

Blis Technologies Limited

Constitution

Interpretation and Relationship with Rules

1 Interpretation

1.1 **Definitions:** In this Constitution, unless the context otherwise requires:

"**Act**" means the Companies Act 1993.

"**Board**" means Directors who number not less than the required quorum acting together as the board of Directors of the Company.

"**Company**" means Blis Technologies Limited.

"**Constitution**" means this constitution as it may be altered from time to time in accordance with the Act.

"**Director**" means a person appointed as a director of the Company in accordance with this Constitution.

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

"**Rules**" means the "NZX Listing Rules" of NZX, amended from time to time by NZX.

"**Share**" means a share in the Company.

"**Shareholder**" means a person whose name is entered in the share register of the Company as the holder for the time being of one or more Shares.

1.2 **Rules of Interpretation:** In this Constitution:

- a. Subject to clause 1.1, expressions:
 - i. which are defined in the Rules (whether or not expressed with an initial capital letter) have the meanings given by the Rules.
 - ii. which are defined in the Act (whether generally or for the purposes of one or more particular provisions) have the meanings given to them by the Act. Where an expression is defined in the Act more than once and in different contexts, its meaning will be governed by the context in which it appears in this Constitution.
- b. Headings are for guidance only and shall not affect the interpretation of this Constitution.
- c. References to any legislation or provision of any legislation are deemed to be references to that legislation or provision as amended,

substituted or re-enacted and unless the context requires otherwise include any statutory instruments issued under that legislation or provision.

- d. Reference to a Rule or the Rules includes that Rule or the Rules as from time to time amended or substituted.
- e. The singular includes the plural and vice versa, and words importing one gender include the other genders.
- f. The schedules form part of this Constitution.

1.3 **Use of electronic means:** Where a legal requirement under the Act is reproduced in this Constitution, that legal requirement may be met, for the purposes of this Constitution, by using electronic means in accordance with Part 4 of the Contract and Commercial Law Act 2017 to meet that legal requirement under the Act. In this clause, the term "legal requirement" has the same meaning given to it by section 219(2) of the Contract and Commercial Law Act 2017.

2 Relationship with the Rules

2.1 **Compliance with the Rules:** So long as the Company is Listed, the Company must comply with the Rules. If this Constitution contains any provision inconsistent with the Rules, as modified by any ruling relevant to the Company, the Rules prevail.

2.2 **Incorporation of Rules:** So long as the Company is Listed, those provisions of the 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 if they were set out in full with any necessary modification.

2.3 **Effect of Rulings:** If NZX has made a Ruling in relation to the Company authorising any act or omission which in the absence of such Ruling would be in contravention of the Rules or this Constitution, that act or omission shall unless a contrary intention appears in this Constitution, be deemed to be authorised by the Rules and by this Constitution.

2.4 **Transactions not Affected:** Any failure to comply with the Rules shall not itself affect the validity or enforceability of any transaction, contract, action, decision or vote taken at a meeting of Shareholders, or other matter entered into by, or affecting, the Company, except that a party to a transaction or contract who knew of the non-compliance is not be entitled to enforce that transaction or contract. This clause does not limit the rights of any Equity Security holders of the Company against the Company or the Directors of the Company.

Financial Products: Issue, Transfer and Voting

3 Issue of Financial Products

3.1 **Issues Must Comply with Rules:** While the Company is Listed, the Board may issue new Equity Securities and other Financial Products in the Company provided it does so in a manner permitted by the Rules, the Act, and this Constitution.

