



Coote Industrial Ltd
627 - 635 Bickley Rd
Maddington WA 6109

PO Box 270
Maddington WA 6989
ABN: 99 120 432 144

T : +61 (0)8 9251 8000
F : +61 (0)8 9452 2186
www.coote.com.au

Dear Shareholder,

NOTICE OF EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS OF COOTE INDUSTRIAL LTD ABN 99 120 432 144 ("COMPANY")

Notice is hereby given that an Extraordinary General Meeting (**EGM**) of shareholders is to be held as follows:

Venue: Perth Convention Exhibition Centre

Time: 10.30 a.m.

Date: Wednesday 21st October 2009

Please find enclosed the following documents in relation to the EGM:

1. Notice of EGM together with Explanatory Statement.
2. Proxy Forms for EGM together with instructions.
3. Appointment of Corporate Representative for EGM.
4. Independent Experts Report

If you are not able to attend the EGM in person, you are urged to complete and lodge the enclosed Proxy or appointment of Corporate Representative form, if a company.

Yours sincerely

A handwritten signature in black ink that reads 'M Darwish'.

**Mustapha Darwish
Company Secretary
18 September 2009**

For personal use only

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of shareholders of Coote Industrial Ltd (‘the Company’) will be held at Perth Convention Exhibition Centre, Perth on 21st day of October 2009 at 10.30am (‘Meeting’).

The attached Explanatory Statement accompanies and forms part of this Notice.

ORDINARY BUSINESS

To consider and if thought fit to pass with or without amendment the following ordinary resolutions;

Resolution 1 - Ratification and Approval of Issue of Shares by Directors

‘That, for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes, shareholders ratify and approve the issue to Elph Pty Ltd A.C.N. 070 012 252 (‘Elph’) on 5 May 2009 of 6,500,000 ordinary fully paid shares in the Company (‘Shares’) at an issue price of \$0.20 per Share, which Shares rank pari passu with all other Shares currently on issue by the Company, which issue raised \$1,300,000 for the Company’s working capital purposes.’

Note: The Company will disregard any votes cast on Resolution 1 by Elph or any person who might obtain a benefit, except a benefit solely in the capacity of a security holder, if this resolution is passed or any of their associates.

However, the Company will not disregard the 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, in accordance with the directions on the proxy form to vote as the proxy decides.

Resolution 2 - Ratification and Approval of Issue of Convertible Notes by Directors

‘That, for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes, shareholders ratify and approve the issue to Elph on 17 July 2009 of 10,871,200 convertible notes in the Company, each having a face value of \$0.1714612 and convertible into one Share in the Company and which have otherwise been issued on the terms and conditions set out in the Explanatory Statement attached hereto (‘First Tranche Convertible Notes’), which issue raised \$1,863,989.’

Note: The Company will disregard any votes cast on Resolution 2 by Elph or any person who might obtain a benefit, except a benefit solely in the capacity of a security holder, if this resolution is passed or any of their associates.

However, the Company will not disregard the 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, in accordance with the directions on the proxy form to vote as the proxy decides.

Resolution 3 - Approval of Issue of Convertible Notes and the Issue of Shares upon the Conversion of Convertible Notes

‘That, for the purposes of ASX Listing Rule 7.1 and item 7 of s.611 of the Corporations Act 2001 and for all other purposes, shareholders approve:

- (a) the proposed issue to Elph of 12,457,694 convertible notes in the Company, each to have a face value of \$0.1714612 and to be convertible into one Share in the Company and otherwise to be issued on the terms and conditions set out in the Explanatory Statement attached hereto (‘Second Tranche Convertible Notes’), which issue will raise \$2,136,011.16; and

- (b) the issue by the Company to Elph of up to 12,457,694 Shares if Elph elects to convert the Second Tranche Convertible Notes (or some of them) into Shares in accordance with the terms and conditions on which they are issued even though the issue could, if Elph converts the First Tranche Convertible Notes and retains its existing holding of Shares, increase Elph's voting power to a maximum of 25%.

Note: The Company will disregard any votes cast on Resolution 3 by Elph or any person who might obtain a benefit, except a benefit solely in the capacity of a security holder, if this resolution is passed or any of their associates.

However, the Company will not disregard the 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, in accordance with the directions on the proxy form to vote as the proxy decides.

By Order of the Board of Directors



Mustapha Darwish
Company Secretary
Dated this 18th day of September 2009

For personal use only



Coote Industrial Ltd
627 - 635 Bickley Rd
Maddington WA 6109

PO Box 270
Maddington WA 6989
ABN: 99 120 432 144

T : +61 (0)8 9251 8000
F : +61 (0)8 9452 2186
www.coote.com.au

COOTE INDUSTRIAL LTD EXPLANATORY STATEMENT

This Explanatory Statement is an important document and you should read this statement carefully. If you have any queries regarding the matters set out in this Explanatory Statement or the preceding Notice please contact the Company or your professional advisor.

Resolution 1 - Ratification of Issue of Shares by Directors

Resolution 1 seeks shareholder approval and ratification, for the purposes of Australian Securities Exchange ("ASX") Listing Rules 7.1 and 7.4 and for all other purposes, to the issue to Elph Pty Ltd A.C.N. 070 012 252 ("Elph") on 5 May 2009 of 6,500,000 ordinary fully paid shares in the Company ("Shares") at an issue price of \$0.20 per Share, which Shares rank pari passu with all other Shares currently on issue by the Company, which issue raised \$1,300,000 for the Company's working capital purposes.

These Shares were issued by the Company to Elph under the 15% placement rule in ASX Listing Rule 7.1.

Listing Rule 7.1 prohibits a company from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of its ordinary securities without the approval of holders of its ordinary securities.

Listing Rule 7.4 provides that an issue of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and holders of ordinary securities subsequently approve it.

Equity securities issued with the approval of holders of a company's ordinary securities in accordance with Listing Rule 7.1 are not then required to be included in the 15% limit imposed by Listing Rule 7.1.

The Company's total issued capital immediately prior to the issue of the 6,500,000 Shares to Elph on 5 May 2009 was 116,475,146 Shares. The issue of 6,500,000 Shares to Elph thus represented 5.58% of the Company's then issued share capital, and represents 5.28% of the Company's issued share capital as at the date of this Notice of 123,075,146 Shares.

The Company therefore seeks shareholder approval to the issue of the 6,500,000 Shares to Elph pursuant to Listing Rules 7.1 and 7.4.

