



**PROGRAMMED MAINTENANCE SERVICES LIMITED
ABN 61 054 742 264**

**NOTICE OF 2012 ANNUAL GENERAL MEETING
FRIDAY, 3 AUGUST 2012 AT 11.00AM WST**

at

**PARMELIA HILTON PERTH
14 MILL STREET, PERTH, WESTERN AUSTRALIA**

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Shareholders of Programmed Maintenance Services Limited will be held at the Parmelia Hilton Perth, 14 Mill Street, Perth, Western Australia on Friday, 3 August 2012 at 11.00am (WST).

Attached to, and forming part of, this Notice of Meeting is an Information Memorandum that provides Shareholders with background information and further details on the Resolutions to assist Shareholders to understand the reasons for, and the effect of, the Resolutions, if approved.

This information is presented in accordance with the regulatory requirements of the Corporations Act and the ASX Listing Rules. Terms which are defined in section 2 of the Information Memorandum and are used in this Notice of Meeting have the same meaning as in the Information Memorandum.

ORDINARY BUSINESS

DISCUSSION OF FINANCIAL STATEMENTS

To discuss the financial report, the Directors' report and the auditor's report for the year ended 31 March 2012.

RESOLUTION 1- ADOPTION OF REMUNERATION REPORT

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

"That for the purposes of section 250R(2) of the Corporations Act, the remuneration report (which forms part of the Directors' report for the year ended 31 March 2012) be adopted".

Note: Although section 250R(3) of the Corporations Act provides that the vote on this Resolution is advisory only and does not bind the Directors, there are potentially serious consequences associated with a "No" vote greater than 25%. Please see section 3 of the Information Memorandum for details.

Voting Prohibition Statement

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the key management personnel, details of whose remuneration are included in the remuneration report; or
- (b) a closely related party of such a member.

However, a person described above may cast a vote on Resolution 1 if:

- (c) both the following apply:
 - a. the person does so as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 1; and
 - b. the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above; or
- (d) all of the following apply:
 - a. the person is the Chairman of the Meeting; and
 - b. the Chairman does so as a proxy appointed by means of the proxy form circulated with this Notice of Meeting that does not specify how the proxy is to vote on Resolution 1; and
 - c. the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above; and
 - d. the Chairman casts the vote in accordance with his stated voting intention in respect of Resolution 1, which is **FOR** the resolution, which will be deemed to be a casting of a proxy that directs the Chairman of the Meeting to vote in accordance with his stated voting intention.

RESOLUTION 2 - RE-ELECTION OF ROBERT MCKINNON AS A DIRECTOR

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

"To re-elect Mr Robert McKinnon, who was appointed as a Director by the Board on 14 November 2011 and automatically retires from the office of Director in accordance with rule 57 of the Company's Constitution, and being eligible, offers himself for re-election as a Director".

RESOLUTION 3 – RE-ELECTION OF EMMA STEIN AS A DIRECTOR

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

"To re-elect Ms Emma Stein, who retires from the office of Director by rotation in accordance with rule 69 of the Company's Constitution, and being eligible, offers herself for re-election as a Director".

RESOLUTION 4 – ADOPTION OF NEW CONSTITUTION

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

"That, with effect from the close of the Annual General Meeting and in accordance with section 136 of the Corporations Act, the Company adopt the constitution tabled at the meeting (and signed by the Chairman for the purpose of identification, but excluding rule 37 of that constitution, the adoption of which is subject to the passing of Resolution 5) as its constitution in substitution for, and to the exclusion of, both the existing Constitution and the replaceable rules set out in the Corporations Act."

RESOLUTION 5 – ADOPTION OF PROPORTIONAL TAKEOVER PROVISIONS

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

"That, subject to Resolution 4 being passed, with effect from the close of the Annual General Meeting and in accordance with section 136 of the Corporations Act, the Constitution of the Company be amended by inserting after rule 36 the rule 37 of the constitution tabled at the meeting (and signed by the Chairman for the purpose of identification) and adopted by means of Resolution 4."

RESOLUTION 6 – APPROVAL OF MANAGING DIRECTOR'S LONG TERM INCENTIVE PLAN AND GRANT OF PERFORMANCE RIGHTS TO THE MANAGING DIRECTOR

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

"That for the purposes of ASX Listing Rules 10.14 and Exception 9 of ASX Listing Rule 7.2, and for all other purposes, Shareholders approve the Managing Director's Long Term Incentive Plan, and the grant to Mr Christopher Sutherland, the Company's Managing Director, of 150,000 Performance Rights under that Plan on the terms and conditions set out in the Information Memorandum forming part of this Notice of Meeting, and the issue of any Shares on the exercise of those Performance Rights."

Voting Prohibition and Exclusion Statement

A person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 6 if:

- (a) the proxy is either:
 - (i) a member of the key management personnel, details of whose remuneration are included in the remuneration report; or
 - (ii) a closely related party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chairman of the Meeting; and
- (d) the Chairman is appointed by means of the proxy form circulated with this Notice of Meeting that does not specify how the proxy is to vote on Resolution 6; and
- (e) the Chairman casts the vote in accordance with his stating voting intention in respect of Resolution 6, which is **FOR** the resolution,

which will expressly authorise the Chairman of the Meeting to exercise the proxy even if the resolution is connected directly or indirectly with remuneration of a member of the key management personnel of the Company.

In accordance with the ASX Listing Rules, but subject at all times to the voting prohibition set out above, the Company will disregard any votes cast on Resolution 6 by any director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associates of those persons. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

OTHER BUSINESS

To transact any other business that may be brought forward in accordance with the Company's Constitution or the law.

NOTICE IS ALSO GIVEN that the Company's 2012 Annual Report is now available at its website at www.programmed.com.au

By order of the Board



Katina Nadebaum
Company Secretary
27 June 2012

INFORMATION MEMORANDUM

1. INTRODUCTION

This Information Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the AGM of Programmed Maintenance Services Limited, to be held at the Parmelia Hilton Perth, 14 Mill Street, Perth, Western Australia on Friday, 3 August 2012 at 11.00am (WST).

This Information Memorandum forms part of, and should be read in conjunction with, the accompanying Notice of Meeting.

2. GLOSSARY

The following terms and abbreviations used in this Information Memorandum (and the Notice of Meeting to which it relates), have the following meanings:

"AGM or Annual General Meeting"

The annual general meeting of the Company notified to Shareholders by this Notice of Meeting

"ASX"

ASX Limited (ACN 008 624 691) or the financial market conducted by it, as the context requires

"ASX Listing Rules"

The Official Listing Rules of ASX, as amended from time to time

"Closely Related Party" of a member of the key management personnel means:

- a spouse or child of the member; or
- a child of the member's spouse; or
- a dependant of the member or of the member's spouse; or
- anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company; or
- a company that the member controls; or
- a person prescribed by the *Corporations Regulations 2001* (Cth).