3.2 **Types of Equity Securities:** Subject to clause 3.1, any Share may be issued with such preferred, deferred, or other special rights or such restrictions (whether in regard to dividends, voting, return of capital or otherwise) as the Board may from time determine, and in particular, Shares in the Company may:

- a. be issued as Shares that are redeemable:
 - i. at the option of the Company where the option is exercised in relation to all holders of the same class of Shares and in a manner that will leave unaffected relative voting rights;
 - ii. at the option of the Company where the option is exercised in relation to one or more holders of Shares and the procedure set out in section 71 of the Act (which relates to special redemption of shares) is complied with;
 - iii. at the option of the holder of the Shares; or
 - iv. on a date specified in the terms of issue of the Shares for a consideration that is:
 - A. specified;
 - B. to be calculated in accordance with a formula; or
 - C. required to be fixed by a suitably qualified person who is not associated with or interested in the Company; or
- b. be Convertible Financial Products with such rights or such restrictions (including as to transfer in conjunction with Financial Products) as the Board may from time to time determine; or
- c. confer preferential rights to distributions of capital or income; or
- d. confer special, limited, or conditional voting rights; or
- e. not confer voting rights; or
- f. have limitations or restrictions on transferability (subject to the Rules).

- 3.3 **Consolidation and subdivision of Shares:** The Board may:
- a. consolidate and divide the Shares or any Class of Shares in proportion to those Shares or the Shares in that Class; and
 - b. subdivide the Shares or any Class of Shares in proportion to those Shares or the Shares in that Class.
- 3.4 **Bonus issues:** Subject to compliance with the Rules, the Board may resolve to apply any amount which is available for Distribution either:
- a. in paying up in full Shares or other Financial Products 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 Financial Products of the Company who are entitled by the terms of issue of such Financial Products to participate in bonus issues by the Company, whether at the time the bonus issue is made to the Shareholders, or at some later time, 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 sub-clause (a)(i),
- or partly in one way and partly in the other.
- 3.5 **Pre-emptive Right on Issue:** Section 45 of the Act does not apply to the Company.
- 3.6 **Further Issue not an Alteration of Rights:** For the purposes of section 117(3) of the Act the issue of further shares ranking equally with, or in priority to, existing Shares, whether as to voting rights or distributions, is permitted provided such issue is made in accordance with this Constitution.

4 Sales of Less than Minimum Holdings

- 4.1 **Procedure:** The Company may at any time give notice to a Shareholder holding less than a Minimum Holding that if, at the expiration of three months after the date the notice is given, Shares then registered in the name of the Shareholder are less than a Minimum Holding, the Company may sell those Shares through the Main Board or in some other manner approved by NZX .
- 4.2 The Board may authorise the transfer of the Shares sold under this clause to a purchaser of the Shares through the Main Board or in some other manner approved by NZX and the Shareholder is deemed to have authorised the Company to act on the holder's behalf and to execute all necessary documents relating to the sale. The purchaser is not bound to see to the

application of the purchase money, nor shall the title to the Shares be affected by any irregularity or invalidity in the procedures under this Constitution relating to the sale. The remedy of any person aggrieved by the sale is in damages only and against the Company exclusively.

4.3 The proceeds of sale of any Shares sold under this clause must be applied as follows:

- a. first, in payment of any reasonable sale expenses;
- b. second, in satisfaction of any unpaid calls or any other amounts owing to the Company in respect of the Shares, and any interest payable on such amounts; and
- c. the residue, if any, must be paid to the person who was the shareholder immediately before the sale or his or her executors, administrators or assigns.

4.4 A certificate, signed by a Director that records that a power of sale under this clause has arisen and is exercisable by the Company is conclusive evidence of the facts stated in that certificate.

5 **Share Register**

5.1 **Place of Share Register:** The share register may be divided into two or more registers kept in different places.

Special Powers relating to Shares, Indemnities and Insurance

6 Acquisition of Shares

6.1 **Company may acquire and hold Shares:** Subject to the Rules, the Company may:

- a. purchase or otherwise acquire Shares issued by the Company and may hold Shares as treasury stock;
- b. make an offer to one or more holders of Shares to acquire Shares issued by the Company in such number or proportions as it thinks fit,

in accordance with the Act and the Rules.

7 Redeemable Shares

7.1 **Company may redeem Shares:** Subject to this Constitution and the Rules, the Company may:

7.2 redeem Shares (which by their terms of issue fixed in accordance with clause 3.2 are redeemable) in accordance with the Act and the Rules.

