queensland Racing Limited

I/we, _____, of _____,
being a member/members of the Company, appoint _____ of _____
of _____
as my/our proxy to vote for me/us on my/our behalf at the *Annual General Meeting/*general
meeting of the Company to be held on the _____ day of _____ 2005 and at any
adjournment of that meeting.

+This form to be used *in favour of/*against the resolution.

Signed this _____ day of _____ 2005.

*Strike out whichever is not desired
+To be inserted if desired.

11.21 An instrument appointing a proxy is not valid unless the instrument, and the original or notorially certified copy of the power of attorney or other authority under which the instrument is signed, is deposited, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, at the registered office of the Company or at such other place as is specified for that purpose in the notice convening the meeting. Where the time to lodge falls on a day which is not a business day in the place where the registered office of the Company is located, this clause requires the deposit of the document at the same time on the next business day.

11.22 For the purpose of clause 11.21, a document is taken to be "deposited at the registered office of the Company" if a legible, true copy of a document is received on a facsimile machine located at the registered office of the Company within the time referred to in clause 11.21.

11.23 A vote given in accordance with the terms of an instrument of proxy or of a power of attorney is valid despite:

- (a) the previous death or unsoundness of mind of the principal;

(b) the revocation of the instrument (or of the authority under which the instrument was executed) or of the power; or

(c) the transfer of the share in respect of which the instrument or power is given,

if no intimation in writing of any of those events has been received by the Company at the registered office before the commencement of the meeting or adjourned meeting at which the instrument is used or the power is exercised.

12. APPOINTMENT, REMOVAL AND REMUNERATION OF DIRECTORS

12.1 The Board will consist of not less than three nor more than seven directors.

12.2 The first Directors will be:

- (a) Robert Geoffrey Bentley;
- (b) Anthony John Hanmer;
- (c) Michael George Lambert
- (d) William Patrick Ludwig; and
- (e) William Bernard Andrews.

who will hold office until the first Annual General Meeting of the Company, unless they cease to hold office sooner in accordance with this Constitution or the Corporations Act.

12.3 A Member which is a body corporate is not itself qualified to be a Director, but a corporate Member may, by resolution of its directors or other governing body or by written memorandum signed by all directors, authorise one person to act as its representative either at a particular meeting or at all meetings of the Company and/or to serve on the Board and until the authority is revoked the person appointed as representative can:

- (a) exercise the same powers as the corporate Member;
- (b) if elected in accordance with this Constitution, serve on the Board of the Company; and
- (c) hold office and serve on any other committee of the Company,

as if the representative was a natural person who was a Member of the Company.

12.4 All of the Directors must be elected from among:

- (a) the Members of the Company entitled to vote at the General Meeting at which the election of directors is held; and
- (b) the representatives of corporate Members entitled to vote at the General Meeting at which the election of directors is held and who are appointed as representatives and authorised to serve on the Board in accordance with Clause 12.3.

12.5 An election of Directors must take place at the Annual General Meeting every year. A Director must not retain office for a period in excess of three years or beyond

the third Annual Meeting following his or her election (whichever is the longer period) without submitting himself or herself for re-election.

12.6 Subject to 12.5, at the Annual General Meeting in each year, one third of the Directors in office or if their number is not a multiple of three, the nearest number to one third shall retire from office.

12.7 A retiring director may act until the conclusion of the meeting at which he retires and is eligible for re-election.

12.8 The directors to retire by rotation at each Annual General Meeting are those to have been longest in office since their election, but as between directors who have been in office at an equal length of time, those to retire must in default of an agreement between them, be determined by lot in any manner determined by the Chairman.

12.9 For the purpose of ascertaining the number and identity of the directors to retire by rotation, neither a Director appointed by the Directors to fill a casual vacancy or as an addition to the existing Directors, nor a Director whose office has become vacant pursuant to section 206B of the Corporations Act shall be taken into account.

12.10 The election of the Directors will take place in the following manner:

- (a) The Secretary calls for nominations for Directors from the Members on a date not less than two months before the date of the Annual General Meeting at which the results are to be declared.
- (b) Two Members of the Company must nominate a person to serve as a Director.
- (c) The nomination must be in writing and signed by the Nominee and the proposer and seconder and must be lodged with the Secretary by the date not less than one month before the date of the Annual General Meeting at which the results are to be declared.

12.11 The election of the Directors must be by way of secret ballot.

12.12 Subject to Clause 12.22, each Director holds office until the conclusion of the next Annual General Meeting after his or her election to office when he or she retires but is eligible for re-election

12.13 The Board must appoint a Returning Officer (who need not be a Member of the Company) for the conduct of the election of the Directors in accordance with the provisions of this Constitution. The Returning Officer may be an employee or holder of any other office in the Company but must not be a candidate for election as a Director. If the Returning Officer is unable or unwilling to act as and when required, the Secretary will nominate a replacement.