"Company" or "Programmed"

Programmed Maintenance Services Limited (ACN 054 742 264)

"Company's Constitution" or "Constitution"

The constitution of Programmed Maintenance Services Limited

"Corporations Act"

Corporations Act 2001 (Cth) as amended from time to time

"Directors" or "Board"

The directors of the Company in office at the date of the Notice of Meeting

“Key Management Personnel” has the same meaning as in the accounting standards. So, the term broadly includes those persons with the authority and responsibility for planning, directing and controlling the activities of the Consolidated Entity (whether directly or indirectly), and includes any director of the Company

"Notice of Meeting"

This notice of meeting incorporating the Information Memorandum

“Resolution”

A resolution contained in the Notice of Meeting to which this Information Memorandum relates

"Share"

Fully paid ordinary share in the capital of the Company

“Shareholder”

Person registered as the holder of Shares in the register of members of the Company

3. RESOLUTION 1: REMUNERATION REPORT

Section 300A of the Corporations Act requires the Directors to include in their report for a financial year, a remuneration report. Section 250R requires that the remuneration report be put to the vote at the Company's AGM.

Whilst the vote on this Resolution is advisory only and does not bind the Directors, there are potentially serious consequences associated with a significant "no" vote.

Following last year's changes to the Corporations Act, if a company's remuneration report receives a 'no' vote of 25 per cent or more at two consecutive annual general meetings, a resolution must then be put to shareholders at the second annual general meeting as to whether another meeting should be held (within 90 days) at which all directors (other than the managing director) who were in office at the date of approval of the applicable directors' report must stand for re-election. So, in summary, Shareholders will be entitled to vote in favour of holding a general meeting to re-elect the board if the remuneration report receives "2 strikes".

The Company's remuneration report for the previous year received overwhelming support of Shareholders ("no" vote of only 1.3%).

Directors' recommendation on Resolution 1

The Board recommends that Shareholders vote in favour of the adoption of the remuneration report.

Chairman voting undirected proxies FOR Resolution 1

If a Shareholder appoints the Chairman as their proxy in relation to Resolution 1, but does not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution on the proxy form, the Shareholder will be directing the Chairman to vote on Resolution 1 in accordance with the Chairman's stated voting intention. The Chairman intends to cast all such proxies **FOR** Resolution 1.

If a Shareholder wishes to appoint the Chairman as proxy with a direction to vote *against*, or *abstain from voting* on Resolution 1, the Shareholder must specify this by ticking the "Against" or "Abstain" boxes opposite Resolution 1 on the proxy form.

4. RESOLUTION 2: RE-ELECTION OF ROBERT MCKINNON AS A DIRECTOR

Shareholder approval is sought for the re-election of Mr Robert McKinnon.

Mr McKinnon was appointed a Non-executive Director by the Board in November 2011. At the AGM, Mr McKinnon will automatically retire from the office of Director in accordance with rule 57 of the Company's Constitution. Being eligible, Mr McKinnon offers himself for re-election as a Director.

Mr McKinnon has 40 years' experience in senior finance and general management positions in the light manufacturing and industrial sectors in Australia, New Zealand and Canada. He is former Managing Director of Austal Ships and Fleetwood Corporation Ltd, and spent 28 years with Capral Aluminium (formerly Alcan Australia) in various financial and senior executive positions.

Mr McKinnon's other directorships include Chairman of the Esperance Port Authority and Tox Free Solutions Ltd. He is a current non-executive director of Bankwest Ltd and a former director of Brierty Limited and OAMPS Limited.

Mr McKinnon is also the Chairman of the Audit & Risk Committee.

Directors' recommendation on Resolution 2

The Board is of the view that it has benefited and will continue to benefit from the skills, knowledge and experience that Mr McKinnon brings through his directorship. Consequently, the Board recommends that Shareholders vote in favour of this Resolution. Mr McKinnon does not make a recommendation in relation to Resolution 2 because he has an interest in the outcome of the Resolution.

5. RESOLUTION 3: RE-ELECTION OF EMMA STEIN AS A DIRECTOR

Ms Emma Stein was last re-elected at the 2010 Annual General Meeting. Rule 69 of the Company's Constitution requires that, at every annual general meeting, one-third of the Directors (other than the Managing Director and any Directors who are to retire by operation of rules 57 and 67 of the Company's Constitution) must retire. Each Director who so retires is eligible to seek re-election at the annual general meeting. There are currently three Directors who fall within this group. As each of these three Directors has been in office for the same amount of time, it was agreed between them (under rule 69.2 of the Company's Constitution) that Ms Stein will retire and seek re-election under rule 69.

A non-executive director since June 2010, Ms Stein has considerable experience in international energy and utilities markets, investments in long life assets and projects, and the upstream oil and gas sector. Formerly the UK Managing Director for French utility Gaz de France's energy retailing operations, Ms Stein moved to Australia in 2003. She is a non-executive director of Clough Limited, Alumina Limited, Transpacific Industries Limited and Diversified Utilities Energy Trust. Her community activities include being a member of the University of Western Sydney's Board of Trustees and a NSW Ambassador for the Guides.

Ms Stein is also the Chair of the HSE Committee and a member of the Audit & Risk Committee.

Directors' recommendation on Resolution 3

The Board is of the view that Ms Stein, as a result of her extensive experience as a director, continues to add considerable value to the Board. Consequently, the Board recommends that Shareholders vote in favour of this Resolution. Ms Stein does not make a recommendation in relation to Resolution 3 because she has an interest in the outcome of the Resolution.

6. RESOLUTION 4: ADOPTION OF NEW CONSTITUTION

The Company's current Constitution was adopted in 1999. Significant changes in the law and market practice since that time have rendered significant parts of the current Constitution outdated. In early 2012, the Board undertook a full review of the Constitution, with a view to proposing wholesale amendments to update it, where required.

Following this review, the Directors formed the view that it was appropriate for the Company to adopt a new constitution that reflects current market practice and terminology, as well as current requirements of the Corporations Act and the ASX Listing Rules. Rather than making a large number of amendments to the Company's current Constitution to incorporate the necessary changes, the Board considers it simpler and more practical to replace the Company's current Constitution with the proposed new constitution.

Resolution 4 seeks Shareholder approval for the adoption of a new constitution in accordance with section 136 of the Corporations Act, which permits the Company to repeal its constitution and, by special resolution, adopt a new one.

It is proposed that the Company's current Constitution be replaced to enable the Company to better function in accordance with its constituent documents, by:

- more closely aligning the Company's constitution with market practice; and
- clarifying and simplifying certain provisions in the Company's current Constitution.

If Resolution 4 is passed, the adoption of the proposed new constitution will become effective from the close of the Annual General Meeting. Rule 37 (proportional takeover approval) of the proposed new constitution will only be adopted if Resolution 5 is passed.

Annexure A to this Notice of Meeting contains a table summarising the key differences between the Company's current Constitution and the proposed new constitution. This summary is not exhaustive. A copy of the proposed new constitution will be sent to any Shareholder upon request, and will also be available for inspection at the Company's registered office during normal business hours prior to the Annual General Meeting, and at the Annual General Meeting.

ASX has confirmed that it does not object to the proposed new constitution, as required under the ASX Listing Rules.

