

Boom Logistics Limited

ACN 095 466 961

Notice of Annual General Meeting

NOTICE is given that the Annual General Meeting (**AGM**) of Boom Logistics Limited (ACN 095 466 961) (the **Company**) will be held at 11:00am (AEDT) at The Arts Centre, ANZ Pavilion, Level 8, 100 St Kilda Road, Melbourne, Victoria 3004 on Tuesday, 22 October 2013 to consider the items of business set out below.

The Explanatory Memorandum accompanies and forms part of this Notice of Meeting. This document provides additional information on matters to be considered at the Meeting and should be read in its entirety.

If you are unable to attend the meeting please complete and return the enclosed proxy form in accordance with the specified instructions.

Members can submit questions they would like raised at the AGM using the form included with this Notice of Meeting. We will respond to the more frequently asked questions at the AGM in the Chairman's and Managing Director's addresses, but as you would appreciate, we will not be able to respond to questions individually. Members will have an opportunity to ask questions of the Board and the Auditor at the AGM.

Ordinary Business

Item 1 Financial Statements and Reports

To receive and consider the Financial Report and the reports of the Directors and the Auditor for the year ended 30 June 2013.

No vote of members is required on the Financial Statements and Reports.

Item 2 Re-election and election of Directors

To consider and, if thought fit, pass the following as **separate ordinary resolutions**:

- (a) *“That Terrance Alexander Hebiton, who retires by rotation under rule 5.1 of the Company's Constitution, and being eligible, be re-elected as a Director of the Company.”*
- (b) *“That Fiona Rosalyn Vivienne Bennett, who retires by rotation under rule 5.1 of the Company's Constitution, and being eligible, be re-elected as a Director of the Company.”*
- (c) *“That Howard John Critchley, who retires in accordance with rule 8.2 of the Company's Constitution, and being eligible, be elected as a Director of the Company.”*

The Chairman of the Meeting intends to vote all available proxies in **favour** of each resolution.

Special Business

Item 3 Adoption of Remuneration Report

To consider and, if thought fit, pass the following **non-binding resolution**:

“That the Remuneration Report for the year ended 30 June 2013 be adopted.”

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

Voting Exclusion Statement for Item 3

The *Corporations Act 2001* (**Corporations Act**) restricts members of the key management personnel (**KMP**) which comprises the Directors and the other persons disclosed as KMP in the Remuneration Report and their closely related parties from voting in relation to item 3.

Closely related party is defined in the Corporations Act and includes a spouse, dependants and certain other close family members, as well as companies controlled by a member of the KMP.

The Company will disregard any votes cast (in any capacity) on the proposed resolution in item 3 by or on behalf of:

- members of the KMP; and
- closely related parties of those persons,

unless the vote is cast:

- as proxy for a person entitled to vote on Item 3 in accordance with a direction on the proxy form; or
- as proxy for a person entitled to vote on Item 3 by the Chairman of the Meeting where he has been expressly authorised to exercise the proxy (even though the resolution is connected directly or indirectly with the remuneration of a member of the KMP).

What this means for shareholders:

If you intend to appoint a member of the KMP (such as one of the Directors) as your proxy, please ensure you direct them how to vote on the proposed resolution in item 3.

If you intend to appoint the Chairman of the Meeting as your proxy, you can direct him how to vote by either marking the boxes for item 3 (for example, if you wish to vote against or abstain from voting), or you can give the Chairman your express authority to vote your proxy as the Chairman decides (in which case the Chairman of the Meeting will vote in favour of this item of business).

The Chairman of the Meeting intends to vote all available proxies in **favour** of this resolution.

Item 4 Grant Share Units to the Managing Director under the Boom Logistics Long Term Incentive Plan.

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

“That approval be given for all purposes, including ASX Listing Rule 10.14, for the grant of Share Units to the Managing Director, Mr Brenden Mitchell, in accordance with the terms of the Boom Logistics Limited Long Term Incentive Plan and on the terms summarised in the Explanatory Memorandum.”

Voting Exclusion Statement for Item 4

The Corporations Act restricts members of the KMP of the Company and their closely related parties from voting in relation to item 4 in certain circumstances. In addition, a voting restriction applies in respect of this item under the ASX Listing Rules.