The following information is provided in accordance with Listing Rule 7.5:

1. 6,500,000 Shares were issued by the Company to Elph on 5 May 2009;
2. the Shares were issued at an issue price of \$0.20 per Share and Elph paid the Company \$1,300,000 to subscribe for the 6,500,000 Shares;
3. the Shares were issued on the same terms as, and rank pari passu with, the existing issued Shares of the Company and are quoted on the ASX;
4. the Shares were all issued to Elph Pty Ltd A.C.N. 070 012 252;
5. \$1,300,000 was raised from the issue of the Shares, which has been applied to general working capital purposes to fund the ongoing operations of the Company.

Resolution 2 - Ratification of Issue of Convertible Notes by Directors

Resolution 2 seeks shareholder approval and ratification, for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes, to the issue to Elph on 17 July 2009 of 10,871,200 convertible notes in the Company, each having a face value of \$0.1714612 and convertible into one Share in the Company and which were otherwise issued on the terms and conditions set out in this Explanatory Statement ("First Tranche Convertible Notes") to raise \$1,863,989.

The First Tranche Convertible Notes were issued by the Company under the 15% placement rule in ASX Listing

Rule 7.1.

The First Tranche Convertible Notes were issued on the terms and conditions attached hereto and marked "A".

Listing Rule 7.1 prohibits a company from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of its ordinary securities without the approval of holders of its ordinary securities. An equity security includes a convertible security (i.e. a security which is convertible by the holder or otherwise by its terms of issue into, inter alia, shares) and will therefore encompass the First Tranche Convertible Notes.

Listing Rule 7.4 provides that an issue of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and holders of ordinary securities subsequently approve it.

Equity securities issued with the approval of holders of a company's ordinary securities in accordance with Listing Rule 7.1 are not then required to be included in the 15% limit imposed by Listing Rule 7.1. Exception 4 of Listing Rule 7.2 provides that Listing Rule 7.1 does not apply to an issue of equity securities on the conversion of convertible securities if, inter alia, the company complied with the Listing Rules when it issued the convertible securities.

The Company's total issued capital (both as at the date of the issue of the First Tranche Convertible Notes on 17 July 2009 and as at the date of this notice) is 123,075,146 Shares. Assuming Elph converts all of the First Tranche Convertible Notes into Shares, Elph will be issued with 10,871,200 Shares in the Company, which represents 8.83% of the Company's current total issued capital (of 123,075,146 Shares) (and will represent 8.12% of the Company's then expanded issued capital of 133,946,346 Shares), assuming no further Shares are issued after the date of this Notice (including consequent upon the exercise of any options currently on issue by the Company) and prior to the conversion of all of the First Tranche Convertible Notes). When the Shares the subject of resolution 1 are aggregated with the First Tranche Convertible Notes the subject of this resolution 2, the Company has issued Shares and Convertible Notes equating to 14.91% of the Company's total issued share capital immediately prior to the issue of the Shares the subject of resolution 1 (of 116,475,146 Shares).

As at the date of this notice, Elph holds 13,272,116 Shares in the Company, representing 10.78% of the Company's current total issued share capital. This includes the Shares issued to Elph the subject of resolution 1 above. If Elph converts all of the First Tranche Convertible Notes into Shares it will be issued with an additional 10,871,200 Shares in the Company, bringing its total shareholding in the Company to 24,143,316 Shares. This will represent 18.02% of the Company's then expanded issued share capital of 133,946,346 Shares (assuming no further Shares are issued after the date of this notice (including consequent upon the exercise of any options currently on issue by the Company)).

The Company therefore seeks shareholder approval to the issue of the First Tranche Convertible Notes pursuant to Listing Rules 7.1 and 7.4.

The following information is provided in accordance with Listing Rule 7.5:

1. 10,871,200 Convertible Notes were issued by the Company to Elph on 17 July 2009;
2. the Convertible Notes each have a face value of \$0.1714612 and Elph paid the Company \$1,863,989 to subscribe for the 10,871,200 Convertible Notes;
3. the terms and conditions of the issue of the First Tranche Convertible Notes are attached hereto and marked "A": each Convertible Note entitles Elph to convert it into one Share at any time on or before 17 July 2010 (which Share will be issued on the same terms as, and rank pari passu with, the existing issued Shares of the Company and will be quoted on the ASX);
4. the Convertible Notes were all issued to Elph Pty Ltd A.C.N. 070 012 252;
5. \$1,863,989 was raised from the issue of the Convertible Notes, which was applied to assist with the acquisition by the Company of ordinary fully paid shares in Greentrains Ltd A.C.N. 131 890 545 ("Greentrains") and the general working capital requirements of the Company's business.

Resolution 3 - Approval of Issue of Convertible Notes by Directors and the Issue of Shares Consequent upon the Conversion of the Convertible Notes

Resolution 3 seeks shareholder approval, for the purposes of ASX Listing Rules 7.1 and item 7 of s.611 of the Corporations Act 2001 ("the Act") and for all other purposes, to the:

- (a) proposed issue to Elph of 12,457,694 convertible notes in the Company, each to have a face value of \$0.1714612 and to be convertible into one Share in the Company and otherwise to be issued on the terms and conditions set out in this Explanatory Statement ("Second Tranche Convertible Notes") to raise \$2,136,011.16 ("the Advance"); and
- (b) the issue by the Company to Elph of up to 12,457,694 Shares if Elph elects to convert the Second Tranche Convertible Notes (or some of them) into Shares.

By a loan and convertible note deed made between the Company and Elph dated 17 July 2009 ("the Deed"), the Company has agreed to issue the Second Tranche Convertible Notes to Elph, subject to and conditional upon shareholder approval being obtained to such issue. The issue of the Second Tranche Convertible Notes is therefore subject to and conditional upon shareholder approval being obtained in accordance with this resolution 3.

Pursuant to the Deed, the Advance was advanced by Elph to the Company on 17 July 2009 as a loan, however if shareholder approval is obtained in accordance with this resolution 3, the Advance is to be applied as consideration for the full subscription amount of the Second Tranche Convertible Notes.