Resolution 4 is a special resolution, which means that a vote to pass this Resolution is decided on a 75% majority of the votes cast by Shareholders entitled to vote.

Directors' recommendation on Resolution 4

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

7. RESOLUTION 5: ADOPTION OF PROPORTIONAL TAKEOVER PROVISIONS

Subject to approval of Resolution 4 and the Company adopting a new constitution pursuant to that Resolution, Resolution 5 (if passed) would adopt rule 37 of the proposed new constitution, regarding proportional takeover approval under section 648D of the Corporations Act. The adoption of rule 37 would operate for three years, and would then cease to apply unless renewed by a further special resolution of Shareholders.

If Resolution 5 is passed, then for 21 days after the Annual General Meeting, the holders of at least 10% of the total issued Shares would have the right to apply to the Court to have Resolution 5 set aside. The Court may set aside Resolution 5 if the Court is satisfied in all the circumstances that it is appropriate to do so.

The Corporations Act requires certain information to be included in a notice of meeting where a company seeks the approval of its shareholders to adopt proportional takeover provisions. This information is set out below.

Proportional takeover bid

A proportional takeover bid is a takeover bid that is sent to all members in a class, offering to purchase only a specified proportion of each member's shares. If a member accepts, the member disposes of that specified portion and retains the balance.

Effects of the proportional takeover provisions

The effects of the proportional takeover provisions are that:

- if a bidder makes a proportional takeover bid for any class of shares in the Company, the Directors must ensure that a meeting of members of that class is convened where a resolution to approve the proportional takeover bid is voted upon. The vote is decided on a simple majority. The bidder and its associates are excluded from voting on that approving resolution;
- the meeting and the vote on the approving resolution must take place more than 14 days before the last day of the bid period;
- if the approving resolution is rejected before the deadline, the bid cannot proceed and the offer will be taken to have been withdrawn. Any transfers giving effect to takeover contracts for the bid will not be registered and all offers under the takeover bid are taken to be withdrawn and all takeover contracts must be rescinded;
- if the approving resolution is not voted on, the bid will be taken to have been approved; and
- if the approving resolution is passed (or taken to have been approved), the transfers must be registered (subject to other provisions of the Corporations Act and the Company's constitution).

The proportional takeover provisions do not apply to full takeover bids.

Reasons for the proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having an opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of not being able to exit their investment in the Company by selling their entire shareholding and consequently being left as part of a minority interest in the Company. The bidder may be able to acquire control of the Company without paying an adequate control premium.

The Board believes that the proposed rule 37 is desirable to give Shareholders protection from these risks inherent in proportional takeover bids – this is protection that the Corporations Act provisions are intended to provide.

The proposed amendment to the constitution allows Shareholders to decide if a proportional takeover bid is acceptable in principle, and assist in ensuring that any proportional takeover bid is appropriately priced.

To assess the merits of the proposed rule 37, Shareholders should make a judgement as to what events are likely to occur to the Company during the three year life of the proposed rule 37.

Potential advantages and disadvantages

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for the Directors, and that they remain free to make a recommendation on whether or not an offer under a proportional takeover bid should be accepted.

The Directors also note that it could be argued that proposed rule 37 is an advantage to them as a takeover defence mechanism that could be exploited to entrench the incumbent board. However, the Board believes that argument ignores the basic object of rule 37, which is to empower Shareholders, not the Board.

The potential advantages for Shareholders of the proportional takeover provisions include the following:

- Shareholders have the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- they may assist Shareholders and protect them from being locked in as a minority;
- they increase the bargaining power of Shareholders and may assist in ensuring that any proportional takeover bid is adequately priced; and
- each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders and assist in deciding whether to accept or reject an offer under a proportional takeover bid.

The potential disadvantages for Shareholders include the following:

- proportional takeover bids for Shares may be discouraged and that discouragement may lead to a depressed share price;
- Shareholders may lose an opportunity to sell some of their Shares at a premium;
- individual Shareholders may consider that rule 37 would restrict their ability to deal with their Shares as they see fit; and
- the likelihood of a proportional takeover bid succeeding may be reduced.

Knowledge of any acquisition proposals

As at the day on which this Information Memorandum is prepared, no Director is aware of a proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Directors' recommendation on Resolution 5

The Directors believe that the inclusion of the proposed rule 37 in the constitution is in the best interests of the Company and its Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 5.

8. RESOLUTION 6: APPROVAL OF MANAGING DIRECTOR'S LONG TERM INCENTIVE PLAN AND GRANT OF PERFORMANCE RIGHTS TO THE MANAGING DIRECTOR

As announced to ASX on 7 January 2008, and as disclosed in the Remuneration Report set out on pages 21 to 37 of the 2012 Annual Report, the remuneration of the Company's Managing Director, Christopher Sutherland (in accordance with his Executive Services Agreement) comprises:

- fixed annual remuneration (being a base salary, superannuation contribution, and benefits in accordance with Company's policies);
- a short term incentive bonus ("STI") of up to 75 per cent of fixed remuneration payable in the Company's shares or cash upon the achievement of key performance indicators (to be agreed between Mr Sutherland and the Board); and
- a long term incentive ("LTI") plan, which takes the form of an issue of performance rights, which may be exercisable into Shares, subject to the terms of grant of the LTI.

In relation to the LTI component, it is proposed that, subject to Shareholder approval of Resolution 6, Mr Sutherland be granted 150,000 Performance Rights, which will vest in 4 years (on 1 July 2016), subject to the applicable performance criteria being met.

The differences between the previous issues of Performance Rights to Mr Sutherland and the proposed issue the subject of Resolution 6 are as follows:

- the inclusion of an additional performance criteria, measured against the growth of the Company's earnings per share; and
- an adjustment to the performance criteria relating to total shareholder returns ("**TSR**"), so that the number of Performance Rights that actually vest will change on a pro-rata basis from 0 to 100% (depending on TSR performance), rather than move from 0 to 50% at a single point. Under the performance criteria applicable to Mr Sutherland's previously approved performance rights, 50% of performance rights would vest if TSR performance was at the 50th percentile, and nil would vest if TSR performance was below that. As set out in more detail below, the Performance Rights the subject of Resolution 6 will start to vest if TSR performance is at the 40th percentile, and then vest pro-rata from that point on, such that TSR performance at the 57th percentile would need to be achieved before 50% of the Performance Rights would vest.

Each Performance Right is exercisable into one Share. No amount is payable by Mr Sutherland on either the grant or the exercise of a Performance Right.

The non-executive Directors:

- (a) believe that the continued success of the Company will depend in large measure on the skills, motivation and leadership of Mr Sutherland in overseeing the management of the Company's operations and strategy;
- (b) took into account the nature of Mr Sutherland's position, the function and purpose of the long term incentive component of the Company's remuneration strategy, benchmarking against the practices of its Australian peer companies and other relevant information provided by external remuneration consultants; and
- (c) consider that the grant of these performance rights is an appropriate form of remuneration and is part of a reasonable remuneration package (taking into account the Company's and Mr Sutherland's circumstances).

