

## NOTICE OF ANNUAL GENERAL MEETING

**Notice is given that the Annual General Meeting (AGM) of Namoi Cotton Limited (Namoi Cotton or the Company) will be held on Tuesday 19 July 2022 commencing at 11:00am (Brisbane time) at Allan Cunningham Room at the Burke & Wills Hotel, 554 Ruthven Street, Toowoomba QLD 4350 and virtually at <https://meetnow.global/MCFVJQG>.**

This is a hybrid meeting of shareholders – therefore shareholders are invited to attend the meeting in person or join the meeting via a simultaneous webcast as permitted under the Company’s constitution.

Namoi Cotton Limited convenes this Annual General Meeting under the rules as they apply at the date of this Notice. The Notice of Meeting is also available on the Australian Securities Exchange Market Announcements platform and on the Company’s website by visiting <https://www.namoicotton.com.au/investors/>.

### **Attending the Meeting Virtually:**

Shareholders can participate in the online meeting by visiting <https://meetnow.global/MCFVJQG>.

To Register as a shareholder, select “Shareholder”, enter your SRN or HIN and select your country. If Australian, also enter your postcode. To Register as a proxyholder, you will need to click the meeting link in the invitation sent out via email. Alternatively, select “Invitation” and enter your invite code provided in the email.

To Register as a guest, select “Guest” and enter your details. Online Registration will open 60 minutes prior to the start of the meeting.

The webcast will appear automatically once the meeting has started. If the webcast does not start automatically, press the play button, and ensure the audio on your computer or device is turned on. Additional information can be found by visiting [www.computershare.com.au/virtualmeetingguide](http://www.computershare.com.au/virtualmeetingguide)

### **Questions to the Board at the meeting:**

Shareholders are encouraged to submit any questions in relation to the business of the Meeting to the Company Secretary; email to AGM Enquiries [agm@namoicotton.com.au](mailto:agm@namoicotton.com.au) by no later than 5pm on Thursday 14 July 2022.

The Chairman will allow a reasonable opportunity for questions from Shareholders and all questions asked will be answered.

The auditor responsible for preparing the auditor’s report for the year ended 28 February 2022 (or his representative) will also be attending the AGM.

### **Voting on resolutions:**

It is a requirement under the ASIC Determination that voting on resolutions at the AGM will be taken on a poll and not by show of hands, and that each person entitled to vote be given the opportunity to participate in the vote in real time or by recording their vote in advance of the meeting.

Shareholders are strongly encouraged to vote online before the meeting and appoint the Chairman of the meeting as their proxy, providing specific instructions on how the shareholder’s vote is to be cast on each resolution, and the Chairman must follow those instructions. Electronic voting instructions are set out in the Proxy Form attached to the Notice of Meeting.

You must submit your voting preference on or before 11am (AEST) Sunday 17 July 2022.

All open votes will be voted by the Chair as stated in the Explanatory Notes section of the Notice of Meeting.

Directors therefore advise Shareholders who wish to have their vote counted to vote electronically by visiting [www.investorvote.com.au](http://www.investorvote.com.au) and quoting the 6-digit control number found on the front of your Proxy Form prior to 11am (AEST) Sunday 17 July 2022.

**LIVE ONLINE VOTING PROCEDURES DURING THE AGM:**

Shareholders and proxyholders will be able to attend and vote live at the meeting online:

- (a) From their computer, phone, tablet or electronic devices by entering the URL into their browser: <https://meetnow.global/MCFVJQG>
- (b) When the chair declares the poll open, select the “vote” icon and the voting options will appear on your screen. To vote, select your voting direction. A tick will appear to confirm receipt of your vote. To change your vote, select “Click here to change your vote” and press a different option to override.

Online voting registration will commence 30 minutes prior to the start of the meeting and close 5 minutes after the last item of business.

More information regarding participating in the AGM online can be found by visiting <https://www.namoi cotton.com.au/investors/> or at the end of this Notice of Meeting.

Please refer to the Explanatory Notes to the Notice of Meeting in respect of voting restrictions, submitting questions and voting.

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The business of the Meeting affects your shareholding, and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7:00pm AEST Sunday, 17 July 2022.

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## ITEMS OF BUSINESS

### Financial Report

To receive and consider the Financial Report of the Company and its controlled entities for the financial year ended 28 February 2022, and the related Directors' Report and Auditor's Report.

