

## NOTICE OF ANNUAL GENERAL MEETING 2012

**NOTICE IS GIVEN** that the Annual General Meeting of the ordinary shareholders of Hexima Limited ABN 64 079 319 314 ("**Company**") will be held at the KPMG Theatre, Ground Floor, 147 Collins Street, Melbourne, Victoria on Tuesday 20 November 2012 at 11am.

### Ordinary Business

**1. Financial Statements and Reports**

To receive and consider the Financial Report, Directors' Report and Auditor's Report of the Company for the year ended 30 June 2012.

**2. Remuneration Report**

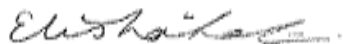
To consider and, if thought fit, to pass the following non-binding resolution:

"That the Remuneration Report of the Company for the year ended 30 June 2012 be adopted and approved."

**3. Election of Directors**

In accordance with the Company's Constitution, Mr Hugh Morgan AC retires by rotation and, being eligible, offers himself for re-election.

**By Order of the Board**



**Elisha Larkin**  
**Company Secretary**

**Dated: 24<sup>th</sup> October 2012**

## Notes

### 1. Defined Terms

Capitalised terms used in this Notice (including those used in the items set out in this Notice) have, unless otherwise defined, the same meanings as set out in the Explanatory Statement attached to this Notice.

### 2. Material Accompanying this Notice

The following materials accompany this Notice:

- (a) the Explanatory Statement setting out details relevant to the business set out in this Notice; and
- (b) Proxy Form and Appointment of Corporate Representative.

### 3. Voting and Required Majority

In accordance with Section 249H of the Corporations Act, for each of these resolutions to be effective –

- (a) not less than 21 days written notice specifying the intention to propose the resolutions has been given; and
- (b) each resolution must be passed by more than 50% of all the votes cast by Shareholders entitled to vote (whether in person or by proxy, attorney or representative).

On a show of hands every Shareholder has, subject to paragraph 4 below, one vote. In a poll, every Shareholder has one vote for each Ordinary Share held.

### 4. Shareholders Eligible to Vote

Pursuant to regulation 7.11.37 of the *Corporations Regulations 2001*, the Board has determined that for the purposes of the AGM, all Ordinary Shares in the Company will be taken to be held by each person whose name appears on the Company's share register at 7.00 pm (AEDT) on Sunday, 18 November 2012 ("**Effective Time**"), who will be entitled to vote on the Resolutions set out in this Notice.

### 5. Proxies and Representatives

- (a) All Shareholders as at the Effective Time who are entitled to attend and vote at the AGM may appoint a proxy for that purpose.
- (b) A proxy need not be a Shareholder of the Company.
- (c) The proxy form sent to you with this Notice should be used for this meeting.
- (d) If you are entitled to cast two or more votes at this meeting, you may appoint two proxies and you may specify the proportion or number of votes that each proxy is entitled to exercise. If you do not specify the proportion or number of votes each proxy may exercise, then each proxy will be entitled to exercise half of the votes. An additional proxy form will be supplied by the Company on request.

- (e) In the case of an individual, a proxy must be under the hand of the individual or his or her attorney who has been authorised in writing. In the case of a corporation, a proxy must be executed by the corporation under common seal or under the hand of its authorised officer or officers or attorney.
- (f) Any Shareholder may, by power of attorney, appoint an attorney to act on that Shareholder's behalf. The power of attorney, or certified copy, must be received by the Company as specified in paragraph (h).
- (g) Any corporation which is a Shareholder of the Company may appoint a representative to act on its behalf. Appointments of representatives must be received by the Company as specified in paragraph (h) at any time before the time of the meeting, or adjourned meeting, or handed in at the meeting.
- (h) Proxies, corporate representatives and powers of attorney granted by Shareholders must be received by the Company by no later than 11 am AEDT on Sunday, 18 November 2012 at the Company's share registry:
  - (i) by delivering in person - Link Market Services, Level 12, 680 George Street, Sydney, New South Wales 2000; or
  - (ii) by post - using the Reply Paid envelope addressed Hexima Limited, C/- Link Market Services Limited, Locked Bag A14, Sydney South, NSW 1235; or
  - (iii) by facsimile - to Link Market Services on (02) 9287 0309; or
  - (iv) online – [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

## EXPLANATORY STATEMENT

### 1. General

- (a) This Explanatory Statement is included in and forms part of the Notice of Annual General Meeting ("**Notice**").
- (b) This Explanatory Statement contains an explanation of, and information about, the Resolutions to be considered at the Annual General Meeting of Hexima on 20 November 2012. It is given to the Shareholders of Hexima Limited ("**Company**") to help them determine how to vote on the Resolutions set out in the accompanying Notice.
- (c) Shareholders should read this Explanatory Statement in full because individual sections do not give a comprehensive review of the Resolutions contemplated in this Explanatory Statement.
- (d) If you are in doubt about what to do in relation to a Resolution, you should consult your financial or other professional advisor.
- (e) This Explanatory Statement is dated 24<sup>th</sup> October 2012.

