

Return-Path: <davidlewis@woolinnovation.com.au>  
Date: Wed, 03 Apr 2002 12:30:55 +1000  
From: David Lewis <davidlewis@woolinnovation.com.au>  
Subject: FW: AWS Demerger - No.3 - Allens  
To: a.vizard@vet.unimelb.edu.au  
X-MIMEOLE: Produced By Microsoft Exchange V6.0.5762.3  
Thread-Topic: AWS Demerger - No.3 - Allens  
Thread-Index: AchasvkvzSggDwR5RBywefoQKON+gAAA+CQw  
content-class: urn:content-classes:message  
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X-MS-TNEF-Correlator:  
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MAA05170

Dear Andrew,

Col Dorber advises that this e-mail and the one that will follow constitutes our advice concerning the status of directors post the demerger.

Regards - David

David Lewis,  
Legal Officer.

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-----Original Message-----

From: Anne Robinson [mailto:anne@juddrobinson.com.au]  
Sent: Wednesday, 3 April 2002 12:05 PM  
To: David Lewis  
Subject: FW: AWS Demerger - No.3 - Allens

-----Original Message-----

From: Feenaghty, Rachael [mailto:Rachael.Feenaghty@aar.com.au]  
Sent: Tuesday, 26 February 2002 11:32  
To: 'colderber@woolinnovation.com.au'  
Cc: Anne Robinson (E-mail); Hill, Ted; Rae, Wendy  
Subject: AWS Demerger - Directors of AWI

Dear Col

We refer to the queries raised by Anne Robinson in her email to Ted Hill dated 25 February 2002. The questions and our responses are set out below.

a) Will the Directors of AWI be validly appointed as of the Demerger date (ie, 1 May 2002) when their resignation as 'A' Class Directors of AWS comes into effect?

Yes, the Directors of AWI will continue to be validly appointed after the

Demerger. Neither the Constitution of AWI nor the Constitution of AWS provides that a Director who ceases to be a Director of AWS will cease to be a Director of AWI.

b) Which of the Directors of AWI must retire by rotation at the first AGM?

We understand that the current Directors of AWI are:

- \* Patricia Murphy;
- \* Andrew Vizard;
- \* Maree McCaskill;
- \* John Patten;
- \* Colin Dorber; and
- \* Michael Staley.

After the Demerger, pursuant to Rule 13.5, one third of the AWI Directors (ie, two Directors) must retire from office. The Directors to retire are those who have been longest in office, which is calculated from the Directors' last election or appointment. Therefore, having been appointed on 1 January 2001, the Directors who must retire by rotation at the first AGM according to the terms of the Constitution are Patricia Murphy and Andrew Vizard. This is the case notwithstanding that Patricia Murphy and Andrew Vizard were re-elected at AWS's AGM last year.

However, if Patricia Murphy and Andrew Vizard are removed from office as Directors of AWI and immediately reappointed prior to the Demerger, then neither will be required to retire by rotation at the first AGM held after the Demerger. This result can be effected as follows:

- i) AWS removing Patricia Murphy and Andrew Vizard as Directors of AWI by notice in writing to AWI pursuant to Rule 13.3 of the Constitution of AWI (alternatively, Patricia Murphy and Andrew Vizard may resign by notice in writing to AWI pursuant to Rule 13.6(a)(ii) of the Constitution of AWI). This will reduce the number of Director positions from six to four;
- ii) the Board of AWI then increasing the number of Director positions back to six pursuant to Rule 13.2(a) of the Constitution of AWI (please let us know if you would like us to draft a written resolution of the Directors of AWI to effect this);
- iii) AWS then using the power in Rule 13.3 of the Constitution of AWI to reappoint Patricia Murphy and Andrew Vizard as Directors to fill the vacancies created.

Accordingly, after Demerger when Rule 13.5 comes into effect, the Directors who will have been longest in office will be Maree McCaskill, John Patten and yourself, each of whom was appointed on 30 January 2001 (the remaining Director, Michael Staley, was appointed on 6 April 2001). As Managing Director, Rule 14.2 of the Constitution of AWI provides that you are not required to retire by rotation. As a consequence, Maree McCaskill and John Patten will be the Directors to retire at the first AGM after the Demerger.

Please contact either of us if you have any queries in relation to the above.

Kind regards