

## CIRCULAR

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. It contains proposals relating to The Prospect Japan Fund Limited (the Company) on which you are being asked to vote.**

**When considering what action you should take, you are recommended immediately to seek your own personal financial advice from an appropriately qualified independent adviser authorised under the Financial Services and Markets Act 2000.**

If you have disposed of all of your shares in the Company, please pass this document (and the enclosed Form of Proxy) as soon as possible to the purchaser or transferee or to the stockbroker or other agent through whom you made the disposal for onward transmission to the purchaser or transferee.

This document comprises a circular relating to the Company prepared in accordance with the Listing Rules of the United Kingdom Listing Authority. This Circular has been approved by the Financial Conduct Authority and published in accordance with the Listing Rules.

**This Circular should be read as a whole. Your attention is drawn in particular to the letter from your Chairman which is set out on pages 2 to 6 of this Circular and which recommends that you vote in favour of the Resolution to be proposed at the extraordinary general meeting of the Company (EGM) referred to in this Circular.**

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# THE PROSPECT JAPAN FUND LIMITED

*(an authorised closed-ended investment company incorporated under the laws of Guernsey with registered number 28863)*

## Notice of Extraordinary General Meeting

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The Company is an authorised closed-ended investment scheme in accordance with Section 8 of the Protection of Investors (Bailiwick of Guernsey) Law, 1987 as amended and the Authorised Closed-Ended Investment Schemes Rules 2008.

The Proposals described in this Circular are conditional on Shareholder approval at the EGM. Notice of the EGM to be held at 10.00 a.m. on Wednesday, 5 March 2014 at PO Box 255, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3QL is set out at the end of this Circular.

Shareholders are requested to return a Proxy Appointment in hard copy form by post, by courier or by hand to the Company's registrars, Computershare Investor Services (Jersey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY by no later than 48 hours before the time at which the EGM (or any adjournment thereof) is to begin.

Completion of a Proxy Appointment will not preclude a Shareholder from attending, speaking and voting in person at the EGM.

Your attention is drawn to the letter from the Chairman of the Company which is set out in this Circular and which recommends that you vote in favour of the Resolution to be proposed at the EGM. Your attention is also drawn to the section entitled Action to be Taken on page 6 of this Circular.

Defined terms used in this Circular have the meanings given to them in the section headed Definitions on page 7.

# THE PROSPECT JAPAN FUND LIMITED

(an authorised closed-ended investment company incorporated under the laws of Guernsey with registered number 28863)

## LETTER FROM THE CHAIRMAN

John Hawkins (*Chairman*)  
Rupert Evans  
Christopher Sherwell  
Richard Battey

*Registered Office:*  
PO Box 255  
Trafalgar Court  
Les Banques  
St Peter Port  
Guernsey GY1 3QL

31 January 2014

*To the Shareholders*

Dear Sir or Madam

## NOTICE OF EXTRAORDINARY GENERAL MEETING

### INTRODUCTION

Following the change in the investment environment in Japan since the Company's launch in 1994, and in light of the Manager's view of the country's investment outlook, the Board has concluded that the Company's investment remit should be expanded. The vast majority of listed Japanese companies are now completely debt-free, whilst many companies have net cash in excess of their market capitalisation or net book value of real estate over two times their market capitalisation. The Manager therefore believes an opportunity exists to realise value for Shareholders through taking larger positions in investee companies, with a view to engaging with/making changes to management or initiating corporate actions such as buybacks, asset sales or reconstructions. The Board is fully supportive of the Manager being permitted to take advantage of investment opportunities on a larger scale and with a focus on absolute return.

The Board therefore wishes to seek Shareholder approval for an amendment to the Company's investment restrictions.

It is proposed to amend the Company's investment restrictions by increasing the amount that the Company may invest or lend in securities of any one company or single issuer (other than obligations of the Japanese Government or its agencies or of the US Government or its agencies) from up to 10 per cent. of its assets to up to 25 per cent.

In addition it is proposed to remove in their entirety the restrictions on:

- (a) the amount the Company may invest in non-corporate investments or securities not listed or quoted on any recognised stock exchange, for which purpose securities quoted on any of the Japanese Stock Markets will be treated as securities quoted on a recognised stock exchange; and
- (b) the Company investing where the investment would result in the Company holding more than 10 per cent of the issued share capital of that company or of any class of that company's share capital, unless that company constitutes a trading company (for the purposes of the relevant United Kingdom legislation) where the investment would result in the Company holding 50 per cent. or more of the issued share capital of that company or of any class of that company's share capital.