If shareholder approval is not obtained to the issue of the Second Tranche Convertible Notes in accordance with this resolution 3 within 60 days of the date of the Deed (or such later date as Elph may in its absolute discretion allow) the Advance will be repayable within 30 days of written notice by either Elph or the Company. Ten of the Company's subsidiaries have guaranteed repayment by the Company of the Advance to Elph, and the Company and those same subsidiaries have granted a fixed and floating charge over substantially all of their assets to secure their obligations to Elph under the Deed.

Interest is payable on the Advance at the rate of 8% per annum commencing from the date the Advance was provided to the Company, namely 17 July 2009, and is payable quarterly in arrears.

If shareholder approval is obtained to the issue (and conversion) of the Second Tranche Convertible Notes in accordance with this resolution 3, the Second Tranche Convertible Notes will be issued on the terms and conditions attached hereto and marked "A".

Listing Rule 7.1

Listing Rule 7.1 prohibits a company from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of its ordinary securities without the approval of holders of its ordinary securities. An equity security includes a convertible security (i.e. a security which is convertible by the holder or otherwise by its terms of issue into, inter alia, shares) and will therefore encompass the Second Tranche Convertible Notes.

Equity securities issued with the approval of holders of a company's ordinary securities in accordance with Listing Rule 7.1 or under an exception in Listing Rule 7.2 are not required to be included in the 15% limit imposed by Listing Rule 7.1. Exception 4 of Listing Rule 7.2 provides that Listing Rule 7.1 does not apply to an issue of equity securities on the conversion of convertible securities if, inter alia, the company complied with the Listing Rules when it issued the convertible securities.

The Company's total issued share capital as at the date of this notice is 123,075,146 Shares. Assuming Elph converts all of the Second Tranche Convertible Notes into Shares, Elph will be issued with 12,457,694 Shares in the Company, which represents 10.12% of the Company's current total issued share capital (and will represent 9.19% of the Company's then expanded issued share capital of 135,532,840 Shares, assuming no further Shares are issued after the date of this notice (including consequent upon the exercise of any of the First Tranche Convertible Notes or any options currently on issue by the Company)). When the Shares the subject of resolution 1 are aggregated with the First Tranche Convertible Notes the subject of resolution 2 and the Second Tranche Convertible Notes the subject of this resolution 3, the Company will have issued Shares and convertible notes equating to 25.61% of the Company's total issued share capital immediately prior to the issue of the Shares the subject of resolution 1 (of 116,475,146 Shares). The Company therefore requires approval in accordance with Listing Rule 7.1 in order to issue the Second Tranche Convertible Notes.

The following information is provided in accordance with Listing Rule 7.3:-

1. The maximum number of (Second Tranche) Convertible Notes that the Company proposes to issue to Elph is 12,457,694. This is in addition to the 10,871,200 (First Tranche) Convertible Notes that the Company issued to Elph on 17 July 2009 (and which is the subject of resolution 2 above).
2. Each Second Tranche Convertible Note will have a face value of \$0.1714612. The \$2,136,011.16 advanced by Elph to the Company as a loan will, provided shareholder approval is obtained in accordance with this

resolution 3, be applied as consideration for the full subscription amount of all of the Second Tranche Convertible Notes.

3. All of the Second Tranche Convertible Notes will be issued to Elph Pty Ltd A.C.N. 070 012 252.
4. The Second Tranche Convertible Notes will be issued on the terms and conditions set out in annexure "A" hereto (if the Second Tranche Convertible Notes, or any of them, are converted into Shares, those Shares will rank pari passu with the existing issued Shares of the Company and will be quoted on the Australian Securities Exchange).
5. The purpose of the proposed issue is to raise money to assist with the acquisition by the Company of ordinary fully paid shares in Greentrains and the general working capital requirements of the Company's business. As the Company required the Advance on 17 July 2009 it was initially provided by Elph as a loan to the Company with a proviso that the Advance be applied as the consideration for the subscription amount of the Second Tranche Convertible Notes if shareholder approval is obtained in accordance with this resolution 3.
6. The Second Tranche Convertible Notes will all be issued at the same time, within 1 month after shareholder approval is obtained in accordance with this resolution 3.

S.606 of the Act

Section 606 of the Act prohibits a person from, inter alia, acquiring a relevant interest in issued voting shares in a listed company if the person does so through a transaction in relation to securities entered into by that person and because of that transaction that person's or someone else's voting power in the company increases from, inter alia, a starting point that is below 20% to more than 20%.

A person has a "relevant interest" in securities if they:

1. are the holder of the securities; or
2. have power to exercise, or control the exercise of, a right to vote attached to the securities; or
3. have power to dispose of, or control the exercise of a power to dispose of, the securities.

By s.610(1) of the Act, a person's "voting power" in a company is the total number of votes attached to all voting shares in the company in which the person or an associate has a relevant interest as a percentage of the total number of votes attached to all voting shares in the company. A "voting share" in a company is an issued share in the company that carries voting rights.

As at the date of this notice:

- (a) the total issued share capital of the Company is 123,075,146 Shares; and
- (b) Elph holds 13,272,116 Shares in the Company, representing 10.78% of the voting power in the Company. This includes the Shares issued to Elph the subject of resolution 1 above.

If Elph converts any of the First Tranche Convertible Notes the subject of resolution 2 and/or the Second Tranche Convertible Notes the subject of this resolution 3 (assuming shareholder approval is obtained in accordance with this resolution 3) into Shares in the Company, it will become the holder of additional Shares in the Company and, as a consequence thereof, its voting power in the Company is likely to increase.

If:

- (a) all of the First Tranche Convertible Notes the subject of resolution 2 are converted by Elph into Shares, Elph will acquire a further 10,871,200 Shares; and
- (b) the Second Tranche Convertible Notes the subject of this resolution 3 are issued to Elph and all of the Second Tranche Convertible Notes are converted into Shares, Elph will acquire a further 12,457,694 Shares,

with the result that Elph's voting power in the Company would increase from:

- (c) its current level of 10.78% of the Company's current issued share capital of 123,075,146 Shares (i.e., from a starting point that is less than 20%); to

- (d) 25% of the Company's expanded issued share capital of 146,404,040 Shares (assuming no further Shares, other than Shares issued upon the conversion of all of the First Tranche Convertible Notes and Second Tranche Convertible Notes, are issued after the date of this notice (including consequent upon the exercise of any options currently on issue by the Company) (i.e. to more than 20%).