8 Redemption of Shares other than Pro Rata

8.1 **Company may redeem Shares other than pro rata:** Subject to the Rules, the Company may exercise an option to redeem Shares issued by the Company in relation to one or more holders of Shares of the Company other than on a pro rata basis, in accordance with the Act.

9 Financial Assistance

9.1 **Company may provide Financial Assistance:** The Company may give financial assistance for the purpose of, or in connection with, the acquisition of Equity Securities issued or to be issued by the Company provided that it is given in accordance with the Act and is permitted by the Rules.

10 Indemnity and Insurance

10.1 **Indemnity of directors and employees:** Subject to clause 10.2, the Company may indemnify a director or employee of the Company or a related company:

- a. for any costs incurred by him or her in any proceeding that relates to liability for any act or omission in his or her capacity as a director or employee of the Company or a director or employee of a subsidiary of the Company and in which judgement is given in his or her favour, or in which he or she is acquitted, or which is discontinued; and
- b. in respect of liability to any person other than the Company or a related company for any act or omission by him or her in his or her capacity as a director or employee of the Company or a director or employee of a subsidiary of the Company, and costs incurred by him or her in defending or settling any claim or proceeding relating to any such liability.

10.2 **Exceptions:** An indemnity given pursuant to clause 10.1, shall not apply in respect of:

- a. any criminal liability; or
- b. in the case of an employee of the Company, a subsidiary of the Company or a related company, any liability in respect of a breach of any fiduciary duty owed to the Company, a subsidiary of the Company or related company; or
- c. in the case of a director of the Company, a subsidiary of the Company or a related company, any liability in respect of a breach of the duty specified in section 131 of the Act.

10.3 **Insurance:** The Company may, with the prior approval of the Board, effect insurance for a director or employee of the Company or a related company, in respect of:

- a. liability, not being criminal liability, for any act or omission by him or her in such capacity; or
- b. costs incurred by him or her in defending or settling any claim or proceeding relating to any such liability; or
- c. costs incurred by him or her 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.

Directors

11 Appointment and Removal of Directors

11.1 **Number of Directors:** The minimum number of Directors is four.

11.2 **Directors' Appointments:**

- a. Any natural person who is not disqualified under the Act and, if required under the Rules, who has been nominated within the time limits under the Rules, may be appointed as a Director by an ordinary resolution of Shareholders.
- b. The Board may appoint any person who is not disqualified under the Act to be a Director to fill a casual vacancy or as an addition to the existing Directors. Any person appointed pursuant to this clause must retire at the next annual meeting and is eligible for election as director at that meeting.

11.3 **Rotation of Directors:** A retiring Director continues to hold office:

- a. until he or she is re-elected; or
- b. if he or she is not re-elected, or does not offer himself or herself up for re-election, until the end of the annual meeting or any adjournment of that meeting.

11.4 **Alternate Directors:**

- a. Every Director may by notice in writing to the Company appoint any person who is not a Director and is not disqualified by the Act or this Constitution from being a Director, and whose appointment has been approved in writing by a majority of the other Directors, to be an alternate Director during his or her absence or inability to act as Director. A person holding office as an alternate Director shall be entitled to all notices of Board meetings and any paper minutes or documents sent to Directors and to attend and vote at any Board meetings but shall not vote at that meeting except in the place of the Director for whom he or she is an alternate and he or she shall not require any share qualification and shall not be entitled to be remunerated otherwise than out of the remuneration of the Director appointing him or her. Any appointment so made may be revoked at any time by the appointer or by a majority of the other Directors. Any appointment or revocation under this clause shall be effected by notice in writing to the Company.
- b. The appointment of an alternate Director terminates automatically if the Director who appointed him or her ceases to be a Director or if an event occurs which would cause him or her to vacate office if he or

she were a Director. A Director retiring by rotation and being re-elected is not to be treated as having ceased to be a Director for the purposes of this clause.

