

**THAKRAL HOLDINGS LIMITED**  
**ACN 054 346 315**

**NOTICE OF 2011 ANNUAL GENERAL MEETING**

Thakral Holdings Limited (the "Company") gives notice that the 2011 Annual General Meeting of members will be held at the Menzies Hotel, Carrington Street, Sydney on **Monday, 21 November 2011** at 11.00am.

**ORDINARY BUSINESS**

**A) Financial statements**

To receive and consider the financial report of the Company and its controlled entities for the year ended 30 June 2011, together with the reports of the Directors and auditor, as set out in the Annual Report.

**B) Re-election of existing Directors**

**Resolution 1** – To re-elect as a Director Mr Kartar Singh Thakral who retires by rotation in accordance with the Company's constitution and being eligible, offers himself for re-election.

**Resolution 2** – To re-elect as a Director Mr Lim Swe Guan who retires by rotation in accordance with the Company's constitution and being eligible, offers himself for re-election.

**C) Remuneration Report**

**Resolution 3** – That the remuneration report for the year ended 30 June 2011 be adopted.

Please note that the vote on this resolution is advisory only and does not bind the Directors or the Company.

**Voting restriction statement for key management personnel and their closely related parties**

For Resolution 3, under section 250R of the *Corporations Act 2001* (Cth) ("*Corporations Act*") the Company will disregard any votes cast on Resolution 3 by or on behalf of:

- Directors and other key management personnel ("*KMP*") (as defined in the *Corporations Act*) of the Company as set out in the Remuneration Report; and
- their closely related parties (such as close family members and any controlled companies) of those persons, unless the vote is cast by a person as a proxy entitled to vote in accordance with a direction on the Voting Form.

This restriction does not apply if:

- the person has been appointed as a proxy by writing that specifies how the proxy is to vote on Resolution 3, provided that the shareholder who appointed the proxy is not themselves a person subject to the restriction on voting on Resolution 3; or
- the Chairman of the Meeting has been appointed as a proxy by writing where the proxy appointment expressly authorises the Chairman of the Meeting to exercise an undirected proxy. If a member appoints the Chairman of the Meeting as their proxy

and the member does not direct him/her how to vote on Resolution 3, the member acknowledges that the Chairman of the Meeting may exercise the proxy even if he/she has an interest in the outcome of Resolution 3 and that votes cast by him/her, other than as proxy holder, would be disregarded because of that interest. **The Chairman of the Meeting intends to vote undirected proxies (where he/she has been appropriately authorised) in favour of Resolution 3.**

If you do not wish to appoint the Chairman of the Meeting to vote on Resolution 3 in the manner indicated above, the Company encourages you to complete the voting directions in respect of Resolution 3 in Step 2 of the proxy form.

The Remuneration Report identifies the Company's KMP for the financial year to 30 June 2011 on pages 25 to 26 of the Annual Report of Thakral Holdings Group which is available on the website [www.thakral.com.au](http://www.thakral.com.au).

Other Directors and other KMP of the Company and their closely related parties will not cast any votes in respect of Resolution 3 that arise from any undirected proxy that they hold.

## **SPECIAL BUSINESS**

### **A) Adoption of new Constitution**

**Resolution 4** – To consider and, if thought fit, to pass the following resolution as a special resolution:

“That the new Constitution tabled at the Annual General Meeting and initialled by the Chairman of the meeting for the purposes of identification, be approved and adopted as the Constitution of the Company in place of the existing Constitution (being the Constitution of the Company dated 28 November 2002) with effect from the close of the meeting.”

***By order of the Board***



Andrew C Horne, Company Secretary  
Thakral Holdings Limited  
20 October 2011

## **VOTING AT THE MEETING**

### **Voting entitlements**

Voting entitlements will be determined from the names of the Shareholders in the Company's Share Register as at 7.00pm (Sydney time) on Thursday, 17 November 2011.