If Elph merely converts all of the First Tranche Convertible Notes already issued to it into Shares, Elph's voting power in the Company would increase from its current level of 10.78% of the Company's current issued share capital to 18.02% of the Company's expanded issued share capital (again, subject to the assumption set out above). As, in this scenario, Elph's voting power in the Company remains at less than 20%, it can convert all of the First Tranche Convertible Notes without contravening the prohibition in s.606 of the Act. However, on the assumption that it converts all of the First Tranche Convertible Notes into Shares, the conversion by it of any of the Second Tranche Convertible Notes into Shares would result in its voting power in the Company increasing to an amount in excess of 20%.

By s.611 of the Act, acquisitions of relevant interests in a Company's voting shares which are set out in the table in s.611 of the Act are exempt from the prohibition in s.606 of the Act.

Relevantly, item 7 of s.611 of the Act will exempt an acquisition approved previously by a resolution passed at a general meeting of the Company if no votes are cast in favour of the resolution by the person proposing to make the acquisition (e.g. Elph) and its associates or the persons (if any) from whom the acquisition is to be made and its associates and members are given all of the information known to the person proposing to make the acquisition or its associates, or known to the Company, that is material to a decision on how to vote on the resolution, including that information specifically set out in item 7.

The following information is provided for the purposes of item 7 of s.611 of the Act:

1. The person who is to acquire the relevant interest in issued voting Shares in the Company if the Second Tranche Convertible Notes are issued and converted is Elph Pty Ltd A.C.N. 070 012 252.
2. The maximum extent of the increase in Elph's voting power in the Company that would result from the issue to it, and conversion by it, of all of the Second Tranche Convertible Notes (assuming that Elph also converts all of the First Tranche Convertible Notes the subject of resolution 2 into Shares) is 25.00% (ie, from its current level 10.78% of the Company's current issued share capital to 25.00% of the Company's then expanded issued share capital).

This is summarised in the following table:-

| | Elph's Shareholding | Total Company Shareholding* | Elph's Percentage* |
|--|----------------------------|------------------------------------|---------------------------|
| As at the date of this Notice | 13,272,116 | 123,075,146 | 10.78% |
| Upon First Tranche Convertible Notes the subject of resolution 2 being converted in full | 24,143,316 | 133,946,346 | 18.02% |
| Upon Second Tranche Convertible Notes the subject of this resolution 3 being converted in full if: | | | |
| (a) Elph does not convert any of the First Tranche Convertible Notes; or | 25,729,810 | 135,532,840 | 18.98% |
| (b) Elph has converted all of the First Tranche Convertible Notes | 36,601,010 | 146,404,040 | 25.00% |
| | | | |

*This table has been prepared on the assumption that no further Shares are issued after the date of this notice (including consequent upon the exercise of any options currently on issue by the Company).

3. The maximum voting power that Elph would have in the Company, on the basis of the assumptions set out in paragraph 2 above, if Elph exercises all of the Second Tranche Convertible Notes (assuming it has also exercised all of the First Tranche Convertible Notes) is 25.00%. Clearly, Elph may exercise only part of its

First Tranche Convertible Notes and/or Second Tranche Convertible Notes and, therefore, Elph's eventual voting power in the Company may be less than this amount.

4. The following companies are associates of Elph:-

- 4.1 Elphinstone Holdings Pty Ltd (the holder of 100% of the voting power in Elph);
- 4.2 Dale Brendon Elphinstone (who has control of Elph, as defined in section 608(4) of the Act).

Elphinstone Holdings Pty Ltd and Dale Brendon Elphinstone are not the registered holders of any shares in the Company. However, as they are associates of Elph, they will have the same voting power in the Company which Elph has in the Company. Accordingly:

- 4.3 the maximum voting power that both Elphinstone Holdings Pty Ltd and Dale Brendon Elphinstone would have in the Company (on the assumptions set out in paragraph 2 above), if Elph exercises all of the Second Tranche Convertible Notes (assuming it has also exercised all of the First Tranche Convertible Notes) is 25.00%; and
- 4.4 the maximum extent of the increase in the voting power of both Elphinstone Holdings Pty Ltd and Dale Elphinstone that would result from the issue to Elph, and the conversion by Elph, of all of the Second Tranche Convertible Notes (assuming that Elph also converts all of the First Tranche Convertible Notes the subject of resolution 2 into Shares and on the assumptions set out in paragraph 2 above) is 14.22% (i.e. from its current level of 10.78% of the Company's current issued share capital to 25.00% of the Company's then expanded issued share capital).

5. The following additional information has been provided to the Company by Elph:

- 5.1 If shareholders approve this resolution 3, Elph has indicated that its present intention is to convert the Second Tranche Convertible Notes the subject of this resolution 3 and the First Tranche Convertible Notes the subject of resolution 2 in their entirety.
- 5.2 If shareholders approve this resolution 3, it is not the current intention of Elph:
 - 5.2.1 to change the financial or dividend policies of the Company;
 - 5.2.2 to change the business of the Company or to inject any further capital into the Company; or
 - 5.2.3 to change the employment of any of the employees of the Company or to otherwise redeploy the fixed assets of the Company.
- 5.3 Elph's current intentions regarding the future of the Company (in addition to as set out above) is to continue with the same projects, policies and philosophies of the Company as detailed in the Company's most recently lodged financial reports.

6. There is no proposal pursuant to which any property will be transferred between the Company and Elph or any person associated with Elph if this resolution 3 is approved.

7. There is no other contract or proposed contract between Elph and the Company which is conditional upon, or directly or indirectly dependent on, shareholders' agreement to this resolution 3.

8. If shareholder approval is obtained in accordance with this resolution 3, the Second Tranche Convertible Notes will be issued within one month of the date of this meeting. As set out in annexure A to this explanatory statement, the Convertible Notes may be converted at any time on or before the 12 month anniversary of the date of issue of the Second Tranche Convertible Notes.

9. None of the directors of the Company are directors of Elph, or have any interest in the securities of Elph. As a consequence, none of the directors of the Company have any interest in the outcome of this resolution 3.

10. All of the directors of the Company voted in favour of the proposal to put this resolution 3 to the Company's shareholders.