11.5 **Removal from Office:** The office of Director is vacated if the person holding that office:

- a. resigns from office in accordance with the Act; or
- b. being an employee of the Company, ceases such employment. A person who ceases to be a Director by reason of ceasing employment may be reappointed as a Director pursuant and subject to the provisions of clause 11.1; or
- c. is removed from office in accordance with the Act; or
- d. retires from office;
- e. becomes disqualified from being a Director pursuant to the Act; or
- f. dies or becomes of unsound mind; or
- g. is absent from meetings of the Board for more than 6 months without the Board's permission, and the Board resolves that the office be vacated.

12 **Directors' Remuneration**

12.1 **Expenses and Special Remuneration:** Notwithstanding the Rules governing Directors' remuneration:

- a. each Director is entitled to be paid or reimbursed for all reasonable travelling, accommodation and other expenses incurred by the Director in the course of performing the duties or exercising powers as a Director; and
- b. subject to those Rules governing transactions with Related Parties (if applicable), the Board may authorise, without the prior approval of Shareholders, the payment of special remuneration to any Director who is or has been engaged by the Company to carry out work or perform any services which are not in the capacity of a Director.

13 **Board Meetings**

13.1 **Compliance with Schedule 1:** Meetings of Board shall be conducted in accordance with Schedule 1 except where otherwise agreed by all Directors in relation to a particular meeting or meetings.

14 Delegation By Directors

14.1 **Delegation by Directors:** Without limiting section 130 of the Act but excluding from any such delegation any of the matters set out in the Second Schedule to the Act:

- a. the Board may from time to time appoint Directors to the office of Managing Director for a fixed term not exceeding 3 years. The Board may fix his, her or their remuneration (except his, her, or their remuneration in his, her or their capacity as a Director) which may be in addition to his, her or their remuneration as an ordinary Director and may be either by way of salary, commission on profits earned or participation in the profits of the Company or any Share scheme or by a combination of two or more of those modes;
- b. 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 for any cause he or she shall cease to be a Managing Director.
- c. the Directors may entrust to and confer upon a Managing Director any of the powers exercisable by the Board (except the power to make calls, forfeit Shares, borrow money or issue debentures) upon such terms and conditions and with such restrictions as they may think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of those powers;
- d. the Directors may delegate any of their powers to committees consisting of such persons as they think fit and may from time to time remove such delegation;
- e. any Managing Director appointed under this clause 14 is an executive Director and the Rules shall be construed accordingly.

Shareholders' Meetings

15 Shareholders' Meetings

- 15.1 **Compliance with Schedule 2:** Meetings of the Shareholders shall be conducted in accordance with Schedule 2.

Other Provisions

16 Calls on Shares

- 16.1 **Ability to Call:** The Board may from time to time make calls upon the Shareholders in respect of any money which is unpaid on their Shares and which is not by the conditions of allotment thereof made payable at a fixed time or times, **provided that** no call shall be payable at less than 1 month from the date fixed for the payment of the last preceding call. Subject to receiving at least 10 working days' notice specifying the time or times and place of payment each Shareholder shall pay to the Company at the time or times and place so specified the amount called on their Shares. A call may be reduced, revoked or postponed as the Board may determine.
- 16.2 **Call deemed made:** A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
- 16.3 **Joint holders' liability:** The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
- 16.4 **Interest:** If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate as the Board (acting reasonably) may determine. Subject to the Rules, the Board may waive payments of that interest wholly or in part.
- 16.5 **Payment on allotment:** Any sum which by the terms of issue of a Share becomes payable on allotment or at any fixed date shall for the purposes of this Constitution be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable and in case of non-payment all the relevant provisions of this Constitution as to payment of interest and expenses, forfeiture or otherwise shall apply as if the sum had become payable by virtue of a call duly made and notified.
- 16.6 **Directors' discretion to differentiate:** The Board may on the issue of Shares, differentiate between the Shareholders as to the amounts to be paid and the times of any calls or payment.
- 16.7 **Payments in advance:** The Board may if they think fit receive from any Shareholder willing to advance the same all or any part of the money uncalled and unpaid upon any Shares held by that Shareholder and upon all or any part of the money so advanced may (until the same would, but for the advance, become payable) pay interest at such rate as may be agreed upon between the Board and the Shareholder paying the sum in advance; but no Shareholder shall be entitled as of right to any interest on any money so paid in advance and the Board may decline to pay any interest. The Board may at any time repay the amount so advanced upon giving to the Shareholder three months' notice in writing.