The ability of Mr Sutherland to exercise the Performance Rights referred to above will be subject to satisfaction of the performance criteria described below, so that:

- 75,000 Performance Rights are subject to performance criteria 1 – Total Shareholder Return ("**TSR Performance Rights**"), and
- 75,000 Performance Rights are subject to performance criteria 2 – Earnings Per Share ("**EPS Performance Rights**").

(a) Performance criteria 1: Total Shareholder Return (“TSR”)

Mr Sutherland will be entitled to be issued with a maximum of 75,000 TSR Performance Rights, based on the Company’s performance by reference to the TSR over the relevant period (the “**Performance Period**” being the period from 1 July 2012 to 1 July 2016) when compared with the TSR for each company in a group of peer companies. The peer group of companies comprises the companies listed in the S&P/ASX 300 (ranked by market capitalisation) after excluding resource companies, banks and listed property trusts. A peer company continues to be included in the comparator group for the entire Performance Period, except where the company is delisted due to takeover or merger. New entrants into the ASX300 during the performance period are excluded.

The Company’s performance ranking within that group of peer companies at the end of the relevant Performance Period determines the number of TSR Performance Rights that may be exercised by Mr Sutherland, as follows:

Performance Criteria	TSR Performance Rights exercisable
Below 40th percentile	None exercisable
Between 40th and 75th percentile (inclusive)	Exercisable TSR Performance Rights to be determined on a straight line escalation to the 75 th percentile
Above 75th percentile	100% of TSR Performance Rights exercisable

(b) Performance criteria 2: Earnings Per Share (“EPS”)

Mr Sutherland will be entitled to be issued with a maximum of 75,000 EPS Performance Rights, depending on the Company’s performance. A target range for the average annual growth in diluted EPS over the 4 year vesting period of the EPS Performance Rights has been established to determine the number of EPS Performance Rights that may be exercised by Mr Sutherland, as follows:

Performance Criteria	EPS Performance Rights exercisable
Average growth of less than 5%	None exercisable
Average growth from 5% to 15%	Exercisable EPS Performance Rights to be determined on a pro-rata basis, with a straight line escalation

The starting EPS would be the reported audited EPS for the prior financial year ending 31 March.

Other LTI terms

The Board will have the discretion to make minor alterations to benefit the overall administration of the Performance Rights, or any alteration to take account of a change in legislation or to make any accounting adjustments to ensure fairness and that the plan's intentions are met, or to obtain or maintain favourable tax, exchange control or regulatory treatment for Mr Sutherland or the Company.

If a change of control event occurs, the number of Performance Rights that will vest will be the greater of:

- 50% the Performance Rights; and
- such number of the Performance Rights as determined in accordance with the performance criteria set out on pages 12 and 13 of this Information Memorandum (subject to the modifications in the following paragraphs).

For this purpose, a **"change of control event"** occurs:

- a) if a takeover bid is made for all of the ordinary shares in the Company, when takeover offers are accepted in respect of at least 50% of the total voting shares in the Company;
- b) when (pursuant to an application made to the court) the court orders a meeting of the Company's shareholders to be held in relation to a proposed compromise or arrangement for the purpose of, or in connection with, a merger by scheme of arrangement under Part 5.1 of the Corporations Act; or
- c) a person's voting power in the Company increases from less than 50% to 50% or more (whether under a takeover bid or otherwise).

If the change of control event is a takeover bid or a scheme or arrangement, the Company will ensure that any Shares to be issued upon any exercise of Performance Rights that become exercisable in accordance with the preceding paragraph are issued to Mr Sutherland with sufficient time to enable him to participate in the takeover bid or vote on the scheme of arrangement (as applicable) along with other Shareholders.

In determining whether the performance criteria have been satisfied in the case of a change of control event, the performance period will be taken to be from 1 July 2012 to the date on which the change of control event occurs, and the following principles will be applied:

- performance criteria 1 – Total Shareholder Return: the price (including, if appropriate, implied price) of the Company's shares under a takeover bid, scheme of arrangement or other control transaction, will be used in determining the Company's TSR performance ranking; and

- performance criteria 2 – Earnings Per Share: the average of the Company's EPS in the two reported half-years immediately preceding the change of control event will be used to determine the Company's average EPS growth.

In the event that an order is made for the compulsory winding up of the Company, or if the Company passes a resolution for a voluntary winding up, all unvested Performance Rights will lapse.

In the event of any capital reconstruction (such as a bonus issue or rights issue) the number of Performance Rights will be adjusted, at the discretion of the Board, in proportion to the impact of the capital reconstruction.

If Mr Sutherland leaves the Company's employment before the Performance Rights become exercisable, for any reason other than:

- the Company terminating his employment contract by reason of his breach of that contract; or
- his resignation from the position of Managing Director,

then Mr Sutherland may be entitled to retain a pro-rata portion of the Performance Rights that have been issued to him, if an initial 24-month qualifying period from the date of the issue of the Performance Rights has passed and the minimum performance criteria in relation to the Company's EPS and TSR performance (as set out on pages 12 and 13 of this Information Memorandum) have been met. The performance period in relation to the Performance Rights in this case will be taken to be from 1 July 2012 to the date on which Mr Sutherland's employment ends (assuming it is more than 24 months after the date of grant).

Shareholder approval for the grant and exercise of the Performance Rights (the subject of Resolution 6) is sought for the purposes of ASX Listing Rule 10.14, which provides that a Company must not permit a director to acquire securities under an employee incentive scheme without the approval of shareholders, where that acquisition of securities is by way of an issue of new securities. Approval under Listing Rule 10.14 is an exception to the prohibition on a Company issuing shares to related parties without shareholder approval under Listing Rule 10.11. Approval is also being sought pursuant to Exception 9 of Listing Rule 7.2, to ensure that these Performance Rights (and any Shares issued on any exercise of the Performance Rights) do not otherwise count towards the Company's 15 per cent capacity to issue securities within any 12 month period under Listing Rule 7.1 (thus preserving flexibility for the Company).

Subject to Shareholder approval, the Performance Rights (the subject of Resolution 6) will be granted on the terms and conditions set out in this Information Memorandum.