Note: *There is no requirement for Shareholders to approve these reports.*

### Resolution 1 - Remuneration Report

To consider the Remuneration Report for the financial year ended 28 February 2022 and, if thought fit, pass the following non-binding resolution as an ordinary resolution in accordance with section 250R of the *Corporations Act 2001* (Cth):

*"That the Remuneration Report for the financial year ended 28 February 2022 be adopted."*

Notes:

- a) This resolution is subject to the voting exclusions as set out at the end of this Notice of Meeting.*
- b) The vote on this resolution is advisory only and does not bind the Directors or the Company.*
- c) The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies.*

### Resolution 2 - Approve continuation of the Grower Director Representation Rule in the Company's Constitution

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

*"That, for the purposes of section 136(2) of the Corporations Act and article 12.7 of the Constitution and for all other purposes, approval is given by the Company to the continuation of the Grower Director Representation Rule as provided in article 11.3 of the Company's Constitution, as set out in the Explanatory Notes."*

### Resolution 3 and 4 - Re-election of Directors

A director (excluding the Managing Director) who retires in accordance with the Company's Constitution is eligible for re-election.

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

*"That Mr Robert Green, an Independent Non-Executive Director retiring by rotation in accordance with ASX Listing Rule 14.4 and Article 11.4 of the Constitution, being eligible, is re-elected as a Director of the Company."*

(Note: If resolution 2 is passed, Mr Robert Green's appointment will be as a Director (not a Grower Director)).

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

*"That Mr Tim Watson, an Independent Non-Executive Director ceasing to be a Director in accordance with Article 12.5 of the Constitution, being eligible, is re-elected as a Director of the Company."*

(Note: If resolution 2 is passed, Mr Tim Watson's appointment will be as a Director (not a Grower Director)).

### Resolution 5 - Amendment to articles 2.5, 9.2, 10.2 and 10.5 of the Company's Constitution

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

*"That, for the Purpose of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to amend articles 2.5, 9.2, 10.2 and 10.5 of the Company's Constitution, as set out in the Explanatory Notes."*

## Resolution 6 - Amendment to article 11.1 of the Company's Constitution

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

*"Subject to resolution 2 being defeated, that, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to amend article 11.1 of the Company's Constitution, as set out in the Explanatory Notes."*

### VOTING EXCLUSIONS

#### Resolution 1 - Remuneration Report

Resolution 1 is a resolution that is directly or indirectly related to the remuneration of a member of the Key Management Personnel ("**KMP**") of the Company.

The *Corporations Act 2001* (Cth) ("**Corporations Act**") restricts KMP and their closely related parties from voting in certain circumstances.

A KMP of the Company are the Directors of the Company (including the Chairman) and other employees having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's KMP for the financial year ended 28 February 2022. Their closely related parties are defined in the Corporations Act, and include certain of their family members, dependents and companies they control.

In accordance with the requirements of section 250R of the Corporations Act, a vote on Resolution 1 must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Company's key management personnel ("**KMP**") whose remuneration is included in the Remuneration Report; or
- (b) a closely related party of such a member of the KMP.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as 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, where the proxy form does not specify the way the proxy is to vote on the resolution and expressly authorises the proxy to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

### IMPORTANT NOTE - PROXY VOTING

The Chairman intends to vote undirected proxies IN FAVOUR of all proposed resolutions set out in this Notice of Meeting except for resolution 2 where the Chairman will vote AGAINST this resolution. If there is a change to how the Chairman intends to vote undirected proxies, an announcement will be made to the ASX.

Please see the "Notes to the Notice of Meeting" for further details regarding proxy voting.

Dated: 17 June 2022

By Order of the Board

Sonya Ryan  
Company Secretary

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# EXPLANATORY NOTES TO THE NOTICE OF MEETING

## TIME AND PLACE OF MEETING; HOW TO VOTE AND ASK QUESTIONS

### Venue

The Annual General Meeting of the shareholders of the Company will be held at 11.00am on Tuesday 19 July 2022 at the Allan Cunningham Room at the Burke & Wills Hotel, 554 Ruthven Street, Toowoomba QLD 4350. The Meeting will also be held virtually on the following webcast link <https://meetnow.global/MCFVJQG> where you can watch and vote in real time.

### Questions:

You are encouraged to direct questions to the Chairman or auditor by email at [AGM@namoicotton.com.au](mailto:AGM@namoicotton.com.au) so that they are received by no later than 5.00pm on Thursday 14 July 2022.

Please use the email subject "2022 AGM Question". Questions may also be asked during the meeting for those attending in person, via the online meeting platform and by phone link.

Please also refer to the Investor section on the Company's website [www.namoicotton.com.au](http://www.namoicotton.com.au) for further details relating to the Annual General Meeting.