17 Forfeiture and Lien

- 17.1 **Notice from Directors:** If a Shareholder fails to pay any call or instalment on the day appointed for payment thereof the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
- 17.2 **Due date specified:** The notice shall specify a date (not earlier than 10 working days after the date the notice is served) on or before which the payment required by the notice is to be made and shall state that in the event of non-payment at or before the time appointed the Shares in respect of which the call was made will be liable to be forfeited.
- 17.3 **Board Resolution:** If the requirements of any such notice as aforesaid are not complied with, any Share in respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited Shares and not actually paid before the forfeiture.
- 17.4 **Sale of forfeited Share:** A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board think fit.
- 17.5 **Liability remains following sale:** A person whose Shares have been forfeited immediately ceases to be a Shareholder in respect of those Shares notwithstanding any other provision of this Constitution, and remains liable to pay to the Company all money which at the date of forfeiture was payable by that holder to the Company in respect of the Shares but that Shareholder's liability shall cease if and when the Company receives payment in full of all such money in respect of the Shares.
- 17.6 **Evidence of forfeiture:** A certificate signed by a Director that a Share has been duly forfeited on a stated date is conclusive evidence of the facts stated in that certificate.
- 17.7 **Company may sell forfeited Share:** The Company may receive the consideration, if any, given for a forfeited Share following a sale or disposition, and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed of, and register that person as the holder of the Share. That person is not bound to see to the application of the purchase money, if any, nor is the title to the Share affected by any irregularity or invalidity in the procedures under this Constitution in respect of the forfeiture, sale or disposal of that Share. Any residue after satisfaction of unpaid calls, instalments, premiums or other amounts and interest, and expenses, shall be paid to the previous holder, or to his or her executors, administrators or assigns.

17.8 **Lien:** The Company shall have a first and paramount lien upon all the Shares registered in the name of each Shareholder whether solely or jointly with others and upon the proceeds of sale thereof, and on distributions from time to time declared in respect of such Shares for:

- a. unpaid calls, instalments, or other amounts, and any interest payable on such amounts, relating to the Shares; and
- b. such amounts as the Company may be called upon to pay under any legislation in respect of the Shares,

and for the purpose of giving better effect to the provisions of this clause each Shareholder irrevocably appoints the Company and each officer of the Company as attorney for that Shareholder authorising the Company to complete an assignment to the Company of any moneys owing by that Shareholder under the provisions of this clause and each Shareholder agrees to ratify and confirm any act carried out by the Company in that behalf.

17.9 **Sale of Shares subject to lien:** The Company may sell in such manner as the Board think fit any Share on which the Company has a lien but no sale shall be made unless a sum in respect of which the lien exists is presently payable nor until the expiration of 10 working days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the Shares or the person entitled thereto by reason of his or her death or bankruptcy.

17.10 **Accounting for proceeds:** If Shares are forfeited and sold, or are sold to enforce a lien, any residue after the satisfaction of unpaid calls, instalments, premiums or other amounts and interest thereon, and expenses, shall be paid to the previous holder, or to the executors, administrators or assigns of the previous holder.

17.11 **Authority to transfer:** For giving effect to any such sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given the Company may receive the consideration given for such a Share, and may execute a transfer of the Shares sold in favour of the purchaser, and register the purchaser as the holder of the Share discharged from all calls prior to the purchase. The purchaser is not be bound to see to the application of the purchase money nor shall such purchaser's title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. The remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

18 Distributions

18.1 **Power to authorise:** The Board, if satisfied on reasonable grounds that the Company will immediately after the distribution satisfy the solvency test may, subject to the Act and this Constitution, authorise distributions by the Company at times, and of amounts, and to any Shareholders, as it thinks fit

and may do everything which is necessary or expedient to give effect to any such distribution.