12.14 If any irregularity occurs in the conduct of an election and in the opinion of the Returning Officer the irregularity will affect the result, the election is null and void and another election under this Constitution must be held as soon as possible. Any person holding an office immediately prior to an election that is null and void remains in office until a successor is elected.

12.15 On each ballot the candidate with the highest number of votes is the successful candidate.

12.16 Where candidates receive an equal number of votes, the Returning Officer will determine by lot which candidate is elected.

12.17 The result of the ballot must be declared during the Annual General Meeting by the Returning Officer or the Secretary.

12.18 If insufficient candidates are nominated, the Board may fill the remaining vacancy or vacancies.

12.19 The Board may appoint any person to fill a casual vacancy, but the total number of office bearers and Member and non-Members Directors must not exceed the number fixed in accordance with this Constitution.

12.20 Any Director so appointed holds office until the conclusion of the next following Annual General Meeting.

12.21 The Company may by ordinary resolution remove any Director or other office bearer before the expiration of his or her period of office, and may by an ordinary resolution appoint a replacement. A person appointed in accordance with this Clause holds office until the conclusion of the next Annual General Meeting.

12.22 The office of a Director becomes vacant if the Director:

- (a) becomes bankrupt or makes any arrangement or composition with his or her creditors generally;
- (b) becomes prohibited from being a director of a company by reason of any order made under the Corporations Act
- (c) ceases to be a Director by operation of any provision of the Corporations Act;
- (d) if the Director ceases to be a Member of the Company;
- (e) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the Corporations Act relating to mental health;
- (f) resigns as a Director by notice in writing to the Company; or
- (g) is absent from three consecutive meetings of the Board without having previously obtained leave of the Board.

12.23 The Directors are entitled to be remunerated for their services.

12.24 The Directors are also entitled to be paid their reasonable travelling and accommodation and other expenses incurred in consequence of their attendance at Directors meetings and otherwise in the execution of their duties as Directors.

12.25 The Directors will be remunerated at a rate per annum expressed as a fixed sum (not being a commission on or percentage of profits or of operating revenue) determined at the Annual General Meeting. The remuneration continues until altered by a subsequent Annual General Meeting. From the date the Company is established until altered by an Annual General Meeting, the amount is \$1000 per annum.

12.26 The remuneration accrues from day to day and is apportionable accordingly.

12.27 A Director is entitled to be remunerated from the date he or she is appointed to the Board.

12.28 Notice of any proposed increase in the remuneration of the Directors must be given in the notice convening the meeting at which the proposed increase is to be considered and the notice must specify the amount of the proposed increase and the maximum sum that may be paid.

13. POWERS AND DUTIES OF THE DIRECTORS

13.1 The management of the Company is the responsibility of the Board and the Board may exercise all powers of the Company as are not, by the Corporations Act or by this Constitution, required to be exercised by the Company in General Meeting.

13.2 The Board may make By-laws that are not inconsistent with the Constitution and the Corporations Act for the general management and running of the Company.

13.3 The Board may exercise all the powers of the Company to borrow money and to mortgage or charge its property or any part of it, and to issue debentures and other securities whether outright or as security for any debt, liability, or obligation of the Company.

13.4 The rate of interest payable in respect of money lent by Members to the Company must not exceed the highest rate paid for the time being by the Company's bank for deposits of a similar term.

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

14. PROCEEDINGS OF THE BOARD

14.1 The Board may meet together for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit. A Director may at any time, and the Secretary must, on the requisition of a Director, summon a meeting of the Board.

14.2 The Board must appoint one of its members as chairman of its meetings and may determine the period for which he or she is to hold office.

14.3 Where a meeting of directors is held and:

14.4 a chairman has not been elected; or

14.5 the chairman is not present within 15 minutes after the time appointed for the holding of the meeting or is unwilling to act,

14.6 the directors present must elect one of their number to be the chairman of the meeting.

14.7 Subject to this Constitution, questions arising at any meeting of the Board will be decided by a majority of votes, and a determination by a majority of the members of the Board is a determination of the Board.

14.8 In case of an equality of votes, the Chairman of the meeting has a second or casting vote.

14.9 The quorum necessary for the transaction of the business of the Board is three.

14.10 The continuing members of the Board may act notwithstanding any vacancy in the Board, but if and so long as their number is reduced below the number fixed by or pursuant to this Constitution as the quorum of the Board, the continuing Directors may act for the purpose of filling a casual vacancy to that number or of summoning a General Meeting of the Company, but for no other purpose.