### FOR FURTHER ENQUIRIES REGARDING THIS NOTICE OF MEETING, CONTACT:

Namoi Registered Office  
1B Kitchener Street  
Toowoomba QLD 4350  
Tel: +61 7 4631 6100  
Email: [AGM@namoicotton.com.au](mailto:AGM@namoicotton.com.au)

### Share Registry

Computershare Investor Services Pty Limited  
Level 1, 200 Mary Street, QLD 4000  
Tel: 1300 850 505 (within Australia)  
Tel: +61 3 9415 4000 (outside Australia)

# EXPLANATORY NOTES TO THE NOTICE OF MEETING

## VOTING ENTITLEMENTS

1. In accordance with Regulation 7.11.37 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the AGM will be the entitlement of that person set out in the register of Shareholders as at 7:00pm (Brisbane time) on Sunday 17 July 2022. Accordingly, transactions registered after that time will be disregarded in determining Shareholders entitled to attend and vote at the AGM.
2. If a share is held jointly, only one joint holder may vote. If more than one joint Shareholder votes, only the vote of the first person named on the register counts.

## EXERCISING YOUR RIGHT TO VOTE

3. The vote on each resolution will be decided by a poll subject to any requirements of the Corporations Act and the Constitution of the Company.

For resolutions determined by poll, each Shareholder present in person or by proxy or attorney has one vote for each fully paid ordinary share held.

## PROXIES

4. If you cannot attend the meeting, you may appoint a proxy to attend and vote for you. A Proxy Form is included with this Notice of Meeting for this purpose. A proxy need not be a Shareholder of Namoi and may be an individual or a body corporate. If you are entitled to cast two or more votes, you may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If you appoint two proxies and do not specify the proportion or number of votes each proxy may exercise, each of the proxies may exercise half of the votes.
5. If you choose to appoint a proxy, you are encouraged to direct your proxy on how to vote by marking the "for", "against" or "abstain" box on the Proxy Form. Your proxy may only exercise your vote in the manner you have directed. If no direction is given, the proxy may vote as it sees fit, subject to any voting restrictions applicable to the proxy.
6. Either the original, facsimile or electronic transmission of the proxy form(s) and any Power of Attorney or authority under which they are signed must be received at least 48 hours prior to the AGM (i.e. by no later than 11:00am (Brisbane time) on Sunday 17 July 2022) or, in the case of an adjournment, prior to the time scheduled for resumption of the meeting. Any proxy form received after this deadline, including at the AGM, will be invalid.

Post Computershare Investor Services Pty Limited,  
GPO Box 242, Melbourne Victoria 3001

Fax 1800 783 447 (within Australia) or  
+61 3 9473 2555 (outside Australia)

Online by visiting [www.investorvote.com.au](http://www.investorvote.com.au)  
and quoting the 6-digit control number found on  
the front of your Proxy Form.

Intermediary Online subscribers (custodians) can lodge  
a proxy online by visiting  
[www.intermediaryonline.com](http://www.intermediaryonline.com)

7. Additional Proxy Forms can be obtained from Namoi Cotton Share Registry (Computershare Investor Services Pty Limited) by phoning 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

## PROXY VOTING BY THE CHAIRMAN

8. If you appoint the Chairman of the Meeting as your proxy or the Chairman is appointed as your proxy by default, and you do not direct the Chairman of the Meeting how to vote on an item of business, then by completing and returning the relevant Proxy Form you will be expressly authorising the Chairman of the Meeting to exercise your undirected proxy on a resolution even though it may be directly or indirectly connected with the remuneration of a member of the KMP.

If you do not direct the Chairman of the Meeting how to vote on an item of business, the Chairman as your proxy will vote IN FAVOUR of all Resolutions except for resolution 2 where the Chairman will vote AGAINST this resolution.

## CORPORATE SHAREHOLDERS

9. A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise as a Shareholder at general meetings of Namoi or in the capacity of a Shareholder's proxy at general meetings of Namoi. 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 general meeting or in voting on a resolution.
10. If a corporate representative is to attend the AGM on behalf of a body corporate, a formal Notice of Appointment must be brought to the meeting signed as required by section 127 of the Corporations Act or that Corporation's Constitution.

## VOTING BY ATTORNEY

11. If you wish to appoint an attorney to act on your behalf at the meeting, your appointment must be made by a duly executed Power of Attorney.

The Power of Attorney must be received by no later than 11:00am (Brisbane time) on Sunday 17 July 2022 or, in the case of an adjournment, prior to the time scheduled for resumption of the meeting, unless it has been previously provided to Namoi Cotton.

## QUESTIONS FROM SHAREHOLDERS

12. In addition to asking questions at the meeting, written questions to the Chairman of the Meeting about the management of Namoi, or to Namoi's Auditor about the content of the Auditor's Report and the conduct of the audit, may be submitted by visiting the investor section of our website [www.namoicotton.com.au](http://www.namoicotton.com.au). Questions must be received at least 5 days prior to the AGM (i.e. by no later than 5.00pm (Brisbane time) on Thursday 14 July 2022). This is to allow time to collate questions and to prepare answers.