The Company will disregard any votes cast on the proposed resolution in item 4 by Mr Brenden Mitchell, or any of his associates, as well as any votes cast as a proxy on this item by a member of the KMP or a KMP’s closely related party.

However, the Company need not disregard a vote if it is cast:

- as proxy for a person entitled to vote on Item 4 in accordance with a direction on the proxy form; or
- as proxy for a person entitled to vote on Item 4 by the Chairman of the Meeting where he has been expressly authorised to exercise the proxy (even though the resolution is connected directly or indirectly with the remuneration of a member of the KMP).

What this means for shareholders:

In accordance with the voting exclusion set out above, members of the KMP are not permitted to vote undirected proxies on the proposed resolution in item 4.

If you intend to appoint a member of the KMP (such as one of the Directors) as your proxy, please ensure that you direct them how to vote on item 4.

If you intend to appoint the Chairman of the Meeting as your proxy, you can direct him how to vote by marking the boxes for item 4 (for example if you wish to vote against or abstain from voting), or you can give him your express authority to vote your proxy as he sees fit, (in which case the Chairman of the Meeting will vote in favour of this item of business).

The Chairman of the Meeting intends to vote all available proxies in **favour** of this resolution.

PROXIES AND VOTING

Required majority

Ordinary resolutions will be passed if more than 50% of the votes cast by shareholders entitled to vote on the resolution are cast in favour of the resolution.

The vote on each resolution will be decided on a show of hands or a poll as determined by the Chairman of the meeting, subject to any requirements of the Corporations Act and the Company's Constitution.

On a resolution determined by a show of hands, each shareholder present in person or by proxy has one vote. On a resolution determined by a poll, each shareholder present in person or by proxy has one vote for each fully paid ordinary share held.

Appointment of proxy

If you are unable to attend the meeting, you are encouraged to appoint a proxy to attend and vote on your behalf. If you wish to appoint a proxy, please complete the enclosed form of proxy.

Please note the following in relation to the appointment of a proxy:

- A member who is entitled to attend and vote at this meeting may appoint any person as his or her proxy to attend and vote for the member at the meeting.
- A member may specify the way in which the proxy is to vote on the resolution or may allow the proxy to vote at his or her discretion. However, the Corporations Act restricts the Company's KMP and their closely related parties from voting on items 3 and 4 in certain circumstances. "Closely related party" is defined in the Corporations Act and includes a spouse, dependant and certain other close family members, as well as any companies controlled by the KMP. If you wish to appoint a member of the key management personnel (which includes each of the Directors and the Chairman) as your proxy, please read the voting exclusions in this Notice and the proxy form carefully. Shareholders are encouraged to direct their proxies how to vote.
- If a member intends to appoint a member of the KMP as proxy, the member must ensure the proxy is directed how to vote on items 3 and 4 (ie. indicating whether the member wishes to vote for, against or abstain from voting).
- If a member intends to appoint the Chairman of the Meeting as proxy, the member can direct him by marking the boxes for items 3 and 4 (ie. indicating whether the member wishes to vote for, against or abstain from voting). Alternatively, the member can choose to not mark any of the boxes, and by signing and submitting the proxy form, the member will be giving the Chairman the member's express authority to vote the undirected proxy as the Chairman sees fit on items 3 and 4 (and the Chairman will vote in favour of these items of business).
- Any directed proxies that are not voted on a poll at the meeting will automatically default to the Chairman of the meeting who is required to vote proxies as directed.

- If a member is entitled to cast two or more votes at the meeting, the member may appoint two proxies to attend on the same occasion. If two proxies are appointed and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half of the member's votes. On a show of hands, a proxy holder may not vote if more than one proxy holder attends the meeting and on a poll, each proxy may only exercise votes in respect of those shares or voting rights the proxy represents.
- The appointment of the proxy may specify the proportion or number of votes that the proxy may exercise.
- A proxy need not be a member of the Company and can be either an individual or a body corporate. If a member appoints a body corporate as a proxy, that body corporate will need to ensure that it:
 - appoints an individual as its corporate representative to exercise its powers at the meeting in accordance with section 250D of the Corporations Act; and
 - provides satisfactory evidence of the appointment of its corporate representative prior to the commencement of the meeting.

If such evidence is not received before the commencement of the meeting, then the body corporate (through its representative) will not be permitted to act as proxy.