It is also proposed to introduce a new restriction in relation to investment in other closed end investment funds listed on the Official List and formalise the Company's gearing policy. The Company may use gearing from time to time amounting to not more than 20 per cent. of the Company's net asset value. Although the

Company does not have a borrowing facility at the present time, it has utilised modest levels of gearing in the past and the use of gearing within this limit in the future will be subject to prior approval of the Board.

Finally, since the Company's portfolio is not managed to a benchmark, it is proposed to state in the investment objective that performance is measured against the MSCI Japan Small Cap Index (Total Return) for comparison purposes only.

The Existing Investment Objective, Policy and Restrictions and the proposed New Investment Objective, Policy and Restrictions are set out in full below.

## **EXISTING INVESTMENT OBJECTIVE, POLICY AND RESTRICTIONS**

### *Investment Objective*

The Company's investment objective is to achieve long-term capital growth from a portfolio of securities primarily of smaller Japanese companies listed or traded on Japanese Stock Markets. The aim will be to achieve a long-term capital return on the Company's portfolio in excess of the return on the Tokyo Stock Exchange Section Index (**TSE Second Index**) and the Japan OTC Index (**OTC Index**) calculated in US Dollars. Dividend income will be a secondary consideration in making investment decisions.

### *Investment Policy*

The Company's investment policy is that it will invest mainly in shares, but may also invest in equity related instruments such as convertible bonds or warrants issued by smaller Japanese companies and debt instruments.

The Company may invest not more than 10 per cent. of the net asset value of the Company in unlisted securities which are not registered for trading or quoted on any of the Japanese Stock Markets. It is the intention of the Directors that such investments should only be made where either a listing or an alternative form of realising the investment can be expected within a reasonable period of time. Within these parameters, the assets of the Company may be used to provide *venture* or *start-up* capital (but no investment will carry unlimited liability). The balance of the assets of the Company not invested in securities will normally be invested in short-term debt securities and money market instruments or placed on deposit.

The assets of the Company will be denominated principally in Japanese Yen. It is not the present intention of the Directors to hedge the currency exposure of the Company, but the Directors reserve the right to do so in the future if they consider this to be desirable.

It is intended that the principal investment objective and policies of the Company as set out above will remain in force until determined by the Directors and any material change in the policies will only be made with shareholder approval.

### *Investment Restrictions*

It is the intention to observe the investment restrictions necessary to maintain a listing for the Company as an investment company on the London Stock Exchange and for the Company to be able to obtain certification as a *distributing fund* if subject to the applicable United Kingdom taxation legislation (and subject to other conditions of that legislation, see *Taxation* below). For these purposes and for other policy considerations, the Company will not:

- (a) invest in securities carrying unlimited liability; or
- (b) deal short in securities; or
- (c) take legal or management control of investments in its portfolio; or
- (d) invest in any commodities, land or interests in land; or
- (e) invest or lend more than 10 per cent. of its assets in securities of any one company or single issuer (other than obligations of the Japanese Government or its agencies or of the US Government or its agencies); or

- (f) invest more than 10 per cent. of its assets in non-corporate investments or securities not listed or quoted on any recognised stock exchange, for which purpose securities quoted on any of the Japanese Stock Markets will be treated as securities quoted on a recognised stock exchange; or
- (g) invest in any company where the investment would result in the Company holding more than 10 per cent of the issued share capital of that company or of any class of that company's share capital, unless that company constitutes a trading company (for the purposes of the relevant United Kingdom legislation) in which case the Company may not make any investment that would result in its holding 50 per cent. or more of the issued share capital of that company or of any class of that company's share capital; or
- (h) invest in more than 5 per cent. of its assets in units of unit trusts or shares or other forms of participation in managed open-ended investment vehicles; or
- (i) commit its assets in the purchase of foreign exchange contracts or financial futures contracts or put or call options or in the purchase of securities on margin other than in connection with or for the purpose of hedging transactions effected on behalf of the Company.