Requirements of the ASX Listing Rules

In accordance with the requirements of ASX Listing Rules 10.15 and Exception 9 of Listing Rule 7.2, the following information is provided to Shareholders to allow them to assess the proposed grant of Performance Rights:

- The only participant in these arrangements is Mr Sutherland, the Company's Managing Director.
- The maximum number of securities that may be issued pursuant to this arrangement is 150,000 Performance Rights. If all of the performance criteria are satisfied, and Mr Sutherland seeks to exercise each of these rights, he would receive a maximum of 150,000 Shares.
- No amount is payable by Mr Sutherland to acquire the Performance Rights (other than the provision of his services to the Company) or upon the exercise of a Performance Right (but the relevant performance criteria must first be satisfied before Performance Rights can be exercised).
- Approval was sought (and obtained) at the Company's 2011 AGM to issue Mr Sutherland 450,000 performance rights pursuant to Mr Sutherland's LTI arrangements, and those performance rights were issued to Mr Sutherland on 2 July 2011. No other persons have received securities or interests under this LTI scheme.
- Approval was sought (and obtained) at the Company's 2008 AGM to issue Mr Sutherland 180,000 performance rights (of which, 60,000 lapsed on 16 February 2012) and 450,000 performance options pursuant to Mr Sutherland's LTI arrangement. No other persons have received securities or interests under this LTI scheme.
- Mr Sutherland is the only person eligible to participate in this LTI arrangement.
- A voting exclusion statement is included in the Notice of Meeting (of which this Information Memorandum forms part).
- No loan is being made available to Mr Sutherland in connection with this LTI arrangement.
- The Performance Rights will be issued to Mr Sutherland as soon as practicable following shareholder approval (and in any event within 1 month of the date of the meeting).

Non- executive Directors' recommendation on Resolution 6

In the non-executive Directors' view, it is in the best interests of shareholders to approve this share based LTI arrangement for the Company's Managing Director, Christopher Sutherland, because it appropriately aligns his remuneration with shareholder returns due to the significant performance criteria the Company must achieve for the LTI components to become exercisable. The non-executive Directors therefore recommend that shareholders approve this resolution.

Chairman voting undirected proxies FOR Resolution 6

If a Shareholder appoints the Chairman as their proxy in relation to Resolution 6, but does not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution on the proxy form, the Shareholder will be expressly authorising the Chairman to vote on Resolution 6 in accordance with the Chairman's stated voting intention. The Chairman intends to cast all such proxies **FOR** Resolution 6.

If a Shareholder wishes to appoint the Chairman as proxy with a direction to vote *against*, or *abstain from voting* on Resolution 6, the Shareholder must specify this by ticking the "Against" or "Abstain" boxes opposite Resolution 6 on the proxy form.

NOTES

Determination of Shareholders' Right to Vote

For the purposes of the AGM, Shares will be taken to be held by persons who are registered as Shareholders as at 5.00pm (WST) on 1 August 2012. Accordingly, transactions registered after that time will be disregarded in determining Shareholders entitled to attend and vote at the AGM.

Appointment of Proxy

A Shareholder has the right to appoint a proxy who need not be a Shareholder. If a Shareholder is entitled to cast two or more votes, they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise.

New sections 250BB and 250BC of the Corporations Act governing voting by proxy took effect on 1 August 2011. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this AGM. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

More detail on these changes is provided below.

Proxy vote if appointment specifies way to vote

Section 250BB provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of Shareholders; and
- the appointed proxy is not the chair of the meeting;
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

then the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

Proxies on Resolution 1 (Adoption of Remuneration Report)

If a Shareholder appoints the Chairman as their proxy in relation to Resolution 1 (Adoption of Remuneration Report) but does not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution on the proxy form, they will be directing the Chairman to vote on Resolution 1 in accordance with the Chairman's stated voting intention. The Chairman intends to vote **FOR** Resolution 1.

If a Shareholder wishes to appoint the Chairman as proxy with a direction to vote against, or abstain from voting on Resolution 1, they must specify this by ticking the "Against" or "Abstain" boxes next to Resolution 1 on the proxy form.

Proxies on Resolution 6 (Approval of Managing Director's Long Term Incentive Plan and Grant of Performance Rights to the Managing Director)

If a Shareholder appoints the Chairman as their proxy in relation to Resolution 6 (Approval of Managing Director's Long Term Incentive Plan and Grant of Performance Rights to the Managing Director) but does not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution on the proxy form, they will be expressly authorising the Chairman to vote on Resolution 6 in accordance with the Chairman's stated voting intention. The Chairman intends to vote **FOR** Resolution 6.

If a Shareholder wishes to appoint the Chairman as proxy with a direction to vote against, or abstain from voting on Resolution 6, they must specify this by ticking the "Against" or "Abstain" boxes next to Resolution 6 on the proxy form.

Proxy form instructions

The completed proxy form enclosed with this Notice of Meeting (and, if it is executed by an attorney, the relevant power of attorney or a certified copy of it) must be received by the Company at the address specified below by 11.00am (WST) Wednesday, 1 August 2012.

A proxy can be appointed electronically by visiting www.investorvote.com.au and following the instructions provided. A proxy can be appointed online if they are appointed under power of attorney or similar authority.

For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting instructions.

For the purposes of section 249X(1A) of the Corporations Act, Shareholders are advised that the proxy appointed may be an individual or body corporate. A body corporate appointed as a Shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the AGM. The representative should bring to the AGM evidence of his or her appointment, including any authority under which the appointment is signed, unless it has been previously given to the Company.

In accordance with section 250BA of the Corporations Act, the Company specifies the following information for the purposes of receipt of proxy appointments:

Share Registry: Computershare Investor Services Pty Ltd
 Level 2, 45 St George's Terrace
 Perth WA 6000

Facsimile Number: (within Australia) 1800 783 447 (outside Australia) +61 3 9473 2555

Postal Address: GPO Box 242 MELBOURNE VIC 3001

Bodies corporate

In accordance with section 250D of the Corporations Act, a body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at a meeting of a company's shareholders. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution.

The representative should bring to the AGM evidence of his or her appointment, including any authority under which it is signed, unless it has previously been given to the Company.

ANNEXURE A – SUMMARY OF KEY DIFFERENCES BETWEEN THE EXISTING CONSTITUTION AND THE PROPOSED NEW CONSTITUTION

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
DIRECTORS		
Number of directors	<p>The number of directors (not including Alternates) must be the number, not less than three nor more than 10, which the Board determines.</p> <p>The Board may not reduce the number below the number of directors in office at the time of the reduction (Rule 56).</p>	<p>The Company must have at least three and not more than 10 directors (not including Alternates). The Board may determine to increase the maximum number of directors but the maximum can only be reduced by the Company in general meeting (Rule 3.1).</p>
Retirement of directors	<p>At every AGM, one-third of directors or, if their number is not a multiple of three, then the number nearest to but not less than one-third, must retire from office (Rule 69.1).</p>	<p>A director must retire from office at the third AGM after their election but may elect to retire before this time, provided they give the Board at least 35 business days' notice of their intention to do so.</p> <p>An election of directors must be held at every AGM. If no election of directors is scheduled to occur at an AGM under the rules relating to the retirement of directors, then one director must retire at the AGM.</p> <p>A director who retires under these provisions is eligible for re-election (Rule 3.6).</p>