### **Voting procedure generally**

The vote on each resolution will be by show of hands, unless a poll is validly demanded. Each Shareholder present in person, by proxy, attorney or corporate representative has one vote on a show of hands and one vote for each fully paid share held on a poll. If a poll is demanded and a Shareholder holds a partly paid share then they will be able to exercise a proportion of a vote for each partly paid share equivalent to the amount paid up on each share.

### **Required majorities**

Resolutions 1 to 3 are ordinary resolutions and will be passed if at least 50% of the votes cast by Shareholders entitled to vote on the resolutions (in person, by proxy, attorney or corporate representative) are in favour.

Resolution 4 is a special resolution and will be passed if at least 75% of the votes cast by Shareholders entitled to vote on the resolution (in person, by proxy, attorney or corporate representative) are in favour.

### **Jointly held shares**

If your shares are jointly held, only one of the joint Shareholders can vote. If more than one joint Shareholder votes, only the vote of the one whose name first appears in the Share Register will be counted.

### **Voting by proxy**

If you are entitled to attend and vote at the meeting as a Shareholder, you are entitled to appoint one person as your proxy or, where you are entitled to two or more votes, not more than two persons to be your proxies to attend and vote for you. Each proxy will have the same rights as you have to speak at the meeting, vote on a show of hands or on a poll (to the extent allowed by the appointment) and join in a demand for a poll (however, if the proxy you appoint has 2 or more appointments that specify different ways to vote on a resolution, the proxy must not vote on a show of hands). A proxy need not be a Shareholder.

KMP (as disclosed in the Remuneration Report) and their closely related parties will be excluded from voting on the Remuneration Report unless they are voting as a proxy for a person entitled to vote and they vote in accordance with a direction on the Voting Form.

A proxy form accompanies this Notice of Meeting. Instructions on how to complete it are set out on the back of the proxy form.

### **Voting by attorney**

If you are entitled to attend and vote at the meeting as a Shareholder, you may appoint an attorney to vote on a poll conducted at the meeting. The power of attorney appointing the attorney must comply with the requirements for a proxy and attorneys should bring with them an original or certified copy of the power of attorney to the meeting.

***Please note that the proxy form and any supporting documents must be received by the Company no later than 11am on Saturday 19 November 2011.***

**Proxy forms may be lodged by:**

Post: Link Market Services Limited  
Locked Bag A14  
SYDNEY SOUTH NSW 1235; or

Hand: Link Market Services Limited  
Level 12, 680 George Street  
Sydney NSW 2000; or

Online: [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au), in accordance with the instructions provided on the website. You will need your Holder Identification Number (HIN) or Security Reference Number (SRN) to lodge your proxy form online; or

Fax: (02) 9287 0309 (proxy forms only).

For further information contact Link Market Services Limited on:

Tel: 1800 221 227 (within Australia)  
+61 2 8280 7147 (outside Australia)

Website: [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

You may specify in the appointment the proportion or number of votes that your proxy may exercise. If two proxies are appointed and you do not specify the proportion or number of votes that each proxy may exercise, each proxy may exercise half the votes.

If you do not instruct your proxy on how to vote, your proxy may vote as your proxy sees fit.

Your proxy's authority to speak and vote for you at the meeting is suspended while you yourself are present at the meeting.

**Corporations**

To vote at the meeting (other than by proxy), a corporation who is a Shareholder may appoint an individual to act as its representative. The appointment of a representative must comply with section 250D of the *Corporations Act*. The representative must bring to the meeting evidence of their appointment, along with any authority under which it is signed, unless this has previously been given to the Company.

## EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared to assist shareholders with their consideration of the business proposed for **the Company's Annual General Meeting to be held at the Menzies Hotel, Carrington Street, Sydney on Monday, 21 November 2011 at 11.00am.**

### Resolutions 1 and 2 (Re-election of Existing Directors)

Full details of each Director appear on page 37 of the Annual Report of Thakral Holdings Group for the year ended 30 June 2011 which is available on the website [www.thakral.com.au](http://www.thakral.com.au).