11. All of the directors of the Company recommend that shareholders of the Company (other than Elph, and its associates, who are prohibited from voting) approve the issue to, and conversion by, Elph of the Second Tranche Convertible Notes. If Elph converts all of the Second Tranche Convertible Notes the subject of this resolution 3 and the First Tranche Convertible Notes the subject of resolution 2, it will increase its voting

power in the Company to 25.00%. The directors consider that this will be beneficial to the Company because of:

- (a) the circumstances surrounding both Australian and global debt and equity markets (particularly for small-cap companies) and the continuing ambiguity in economic conditions;
- (b) the uncertain outlook for the Company if the transactions do not proceed; and
- (c) the potential synergies and other benefits that are expected to be derived in strategically important markets for the Company where Elph and its related entities already have an established presence and considerable experience. These benefits are expected to be of significant value to the Company.

12. A report from an independent expert is attached to this explanatory statement. The independent expert has determined that the transaction is not fair but reasonable when considered in the context of the interest of the shareholders other than those involved in the proposed transaction or their associates (namely, Elph and its associates).

13. There is no other information known to the Company that is material to a decision on how to vote on this resolution 3.

No votes are to be cast in favour of this resolution by Elph or any of its associates.

For personal use only

Terms and Conditions of Convertible Notes

1. Definitions

Unless the context requires another meaning, words defined in the Convertible Note Deed have the same meaning in these Conditions, and:

ASX means Australian Stock Exchange Limited;

ASX Listing Rules means the official listing rules of the ASX;

Business Day means a day on which authorised deposit-taking institutions or banks are open for business in Melbourne and Perth other than a Saturday, a Sunday or a public holiday;

Control has the meaning given in section 50AA of the Corporations Act;

Controller has the meaning given in the Corporations Act;

Conversion Rate means the rate of Conversion for each Outstanding Note which, subject to any adjustment of the rate in accordance with Condition 5.3, is equal to one Share for each Note.

Conversion Right means the right to Convert an Outstanding Note to Shares in accordance with these Conditions;

Convert or **Conversion** means the conversion of a Convertible Note into Shares in accordance with these Conditions;

Convertible Note means a convertible note issued by the Company having these Conditions;

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

Deed of Guarantee and Indemnity means a deed of guarantee and indemnity provided by each Guarantor Subsidiary in favour of the Financier on account of the Company;

Earliest Redemption Date means the date which is the 12 month anniversary of:

- (a) the First Issue Date in respect of the First Tranche of Convertible Notes; and
- (b) the Second Issue Date in respect of the Second Tranche of Convertible Notes;

Event of Default means:

- (a) if the Company fails to pay any amount payable under this Deed or the Convertible Notes when due;
- (b) if the Company fails to perform any other obligation under the Transaction Documents and, in respect only of a failure or default that the Financier considers can be remedied, which failure is not remedied to the Financier's satisfaction within 20 Business Days after receipt by the Company of a notice from the Financier requiring it to remedy the default;
- (c) a representation or warranty made or deemed to be made by the Company in, or in connection with, a Transaction Document is untrue or misleading when made or repeated, by omission or in any other way, in any material respect;
- (d) shares in the Company are suspended from trading on the ASX for a continuous period of 10 days or more, unless a waiver is granted by the Financier (such a waiver will not be unreasonably withheld);
- (e) an Insolvency Event occurs in respect of the Company or any of its Subsidiaries;
- (f) (i) any debt or other monetary obligation of the Company for money borrowed or raised or under any arrangement for financial accommodation or under any guarantee or indemnity

For personal use only

is not satisfied when due or within any applicable grace period, or becomes payable before it would otherwise have been payable; or

- (ii) a Security Interest created by the Company is enforced or the holder of a Security Interest takes possession or control of any of the assets, revenues or business of the Company;
- (g) distress, attachment, execution or other court process or any judgment in an amount exceeding \$100,000.00 is issued, levied or enforced on or against the Company or any of its assets, revenues or business and is not stayed, set aside or satisfied in full or within 10 Business Days;
- (h)
 - (i) a Transaction Document or a provision of a Transaction Document ceases for any reason to be of full force and effect or becomes void, voidable or unenforceable;
 - (ii) a law suspends, varies, terminates or excuses performance by the Company of any of its obligations under a Transaction Document or purports to do so;
 - (iii) it becomes impossible or unlawful for the Company to perform an obligation under a Transaction Document or for the Financier to exercise all or any of its rights, powers and remedies under a Transaction Document;
 - (iv) the Company alleges that a Transaction Document has been affected as described above; or
 - (v) any undertaking of the Company under a Transaction Document is not enforceable in accordance with its terms and the Company fails to do, or fails to refrain from doing, the act which it purported to undertake to do or not to do, as the case requires;
- (i) an event or change in circumstances occurs on or after the date of this Deed which has a Material Adverse Effect on the Company;
- (j) an undertaking given to the Financier or an agent or adviser of the Financier by or on behalf of the Company or an agent or adviser of any of them is not honoured strictly in accordance with its terms; or
- (k) an event of default (however described in the relevant Transaction Document) occurs under any other Transaction Document;

Financier means Elph Pty Ltd ABN 52 070 012 252 of 141-143 Wilson Street, Burnie, Tasmania 7320;

First Issue Date means the date when the First Tranche of Convertible Notes is issued;

Group Fixed and Floating Charge Deed means the deed, granted by the Company in favour of the Financier over all of the Company's assets and undertakings;

Guarantor Subsidiary has the same meaning as in the Deed of Guarantee and Indemnity;

Insolvency Event means any one or more of the following events occurs in respect of the Company or any of its Subsidiaries:

- (l) except for the purpose of a solvent reconstruction or amalgamation which has the prior written consent of the Financier:
 - (i) process is filed in a court seeking an order that it be wound up or that a Controller be appointed to it or any of its assets, unless the application is withdrawn, struck out or dismissed within 7 days of it being filed;
 - (ii) an order is made that it be wound up or that a Controller be appointed to it or any of its assets; or
 - (iii) a resolution that it be wound up is passed or proposed;
- (m) a liquidator, provisional liquidator, Controller or any similar official is appointed to, or takes possession or control of, all or any of its assets or undertaking;