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
<p>Cessation of a director's appointment</p>	<p>The office of a director is terminated if:</p> <ul style="list-style-type: none"> • the director is absent from Board meetings for three consecutive calendar months without leave of absence from the Board; • the director resigns; • the director is removed from office or prohibited from being a director under the Corporations Law; or • a director who is an employee of the Company or a subsidiary ceases to be so employed (Rules 67 & 68). 	<p>A person ceases to be a director if:</p> <ul style="list-style-type: none"> • they are not permitted by the Corporations Act to be a director; • they become disqualified from managing corporations under the Corporations Act; • they become of unsound mind or incapable of performing the functions of the office; • they fail to attend three consecutive Board meetings without leave of absence from the Board; • they resign; • they are removed from office under Rule 3.10 of the proposed new constitution; • they cease to be eligible to act as a director under Rule 3.2 of the proposed new constitution; or • they are also an employee of the Company or a subsidiary and they cease to be so employed (Rule 3.9).
<p>Removal of directors from office</p>	<p>No equivalent provision.</p>	<p>Directors can be removed from office by ordinary resolution or by written notice to the Company from members holding a majority of voting shares (in addition to the powers to remove a director under s 203D CA) (Rule 3.10).</p>

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
Termination of appointment of alternate directors	The office of an alternate director is terminated on the death of, or termination of office by, the director by whom the alternate director was appointed (Rule 66(c)).	An appointment of an Alternate immediately ceases if the Appointer dies or ceases to be a director, or an event occurs which would cause the Alternate to cease to be a director if the Alternate were a director (Rule 4.4).
Too few directors	If the number of directors is reduced below three, the continuing directors may only act as the Board to appoint directors up to the minimum number required and to convene a meeting of members (Rule 78.2).	In addition to the provisions in the existing constitution, under the proposed new constitution the continuing directors may also act as the Board in emergencies (Rule 3.11).
Delegation of powers of Board to Managing Director	The existing constitution only permits the powers of the Managing Director to be concurrent with, and not to the exclusion of, the powers of the Board (Rule 70).	The proposed new constitution allows the powers of the Managing Director to be concurrent with, or to the exclusion of, the powers of the Board (Rule 7.1(b)). This gives the Board a discretion as to how the powers are conferred. In any case, the delegated powers can be revoked at any time.
Remuneration of directors	For the Managing Director, remuneration may be paid by way of commission on or participation in profits (in addition to salary) (Rule 70).	The provision in the existing constitution allowing remuneration to be paid by way of commission on or participation in profits is inconsistent with Listing Rule 10.17. The remuneration of both executive and non-executive directors must not include a commission on, or percentage of, operating revenue (Rules 10.1 and 10.2). The remuneration of non-executive directors is allocated among them on an equal basis having regard to the proportion of the relevant year for which each director held office, or as otherwise

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
Majority decisions of the Board	A resolution of the Board must be passed by a majority of votes. Where there is an equality of votes, the Chairman has a second or casting vote, except when only two directors are present or competent to vote on the question at issue (Rule 74).	<p>decided by the Board. The remuneration is provided in the manner the Board decides, which may include the provision of non-cash benefits (Rule 10.2).</p> <p>A resolution of the Board must be passed by a majority of votes cast by those entitled to vote on the matter. Where there is an equality of votes, the Chairman has a second or casting vote, except where only two directors are entitled to vote, or the Chairman is not entitled to vote. If the Chairman does not have a second or casting vote, the matter is decided in the negative (Rule 12.6).</p>
MEETINGS OF MEMBERS		
Notice of meeting of members	Notice of a general meeting may be given in the form and manner in which the Board thinks fit (Rule 39).	Notice of a meeting of members must comply with the relevant sections of the Corporations Act and regulations and the ASX Listing Rules. Each member, each director (other than an Alternate) and the auditor must receive at least 28 days' written notice of a meeting of members (Rule 13.3).
Postponement or cancellation of meeting of members	The Board may resolve to cancel or postpone a general meeting prior to the date on which it is to be held, except where it would be contrary to the Corporations Law. The Board may give notice of cancellation or postponement as it thinks fit (Rule 38).	The Board may postpone, cancel or change the place for a general meeting, by written notice to the ASX (Rule 13.4). If a meeting of members is postponed or adjourned for one month or more, the Company must give new notice of the resumed meeting (Rule 13.5).

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
<p>Attendance at meeting of members</p>	<p>No equivalent provision.</p>	<p>Every member has the right to attend a meeting of members, every director has the right to attend and speak at a meeting of members, and the auditor has the right to attend a meeting of members and speak on any part of the business which concerns the auditor (Rule 14.5).</p> <p>If a call on a share is due and unpaid, the holding of that share does not entitle the member to be present, speak or vote at, or be counted in the quorum for, a meeting of members (Rule 14.6).</p>
<p>Technology at meetings of members</p>	<p>No equivalent provision.</p>	<p>The Company may hold a meeting of members at two or more venues using any technology that gives members a reasonable opportunity to participate (Rule 13.7).</p>
<p>Quorum for meetings of members</p>	<p>No equivalent provision.</p>	<p>Each individual present may only be counted once toward a quorum. If a member has appointed more than one proxy or representative only one of them may be counted toward a quorum (Rule 14.2).</p>
<p>Chairman of meetings of members</p>	<p>If there is no Chairman or Deputy Chairman of the Board, or they are not present at the time of the meeting, or they are unwilling to act as Chairman of the meeting of members, and no other director is present or no other director is willing to act as Chairman, a shareholder chosen by the shareholders present may chair the meeting (Rule 42).</p>	<p>If there is no Chairman or Deputy Chairman of the Board, or they are not present at the time of the meeting, or they are unwilling to chair the meeting of members, the directors present must elect a member or director present to chair the meeting (Rule 14.4).</p>

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
<p>Chairman's powers at meetings of members</p>	<p>The Chairman determines the conduct and procedures of each general meeting. Any determination by the Chairman in relation to matters of procedure or matters arising from the business of the meeting is final (Rule 44).</p>	<p>The Chairman:</p> <ul style="list-style-type: none"> • is responsible for the general conduct and procedures of the meeting of members; • may terminate discussion on any matter being considered by the meeting; • may eject a member from the meeting; • may invite a person who is not a member to attend and speak at a meeting; • may nominate a separate meeting place if he or she considers there are too many persons present at a meeting; and • may take any action the Chairman considers appropriate for the safety of persons attending the meeting and the orderly conduct of the meeting (Rules 14.7 & 14.8).
<p>Proxies</p>	<p>No equivalent provisions.</p>	<p>No more than two proxies may be appointed by a member to act for the member at a meeting of members (Rule 15.1). If a member appoints two proxies but does not specify the proportion of the member's votes each proxy may exercise, each proxy may exercise half of those votes (Rule 15.1). A member may make a standing appointment of a proxy, attorney or representative (which may be revoked) (Rule 15.6). The appointment of a proxy or attorney is not revoked by the</p>