14.11 A resolution in writing signed by all Directors in Australia for the time being entitled to receive notice of a meeting of the Board is as valid and effectual as if it had been passed at a meeting of the Board duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more Directors.

14.12 The Board may delegate any of its powers and/or functions (not being duties imposed on the Board as the Directors of the Company by the Corporations Act) to one or more sub-committees consisting of such Member or Members of the Company and representatives of Members which are corporations as the Board thinks fit and the Board may also appoint the Chairman of any such sub-committee.

14.13 Any sub-committee so formed must conform to any Regulation that may be imposed by the Board and subject to doing so shall have power to co-opt one or more Members of the Company and/or representatives of Members which are corporations and all Members of such sub-committees have one vote.

14.14 Each sub-committee must keep proper minutes of its meetings and the provisions regulating proceedings of the Board apply to the proceedings of subcommittees also.

14.15 A sub-committee may meet and adjourn as the members of it think proper.

14.16 Questions arising at any meeting are determined by a majority of votes of the Members present, and in the case of any equality of votes the Chairman has a second or casting vote.

14.17 Sub-Committees are appointed by the Board only and may only make recommendations to the Board. No decision of a sub-committee is binding on the Company unless it is ratified by the Board.

14.18 Every act done by any meeting of the Board or of a sub-committee or by any person acting as a Director is, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any Board members or of a sub-committee or of a person acting as such a member, or that the members of the Board or of any sub-committee or any of them were disqualified, as valid as if every such person had been duly appointed and was qualified to be a Director or of the sub-committee as the case may be.

15. MEETINGS USING TECHNOLOGY

15.1 A Directors Meeting may be called or held using any technology allowed under the Corporations Act and consented to by all the Directors.

15.2 The consent referred to in clause 15.1 may be a standing one. A Director may only withdraw their consent within a reasonable period before the meeting.

16. ALTERNATE DIRECTORS

16.1 Each Director may nominate any member to act as alternate director in his or her place with the approval of the Board during any absence from the State or inability to act or attend as a Director, and may remove that alternate director at any time.

16.2 Upon an appointment being made, the alternate director is subject to the terms and conditions existing with reference to other Directors and the alternate Director while acting in the place of that Director must exercise and discharge all the duties and is entitled to and may exercise all the authorities, prerogatives, privileges and powers of the Director he or she represents.

16.3 Any instrument appointing an alternate director must be delivered to and retained by the Company and must be in such form as the Directors require.

16.4 If the Director making an appointment ceases to be a Director, the person appointed ceases to have any power or authority to act as an alternate director with effect from the date upon which the appointment as Director ceases.

17. DIRECTORS CONTRACTING WITH THE COMPANY

17.1 No director is disqualified by his or her office from contracting with the Company (whether as vendor or purchaser or otherwise), nor can any such contract or any contract or arrangement entered into by or on behalf of the Company in which any director is in any way interested be avoided, nor can any director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of the director holding that office or of the fiduciary relationship, but the nature of the director's interest must be disclosed by the director at a meeting of the directors and the secretary must record each declaration in the minutes of the meeting.

17.2 The declaration must be made at a meeting of the directors at which the contract or arrangement is determined if the director's interest then exists, or in any other case at the first meeting of the directors after the acquisition of the director's interest.

17.3 A general notice that a Director is a Member of a specified company or firm and is to be regarded as interested in any subsequent transaction with the company or firm is sufficient disclosure under this clause if:

- (a) the notice states the nature and extent of the interest of the Director in the company or firm; and
- (b) when the question of confirming or entering into the transaction is first taken into consideration the extent of the Director's interest in the company or firm is not greater than is stated in the notice; and
- (c) the notice is given at the meeting of Directors or the Director takes reasonable steps to ensure that it is brought up and read at the next meeting of the Directors after it is given.

17.4 The giving of a general notice under this clause does not entitle a Director to be present or to vote at a meeting in relation to a particular contract unless a resolution of the Board under clause 17.5 has first been passed.

17.5 A Director who has a material interest in a matter that is being considered at a Directors Meeting must not be present at the meeting while the matter is being

considered and must not vote on the matter unless clauses 17.1 and 17.3 have been satisfied and the Directors who do not have a material interest in the matter have passed a resolution in accordance with section 195 of the Corporations Act.

17.6 Subject to a Director having complied with this Clause, the Director may affix and witness the affixing of the Common Seal of the Company to any contract in which he or she is interested.