The Chairman and CEO will address the meeting and make a presentation on the performance of the Company during the financial year ended 28 February 2022 as well as other strategic and operational activities of the Company.

The Chairman and CEO may also respond to questions raised by Shareholders at or before the meeting. If you would like to submit your questions prior to the AGM, please email [agm@namoicotton.com.au](mailto:agm@namoicotton.com.au) by no later than 5pm on Thursday 14 July 2022.

# EXPLANATORY STATEMENT ON ITEMS OF BUSINESS

## ITEM 1: FINANCIAL REPORT

The Corporations Act requires the following reports in respect of the financial year ended 28 February 2022 to be laid before the Annual General Meeting:

- Financial Report (which includes financial statements and Directors' declaration);
- The Directors' Report (which includes the Remuneration Report); and
- The Auditor's Report.

There is no requirement either in the Corporations Act or the Constitution for Shareholders to approve the Financial Report, the Directors' Report (other than a non-binding vote on the Remuneration Report which is considered as a separate resolution) or the Auditor's Report.

The Reports referred to above are included in the Annual Report provided to Shareholders who elected to receive a copy of the report. A copy of the report is also available in the investor section on our website at [www.namoicotton.com.au](http://www.namoicotton.com.au). Shareholders will be provided with the opportunity at the meeting to ask questions about the reports.

The Company's Auditor will be available at the meeting to answer any questions in relation to the conduct of the audit and the preparation and content of the Auditor's Report.

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## RESOLUTION 1 - REMUNERATION REPORT

### a) Background

A resolution for the adoption of the Remuneration Report is required to be considered and voted on in accordance with section 250R of the Corporations Act. Prior to holding this vote, the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments on the Remuneration Report.

The Remuneration Report for the financial year ended 28 February 2022 is included in the Annual Report. In accordance with the Corporations Act, the Remuneration Report:

- describes the policies behind, and structure of, the remuneration arrangements of the Company, and the link between remuneration and the Company's performance; and
- sets out the remuneration arrangements in place for Directors and those members of the senior management team with authority and responsibility for planning, directing and controlling the activities of the Company.

The vote on this resolution is advisory only and the outcome will not be binding on the Board or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

### b) Directors' Recommendation

Noting that each director has a personal interest in their own remuneration from the Company, as described in the Remuneration Report, the Board recommends that Shareholders vote in favour of this non-binding resolution to adopt the Remuneration Report.

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## RESOLUTION 2 - APPROVE CONTINUATION OF THE GROWER DIRECTOR REPRESENTATION RULE IN THE COMPANY'S CONSTITUTION

Resolution 2 seeks shareholder approval to continue the Grower Director Representation Rule.

Resolution 2 is a special resolution and is required to be passed by at least 75% of the votes cast by members entitled to vote on the resolution.

The Grower Director Representation Rule (as defined below) was introduced in 2017 for the purpose of providing stability for Namoi Cotton grower members with respect to Board membership. The rule was put in place with the objective of ensuring the interests of grower members who became shareholders were always considered and addressed by the Board after the restructure of Namoi Cotton from a co-operative to an ASX listed company. The rule requires that at all times one-half of the total number of Directors must be Grower Directors (the "**Grower Director Representation Rule**") for so long as the Grower Director Representation Rule applies.

If resolution 2 is approved and both Mr Green and Mr Watson are re-elected as Directors (not Grower Directors) in accordance with resolutions 3 and 4, then the Board will need to adjust the number and composition of Directors in order to continue to comply with the Grower Director Representation Rule.

### a) Background

Article 11.3 of the Company's constitution states as follows:

*Grower Directors: At all times one-half of the total number of Directors must be Grower Directors (the "**Grower Director Representation Rule**") for so long as the Grower Director Representation Rule applies.*

# EXPLANATORY STATEMENT ON ITEMS OF BUSINESS

Article 12 of the Company's constitution states as follows:

## Grower Directors

### **Certain defined terms:**

For the purposes of this article, the following terms have the following meaning:

**Company Gin** means a ginning site or facility owned, operated or leased by the Company or its subsidiary or by any entity which is part of a joint venture arrangement to which the Company or its subsidiary is a party.

**Cotton Bale** means a bale of Australian lint cotton weighing approximately 227 kilograms.

**Cotton Farming Property** means cotton producing rural property.

**Cotton Season** of a particular year means the cotton crop planted by Australian farmers in the preceding calendar year and harvested in that particular calendar year.

