

Folkestone

# Notice of Annual General Meeting

Folkestone Limited  
2011

# Notice of Annual General Meeting

Folkestone Limited ABN 21 004 715 226

The forty fourth Annual General Meeting of **FOLKESTONE LIMITED** will be held at the offices of Deloitte Touche Tohmatsu at Level 9, 225 George Street, Sydney on **Wednesday, 26 October 2011 commencing at 11.00am.**

## Agenda

### 1. Financial Statements

To receive and consider the Directors' Report, Financial Statements and Independent Auditor's Report for the year ended 30 June 2011.

### 2. Re-election of Alistair Hugh Gurner

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

*"That Mr Alistair Hugh Gurner, a Director retiring from office by rotation in accordance with Article 58 of the Constitution, being eligible, is re-elected as a Director of the Company."*

### 3. Adoption of the Remuneration Report

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

*"That the Remuneration Report for the financial year ended 30 June 2011 be adopted."*

**Note to Shareholders:** The vote on this item is advisory only and does not bind the Directors of the Company.

### Voting restrictions

A vote may not be cast on Item 3 by or on behalf of:

- a member of the Key Management Personnel, details of whose remuneration are included in the remuneration report; or
- any closely related party of such a member.

Any vote by such a member will be disregarded by the Company. However, the Company does not need to disregard votes:

- by such a person as proxy for another person who is entitled to vote if the vote is cast in accordance with the directions on the proxy form; or
- if the vote is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

**By Order of the Board**  
**Scott Martin**  
**Company Secretary**

23 September 2011

## Explanatory Memorandum

### Folkestone Limited Annual General Meeting

#### Recommendation

The Directors of the Company recommend that Shareholders vote in favour of each of the Resolutions.

#### Item 1 – Financial Statements

In accordance with section 317 of the Corporations Act, the Financial Report, the Directors' Report and Auditor's Report for the most recent financial year will be tabled before the Meeting.

No resolution is required by either the Corporations Act or the Company's Constitution, however, Shareholders will be given a reasonable opportunity to ask questions and make comments on these reports at the Meeting.

#### Item 2 – Re-election of Alistair Hugh Gurner

Mr Gurner was appointed as a Non-Executive Director of the Company in May 2010. Pursuant to Article 58 of the Constitution, Mr Gurner retires and offers himself for re-election as a Director of the Company.

Details in relation to Mr Gurner are as follows:

#### **Alistair Hugh Gurner (Hugh) (55)**

**BA, FAICD**

**Non Executive Director**

Hugh has extensive experience in the property sector as an analyst and corporate adviser and has held board positions in a number of ASX listed and unlisted companies including executive and non-executive roles as a founding director of listed property funds management and venture capital companies.

The Board unanimously recommends that Shareholders vote in favour of the re-election of Mr Gurner.

#### Item 3 - Adoption of Remuneration Report

As required by section 250R(2) of the Corporations Act, a resolution that the remuneration report for the year ended 30 June 2011 be adopted must be put to a vote. The vote on the remuneration report is advisory only and will not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing remuneration practices and policies.

A copy of the report is set out in the Company's 2011 annual report and financial report. This report can also be found on the Company's website.

The remuneration report:

- explains the Company's policy relating to the nature and amount of the remuneration of Directors, secretaries and senior managers, and other group executives of the Company;
- discusses the relationship between the policy and the Company's performance; and
- sets out remuneration details for each Director and for each relevant executive of the Company.

A reasonable opportunity will be provided for discussion of the remuneration report at the Meeting.

# General Explanatory Notes

## 1. Voting at the Meeting

A Shareholder who is entitled to vote may vote on the items of business to be considered at the Meeting either in person at the Meeting or by completing and returning the proxy form enclosed with this Notice of Meeting.

If you attend the Meeting, you will need to register at the registration desk on the day. The registration desk will be open from 10:45am.

## 2. Voting By Proxy

A Shareholder who is entitled to vote at the Meeting has the right to appoint:

- a. one proxy if the member is only entitled to one vote; or
- b. one or two proxies if the member is entitled to more than one vote.

Where the Shareholder appoints two proxies, the appointment may specify the proportion or number of votes that each proxy may exercise. If the appointment does not specify a proportion or number, each proxy may exercise one-half of the votes, in which case any fraction of votes will be disregarded.

A proxy may be an individual or a body corporate and does not need be a Shareholder of the Company. A body corporate appointed as a proxy may then nominate an individual to exercise its powers at the Meeting.

Where a Shareholder nominates the chairman of the Meeting as their proxy but does not indicate their voting intention, the chairman will vote the proxy in favour of all resolutions.

The proxy form and the power of attorney or other authority (if any) under which it is signed (or a certified copy) must be received by the Company, by no later than **11:00am (AEST) on Monday, 24 October 2011**. The completed proxy form may be:

- Mailed to Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235;
- Faxed to (61) 2 9287 0309; or
- Delivered by hand to Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000.

If you require an additional proxy form, the Company will supply it on request.

Corporate Shareholders who wish to appoint a person to act as its representative at the Meeting can do so by providing that person with a certificate executed in accordance with section 127 of the Corporations Act authorising that person to act as its representative at the Meeting. The representative should bring the certificate with them to the Meeting.

## 3. Resolution Requirements

Each ordinary resolution will be passed if more than 50 per cent of the votes cast by Shareholders (in person or by proxy) entitled to vote on the resolution are in favour.