18. COMPANY SECRETARY

18.1 The secretary of the Company holds office on the terms decided by the Directors and in accordance with the Corporations Act.

18.2 Nothing in this Constitution shall prevent the Board from appointing a Member of the Company as Company Secretary.

18.3 The Company Secretary must cause minutes to be made and entered of:

- (a) the names of Directors and other persons present at all meetings of the Company and of the Board; and
- (b) all proceedings at all meetings of the Company and of the Board.

18.4 The minutes must be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

19. ACCOUNTS

19.1 The Auditor of the company is appointed by the Company in General Meeting and holds office in accordance with the Corporations Act.

19.2 The Board must cause:

- (a) proper accounting and other records to be kept;
- (b) copies of yearly financial statements (including every document required by law to be attached to them) accompanied by a copy of any auditor's report to be distributed to Members as required by the Corporations Act; and
- (c) a statement of financial position, a statement of financial performance and a statement of cash flow for the preceding financial year of the Company to be prepared to a date not more than twelve months before the date of the meeting and sent to every Member with the notice for each Annual General Meeting.

20. NOTICES

20.1 A Company may give the Notice of Meeting to a Member either by:

20.2 serving in on the member personally; or

20.3 by sending it by post to the member at the address shown in the register of members or the address supplied by the member for the giving of notices; or

20.4 forwarding it by facsimile transmission at the facsimile number shown in the registers of members (if any) or the facsimile number supplied by the member for the giving of notices; or

20.5 forwarding it by electronic mail to the electronic mail address shown in the register of members (if any) or the electronic mail address supplied by the members for the giving of notices; or

20.6 in any other way allows by the Corporations Act.

20.7 A Notice of Meeting sent by post is taken to be given seven days after it is posted.

20.8 A Notice of Meeting sent by facsimile will be deemed to be effected on the date the Company receives a facsimile transmission report confirming receipt of the notice at the facsimile number for the member referred to in clause 22.1.

20.9 Where a notice is forwarded by electronic mail, service will be deemed to be effected on the day of the transmission, so long as the sender of the notice does not receive a delivery failure message in respect of the electronic mail.

20.10 Notice of every General Meeting shall be given in any manner authorised by this Constitution to:

- (a) every Member except those Members who have not supplied to the Company an address for the giving of Notices to them; and
- (b) the auditor or auditors for the time being of the Company.

20.11 No other person is entitled to receive Notices of General Meetings.

21. WINDING UP

21.1 Upon the winding up or dissolution of the Company if any property remains after satisfaction of all its debts and liabilities, that property shall not be paid to or distributed among the Members of the Company but shall be given or transferred to such institution or institutions to be determined by the Members of the Company at or before the time of dissolution, but if no such determination is made then to an institution having similar objects of the Company as determined by a Judge of the Supreme Court of the State in which the Registered Office of the Company shall be for the time being.

21.2 Every Member of the Company undertakes to contribute to the assets of the Company to a maximum of \$10 in the event of the Company being wound up while he or she is a Member or within one year after he or she ceases to be a Member, for payment of the debts and liabilities of the Company contracted before he or she ceases to be a Member, and of the costs, charges and expenses of winding up and for the adjustments of the rights of the contributories among themselves.

22. INDEMNITY

22.1 Every Director, Auditor, Secretary and other officer of the Company is indemnified out of the assets of the Company against any liability incurred by the person as officer or auditor except where the Company is prohibited from indemnifying the person under the provisions of the Corporations Act. The indemnity may extend to a liability for costs and expenses incurred by a person in defending proceedings, whether civil or criminal, irrespective of their outcome.

22.2 The Company may pay premiums in respect of contracts insuring persons who are or have been officers or auditors of the Company against liabilities incurred by them as officers or auditors and liability for costs and expenses incurred in defending

proceedings (whether criminal or civil) whatever their outcome except in circumstances where the Company is prohibited from doing so under the Corporations Act.

22.3 A Director, manager, secretary or other officer of the Company is not liable for:

- (a) the act, neglect or default of any other Director or officer;
- (b) any loss or expenses incurred by the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company;
- (c) the insufficiency or deficiency of any security in or upon which any of the moneys of the Company are invested;
- (d) any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects are deposited or left; or
- (e) for any other loss or damage which happens in the execution of the duties of his office

unless the same happens through his or her own negligence, wilful default, breach of duty or breach of trust.

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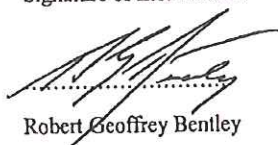
INTEGRITY

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17

I, the first member of the Company, adopt this Constitution

Signature of first member



Robert Geoffrey Bentley