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
		<p>member attending and taking part in the general meeting. However, if the member votes on a resolution, the proxy or attorney must not also vote (Rule 15.7).</p>
<p>Appointment of an attorney</p>	<p>A member may appoint an attorney to act on its behalf at a meeting by duly executing a power of attorney and producing it for inspection at the registered office of the Company (Rule 55).</p>	<p>A member may appoint an attorney to act at a meeting of members. If the appointer is an individual, the power of attorney must be signed in the presence of at least one witness (Rule 15.2).</p> <p>The instrument effecting the appointment of an attorney must be received by the Company at least 48 hours before the time for which the meeting was called (Rule 15.3).</p>
<p>Priority of appointments of attorney, representative or proxy</p>	<p>No equivalent provision.</p>	<p>If more than one attorney or representative appointed by a member is present at a meeting of members, the person appointed to act at that particular meeting may act to the exclusion of a person appointed under a standing appointment and the person appointed under a more recent appointment may act to the exclusion of the person appointed earlier in time (Rule 15.8).</p> <p>An appointment of proxy by a member is revoked (or a standing appointment is suspended for that meeting) if the Company receives a further appointment of proxy which would result in there being more than two proxies of that member entitled to act at a meeting (Rule 15.9).</p>

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
Voting restrictions	No equivalent provision.	If the Corporations Act or the ASX Listing Rules require that some members are not to vote on a resolution and the notice of the meeting at which the resolution is proposed states that fact, those members have no right to vote on that resolution and their votes must not be counted (Rule 16.6).
Demand for a poll	A poll may be demanded by shareholders in accordance with the Corporations Law or by the Chairman (Rule 47).	<p>A poll may be demanded by:</p> <ul style="list-style-type: none"> • at least five members entitled to vote on the resolution; <p>or</p> <ul style="list-style-type: none"> • members entitled to cast at least 5% of the votes that may be cast on the resolution on a poll; or • the Chairman.
Determining voting entitlements	No equivalent provision.	<p>To decide who the members of the company are and how many shares they hold for the purposes of a particular meeting, the Company must refer only:</p> <ul style="list-style-type: none"> • to the Register as it stood 48 hours before the meeting or at any later time required by the ASX Settlement Rules; or • if the convenor of the meeting determined a specified time under the regulations made under s 1074E before notice of the meeting was given, to the Register as it stood at that time (Rule 16.1).

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
<p>Casting vote of Chairman</p>	<p>In the case of an equality of votes on a question submitted to a general meeting, the Chairman has a casting vote in addition to his or her vote/s as a shareholder, proxy, attorney or representative of a shareholder (Rule 46).</p>	<p>The Chairman has a casting vote. However, if the Chairman is not entitled to vote on the resolution, the matter is decided in the negative (Rule 16.3).</p>
SHARES		
<p>Variation of rights</p>	<p>No equivalent provision.</p>	<p>If the Company issues different classes of shares, the rights attached to shares in any class may be varied or cancelled only:</p> <ul style="list-style-type: none"> • with the written consent of the holders of 75% of the issued shares of the affected class; or • by special resolution passed at a meeting of the holders of the issued shares of the affected class (Rule 22.6).
<p>Calls on partly paid shares</p>	<p>The Board may make calls on shareholders in respect of money unpaid on their shares (Rule 15). The non-receipt of a notice of any call by, or the accidental omission to give notice of any call to, a shareholder does not invalidate the call (Rule 17).</p>	<p>The Board may make calls on a member for the money unpaid on a share held by that member (Rule 25.3). The Board may accept prepayment of amounts unpaid on a share in advance of calls (Rule 25.2). The Company must give a member written notice of a call in the form and within the time limits required by the ASX Listing Rules (Rule 25.4).</p>
<p>Brokerage and commissions</p>	<p>No equivalent provision.</p>	<p>The Company may pay brokerage or commissions in respect of a person agreeing to take up shares in the Company (Rule 22.4).</p>

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
Unmarketable parcels	No equivalent provision.	<p>The Board may sell a share that is part of an Unmarketable Parcel if it does so in accordance with Rule 31.</p> <p>The provisions of the proposed new constitution regarding the sale of unmarketable parcels are consistent with requirements of the ASX Listing Rules.</p>
Conversion of shares	No equivalent provision.	The Company may convert an ordinary share into a preference share, a preference share into an ordinary share, or any of its shares into a larger or smaller number of shares by ordinary resolution (Rule 32.3).
Alteration of share capital	The Company in general meeting may reduce or alter its share capital in any manner provided for by the Corporations Law (Rule 37).	The Company may reduce its share capital by reduction of capital, buying back shares, or any other way permitted by the Corporations Act.
Share plans	The Board may establish one or more dividend plans (Rule 88) or employee share plans (Rule 89).	The Board has the power to adopt and implement one or more share plans (Rule 28).
Certificates	The Board may determine to issue, cancel or replace certificates for securities of the Company on the basis and in the form it thinks fit from time to time (Rule 13).	Unless the ASX Listing Rules and the ASX Settlement Operating Rules allow the Company to issue a certificate for particular securities, the Company must not issue a certificate and may cancel a certificate without issuing another (Rule 23).
Forfeiture notice	If a shareholder fails to pay any sum payable in respect of shares, the Board may serve a notice on them requiring them to pay the sum on or before a day specified in the notice or have their shares forfeited (Rules 20 & 21).	A forfeiture notice given to a member requiring them to pay a called amount or have their shares forfeited must specify a date at least 14 days after the date of the notice by which payment of the called amount must be made (Rule 25.9).

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
<p>Company liens</p>	<p>The Board may sell shares subject to a lien or charge for the purpose of enforcing that lien or charge, with or without giving notice to the registered shareholder (Rule 28).</p>	<p>The Company cannot sell a share to enforce a lien on that share unless it has given notice to the registered holder of the share:</p> <ul style="list-style-type: none"> • requiring payment of the amount due; • stating the amount due at the date of the notice; • specifying how to calculate the amount due when payment is made; and • specifying a date (at least 10 business days after the date of the notice) and a place at which payment must be made (Rule 26.2).
TRANSFER AND TRANSMISSION OF SHARES		
<p>Transfer of shares</p>	<p>A transfer of securities may be effected by a written transfer, a proper SCH transfer or any other electronic system recognised by the Listing Rules in which the Company participates (Rule 31.1).</p>	<p>A member may transfer shares by any means permitted by the Corporations Act or by law. Unless permitted by the Listing Rules, the Company must not charge any fee on transfer of a share (Rule 29.1).</p> <p>The Company may do anything permitted by the Corporations Act, ASX Listing Rules or ASX Settlement Operating Rules in connection with taking part in a computerised or electronic system for dealing in shares. The Company must comply with the ASX Listing Rules or ASX Settlement Rules in relation to transfers of shares (Rule 29.2).</p>

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
Refusal to register transfer	The provisions in the existing constitution need to be updated to reflect changes to the relevant ASX Listing Rules (Rule 32).	<p>The Board may refuse to register a transfer of shares only if that refusal would not contravene the ASX Listing Rules or the ASX Settlement Operating Rules.</p> <p>The Board must not register a transfer if the Corporations Act, the ASX Listing Rules or the ASX Settlement Operating Rules forbid registration.</p> <p>If the Board refuses to register a transfer, the Company must give the lodging party notice of the refusal and the reasons for it within five business days of delivery of the transfer to it (Rule 29.5).</p>
Transmission of shares	No equivalent provision.	The proposed new constitution contains provisions relating to transmission of shares upon the insolvency or mental incapacity of a member (Rule 30.3).
DIVIDENDS		
Payment of dividends	The Board may declare a dividend to be paid to entitled shareholders, in proportion to the amount paid on the share (see Rules 87-95).	<p>The provisions regarding dividends (Rule 27) reflect the significant changes in the statutory framework of this area.</p> <p>Payment of dividends is subject to s 254T of the Corporations Act. The Company must not pay a dividend unless:</p> <ul style="list-style-type: none"> • assets exceed liabilities immediately before the dividend is declared and the excess is sufficient to pay the dividend; • the payment is fair and reasonable to the members as a