## 4. Voting Entitlements

In accordance with section 1074E(2)(g) of the Corporations Act and regulation 7.11.37 of the *Corporations Regulations 2001 (Cth)*, the Company has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the register of Shareholders as at 7.00pm (AEST) on 24 October 2011. Share transfers registered after that time will be disregarded in determining entitlements to vote at the Meeting.

If more than one joint holder of Shares is present at the meeting (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

## 5. Questions and Comments by Shareholders at the Meeting

In accordance with the Corporations Act, a reasonable opportunity will be given to Shareholders, as a whole, to ask questions or make comments on the management of the Company at the Meeting.

Similarly, a reasonable opportunity will be given to Shareholders, as a whole, to ask the Company's external auditor questions relevant to:

- a. the conduct of the audit;
- b. the preparation and content of the auditor's report;
- c. the accounting policies adopted by the Company in relation to the preparation of its financial statements; and
- d. the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to the external auditor (via the Company) if the question is relevant to:

- a. the content of the Auditor's Report; or
- b. the conduct of its audit of the Company's annual financial report for the year ended 30 June 2011.

A list of those relevant written questions will be made available to Shareholders attending the Meeting. The external auditor will either answer the questions at the Meeting or table written answers at the Meeting. If written answers are tabled at the Meeting, they will be made available to Shareholders as soon as practicable after the Meeting.

Please send any relevant questions for the external auditor to the Company at our registered office, Level 9, 350 Collins Street, Melbourne VIC 3000 or by fax to +61 3 9670 7932, marked for the attention of the Company Secretary by no later than 5.00pm (AEST) on Wednesday 19 October 2011.

## Glossary

<b>AEST</b>	means Australian Eastern Standard Time.
<b>ASIC</b>	means the Australian Securities & Investments Commission.
<b>ASX</b>	means ASX Limited ACN 008 624 691.
<b>Board</b>	means the board of Directors of the Company as constituted from time to time.
<b>Company</b>	means Folkestone Limited ABN 21 004 715 226.
<b>Constitution</b>	means the constitution of the Company, as amended from time to time.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth).
<b>Directors</b>	mean the directors of the Company.
<b>Explanatory Memorandum</b>	means the explanatory memorandum accompanying the Notice.
<b>Key Management Personnel</b>	means those persons having authority and responsibility for planning, directing and controlling the activities of the Company (directly or indirectly), including any Director of the Company.
<b>Meeting or Annual General Meeting</b>	means the annual general meeting convened by the Notice.
<b>Notice or Notice of Meeting</b>	means the Notice of Meeting on page 2.
<b>Resolutions</b>	means the resolutions set out in the Notice, or any one of them, as the context requires.
<b>Share</b>	means a fully paid ordinary share or shares in the capital of the Company.
<b>Shareholder</b>	means a holder of a Share.



By mail:  
Folkestone Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia



By fax: +61 2 9287 0309



All enquiries to: Telephone: 1300 554 474 Overseas: +61 2 8280 7111



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### SHAREHOLDER VOTING FORM

I/We being a member(s) of Folkestone Limited and entitled to attend and vote hereby appoint:

#### STEP 1

#### APPOINT A PROXY

the Chairman of the Meeting (mark box) OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy and to act generally and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 11:00am on Wednesday, 26 October 2011, at the offices of Deloitte Touche Tohmatsu at Level 9, 225 George Street, Sydney and at any adjournment or postponement of the meeting. The Chairman of the Meeting intends to vote all available proxies in favour of all resolutions.

Proxies will only be valid and accepted by the Company if they are signed and received by 11:00am on Monday, 24 October 2011. Please read the voting instructions overleaf before marking any boxes with an

#### STEP 2

#### VOTING DIRECTIONS

	For	Against	Abstain*
<b>Resolution 2</b> Re-election of Alistair Hugh Gurner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 3</b> Adoption of the Remuneration Report (non-binding advisory vote)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**i** \* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

#### Important for Resolution 3 - If the Chairman of the Meeting is your proxy or is appointed as your proxy by default

By marking this box, you are directing the Chairman of the Meeting to vote in accordance with his voting intentions on Resolution 3 as set out below, unless you have provided a contrary voting direction by marking the relevant box in Step 2 (above). If you do not mark this box, and you have not directed your proxy how to vote on Resolution 3, the Chairman of the Meeting will not cast your votes on Resolution 3 and your votes will not be counted in computing the required majority if a poll is called. If you appoint the Chairman of the Meeting as your proxy you can direct him how to vote by either marking the boxes on any or all of the items in Step 2 above (for example if you wish to vote 'for', 'against' or 'abstain' from voting) or by marking this box (in which case the Chairman of the Meeting will vote in favour of Resolution 3).

The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 3.

I/we direct the Chairman of the Meeting to vote in accordance with his voting intentions on Resolution 3 (except where I/we have indicated a different voting intention above) and acknowledge that the Chairman of the Meeting may exercise my proxy even though Resolution 3 is connected directly or indirectly with the remuneration of a member of the key management personnel and even if the Chairman of the Meeting has an interest in the outcome of that item and that votes cast by him, other than as proxy holder, would be disregarded because of that interest.

#### STEP 3

#### SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).



## HOW TO COMPLETE THIS PROXY FORM

### Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

### Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together.

### Signing Instructions

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

### Corporate Representatives

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the company's share registry.

## Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am on Monday, 24 October 2011**, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy Forms may be lodged using the reply paid envelope or:



**ONLINE**

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the proxy form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the proxy form).



**by mail:**

Folkestone Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



**by fax:**

+61 2 9287 0309



**by hand:**

delivering it to Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000.

**If you would like to attend and vote at the Annual General Meeting, please bring this form with you.  
This will assist in registering your attendance.**