- (n) an administrator is appointed to it, a resolution that an administrator be appointed to it is passed or proposed, or any other steps are taken to appoint an administrator to it;
- (o) it enters into, or resolves to enter into, an arrangement, compromise or composition with any of, or any class of, its creditors or members, or an assignment for the benefit of any of, or any class of, its creditors, or process is filed in a court seeking approval of any such arrangement, compromise or composition;
- (p) a reorganisation, moratorium, deed of company arrangement or other administration involving one or more of its creditors is proposed or effected;
- (q) any action is taken by ASIC with a view to cancelling its registration or to dissolving it, or an application is made to ASIC that any such action be taken;
- (r) it is insolvent within the meaning of Section 95A of the Corporations Act, states that it is unable to pay its debts or it is presumed to be insolvent under any applicable law;
- (s) as a result of the operation of section 459F(l) of the Corporations Act, it is taken to have failed to comply with a statutory demand;
- (t) it stops or suspends or threatens to stop or suspend:
- (i) the payment of all or a class of its debts; or
 - (ii) the conduct of all or a substantial part of its business; or
- (u) any event or circumstance set out in section 461 of the Corporations Act occurs in relation to it;

Maturity Date means the date which is 3 years after:

- (v) the First Issue Date in respect of the First Tranche of Convertible Notes; and
- (w) the Second Issue Date in respect of the Second Tranche of Convertible Notes;

Note Certificate means a certificate issued by the Company for Convertible Notes in the form of these Conditions;

Noteholder means, in respect of any Convertible Note at any time, the person in whose name a Convertible Note is registered in the Register;

Outstanding Note means a Convertible Note which has not been Redeemed or Converted;

Principal Amount means, in respect of a Convertible Note, the face amount of \$0.1714612;

Redeem or Redemption means, in respect of a Convertible Note, the redemption of the Convertible Note in whole for the Redemption Amount;

Redemption Amount means the sum of the Principal Amount of a Convertible Note plus the amount of all interest accrued on the Convertible Note as at the date of Redemption;

Register means the register of Convertible Notes maintained by the Company in accordance with the Convertible Note Deed; and

Shares means fully paid ordinary shares in the Company.

2. General Terms of issue

2.1 Terms of Issue

Each Convertible Note:

- (a) has an issue price equal to the Principal Amount;
- (b) may be transferred at any time in accordance with Condition 6;

- (c) is Convertible at the Conversion Rate at any time up to and including the Earliest Redemption Date;
- (d) is Redeemable for the Redemption Amount upon the earlier of:
 - (i) demand by a Noteholder if an Event of Default occurs;
 - (ii) 5 Business Days' written notice by either party after the Earliest Redemption Date; or
 - (iii) the Maturity Date.

2.2 Status

Each Convertible Note:

- (a) constitutes an obligation of the Company to pay to the Noteholder the Redemption Amount (subject to prior Conversion thereof by the Noteholder in accordance with these Conditions);
- (b) is secured by the Group Fixed and Floating Charge Deed and the Deed of Guarantee and Indemnity;
- (c) confers contractual rights on the Noteholder as set out in these Conditions;
- (d) does not confer on the Noteholder any right as a member or shareholder of the Company until Conversion; and
- (e) confers on the Noteholder a right to be given copies of all documents sent by the Company to its shareholders (whether in connection with a general meeting of shareholders or otherwise).

3. Interest

3.1 Interest

The Company must pay interest to the Noteholder on each Convertible Note on the Principal Amount of that Convertible Note:

- (a) subject to Condition 3.2, at the rate of 8% per annum;
- (b) on the basis that interest:
 - (i) accrues, or is deemed to have accrued, daily commencing from the actual date of issue of that Convertible Note; and
 - (ii) is calculated on the basis of the actual number of days elapsed (including the first day but excluding the last) and a 365 day year; and
- (c) quarterly in arrears (on the first day of January, April, July and October each year) until and (in respect of the final payment) on the date on which the Convertible Note is Redeemed or Converted.

3.2 Interest on overdue amounts

If an Event of Default occurs and a Noteholder does not require Redemption of all their Convertible Notes, the Company must pay interest to the Noteholder in respect of Outstanding Notes on the basis calculated under Condition 3.1, except that from the date of the Event of Default interest will accrue at a rate of 10% per annum.

4. Redemption

4.1 Redemption if required by Noteholder

Subject to Condition 4.3, the Company must Redeem any Outstanding Notes by payment of the Redemption Amount to the Noteholder, if and as required by the Noteholder, upon the earlier of:

- (a) an Event of Default occurring; or
- (b) 5 Business Days' written notice after the Earliest Redemption Date.

4.2 Redemption by the Company

Subject to Condition 4.3, the Company may, at any time after the Earliest Redemption Date elect to Redeem all Outstanding Notes by payment of the full Redemption Amount in respect of each Outstanding Note to each Noteholder after giving each Noteholder at least 5 Business Days' prior written notice of the proposed date of Redemption. For the avoidance of any doubt, the Company acknowledges that it has no right to Redeem any Outstanding Notes before the Earliest Redemption Date.

4.3 Effect of Redemption on Maturity Date

- (a) Unless the Financier otherwise agrees, the Company must, on the Maturity Date:
 - (i) Redeem each Outstanding Note by the payment of the Redemption Amount to the Noteholder; and
 - (ii) pay any other amounts owing to the Financier under this Deed.
- (b) The Redemption of a Convertible Note operates in full and final satisfaction of the Company's obligations to repay the Noteholder the Principal Amount of such Convertible Note.

5. Conversion

5.1 Conversion Right

- (a) Each Noteholder of Outstanding Notes has the right to Convert all or part of those Outstanding Notes into Shares at the Conversion Rate, at any time up to and including the Earliest Redemption Date (and on as many occasions as it requires), by giving a written notice to the Company specifying the number of Convertible Notes which they require to be Converted.
- (b) Where a Noteholder exercises its Conversion Right to Convert part only of the Noteholder's holding of Convertible Notes, the Noteholder must Convert at least 500,000 Convertible Notes or an integral multiple of 100,000 Convertible Notes (unless the balance of any Outstanding Notes is less than 100,000 in which case, that amount may be Converted).
- (c) The number of Shares to be issued by the Company to a Noteholder who has requested a Conversion of Convertible Notes will be equal to the Conversion Rate multiplied by the number of the relevant Convertible Notes.

5.2 Right to participate in new issues of securities

Each Noteholder is entitled to participate in any pro rata issue of Shares or other securities by the Company as if the Noteholder had Converted all their Outstanding Notes to Shares prior to the record date for such issue. If the Noteholder does not take up the issue, there will be no adjustment to the Conversion Rate to reflect any such issue.