### **Requirements to be a Grower Director:**

a) Subject to article 12.3, a person is eligible to be appointed as a Grower Director if:

(i) the person:

- has ginned at least 1,500 Cotton Bales in aggregate per Cotton Season at any Company Gin in at least three Cotton Seasons out of the last five Cotton Seasons prior to their appointment as a Director and during the time they are a Grower Director; and
- has ginned at least 50% of their seed cotton production which is grown within 100 kilometres of any Company Gin at any Company Gin in at least three Cotton Seasons out of the last five Cotton Seasons prior to their appointment as a Director and during the time they are a Grower Director; and
- is the registered owner or lessee (of a long term lease) of Cotton Farming Property which annually can plant a minimum of 150 hectares of seed cotton and is capable of producing 1,500 Cotton Bales in aggregate per Cotton Season to be ginned at any Company Gin; and
- is eligible to be a Grower Director having regard to the requirements of article 12.6(c); or

(ii) the person:

- is employed as a senior executive or senior manager, or is employed in an equivalent position, by a client of the Company who or which has a significant involvement in the Australian cotton industry;
- has held the position or title referred to in paragraph (A) for at least 5 years (including at any prior employer who also satisfies the criteria in paragraph (A)); and
- their nomination as a Grower Director has been unanimously approved by the Directors.

b) For the purposes of this article a person will be considered to have ginned and to be a registered owner or lessee if they or their immediate family:

- control a company;
  - is a majority partner of a partnership; or
  - are the primary beneficiaries of a trust,
- that has ginned or is the registered owner or lessee.

The Directors will determine if a company is controlled, a majority partnership exists or there is a primary beneficiary, and a determination by the Directors as to whether those circumstances exist will be binding and conclusive.

c) A person who was a "Grower Director" (as that term is defined in the Rules of Namoi Cotton Co-operative Limited) of Namoi Cotton Co-operative Limited prior to the adoption of this Constitution will be considered to satisfy the requirements in article 12.2 for a Grower Director on adoption of this Constitution.

Article 12.7 of the Company's constitution states as follows:

### **Review date**

- a) The Company must first seek the approval of Members, by special resolution, to the continuation of the Grower Director Representation Rule at the 2022 annual general meeting of the Company.
- b) If the continuation of the Grower Director Representation Rule is approved by Members by special resolution under article 12.7(a), the Company must seek the approval of Members, by special resolution, to the continuation of the Grower Director Representation Rule at the 2027 annual general meeting of the Company.
- c) If the continuation of the Grower Director Representation Rule is approved by Members by special resolution under article 12.7(b), the Company must subsequently seek the approval of Members, by special resolution, to the continuation of the Grower Director Representation Rule at each annual general meeting of the Company thereafter.



# EXPLANATORY STATEMENT ON ITEMS OF BUSINESS

Article 12.8 of the Company's constitution states as follows:

## **a) Removal of Grower Director Representation Rule**

*The Grower Director Representation Rule and the provisions of this Constitution relating to the requirements imposed on Grower Directors will cease to apply if:*

- a) the continuation of the Grower Director Representation Rule is not approved by special resolution by Members in accordance with article 12.7(a) [that is, at the 2022 annual general meeting of the Company]; or*
- b) the Company's main undertaking ceasing to be a cotton processing business.*

*When the Grower Director Representation Rule ceases to apply, the Grower Directors in office at that time will continue in office as Directors without being treated as Grower Directors*

## **b) Advantages and Disadvantages of the Grower Director Rule**

Advantages and disadvantages associated with mandating that an equal number of Grower Directors to non-grower directors must sit on the board.

1. **Advantages** – ensures Namoi Cotton's connection with its grower constituency is maintained and that the original Grower Members (i.e. members prior to the Company restructure in 2017) who subsequently became ordinary shareholders, continue to have their interests represented through the guaranteed equal representation of Grower Directors on the Board. Grower Directors add additional value given they have first-hand experience of the activities of the company's business, understand the services or products the company needs to deliver, and may enable the business to better access business opportunities associated with being members of the grower community.
2. **Disadvantages** – the number of original Grower Members who are now ordinary shareholders has reduced since the Company restructure in 2017, which was the point in time when the Grower Director Representation Rule commenced. As such, Grower Directors now represents a smaller constituency of the Company's total shareholders. The Grower Director Representation Rule is an unconventional director eligibility requirement for an ASX listed company, which may deter capital providers from investing in Namoi Cotton's ordinary shares and may adversely affect the value ascribed to ordinary shares. Changing demographics means there are fewer grower shareholders and a smaller pool of potential director candidates who are eligible as grower directors as defined by the current rule, which in turn limits the diversity of skills and business experience available to Namoi should the Grower Director Representation Rule continue, compared to an unrestricted pool of potential director candidates.