- If a proxy is given by a corporation, a form of proxy must be executed in writing under the common seal of the corporation or otherwise in accordance with section 127 of the Corporations Act or signed by an attorney.
- If a proxy is given by a natural person, a form of proxy must be executed under the hand of that person or that person's attorney.
- A form of appointment of proxy is enclosed. To be effective, the document appointing the proxy holder (and if the appointment is signed or executed by the appointor's attorney, the authority under which the appointment was signed or a certified copy of the authority), must be received by the Company at least 48 hours before the scheduled time for the meeting, that is by 11:00am (AEDT) on Sunday, 20 October 2013.
- The documents will be received by the Company when they are received at the Share Registry at Computershare Investor Services Pty Limited, 452 Johnston Street, Abbotsford, Victoria 3067 or fax number 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia) or on-line at www.investorvote.com.au using your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) and your allocated Control Number as shown on your proxy form.
- **Custodian voting** - For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

Persons entitled to vote

Under regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board has determined that the shareholding of each member for the purposes of ascertaining their voting entitlements at the AGM will be as it appears in the share register at 11:00am (AEDT) on Sunday, 20 October 2013. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the AGM. Effectively, a share transfer may not be registered following the close of trade on Friday, 18 October 2013.

Corporate Representatives

A body corporate, which is a member, may appoint an individual (by certificate executed in accordance with section 127 of the Corporations Act or in another manner satisfactory to the Chairman) as a representative to exercise all or any of the powers the body corporate may exercise at the meeting. The appointment may be a standing one. The representative must bring a formal notice of appointment with him or her to the meeting.

Necessary information

Information relevant to each resolution is set out in the attached Explanatory Memorandum which forms part of this notice to members.

By order of the Board.

A handwritten signature in black ink, appearing to read 'Iona MacPherson', with a large, sweeping flourish above the name.

Iona MacPherson
Chief Financial Officer & Company Secretary

Melbourne
20 September 2013

Explanatory Memorandum

Information specific to each resolution

Shareholder approval of resolutions is required for the purposes of the ASX Listing Rules and the *Corporations Act 2001* (Cth) (the **Corporations Act**). This Explanatory Memorandum has been prepared to provide you with material information to enable you to make an informed decision in relation to the business to be conducted at the AGM of the Company.

Ordinary business

Item 1 Financial Statements and Reports

The Corporations Act requires:

1. the reports of the Directors and Auditors; and
2. the Annual Report, including the financial statements of the Company for the fiscal year ended 30 June 2013;

to be laid before the AGM. Neither the Corporations Act nor the Constitution require a vote of members on the reports or statements. However, shareholders will be given a reasonable opportunity to ask questions about or make comments on the management of the Company.

A reasonable opportunity will also be given to members as a whole at the meeting to ask the Company's Auditor questions relevant to the conduct of the audit, the preparation and content of the Auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the Auditor in relation to the conduct of the audit.

Obtaining a copy of the Annual Report 2013

The Annual Report 2013 will be sent to members in hard copy or electronic copy (if the member has nominated that means as one by which the member may be notified). If you would like to receive a hard copy of the Annual Report 2013 free of charge you can contact Margaret Trousdale by email at mtrousdale@boomlogistics.com.au or on +61 3 9207 2530. Alternatively, the Annual Report 2013 is available on-line at www.boomlogistics.com.au

Item 2 Re-election and election of Directors

Re-election of Directors

In accordance with Article 5.1 of the Company's Constitution and ASX Listing Rule 14.4, no Director who is not the Managing Director may retain office without re-election beyond the third Annual General Meeting following the meeting at which the Director was last elected or re-elected.

Mr Hebiton and Ms Bennett are required to retire by rotation at this Annual General Meeting, and being eligible, offer themselves for re-election.

Further information in relation to Mr Hebiton and Ms Bennett is set out below.

Terrance Alexander Hebiton

Age: 62

Member of the Occupational Health, Safety, Environment & Quality Committee.

Mr Hebiton commenced his commercial career in the rural sector. In 1989, he acquired various business interests associated with land and property rental developments. In the late 1990s, Mr Hebiton was Managing Director of Hazdon Holdings Pty Ltd. He is currently a Director of a number of private companies and a Director of Integrated Livestock Industries Limited. He was a principal of Alpha Crane Hire, one of the founding entities of Boom Logistics Limited, and was one of the driving forces behind the formation of BOOM. Mr Hebiton was the CEO of Boom at its formation, a position he held until 2004. He has been a Director of the Company since 22 December 2000.