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
		<p>whole; and</p> <ul style="list-style-type: none"> the payment does not materially prejudice the Company's ability to pay its creditors. <p>The Board may resolve to pay any dividend it thinks appropriate and fix the time for payment. A debt only arises when the time fixed for payment arrives. The decision to pay a dividend may be revoked by the Board at any time before then.</p>
NOTICES		
<p>When notice is given</p>	<p>A notice is deemed to be served:</p> <ul style="list-style-type: none"> if sent by post, 24 hours after posting; if served personally or left at the shareholder's registered address, when delivered; or if faxed, when the transmission is sent (Rule 97). 	<p>A notice is regarded as given and received:</p> <ul style="list-style-type: none"> if sent by mail, 24 hours after posting; if delivered personally by 5.00pm (in the place of receipt) on a business day, on that day; if delivered personally after 5.00pm (in the place of receipt) on a business day or on a day that is not a business day, on the next business day; if sent by fax or electronic message by 5.00pm (in the place from which it is sent) on a business day, on that day; or if sent by fax or electronic message after 5.00pm (in the place from which it is sent) on a business day or on a day that is not a business day, on the next business day (Rule 35.3).

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
<p>OTHER DIFFERENCES</p>	<p>Proportional takeovers</p> <p>The existing constitution contains provisions regarding proportional takeover bids (Rule 104).</p> <p>An approving resolution is required to approve a proportional takeover scheme. Shareholders of the relevant class subject to the bid are entitled to vote on the approving resolution but the bidder and its associates are not.</p> <p>An approving resolution is voted on at a meeting of those entitled to vote, conducted as a general meeting would be, with modifications as the circumstances require.</p> <p>An approving resolution is passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%, and is otherwise rejected.</p> <p>The rule regarding proportional takeovers ceases to have effect three years after the date of adoption or last renewal of the rule.</p>	<p>The proposed new constitution contains provisions regarding proportional takeover bids (Rule 37) that largely mirror those in the existing constitution.</p> <p>However, the Board must ensure that an approving resolution is voted on before the resolution deadline, being at least 14 days before the last day of the bid period.</p> <p>Also, an approving resolution is conducted as a general meeting would be, except that:</p> <ul style="list-style-type: none"> • a meeting may be convened on less than 28 days' notice and on at least 14 days' notice if necessary to ensure that the meeting is held before the resolution deadline; and • the holder of a security that carries no right to vote at a general meeting has one vote for each security held at a meeting convened to vote on a proportional takeover bid. <p>The proposed new constitution also provides the following:</p> <ul style="list-style-type: none"> • Notice of the outcome of an approving resolution must be given to the bidder, ASX and any other relevant financial market. • If no approving resolution has been voted on as at the end of the day before the resolution deadline, an

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
		<p>approving resolution is deemed to have been passed.</p> <ul style="list-style-type: none"> If an approving resolution is rejected; offers under the bid are taken to be withdrawn at the end of the resolution deadline, the bidder must return any documents sent with an acceptance of the offer, and the bidder and those who accepted an offer may rescind any contract resulting from that acceptance.
Secretary	No equivalent provision.	The proposed new constitution contains provisions for the appointment of at least one Secretary and for the cessation of the Secretary's appointment (Rule 18).
Minutes	No equivalent provision.	<p>The proposed new constitution contains provisions for the keeping of minutes, in accordance with the Corporations Act, of meetings of members, Board meetings, committee meetings, resolutions passed by directors without a meeting and disclosure of directors' interests.</p> <p>A minute recorded and signed in accordance with the Corporations Act is evidence of the proceeding, resolution or declaration to which it relates unless the contrary is proved.</p> <p>The Company must allow members to inspect the minute book (Rule 19).</p>

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
<p>Financial reports and audits</p>	<p>No equivalent provision.</p>	<p>The proposed new constitution contains provisions in relation to the keeping of financial records and the preparation of a financial report and a directors' report to be audited and provided to members, in accordance with the provisions of the Corporations Act (Rule 21).</p>
<p>Winding up - no distribution of liabilities</p>	<p>Members have the right to direct the liquidator to sell any shares involving a liability to calls or otherwise that are divided among shareholders as part of a distribution of the assets of the Company upon winding up (Rule 102.3).</p>	<p>The liquidator cannot compel a member to accept securities in respect of which there is a liability as part of a distribution of the assets of the Company (Rule 34.3).</p>

Lodge your vote:**Online:**
www.investorvote.com.au**By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 AustraliaAlternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com**For all enquiries call:**
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000000001 000 PRG
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

www.investorvote.com.au**Cast your proxy vote****Access the annual report****Review and update your securityholding****Your secure access information is:****Control Number: 999999****SRN/HIN: 1999999999****PIN: 99999****PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential. **For your vote to be effective it must be received by 11:00am (WST) Wednesday 1 August 2012**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.**A proxy need not be a securityholder of the Company.**

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.**GO ONLINE TO VOTE,
or turn over to complete the form** →

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf XX

I/We being a member/s of Programmed Maintenance Services Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Programmed Maintenance Services Limited to be held at the Parmelia Hilton Perth, 14 Mill Street, Perth, Western Australia on Friday, 3 August 2012 at 11:00am (WST) and at any adjournment of that meeting.

Important for Item 1 and Item 6: If the Chairman of the Meeting is your proxy or is appointed as your proxy by default and you do not mark any of the boxes in step 2 below on Item 1 and Item 6, you are expressly authorising and directing the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions as set out below and in the Notice of Meeting, even though each of Item 1 and Item 6 is connected directly or indirectly with the remuneration of a member of key management personnel.

The Chairman of the Meeting intends to vote all available proxies in favour of each Item of business. Please note you can direct the Chairman of the Meeting to vote for, against or abstain from voting on Item 1 and Item 6 by marking the appropriate box in step 2 below.

STEP 2 Items of Business **PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

	For	Against	Abstain
Item 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2 Re-election of Robert McKinnon as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3 Re-election of Emma Stein as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4 Adoption of new Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5 Adoption of Proportional Takeover Provisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 6 Approval of Managing Director's Long Term Incentive Plan and Grant of Performance Rights to the Managing Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1	Securityholder 2	Securityholder 3
<input style="width: 100%; height: 100%;" type="text"/>	<input style="width: 100%; height: 100%;" type="text"/>	<input style="width: 100%; height: 100%;" type="text"/>

Sole Director and Sole Company Secretary Director Director/Company Secretary

Contact Name _____ Contact Daytime Telephone _____ Date ____/____/____