18.2 **Form of Distribution:** Subject to the rights of Shareholders in a Class, the Board may make a distribution in such form as it thinks fit, but except as provided in clause 18.4 shall not differentiate between Shareholders as to the form in which a distribution is made without the prior approval of the Shareholders.

18.3 **Currency of payment:** The Board, if it thinks fit, may differentiate between Shareholders as to the currency in which any distribution is to be paid. In exercising its discretion the Board may have regard to the registered address of a Shareholder, the register on which a Shareholder's Shares are registered and such other matters (if any) as the Board considers appropriate. If the Board determines to pay a distribution in a currency other than New Zealand currency, the amount payable shall be converted from New Zealand currency in such manner, at such time, and at such exchange rate, as the Board thinks fit.

18.4 **Entitlement to dividends:** The Board shall not authorise a dividend:

- a. in respect of some but not all the Shares in a Class; or
- b. 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 in respect of a Share of that Class is in proportion to the amount paid to the Company in satisfaction of the liability of the holder under this Constitution or under the terms of issue of the Share, but a Shareholder may waive that Shareholder's entitlement to receive a dividend or any part thereof by written notice to the Company signed by or on behalf of the Shareholder.

18.5 **Deduction of expenses:** The Board may deduct from any distribution due to any Shareholder any sums of money, if any, which are:

- a. presently payable by that Shareholder to the Company on account of any liability in respect whereof the Company has a lien on the specific Shares on which such distribution is payable; or
- b. required by law to be deducted by the Company, including withholding and other taxes.

18.6 **Method of payment:** Any distribution payable in cash in respect of the Shares may be paid by direct bank credit (if so authorised by the Shareholder) or by cheque or warrant sent through the post directed to the registered address of the Shareholder or, in the case of joint Shareholders (subject to any arrangement between such joint Shareholders consented to by the Board), to the registered address of any one of the joint Shareholders or to such person and to such address as the Shareholder or joint Shareholders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one of two or more joint Shareholders may give effectual receipts for any distributions payable in respect of the Shares

held by them as joint Shareholders but the Company may require the receipt of all the joint Shareholders. The Company shall not be responsible for the loss in transmission of any cheque or warrant sent through the post as aforesaid whether sent at the request of a Shareholder or otherwise.

- 18.7 **No interest:** No distribution shall bear interest against the Company unless the applicable terms of issue of Shares expressly provide otherwise.
- 18.8 **Unclaimed distributions:** All distributions 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 all distributions unclaimed for five years after having been declared may be forfeited by the Directors for the benefit of the Company **provided always that** the Directors must at any time after such forfeiture annul the same and, subject to the Company meeting the Solvency Test, pay the distributions so forfeited to any person producing evidence of entitlements to the same and shall do so unless in the opinion of the Directors such payment would adversely affect the Company.
- 18.9 **Directors establish reserves:** The Board may, from time to time, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall at the discretion of the Board be applicable for any purpose to which the profits of the Company may be properly applied, and pending any such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any profits which they think prudent not to distribute.

19 Execution of Deeds

- 19.1 **Procedure:** A deed which is to be entered into by the Company may be signed on behalf of the Company by:
- a. two or more Directors;
 - b. any Director, or any person authorised by the Board, whose signature must be witnessed; or
 - c. one or more attorneys appointed by the Company in accordance with the Act.

Schedule 1: Directors' Meetings

All meetings of the Board shall be conducted in accordance with the Third Schedule to the Act, except where varied by the following provisions:

- 1 **Procedure:** The Board may meet together for the despatch of business, adjourn, or otherwise regulate their meetings and proceedings as they may think fit and may determine the quorum necessary for the transaction of business. The quorum for meetings of the Board shall be three Directors unless:
 - a. a majority of the Directors for the time being otherwise determine; or
 - b. in respect of a matter to be considered by the Board, there would be less than three Directors eligible to be counted in a quorum and vote, in which case the quorum shall be the number of Directors present at the meeting and eligible to vote on the relevant matter.