## **c) Summary**

If resolution 2 is approved, article 11.3 of the Company's constitution remains unchanged and the Grower Director Representation Rule continues to apply, until at least the 2027 AGM where it will be reconsidered. If the Grower Director Representation Rule is approved, then depending on the results of resolutions 3 and 4, the number and composition of Directors will need to be adjusted in order to continue to comply with the Grower Director Representation Rule.

If resolution 2 is defeated, article 11.3 of the Company's constitution (that is, the Grower Director Representation Rule) and the provisions of the Constitution relating to the requirements imposed on Grower Directors, cease to apply at the conclusion of the 2022 AGM.

## **d) Directors' Recommendation**

The directors support documenting the Company's relationship with growers to ensure that the connection is maintained and given priority, reflecting the Company's history. The directors support maintaining the relationship priority with growers, irrespective of the changes in shareholding representation between growers and non-growers.

The directors note the practical difficulties of complying with the Grower Director Representation Rule, given the declining population of grower shareholders and eligible Grower Directors.

The directors' preference would be to maintain the Grower Director Representation Rule with modification, to allow for more practical implementation, however, the directors note that the constitution requires a vote to be undertaken at the 2022 AGM on the Grower Director Representation Rule as it is currently written.

The directors (with Ms Hamparsum and Mr Watson abstaining) recommend that Shareholders vote AGAINST this resolution (i.e., to remove the Grower Director Representation Rule).

Ms Hamparsum is a Grower Director and Mr Watson was a Grower Director from 2014 until 2022. As the substance of this resolution relates to approving the continuation of the Grower Director Representation Rule, a recommendation by Ms Hamparsum and Mr Watson may create the perception of a conflict of interest and accordingly, Ms Hamparsum and Mr Watson consider it appropriate and a matter of good corporate governance practice to abstain from making a recommendation.

If the resolution is not upheld the directors intend to amend the board charter to ensure that at least two of the directors on the board have current or recent cotton growing experience. This will underpin the board's view that the Company must remain relevant to cotton growers in the future.

# EXPLANATORY STATEMENT ON ITEMS OF BUSINESS

## RESOLUTIONS 3 and 4 - RE-ELECTION OF DIRECTORS

### Re-election of Directors

Resolutions 3 and 4 seek approval for the re-election of a director retiring by rotation under Article 11.4 of the Company's Constitution and in accordance with ASX Listing Rule 14.4, as well as the re-election of a director who ceased to be eligible as a Grower Director during the year under Article 12 of the Company's Constitution and therefore ceases to be a director of the Company at the conclusion of the Annual General Meeting in accordance with Article 12.5 of the Company's Constitution.

#### **Resolution 3**

Article 11.4 states that a director must retire from office no later than the longer of the third AGM of the Company following that Director's last election or appointment or three years following that Director's last election or appointment.

Mr Robert Green is eligible for election and offers himself for re-election as a Director of the Company.

#### **a) Background**

*Robert Green, Independent Non-Executive Director, Non-grower Director*

- Chair of the Safety, Health and Environment Committee and, member of the Audit and Risk Committee.

Robert joined the Board as a Non-Executive Director in 2013. Robert has considerable board relevant experience working as a Senior Executive and General Manager in the Australian and International agricultural industry over many years. Key areas of experience include Business Management, Operations Management and Business Development. Robert is also a Non-Executive Director of Lindsay Australia Limited.

#### **b) Directors' Recommendation**

The Board (with Robert Green abstaining) unanimously recommends that Shareholders vote in favour of this resolution.

#### **Resolution 4**

Article 12 documents the eligibility requirements for Grower Directors and Article 12.5 states that a director who ceases to qualify as a Grower Director will cease to be a director, in this case at the next Annual General Meeting.

Mr Tim Watson is eligible for election and offers himself for re-election as a Director of the Company.

#### **a) Background**

*Tim Watson, Independent Non-Executive Director, Non-grower Director*

- Chair of the Board, and member of the People, Culture and Nominations Committee.

Tim joined the Board as a Grower Director in 2014 and was appointed Chair of the Board in 2018. Tim grew cotton in the Hillston Region until 2022 and has been involved in the cotton industry since 2000 as a member of the Hillston District Irrigators Association, the Lachlan River Customer Service Committee and the Lachlan Valley Water Users Association. He brings with him extensive industry and commercial expertise in the cotton and general agricultural industry. He was also recognised by the cotton industry by being the recipient of the 2014 Australian Cotton Grower of the Year Award.

Tim ceased to be eligible as a Grower Director as defined under Article 12 of the Company's Constitution in 2022 and in accordance with Article 12.5, will cease to be a director of the Company at the upcoming Annual General Meeting.

#### **b) Directors' Recommendation**

The Board (with Tim Watson abstaining) unanimously recommends that Shareholders vote in favour of this resolution.