### 2. Business

#### (a) Item 1 – Financial Reports

The Corporations Act requires the Financial Report, Directors' report and the Auditor's Report (collectively referred to as "**Reports**") to be laid before the AGM.

Neither the Corporations Act nor the Company's Constitution requires Shareholders to vote on such Reports. However, Shareholders will be given the opportunity to raise questions on the Reports at the AGM.

In addition, if the Company's auditor or their representative is present at the AGM, the chair of the meeting will allow a reasonable opportunity for the Shareholders as a whole at the meeting to ask the auditor or the auditor's representative 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.

Any Shareholder entitled to cast a vote at the AGM may submit a written question to the auditor if the question is relevant to:

- (i) the content of the auditor's report to be considered at the AGM; or
- (ii) the conduct of the audit of the annual financial report to be considered at the AGM.

The Shareholders may do so by giving the question to the Company no later than the fifth business day before the day on which the AGM is held. The chairman of the AGM will allow a reasonable opportunity for the auditor or their representative to answer written questions so submitted and that the auditor considers relevant to (i) or (ii) above.

#### (b) Item 2 – Remuneration Report

Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report (which is included in the Directors' Report) is set out on pages 12 to 16 of the Annual Financial Report which is available from the Company's website ([www.hexima.com.au](http://www.hexima.com.au)).

In accordance with section 250R of the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company. Nevertheless, the outcome of the vote will be considered by the Remuneration Committee of the Board when evaluating the remuneration arrangements of the Company.

The Remuneration Report among other things:

- describes the policies behind, and structure of, the remuneration arrangements of the Company and the link between the remuneration of employees and the Company's performance;
- sets out the remuneration arrangements in place for the Non-Executive Directors, Executive Directors and for specified senior executives of the Company; and
- explains the difference between the bases for remunerating Non-Executive Directors and Executives, including Executive Directors.

An opportunity for discussion of the Remuneration Report will be provided at the AGM.

***Directors' recommendation***

The Directors unanimously recommend that Shareholders vote in favour of the Resolution to adopt the Remuneration Report.

**(c) Item 3 – Election of Directors**

Pursuant to the Constitution of the Company, Directors are prohibited from holding office past the third AGM following their appointment or 3 years, whichever is longer. Accordingly, Mr Hugh Morgan AC retires at the Annual General Meeting and, being eligible for re-election, offers himself for re-election.

**Hugh M Morgan AC**, LLB, BCOMM (THE UNIVERSITY OF MELBOURNE)  
Non-Executive Director

Hugh Morgan is Principal of First Charnock Pty Ltd, Chairman of Biodiem Limited and a member of the Lafarge International Advisory Board. He is also a Trustee Emeritus of The Asia Society New York, President of the National Gallery of Victoria Foundation and Chairman of the Order of Australia Association Foundation.

Mr Morgan was a Director of the Board of the Reserve Bank of Australia for 14 years retiring in 2007 and he was President of the Business Council of Australia from 2003-2005. He is also immediate Past President of the Australia Japan Business Co-operation Committee and immediate Past Co-Chair of the Commonwealth Business Council, and continuing Emeritus Director.

Mr Morgan was Chief Executive Officer of WMC Limited from 1986 to 2003. He was a Director of Alcoa of Australia from 1977 to 1998 and a Director of Alcoa Inc from 1998 to 2001.

Mr Morgan has been a Director of the Company since 10 May 2007. He is Chairman of the Audit and Risk Management Committee and a member of the Remuneration Committee.

***Additional information***

Information about Mr Hugh Morgan AC can be found in the Directors' Report which accompanies, and forms part of, the Company's Annual Financial Report.

***Directors' recommendation***

The continuing Directors unanimously support the re-election of Mr Hugh Morgan AC.

### 3. Glossary

**Annual General Meeting** or **AGM** means the Company's annual general meeting, notice of which is given in the Notice.

**Auditor** means the auditor of the Company.

**Auditor's Report** means the report of the Auditor regarding its audit of the Company, and its controlled entities, which accompanies the Financial Report.

**Board** means the Board of Directors of the Company or a committee appointed by the Board of Directors.

**Company** means Hexima Limited ACN 079 319 314.

**Constitution** means the constitution of the Company.

**Corporations Act** means the *Corporations Act 2001 (Cth)*.

**Director** means a director of the Company.

**Director's Report** means the report of the Directors which accompanies the Financial Report.

**Explanatory Statement** means the notes contained in this document that provide details of the business to be considered at the AGM.

**Financial Report** means the annual financial report of the Company, and its controlled entities, for the year ending on 30 June 2012.

**Notice** means the notice of annual general meeting accompanying this Explanatory Statement.

**Ordinary Shares** means fully paid ordinary shares in the capital of the Company.

**Proxy Form** means the proxy form accompanying the Notice.

**Remuneration Report** means the remuneration report of the Company that forms part of the Directors' Report.

**Resolution** means a resolution set out in the Notice.

**Shareholder** means the holder of one or more Ordinary Shares.