The Board (other than Mr Hebiton) unanimously recommends that members vote in favour of the resolution to re-elect Mr Hebiton.

The Chairman intends to vote all available proxies in **favour** of this Resolution.

Fiona Rosalyn Vivienne Bennett

Age: 57

Chairman of the Audit & Risk Committee and member of the Remuneration Committee.

Ms Bennett was appointed as a Non Executive Director of the Board on 29 March 2010. Ms Bennett is a Chartered Accountant with a strong finance and risk management background. She formerly held Senior Executive roles at BHP Billiton Limited and Coles Group Limited and was Chief Financial Officer at several organisations in the health sector. Ms Bennett is Chairman of the Legal Services Board (Victoria) and is also a Director of Beach Energy Limited and Hills Holdings Limited.

The Board (other than Ms Bennett) unanimously recommends that members vote in favour of the resolution to elect Ms Bennett.

The Chairman intends to vote all available proxies in **favour** of this Resolution.

Election of Director

In accordance with Article 8.2 of the Company's Constitution and ASX Listing Rule 14.4, any Director appointed by the Board to fill a vacancy, who is not the Managing Director, may only hold office until the Annual General Meeting following their appointment.

Mr Critchley, appointed by the Board on 7 March 2013, is required to retire at this Annual General Meeting, and being eligible, offers himself for election.

Further information in relation to Mr Critchley is set out below.

Howard John Critchley

Age: 59

Member of the Audit & Risk Committee.

Mr Critchley has long experience in transport and logistics and was formerly Managing Director of TNT Logistics Australia, Asia and China. He then became Managing Director of Ceva Logistics South Pacific when TNT Logistics merged with Eagle Global Logistics and remained in that role until his retirement. Mr Critchley is a Non Executive Director of the TVS Logistics Global Board, a privately owned Indian conglomerate. He is also currently a Non Executive Director of Second Bite and Y Gap, both in the not-for-profit sector. Mr Critchley's long experience as a Senior Executive in transport and logistics brings relevant industrial service sector knowledge to the Boom Logistics Board.

The Board, (other than Mr Critchley) unanimously recommends that Members vote in favour of the resolution to elect Mr Critchley.

The Chairman intends to vote all available proxies in **favour** of this Resolution.

Special Business

Item 3 Adoption of Remuneration Report

As part of the Annual Report provided to all members, a Remuneration Report is required to be included which sets out details of the remuneration for each of the key management personnel (“KMP”) of the Company which includes all Directors. In addition, the Remuneration Report must describe Board policy in respect of remuneration and its relationship to the Company’s performance and provide a detailed summary of any relevant performance conditions, why those particular conditions were chosen, and how performance is measured against them.

Under the resolution in item 3, the Company is seeking member approval of the adoption of the Remuneration Report by the Company. The outcome of this resolution is advisory only, and is not binding on the Company or the Board.

The Chairman will allow a reasonable opportunity for members to ask questions about, or make comments on, the Remuneration Report.

The Board unanimously recommends that members vote in favour of adopting the Remuneration Report.

The Chairman of the Meeting intends to vote all available proxies in **favour** of this Resolution.

Item 4 Grant of Share Units to Managing Director under the Boom Logistics Long Term Incentive Plan

Key definitions

Grant of share units: *Share units given by the Company to an individual **conditional upon** the achievement of performance targets by that individual. At the time of granting, the individual does not have legal ownership of the share units.*

Vesting of share units: *To confer on an individual the legal ownership of the share units previously granted to them **only if** the performance targets have been achieved by that individual.*

Background

The Company’s Long Term Incentive Plan (**the Plan**) is an incentive system designed to improve long-term performance by providing incentives to Senior Management that are tied to the Company’s performance. Under the Plan, the Company must achieve performance outcomes that lead to increasing shareholder value. If the performance outcomes are achieved, then the Senior Managers are given share units in the Company.