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## RESOLUTION 5 - AMENDMENT TO ARTICLES 2.5, 9.2, 10.2 AND 10.5 OF THE COMPANY'S CONSTITUTION

Resolution 5 seeks shareholder approval to amend articles 2.5, 9.2, 10.2 and 10.5 of the Company's constitution.

Resolution 5 is a special resolution and is required to be passed by at least 75% of the votes cast by members entitled to vote on the resolution.

#### **a) Background:**

Parliament has passed permanent amendments to the Corporations Act relating to the use of technology to hold shareholder meetings under the *Corporations Amendment (Meetings and Documents) Act 2022* (the **Amending Act**). The Amending Act allows companies to hold hybrid meetings, and, if expressly permitted or required by the company's constitution, wholly virtual meetings. The changes will also allow for greater reliance on technology in relation to releasing a notice of meeting to shareholders, voting at meetings and signing meeting-related documents. The Amending Act makes permanent the temporary provisions introduced in August 2021 under the *Treasury Laws Amendment (2021 Measures No. 1) Act 2021* (temporary provision).

Companies are permitted to hold hybrid shareholder meetings (ie., partly physical, partly virtual) and will only be permitted to hold wholly virtual meetings if the company's constitution expressly permits it to.

# EXPLANATORY STATEMENT ON ITEMS OF BUSINESS

The temporary provisions permitted both hybrid and wholly virtual meetings without the need for constitutional authorisation. Although these were sensible in light of the uncertainties created by the shifting COVID-19-related restrictions, the requirement in the Amending Act that the constitution must expressly authorise wholly virtual meetings ensures that the decision to permit wholly virtual meetings is left in the hands of shareholders.

A person who attends a general meeting (whether at a physical venue or by using virtual meeting technology) is taken for all purposes to be present in person at the meeting while so attending.

The Amending Act emphasises that shareholders entitled to attend any meeting must be given, as a whole, a reasonable opportunity to participate, including that the meeting is held at a reasonable time and place and that shareholders have the right to elect to ask questions and make comments both orally and in writing.

## **b) Proposed amendments:**

- Article 2.5(a) is amended to allow registration of not more than 4 persons as joint holders of a share.
- Article 9.2 is amended to allow for a general meeting of shareholders to be held as virtual only meetings.
- Article 10.2 is amended to allow for members attending a general meeting virtually to be counted in the quorum of members attending the meeting and to vote at that meeting.
- Article 10.5 is amended to allow an adjourned general meeting held as a virtual only meeting to be held in the same manner as the meeting was held prior to it being adjourned.

### Article 2.5(a)

Currently, article 2.5 of the Company's constitution states that:

*Where 2 or more persons are registered as the joint holders of shares then they are taken to hold the shares as joint tenants with rights of survivorship. However, the Company is not bound:*

*(a) to register more than 3 persons as joint holders of a share*

The proposed amendment to Article 2.5(a) is as follows:

*Where 2 or more persons are registered as the joint holders of shares then they are taken to hold the shares as joint tenants with rights of survivorship. However, the Company is not bound:*

*(a) to register more than 4 persons as joint holders of a share*

### Article 9.2

Currently, article 9.2 of the Company's constitution states that:

*The Directors may convene and arrange to hold a general meeting of the Company whenever they think fit and must do so if required to do so under the Corporations Act.*

The proposed amendment to Article 9.2 is as follows:

The Directors may convene and arrange to hold a general meeting of the Company including by way of virtual or hybrid meeting whenever they think fit and must do so if required to do so under the Corporations Act.

### Article 10.2

Currently, article 10.2 of the Company's constitution refers to the number for a quorum:

*Subject to article 10.5, four (4) Members present in person or by proxy, attorney or Representative are a quorum at a general meeting. In determining whether a quorum is present, each individual attending as a proxy, attorney or Representative is to be counted, except that:*

*(a) where a Member has appointed more than one proxy, attorney or Representative, only one is to be counted; and*

*(b) where an individual is attending both as a Member and as a proxy, attorney or Representative, that individual is to be counted only once.*

*A member placing a direct vote under article 10.24 is not taken into account in determining whether or not there is a quorum at a general meeting.*

It is proposed that the following be added to the end of article 10.2:

*If a separate meeting place is linked to the main place of a meeting of Shareholders by an instantaneous audio-visual communication device which, by itself or in conjunction with other arrangements:*

*i gives the general body of members in the separate meeting place a reasonable opportunity to participate in proceedings in the main place;*

*ii enables the Chair of the meeting to be aware of proceedings in the other place; and*

*iii enables the Shareholders in the separate meeting place to vote on a show of hands or on a poll;*