If a quorum shall not be present at a meeting within 30 minutes after the time appointed for a meeting of the Board, then the meeting may be adjourned for at least 48 hours and notice of the day, time and place for such adjourned meeting shall be given to all Directors who are in New Zealand at least two days prior to the time of such adjourned meeting. Provided however that if the chairperson, in his or her absolute discretion, forms the opinion that it is in the interests of the Company to convene the adjourned meeting within 48 hours of the original meeting, the adjourned meeting shall be convened at such earlier time as the chairperson deems appropriate, provided that notice of the adjourned meeting is given to all Directors who are in New Zealand at least 10 hours before the time set for such adjourned meeting. If at that further meeting a quorum is not present within 30 minutes after the time appointed for the meeting, the Directors present will constitute a quorum.

- 2 **Notice:**
 - a. **Usual Notice for Meetings:** Every Director who is in New Zealand shall be given not less than five clear days' notice of a meeting unless the Director waives that right. Notice may be given to a Director by:
 - i. delivery of the notice to the Director in which case the notice will be deemed to be given when delivered;
 - ii. posting the notice to the address given by the Director for the purpose of receiving notices, in which case the notice will be deemed to be given three days after it is posted; or
 - iii. sending the notice by electronic means in which case the notice will be deemed to be given when transmitted.
 - b. **Urgent Meeting:** If, in the opinion of the chairperson or in his or her absence the deputy chairperson (if any) or in the absence of both the Managing Director (if any), a meeting is required in the interests of the

Company to be convened on less than five clear days' notice, the meeting may be convened on short notice **provided that:**

- i. not less than three-quarters of the Directors entitled to be given notice consent to such shorter notice; or
- ii. the chairperson, or in his or her absence the deputy chairperson (if any), or in the absence of both the Managing Director (if any) and at least one other Director reasonably consider that by reason of extreme urgency, a meeting on short notice is required in the interests of the Company and that it is not practicable to give five clear days' notice.

In the case of a meeting convened on short notice pursuant to this clause:

- A. a copy of the notice convening the meeting shall be given to every Director entitled to be given notice either personally or by electronic means prior to the holding of a meeting;
 - B. the Managing Director or in his or her absence the next most senior executive of the Company, shall use all reasonable endeavours to contact every Director either personally or by telephone prior to the holding of the meeting to try to ensure that every Director is aware that the meeting is to be held;
 - C. every Director shall be entitled to attend the meeting telephonically; and
 - D. the business to be transacted at the meeting shall be limited to business related to the urgent matter or matters which necessitated the meeting being called on short notice.
- c. **Powers of Quorum:** A meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under this Constitution or the Act for the time being vested in or exercisable by the Directors generally.

3 **Meeting Methods:** A meeting of the Board may be held either:

- a. by a number of Directors who constitute a quorum, being assembled together at the place, date and time appointed for the meeting; or

by audio, audio and visual, and/or electronic means by which all Directors participating can simultaneously hear each other throughout the meeting.

4 **Calling of Meeting:** The chairperson of Directors, the Managing Director or any two Directors may at any time summon a meeting of the Board.

- 5 **Voting:** The chairperson shall have a casting vote. Each Director shall have one vote. A resolution of the Board is passed if agreed to by all Directors present without dissent or if a majority of the votes cast on it are in favour of it. A Director must not vote where that Director is not permitted to vote by the Rules or this Constitution. A Director present at a meeting of the Board may abstain from voting on a resolution, and any Director who abstains from voting on a resolution will not be treated as having voted in favour of it for the purposes of the Act.
- 6 **Chairperson:** The Directors shall from time to time appoint a chairperson and (if they think fit) a deputy chairperson and determine the period, not exceeding three years, for which they respectively are to hold office and may from time to time reappoint such chairperson or deputy chairperson for further periods not exceeding three years at any one time. The chairperson, or failing him or her the deputy chairperson (if any), shall preside at all meetings of the Board, but if no such chairperson or deputy chairperson is present within 10 minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairperson of such meeting, and the Director so chosen shall preside at such meeting accordingly.
- 7 **Proceedings of Committee:** Any committee of Directors shall in the exercise of the powers so delegated conform to any regulation that may be imposed upon it by the Directors. Save as aforesaid the meetings and proceedings of a committee shall be governed by the provisions of this Constitution regulating the proceedings and Board meetings, including those relating to the signing of written resolutions.
- 8 **Defects:** All acts done by any Board meeting or a committee of Directors or by any person acting as a Director, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid or that they or any of them were disqualified, shall be as valid as if every such person had been duly appointed and was qualified to be a Director.
- 9 **Resolution in Writing:** A resolution in writing signed by a majority of the Directors for the time being entitled to vote on that resolution (or their alternate Directors) shall be as valid and effective as if it had been passed at a meeting of the Board duly called and constituted **provided that** prior notice of the resolution has been given to Directors not entitled to vote and those Directors have acknowledged in writing that they do not require a meeting to be held. Any such resolution may consist of several documents in like form each signed by one or more Directors.
- 10 **Minutes:** The Board shall cause minutes to be kept of all proceedings of meetings of the Board and committees of the Board.