The Company uses Return on Capital Employed (**ROCE**) to measure performance. This both reflects the capital intensive nature of Boom's business and is designed to give shareholders an appropriate return on capital employed over the three year period. A good ROCE performance at the end of the 3 year period will ensure that shareholders benefit from significant share price improvement and dividends. ROCE is defined as Trading Earnings before Interest Expense & Tax / (Average Capital Employed less Goodwill). Average Capital Employed is calculated with reference to the opening and closing balances of the financial year.

A performance condition based on the growth in the Company's Total Shareholder Return (**TSR**) over the performance period has not been deemed appropriate. The Company has not performed to its full potential through the trough in the economic cycle and the recent changes in market conditions and as a result, any market based measure of performance, such as TSR, will set too low a target.

How performance is measured

As noted above, the Company's performance is measured with reference to ROCE.

For the share units to vest, the Company's ROCE must be equal to or greater than 13% at the end of a three year performance period. By way of reference, the ROCE achieved by the Company in prior years was 6.6% (year end 30 June 2013) and 9.5% (year end 30 June 2012).

That is, Senior Management only receive share units granted in 2013 at the end of three years (2016) if a target ROCE of 13% or greater is achieved. If this target is not achieved the share units are forfeited.

Performance outcome of the 2010 grant of share units

The share units granted to Senior Management in 2010 will not meet the performance threshold and they will not vest.

Grant of share units and performance condition

Item 4 seeks shareholder approval for the grant of Share Units to Mr Brenden Mitchell, Managing Director of the Company, pursuant to the Plan, and otherwise on the terms and conditions set out in this notice.

The proposed grant of Share Units in 2013 is subject to shareholder approval and will be granted shortly after the Annual General Meeting.

The value of the Share Units to be granted to Mr Mitchell in 2013 will be equivalent to 45% of Mr Mitchell's fixed annual remuneration, being a sum of \$337,500. The number of Share Units to be granted to Mr Mitchell will be calculated by dividing the sum of \$337,500 by the allocation price for each Share Unit (**Allocation Price**), as determined by the Board. Under the Plan rules, the Allocation Price is the Volume Weighted Average Price (**VWAP**) of the share units in the Company as quoted on ASX for the 5 trading days prior to the date of grant of the Share Units. Notwithstanding the actual VWAP calculation, it has been agreed that the Allocation Price will be a minimum of 15¢ per Share Unit. This means that the number of Share Units that may be granted to

Mr Mitchell may be less than (but not more than) the number that would otherwise be granted pursuant to the Plan rules.

ASX Listing Rule 10.15 requires that the maximum number of Share Units that may be acquired by Mr Mitchell pursuant to the approval in item 4 be specified in this Notice of Meeting. It is proposed that Mr Mitchell be awarded a total of up to 2,250,000 Share Units in accordance with the Plan.

Each Share Unit will entitle Mr Mitchell to receive one share in the Company, subject to the relevant performance condition being satisfied and the Share Unit vesting.

As noted above, the Share Units will only vest if the relevant performance condition is satisfied. The performance condition for the 2013 grant of Share Units will be tested over a three year performance period, measured from the commencement of the 2013 financial year (i.e. 1 July 2013) and ending on 30 June 2016.

The performance condition for Mr Mitchell's grant is based on the growth in the Company's Return on Capital Employed (**ROCE**) over the performance period. If the Company's ROCE is equal to or greater than 13% at the end of the performance period, all Share Units will vest. This both reflects the capital intensive nature of Boom's business and is designed to give shareholders an appropriate return on capital employed over the three year period. A return of 13% or greater at the end of the 3 year period will ensure that shareholders benefit from significant share price improvement and dividends.

Other information

- (a) The Managing Director is entitled to share units equivalent in value to 45% of his fixed annual remuneration only if the performance condition is met. Consequently, these share units are purchased by the Employee Share Trust (EST) at the commencement of the performance period each year and sit in trust in the name of the Managing Director until his entitlement to the share units can be determined. In the case of this proposed grant of Share Units, Mr Mitchell's entitlement to these share units will be determined once the financial results for the year ending 30 June 2016 are finalised. Therefore, in effect, these share units are purchased by the EST on behalf of the Managing Director by an interest free non-recourse loan. The share units are purchased and placed into trust at the start of the performance period. At the end of the performance period, if the performance condition is met, the share units vest at no cost to the Managing Director. If the performance hurdle is not met, the share units do not vest and the Managing Director receives no share units.
- (b) At an Annual General Meeting of the Company held on 23 October 2012, the members approved the issue of up to 1,125,000 Share Units to Mr Mitchell under the Company's EST. Following the meeting, the Company issued 1,106,557 Share Units at an issue price of \$0.305 per Share Unit to Mr Mitchell under the Company's EST.
- (c) If members approve the resolution in item 4, the Company will instruct the Trustee of the EST to allocate ordinary share units for the benefit of Mr Mitchell as described above.