# EXPLANATORY STATEMENT ON ITEMS OF BUSINESS

*a Shareholder present at the separate meeting place is taken to be present at the general meeting and entitled to exercise all rights as if he or she was present at the main place.*

*Nothing in article 10.2 is to be taken to limit the powers conferred on the Chair of the meeting by law.*

## Article 10.5

Currently, article 10.5 of the Company's constitution refers to an adjourned meeting:

*At a meeting adjourned under article 10.4(b), four (4) persons each being a Member, proxy, attorney or Representative present at the meeting are a quorum. If a quorum is not present within 15 minutes after the time appointed for the adjourned meeting, the meeting is dissolved.*

It is proposed that the following be added to the end of article 10.5:

*If, before or during the meeting, any technical difficulty occurs where one or more of the matters set out in article 10.2 is not satisfied, the chairman may:*

- i adjourn the meeting until the difficulty is remedied; or*
- ii continue to hold the meeting in the main place (and any other place which is linked under article 10.2) and transact business, and no member may object to the meeting being held or continuing.*

### **c) Directors' Recommendation**

The Board unanimously recommends that Shareholders vote in favour of this resolution.

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## RESOLUTION 6 - AMENDMENT TO ARTICLE 11.1 OF THE COMPANY'S CONSTITUTION

Resolution 6 will only be put to shareholders if resolution 2 is defeated. If resolution 2 is approved, resolution 6 will be withdrawn.

Resolution 6 seeks shareholder approval to amend article 11.1 of the Company's constitution to remove the requirement to have an even number of directors.

Resolution 6 is a special resolution and is required to be passed by at least 75% of the votes cast by members entitled to vote on the resolution.

### **a) Background**

The requirement to have an even number of directors under the Company's constitution is to support the Grower Director Representation Rule (**rule**), such that there will always be an equal number of Grower Directors and non-Grower directors on the Board. If resolution 2 and the rule is defeated, the requirement to have an even number of directors is not considered a requirement for the purpose of board composition as the delineation of Grower Director no longer applies.

Currently, article 11.1 of the Company's constitution states as follows:

*Unless otherwise determined by the Company in general meeting, the number of Directors is to be an even number that is not more than:*

- a maximum number of 8;*
- any lesser even number than 8 determined as the Board limit by the Directors in accordance with the Corporations Act and subject to article 11.2 (but the number must not be less than the number of Directors in office at the time the determination takes effect).*

Subject to the outcome of Resolution 2, and if the rule is defeated, the following amendment is to be made to article 11.1:

*Unless otherwise determined by the Company in general meeting, the number of Directors ~~is to be an even number that~~ is not more than:*

- a maximum number of 8;*
- any lesser even number than 8 determined as the Board limit by the Directors in accordance with the Corporations Act and subject to article 11.2 (but the number must not be less than the number of Directors in office at the time the determination takes effect).*

### **b) Directors' Recommendation**

Subject to the outcome of resolution 2, the Board unanimously recommends that Shareholders vote in favour of this resolution.



**Namoi Cotton Limited**  
ACN 010 485 588



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

## Need assistance?



**Phone:**  
1300 552 270 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (Brisbane time) on Sunday, 17 July 2022.**

# Proxy Form

## 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 or abstain as they choose (to the extent permitted by law). 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.

### PARTICIPATING IN THE MEETING

#### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com/au](http://www.investorcentre.com/au) and select "Printable Forms".

## Lodge your Proxy Form:

**XX**

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**  
**SRN/HIN: I9999999999**  
**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

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 Namoi Cotton 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, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Namoi Cotton Limited to be held at Allan Cunningham Room at the Burke & Wills Hotel, 554 Ruthven Street, Toowoomba QLD 4350 and as a virtual meeting via <https://meetnow.global/MCFVJQG> on Tuesday, 19 July 2022 at 11:00am (Brisbane time) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention in step 2) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2.

## 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.

	For	Against	Abstain
Resolution 1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Approve continuation of the Grower Director Representation Rule in the Company's Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Re-election of Director - Mr Robert Green	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Re-election of Director - Mr Tim Watson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Amendment to articles 2.5, 9.2, 10.2 and 10.5 of the Company's Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Amendment to article 11.1 of the Company's Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman intends to vote undirected proxies **IN FAVOUR** of all proposed resolutions set out in this Notice of Meeting, with the exception of Resolution 2 whereby undirected proxies will be voted **AGAINST** this resolution. If there is a change to how the Chairman intends to vote undirected proxies, an announcement will be made to the ASX.

## Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1  Securityholder 2  Securityholder 3  / /  
Sole Director & Sole Company Secretary Director Director/Company Secretary Date

**Update your communication details** (Optional)

Mobile Number  Email Address   
By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