### Recommendation

The other Directors of Thakral each recommend and support the re-election of the Directors who are retiring and are offering themselves for re-election.

### Resolution 3 (Remuneration Report)

The *Corporations Act* requires the disclosure to shareholders of the remuneration of Directors and members of the key management personnel (as defined in the *Corporations Act*) ("KMP"), with such disclosure being made in a separate section of the annual directors' report.

This report appears on pages 40 to 42 of the Annual Report of Thakral Holdings Group for the year ended 30 June 2011 which is available on the website [www.thakral.com.au](http://www.thakral.com.au).

Resolution 3 fulfils the requirement contained in the *Corporations Act* that a resolution to adopt the Remuneration Report be put to Shareholders at the Annual General Meeting of the Company. Prior to voting on the resolution, the Chairman is required to allow a reasonable opportunity for the members as a whole to ask questions about, or make comments on, the Remuneration Report.

Please note that in accordance with the *Corporations Act* the vote on this resolution is advisory only and does not bind the Directors or the Company.

### Recommendation

The Board recommends that Shareholders vote in favour of Resolution 3.

The Chairman of the meeting intends to vote all available proxies in favour of the adoption of the Remuneration report.

## **Resolution 4 (Adoption of new Constitution)**

### **Background**

The current Constitution of the Company (**Current Constitution**) was adopted on 28 November 2002.

Since then, there have been a number of changes to the *Corporations Act*, the ASX Listing Rules, the ASX Settlement Rules, corporate governance principles and the practice for listed companies. Accordingly, the Board considers that it is in the best interests of the Company and its shareholders to revise and update the Current Constitution. Given the number of changes involved and the need to use updated terminology, the best and most efficient way of doing so is to adopt a new Constitution (**New Constitution**). To assist shareholders, a summary of the main changes is set out below.

Copies of the New Constitution and the Current Constitution are available from the Investor Centre > AGM section of the Company's website at [www.thakral.com.au](http://www.thakral.com.au).

### **Main changes**

#### ***Stapling***

The New Constitution includes all the relevant stapling provisions from the current Constitution, amended as required to ensure consistency with the New Constitution. Most of the changes in the New Constitution are of a technical or administrative nature (including changes in terminology and/or interpretation) and do not alter the substantive rights and obligations of shareholders of the Company. The New Constitution complies with the Company's obligations under the ASX Listing Rules and ASX Settlement Rules regarding joint quotation of stapled securities to ensure that securities cannot be traded separately and that the stapled securities are treated as one unit (**Stapling**). Under the New Constitution, the Directors have the ability to determine that the Stapling Provisions will cease to apply provided that at the same time the Responsible Entity also suspends the corresponding Stapling Provisions in the Thakral Holdings Trust Constitution.

#### ***General Meetings***

The New Constitution clarifies the role and powers of the Chairman at general meetings. These provisions reflect the general law position and are important to ensure the proper and orderly conduct of the meeting. The Company recognises the requirements of section 250S of the *Corporations Act* to allow a reasonable opportunity for the shareholders as a whole to ask questions about or make comments on the management of the Company at the meeting.

The New Constitution provides the Company with the flexibility to hold a general meeting in more than one venue using audio visual or any other technology to give the members as a whole a reasonable opportunity to participate in the meeting and allow each member present and entitled to vote the ability to vote on any resolution. There is also a specific power in the New Constitution allowing the Chairman to nominate a separate meeting place if they consider that there are too many people present at a meeting to fit into the venue where the meeting is to be held.

#### ***Direct or electronic voting***

To take account of technological developments now and in the future, and consistent with the *Corporations Act* and the Principles of the ASX Corporate Governance Council, the New

Constitution permits the Board to adopt procedures to allow direct or electronic voting – that is, the ability for shareholders to cast their votes directly without attending the meeting and without appointing a proxy or attorney.