## **NEW INVESTMENT OBJECTIVE, POLICY AND RESTRICTIONS**

### *Investment Objective*

The Company's investment objective is to achieve long-term capital growth from a portfolio of securities primarily of smaller Japanese companies listed or traded on Japanese Stock Markets. The aim will be to achieve a long-term capital return on the Company's portfolio and dividend income will be a secondary consideration in making investment decisions. Although the Company is not managed to a benchmark, it measures its performance against the MSCI Japan Small Cap Index (Total Return) for comparison purposes only.

### *Investment Policy*

The Company's investment policy is that it will invest mainly in shares, but may also invest in equity related instruments such as convertible bonds or warrants issued by smaller Japanese companies and debt instruments.

It is the intention of the Directors that investments in unlisted securities which are not registered for trading on or quoted on any of the Japanese Stock Markets should only be made where either a listing or an alternative form of realising the investment can be expected within a reasonable period of time. Within these parameters, the assets of the Company may be used to provide *venture* or *start-up* capital (but no investment will carry unlimited liability). The balance of the assets of the Company not invested in securities will normally be invested in short-term debt securities and money market instruments or placed on deposit.

The assets of the Company will be denominated principally in Japanese Yen. It is not the present intention of the Directors to hedge the currency exposure of the Company, but the Directors reserve the right to do so in the future if they consider this to be desirable.

It is intended that the principal investment objective and policies of the Company as set out above will remain in force until determined by the Directors and any material change in the policies will only be made with shareholder approval.

### *Investment Restrictions*

It is the intention to observe the investment restrictions necessary to maintain a listing for the Company as an investment company on the London Stock Exchange and for the Company to be able to obtain certification as a *distributing fund* if subject to the applicable United Kingdom taxation legislation (and subject to other conditions of that legislation, see *Taxation* below). For these purposes and for other policy considerations, the Company will not:

- (a) invest in securities carrying unlimited liability; or
- (b) deal short in securities; or
- (c) take legal or management control of investments in its portfolio; or

- (d) invest in any commodities, land or interests in land; or
- (e) invest or lend more than 25 per cent. of its assets at the time the investment is made in securities of any one company or single issuer (other than obligations of the Japanese Government or its agencies or of the US Government or its agencies); or
- (f) invest more than 10 per cent. of its assets at the time the investment is made in closed-end investment funds which are listed on the Official List maintained by the Financial Conduct Authority (except to the extent that those investment funds have stated investment policies to invest no more than 15 per cent. of their total assets in other investment funds which are listed on the Official List) and the Company will not invest more than 15 per cent. of its assets at the time the investment is made in such funds; or
- (g) invest in more than 5 per cent. of its assets at the time the investment is made in units of unit trusts or shares or other forms of participation in managed open-ended investment vehicles; or
- (h) commit its assets in the purchase of foreign exchange contracts or financial futures contracts or put or call options or in the purchase of securities on margin other than in connection with or for the purpose of hedging transactions effected on behalf of the Company; or
- (i) enter into borrowings in excess of 20 per cent. of net assets at the time the borrowings are drawn down.

A blackline showing the changes to the Existing Investment Objective, Policy and Restrictions is set out in Appendix A, which forms part of this Circular.

## **RISKS ASSOCIATED WITH THE PROPOSALS**

The effect of the proposed amendments to the Company's investment restrictions, if approved, will be to potentially increase the Company's risk profile in the following ways:

- creating a more concentrated portfolio, with greater exposure to unquoted stocks;
- increasing the likelihood of the Company holding illiquid positions;
- reducing index correlation;
- facing opposition from investee companies to shareholder activism and possibly adopting poison pill defences and/or dilutive share issues which could lead to the forced sale of the Company's holding;
- greater costs incurred by the Company participating in corporate actions where assets are invested and an exit strategy is not successful and/or Shareholder value is not realised; and
- in general, the volatility of the Company's performance may be increased.

By contrast, in the view of the Manager, should the Proposals not be approved by Shareholders, the pool of available investments will be greatly reduced and the potential to realise value for Shareholders in accordance with the Existing Investment Objective of achieving long term value is likely to be significantly less.

Notwithstanding the risks identified above, in accordance with Listing Rule 15.2.8R, the Company will continue to ensure risk is diversified within its portfolio by monitoring the Manager's compliance with the exposure limits set out in the proposed new investment restrictions which notably include new limits in respect of investments in closed-end investment funds and the introduction of a formal gearing policy.