5.3 Adjustment of Conversion Rate

- (a) **Reduction in capital:** If the issued capital of the Company is reduced, the entitlement of a Noteholder to Convert its Outstanding Notes to Shares at the Conversion Rate will be reduced in the same proportion and manner as the issued capital is so reduced (subject to any provisions with respect to the rounding of entitlements as may be sanctioned by the meeting of the members of the Company approving the reduction of capital) but in all other respects the Conversion Rights will remain unchanged;
- (b) **Consolidation of capital:** If the issued capital of the Company is consolidated, the entitlement of a Noteholder to Convert its Outstanding Notes to Shares at the Conversion Rate will be reduced in the same proportion and manner as the issued capital is so consolidated (subject to any provisions with respect to the rounding of entitlements as may be sanctioned by the meeting of the members of the Company approving the consolidation of capital) but in all other respects the Conversion Rights will remain unchanged; or

- (c) **Subdivision of Capital:** If the issued capital of the Company is subdivided, the entitlement of a Noteholder to Convert its Outstanding Notes to Shares at the Conversion Rate will be increased in the same proportion and manner as the issued capital is so subdivided (subject to any provisions with respect to the rounding of entitlements as may be sanctioned by the meeting of the members of the Company approving the subdivision of capital) but in all other respects the Conversion Rights will remain unchanged.

5.4 Adjustment for bonus issues

If the Company makes a bonus issue of Shares or other securities, then the Noteholder upon Conversion will be entitled to receive such number of further Shares or securities which the Noteholder of the Outstanding Notes would have received if the Outstanding Notes had been Converted before the record date for the bonus issue.

5.5 Conversion to Shares

- (a) The Company must issue Shares for the Convertible Notes in respect of which the Noteholder has elected to exercise Conversion Rights, at the Conversion Rate, and within 10 Business Days of the receipt by the Company of a notice exercising the Conversion Right.
- (b) Upon the exercise of the Conversion Right, a Noteholder will be deemed to have applied for such number of Shares as will be issued upon the Conversion of the relevant Convertible Notes which the Noteholder elects to Convert at the Conversion Rate.
- (c) The Conversion of a Convertible Note operates in full and final satisfaction of the Company's obligations to repay the Noteholder the Principal Amount of such Convertible Note.
- (d) All Shares issued upon conversion of Notes will rank equally in all respects with the then issued Shares of the Company.
- (e) After the issue of such Shares, the Company will apply for official quotation of such Shares on the ASX to allow them to be traded.
- (f) The Convertible Notes will not be quoted on the ASX.

5.6 Costs of conversion and listing

The Company will pay the expenses of the issue of, and all expenses of obtaining a listing for, Shares issued on Conversion of the Convertible Notes.

5.7 Conversion Right warranties

The Company must, whilst there are any Outstanding Notes:

- (a) **Listing:** use its best endeavours to:
- (i) maintain a listing for its Shares on the ASX;
 - (ii) obtain and maintain a listing on the ASX for all the Shares issued on the exercise of any of the Conversion Rights;
 - (iii) obtain and maintain a listing for all the Shares issued on the exercise of any of the Conversion Rights on any other stock exchanges on which any other Shares are then listed; and
 - (iv) give to the Noteholders notice of the delisting of the Shares by the ASX, or any other stock exchange on which they are listed from time to time.
- (b) **Consents:** use its best endeavours to obtain, as and when required, and having once obtained, maintain, all necessary governmental and regulatory consents to enable:
- (i) the Company to issue the Shares upon Conversion of the Convertible Notes; and
 - (ii) the Company to make all payments required to be made by it in respect of the Convertible

Notes.

5.8 Bound by Constitution

Each Noteholder acknowledges that on the issue of Shares on the exercise of their Conversion Rights, the Noteholder will be bound by the Constitution of the Company in so far as it relates to Shares.

6. Transfer of Convertible Notes

- (a) Subject to the Constitution of the Company, a Noteholder will be entitled to transfer all or any of their Convertible Notes by lodging with the Company a proper instrument of transfer, duly stamped if necessary, executed by the transferor and executed by the transferee, together with the original Note Certificate for the Convertible Notes to which the transfer relates. No fee will be charged for the registration of a transfer.
- (b) The transferor shall be deemed to remain the owner of the Convertible Notes until the name of the transferee is entered in the Register in respect thereof.
- (c) Any person becoming entitled to Notes as a result of the death or bankruptcy of the Noteholder of such Convertible Notes, will, upon producing such evidence of that person's entitlement to the Noteholder's title as the Company reasonably requires, be registered as the Noteholder of such Convertible Notes.

7. Cancellation of Convertible Notes

Each Note once Redeemed or Converted will *ipso facto* be cancelled and will not be reissued.

8. Title to Convertible Notes

Except as ordered by a court of competent jurisdiction or as required by law, the Company, acting in good faith and exercising reasonable care:

- (a) may treat the registered Noteholder of a Convertible Note as the absolute owner (notwithstanding any notice of ownership by another person or of any trust or any other interest);
- (b) is not required to obtain any proof of ownership of a Convertible Note and is not required to verify the identity of the registered Noteholder; and
- (c) is not required to recognise or give effect to any legal or equitable interest in any Convertible Note not entered on the Register notwithstanding that the Company may have actual or constructive notice thereof.

9. Note Certificates

Subject to the requirements of the Constitution of the Company:

- (a) each person registered as a Noteholder is entitled to receive one executed Note Certificate for the Convertible Notes held by that person, which must be delivered by the Company to that person promptly after that person becomes a registered Noteholder;
- (b) if any Note Certificate is worn out or defaced, then upon production of the Note Certificate to the Company, the Company may issue a new Note Certificate in lieu thereof.
- (c) if a Note Certificate is lost or destroyed then upon the Noteholder providing proof to the satisfaction of the Company, a new Note Certificate in lieu thereof will be issued by the Company to the person entitled to such lost or destroyed Note Certificate.

10. Payment to Noteholders

10.1 Payment by the Company

- (a) Any interest principal or other moneys payable on or in respect of any Convertible Notes may be paid:

- (i) by not later than 2:00 pm on the due date for payment;
- (ii) in Australian dollars and in money that is immediately available to the Noteholder and freely transferable by it; and
- (iii) to the account specified by the Noteholder,

or in any other manner that the Noteholder notifies to the Company.

- (b) If several persons are entered in the Register as joint holders of any Convertible Notes, then the payment to any one of such persons for any principal or other moneys payable on or in respect of such Notes shall be as effective a discharge to the Company as if the person to whom payment is made were the sole registered holder of such Convertible Notes.