There is no requirement that voting must be conducted in this way and the current voting procedures (in person or by proxy, attorney or corporate representative) will continue until the Board determines that direct/electronic voting is appropriate. The New Constitution provides that shareholders will be notified of any such procedures no later than the time of despatch of the relevant Notice of Meeting.

### ***Size of the Board***

The Current Constitution provides for a maximum of 9 Directors. The current Board of the Company is 8 Directors. The Board believes it is appropriate to reduce the maximum to 8 Directors as this provides the required diversity of skills and experience to appropriately manage the Company, unless the Board determines in the future that the appointment of additional Directors is necessary.

### ***Rotation of Directors***

The Current Constitution provides for the rotation of one third of the Directors at each Annual General Meeting (other than the Managing Director). This requirement is no longer applicable and can operate inconsistently with the current requirements of the ASX Listing Rules which require Directors to retire every 3 years.

The period for nomination of Directors has been increased from 35 business days to 45 business days to allow the Company sufficient time to prepare the necessary information for shareholders to vote.

A number of other listed companies have adopted this approach to the retirement and nomination of Directors.

### ***Dividends***

Recent changes to the *Corporations Act* replaced the 'profits' test for dividends with a more flexible test which allows a company to pay dividends based on the net assets and liabilities of the company and the interests of creditors and shareholders. The Current Constitution uses the 'profits' test. The New Constitution will give the Company the ability to pay a dividend out of any available source permitted by law.

In addition, the New Constitution permits the Company to pay dividends and other distributions by direct credit to a nominated bank account (or other authorised method).

### ***Partly paid shares***

The New Constitution includes the terms of issue for the existing 40 million partly paid shares currently on issue. This is consistent with the approach in relation to the corresponding partly paid units on issue, the terms of which are set out in the Trust Deed for the Thakral Holdings Trust.

## **Other changes**

The New Constitution updates terminology and provisions in the Current Constitution which no longer reflect the *Corporations Act*, ASX Listing Rules or ASX Settlement Rules.

The New Constitution complies with the *Corporations Act* requirement that the rights attached to preference shares are to be approved by special resolution of the Company.

The New Constitution includes a broader power for the Board to refuse to register a transfer in shares including where the transfer would create a new holding of an unmarketable parcel. In compliance with the ASX Listing Rules, the New Constitution includes a 5 Business Day notice period before which the Board must give written notice of their intention to refuse to register a transfer of shares (the notice period under the Current Constitution for refusing to register a transfer was 2 months although the Board did not have a right to refuse to register a transfer that would create an unmarketable parcel).

The New Constitution removes the age limit on Directors as this is now illegal.

The New Constitution clarifies the disclosure obligations in respect of a Director's material personal interest and its impact on the Company and the relevant director.

In respect of Directors' remuneration, the New Constitution preserves the power of the shareholders in general meeting to set the maximum amount of total Directors' remuneration but clarifies that such remuneration may be paid in a non-cash form, including superannuation contributions, in respect of which the Board will determine a value of the non-cash remuneration for the purposes of determining the allocation of the maximum amount set by the general meeting. The provision in the Current Constitution allowing payments to Directors following retirement or termination has not been included in the New Constitution as this is now covered by the restrictions on termination payments in the *Corporations Act*.

Consistent with changing market practice, the New Constitution allows direct crediting of dividends to shareholders.

The New Constitution also includes a provision dealing with unclaimed monies to allow the Board (in its discretion) to reinvest monies from dividends and other amounts payable to a member in respect of shares which are not claimed within a certain period of time. The Current Constitution does not address this issue other than in respect of the proceeds of sale for unmarketable parcels.

There are various other changes made by the New Constitution. The above Explanatory Notes are a summary of the significant differences between the Current Constitution and the New Constitution and are not an exhaustive list.

## **Recommendation**

Your Directors believe that the adoption of the New Constitution is in the best interests of the Company and its shareholders and therefore unanimously recommend that shareholders vote in favour of Resolution 4.