- (d) Vesting of the Share Units will be determined at the end of the performance period in 2016, following the announcement of the Company's results for the 30 June 2016 financial year and testing of the performance condition.
- (e) It is expected that the Trustee will allocate the share units for the benefit of Mr Mitchell within 90 days of obtaining member approval of the resolution in Item 4. In any event, any ordinary share units allocated with the benefit of this approval will be issued before the first anniversary of the Annual General Meeting.
- (f) As at the date of this Notice, Mr Mitchell is the only person referred to in ASX Listing Rule 10.14 entitled to participate in the EST.

Key terms of the Plan

- (a) The Board will administer the Plan in accordance with the terms of the Governing Deed (**Terms**) (and any other terms prescribed by the Board for the operation of the Plan which are consistent with the Terms). The Board may from time to time suspend operation of, or cancel, the Plan. The suspension or cancellation of the Plan will not prejudice the existing rights of Participating Employees.
- (b) Subject to the ASX Listing Rules and to specified restrictions in the Terms, the Company may at any time by written instrument or by resolution of the Board, amend all or any of the provisions of the Terms, and make amendments to the Terms, or structure of an offer, as they apply in respect of foreign jurisdictions where such amendments would be appropriate for tax purposes, as determined by the Board.
- (c) The Company has established the Boom Logistics Limited Employee Share Trust (**EST**). The Trustee is Boom Logistics Employee Share Plan Pty Ltd. The beneficial interest in the EST is divided into Share Units.
- (d) The Company makes contributions of share units or advances money in lieu of share units to the EST. Application monies received and accepted by the Trustee must be used to exclusively acquire share units in the Company and allocate those to Share Units in the EST.
- (e) The Company has discretion to determine which employees are invited to apply to the Trustee for Share Units (**Eligible Employee**). Employees who may be invited to participate in the EST are those who are in permanent employment with the Company or an Associated Company and includes any Director holding salaried employment. The Company has absolute discretion to determine the number of Share Units to be issued to an Eligible Employee.
- (f) In the case of an offer of Share Units with respect to unissued share units in the Company, the number of share units when aggregated with the number of share units in the same class issued during the previous 5 years pursuant to the EST or any other employee share plan of the Company must not exceed 5% of the total number of issued share units in that class of the Company as at the time of the offer.
- (g) All share units will rank pari passu in all respects with the other ordinary share units of the Company from the date of issue.

- (h) In general, vesting requires that Participating Employees remain in full time employment with the Company over the performance period.
- (i) At the time Participating Employees wish to redeem or encash their holding, Bonus Share Units are issued by the Trustee if necessary to enable full share value to be received including any growth over the holding period. The Company's contribution is limited to the annual issue of ordinary share units in the Company.
- (j) The Share Units provided to Share Unit Holders have substantially the same rights as if the Share Unit Holders were the legal owners of the Share Units, including the rights to:
 - direct the Trustee how the voting rights attached to the Share Units shall be exercised, however the Trustee will vote on behalf of the Trust not individuals in the Trust; and
 - receive the income derived from the share units including dividends declared in respect of the share units.
- (k) Any entitlement to Share Units which have not vested will be forfeited if Participating Employees resign from employment with the Company or cease employment for any other reason.
- (l) In general, the Share Units are not transferable.
- (m) In the event of a takeover, scheme of arrangement or other change of control as determined by the Board in respect of the Company, Share Units may vest at the discretion of the Board.
- (n) The Board has the discretion to allow non-forfeiture of entitlements to Participating Employees who cease employment in special circumstances.
- (o) The Share Units will vest if the relevant performance condition is satisfied.

The Board (other than Mr Mitchell) unanimously recommend that members vote in favour of this resolution.

The Chairman of the Meeting intends to vote all available proxies in **favour** of this Resolution.