10.2 No deduction

All amounts payable by the Company under a Convertible Note must be paid unconditionally and in full without set-off or counterclaim or deduction or withholding for any tax or any other reason, unless the deduction or withholding is required by applicable law.

10.3 Business Days

If an amount would otherwise be due for payment on a day that is not a Business Day, that amount is due on the following Business Day or, if that Business Day is in another calendar month, on the preceding Business Day.

10.4 Payable on demand

An amount payable under a Convertible Note that is not payable on a specified date is payable on demand by the Noteholder.

10.5 Allocation of receipts

The Noteholder may allocate payments made by or for the account of the Company towards any principal, interest or other money owing under a Convertible Note as it considers appropriate.

10.6 Noteholder's certificate

A certificate signed by a director or secretary of the Noteholder stating an amount due, owing or payable or a rate or any other matter for the purpose of a Convertible Note or Convertible Notes is, in the absence of manifest error, conclusive and binding on the Company.

11. Notices

- (a) A notice given to a Noteholder pursuant to a provision of these Conditions must be in writing or electronic form and may be given to a Noteholder by being delivered to him by e-mail, facsimile, or posted in a pre-paid envelope and addressed to the address appearing in the Register or to such other address as the Noteholder has notified the Company in writing.
- (b) A notice given to any one of joint Noteholders is sufficient notice to all of those joint Noteholders.

12. Variation of Conditions

These Conditions cannot be amended, varied, modified or added to without the prior written consent of all Noteholders.

13. Conditions binding on parties and successors

These Conditions shall be binding on the Company, the Noteholders and all persons claiming through or under them respectively.

14. Governing Law

These Conditions shall be governed by and construed in accordance with the laws of Tasmania.



Coote Industrial Ltd
627 - 635 Bickley Rd
Maddington WA 6109

PO Box 270
Maddington WA 6989
ABN: 99 120 432 144

T : +61 (0)8 9251 8000
F : +61 (0)8 9452 2186
www.coote.com.au

PROXY FORM

The Company Secretary
Coote Industrial Limited

I/We, _____ of _____

_____ (address) being a member/s of Coote Industrial Limited A.C.N. 120 432 144 (**Company**) hereby

appoint _____ (name)

of _____ (address) or failing him or her the

Chairman of the Meeting as my/our proxy to vote on my/our behalf at the Extraordinary General Meeting of the

Company to be held at Perth Convention Exhibition Centre, 21 Mounts Bay Road, Perth on 21 October 2009 at

10.30 am and at any adjournment of that meeting.

IMPORTANT: If you do **NOT** wish to direct your proxy how to vote, place a mark in the box below.

By marking this box, you acknowledge that the Chairman of the Meeting, acting as your proxy, may exercise your undirected proxy votes (if you do not specify below how your proxy is to vote below) even if he or she has an interest in the outcome of each resolution which carries a voting exclusion providing that votes cast by him or her other than as proxy holder will be disregarded because of that interest. The Chairman intends to vote undirected proxies **IN FAVOUR** of each resolution.

If two proxies are appointed, the proportion of my/our total voting rights that this proxy is authorised to exercise are as follows:

_____ (number of votes or percentage of voting rights proxy is authorised to exercise).

Should you desire to direct your proxy how to vote please place a mark in the appropriate boxes below. If you do not instruct your proxy how to vote on a resolution you should mark the box above, leave the boxes below blank and your proxy may vote as he or she thinks fit or abstain from voting. If you leave boxes unmarked for some candidates but not for all candidates, your proxy will not be able to vote your shares in respect of the unmarked candidates.

I/We instruct my/our proxy to vote as follows (the resolutions are numbered as in the Notice of Extraordinary General Meeting):

| | For | Against | Abstain ¹ |
|--|--------------------------|--------------------------|--------------------------|
| Resolution 1 - Ratification and Approval of Issue of Shares by Directors | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 - Ratification and Approval of Issue of Convertible Notes by Directors | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 - Approval of Issue of Convertible Notes and the Issue of Shares upon the Conversion of Convertible Notes | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

¹ If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item.

This proxy form must be signed by each appointing member (or member's attorney). Proxy forms submitted by a company must be executed in accordance with section 127 of the Corporations Act or signed by a duly authorised officer or attorney.

Dated this _____ day of _____ 2009

Authorised signature/s

Signed by Individual Member or Attorney:

Signed by Sole Director Company:

Individual Member/Attorney
(delete as appropriate)

Sole Director and Secretary

Signed by Company:

Director

Director/Company Secretary
(delete as appropriate)

This form should be signed by the member. If signed by the member's attorney, the power of attorney must have been previously noted by the Company or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the member's constitution and the Corporations Act 2001.

Chapter 2C of the Corporations Act 2001 requires information about you as a member (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold securities. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. You can access your personal information by contacting the Company's share registry at the address or telephone number shown on this form



Coote Industrial Ltd
627 - 635 Bickley Rd
Maddington WA 6109

PO Box 270
Maddington WA 6989
ABN: 99 120 432 144

T : +61 (0)8 9251 8000
F : +61 (0)8 9452 2186
www.coote.com.au

**APPOINTMENT OF CORPORATE REPRESENTATIVE
Pursuant to Section 250D of the Corporations Act 2001**

_____ (ACN/ARBN _____)
(Insert name of Shareholder/Body Corporate & ACN/ARBN)

Hereby Authorises

(Insert name of appointee)

(*) 1.To act as the Company's representative at all Extraordinary General Meetings of Coote Industrial Limited A.C.N. 120 432 144

(*) 2.To act as the Company's Representative at the Extraordinary General Meeting to be held at the Perth Convention Exhibition Centre, 21 Mounts Bay Road, Perth at 10.30am on 21 October 2009 and any adjournment thereof.

Dated this _____ day of _____ 2009

Executed by the corporation in accordance with its Constitution/Section 127 of the Corporations Act 2001 in the presence of:

(*) Director

(*) Sole Director & Sole Secretary

(*) Director/Secretary

Affix Common Seal here (optional)

(*) Delete if not applicable

This authority may be sent to the registered office or share registry office of the Company in advance of the meeting as set out in the Notice of Extraordinary General Meeting which this appointment accompanies or handed in at the Extraordinary General Meeting when registering as a company representative. In either case, the authority will be retained by the Company.

For personal use only