Minutes which have been signed by the chairperson of such meeting are evidence of the proceedings at the meeting unless they are shown to be inaccurate.

SCHEDULE 2: SHAREHOLDERS' MEETINGS

All meetings of the Shareholders shall be conducted in accordance with the First Schedule to the Act, except where varied by the following provisions:

- 1 **Chairperson:** If the Directors have elected a chairperson, he or she shall chair a meeting of Shareholders. If there is no such chairperson, or if he or she is not present within 15 minutes after the time appointed for the holding of the meeting, or is unwilling to act, the Directors present shall elect one of their number to be chairperson of the meeting. If at any meeting no Director is willing to act as chairperson, or if no Director is present within 15 minutes after the time appointed for holding the meeting, the Shareholders present shall choose one of their number to be chairperson of the meeting.
- 2 **Quorum:** The quorum for a meeting of shareholders of the Company is present if five or more Shareholders are present in person or by proxy having the right to vote at the meeting.
- 3 **Proxies:** A Shareholder may exercise the right to vote either by being present in person or represented by proxy. Postal voting shall only be permitted at any particular meeting if the Directors designate such meeting as one at which postal votes may be cast and so identify the meeting in the relevant notice of meeting given to Shareholders.

A proxy for a Shareholder is entitled to attend and be heard at a meeting of Shareholders as if the proxy were the Shareholder.

No proxy is effective in relation to a meeting unless it has been received by or on behalf of the Company at any place specified for the purpose in the notice of meeting at least 48 hours before the start of the relevant meeting.

A proxy form shall be sent with each notice of meeting of Shareholders and:

- a. shall (so far as the subject matter and form of the resolutions reasonably permits) provide for two-way voting on all resolutions, enabling the Shareholder to instruct the proxy as to the casting of the vote; and
- b. shall not be sent with any name or office (e.g., chairperson of Directors) filled in as proxy holder.

So far as is reasonably practicable, resolutions shall be framed in a manner which facilitates two-way voting instructions for proxy holders.

A proxy is effective in relation to a meeting notwithstanding the previous:

- a. death of the Shareholder; or
- c. insanity of the Shareholder; or
- d. revocation of the proxy; or

e. transfer of the Shares in respect of which the proxy is given,

unless notice in writing of any such matter has been produced to the satisfaction of the chairperson before the start of the meeting at which the proxy is to be used.

4 **Adjournment:** The chairperson may adjourn a meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

5 **No voting if disqualified:**

a. Notwithstanding anything to the contrary in the Act or this Constitution, a person is not entitled to cast a Vote in favour of a resolution where that person is disqualified from voting by the Rules.

b. Paragraph 5(a) shall not prevent a person who:

i. is disqualified from voting under paragraph 5(a); and

ii. has been appointed as a proxy or representative by another person (who is not disqualified from voting),

from voting in respect of the Shares held by that other person in accordance with the express instructions of that other person.

6 **Procedure:** Except as provided in this Constitution, or as required by the Act, the chairperson of the meeting shall regulate the procedure at any meeting of Shareholders.