## **FREE FLOAT**

The Company has recently become aware that it is currently in breach of Listing Rule 6.1.19R which states that at least 25 per cent. of a listed company's issued share capital must be held in public hands and that shares held by any person or persons in the same group or persons acting in concert who have an interest in 5 per cent. or more of the shares are not deemed to be in public hands.

In accordance with Listing Rule 9.2.16R, the Company has informed the Financial Conduct Authority ("FCA") that, given the size of the combined shareholdings of its top Shareholders, the Company is currently not able to comply with the shares in public hands requirement and it remains in consultation with the FCA regarding this issue.

The Board, in conjunction with its financial adviser and broker, Westhouse Securities Limited, is currently considering all possible and appropriate options for redressing the Company's current free float position. The Company intends to keep the FCA and its Shareholders regularly apprised of the issue. In the event that the Company is unable to rectify the breach of the free float requirement and therefore no longer satisfies its continuing obligations for listing, the FCA may unilaterally cancel the listing of the Company's Shares on the premium segment of the Official List and the admission to trading of the Company's Shares on the London Stock Exchange.

## **EXTRAORDINARY GENERAL MEETING**

Under the Listing Rules the Company is required to seek the approval of Shareholders for any material change to its investment policy. Therefore an ordinary resolution to approve the changes to the Existing Investment Objective, Policy and Restrictions will be proposed at the EGM. The full text of the Resolution is set out in the notice of EGM at the end of this Circular.

All Shareholders are entitled to attend and vote at the EGM. In accordance with the Articles, all Shareholders present in person or by proxy shall upon a show of hands have one vote and upon a poll shall have one vote in respect of each Share held. In order to ensure that a quorum is present at the EGM, it is necessary for two or more Shareholders holding 5 per cent. or more of the voting rights applicable to such meeting to be present in person or by proxy (or, if a corporation, by a representative).

## **RESOLUTION**

You will find set out at the end of this Circular, a notice convening an EGM of the Company to be held at 10.00 a.m. on Wednesday, 5 March 2014. The Resolution to be proposed at the EGM to amend the investment restrictions of the Company will be proposed as an ordinary resolution.

All persons holding Shares at 10.00 a.m. on Monday, 3 March 2014, or if the EGM is adjourned, on the register of Shareholders of the Company 48 hours before the time of any adjourned EGM, shall be entitled to attend, speak and vote at the EGM and shall be entitled on a poll to one vote per Share held.

## **ACTION TO BE TAKEN**

### *Appointment of proxy*

Whether or not you intend to attend the EGM you should ensure that your Proxy Appointment is returned in hard copy form by post, by courier or by hand to the Company's registrars, Computershare Investor Services (Jersey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY by no later than 48 hours before the time for holding of the EGM. To be valid, the relevant Proxy Appointment should be completed in accordance with the instructions accompanying it and lodged with the Company's registrars by the relevant time.

Completion and return of the Proxy Appointment will not affect a Shareholder's right to attend, speak and vote at the EGM.

## **RECOMMENDATION**

Your Board is of the opinion that the Proposals are in the best interests of the Company and its Shareholders as a whole and unanimously recommends that Shareholders vote in favour of the Resolution to be proposed at the EGM.

Yours faithfully

John Hawkins  
**Chairman**

## DEFINITIONS

<b>Abbreviation</b>	<b>Meaning</b>
<b>Articles</b>	the Articles of Incorporation of the Company;
<b>Board or Directors</b>	the board of directors of the Company;
<b>Circular</b>	this document;
<b>Company</b>	The Prospect Japan Fund Limited;
<b>Existing Investment Objective, Policy and Restrictions</b>	the investment objective, policy and restrictions currently adopted by the Company;
<b>EGM</b>	the extraordinary general meeting convened for 10.00 a.m. on Wednesday, 5 March 2014 (or any adjournment thereof) notice of which is set out at the end of this Circular;
<b>Japanese Stock Markets</b>	the Tokyo Stock Exchange, the regional stock markets of Fukuoka, Hiroshima, Osaka, Kyoto, Nagoya, Niigata and Sapporo and the JASDAQ market and Mothers market;
<b>Manager</b>	Prospect Asset Management (Channel Islands) Limited;
<b>New Investment Objective, Policy and Restrictions</b>	the proposed investment objective, policy and restrictions that will be adopted by the Company if the Resolution is passed;
<b>Proposals</b>	the items of business to be proposed at the EGM;
<b>Proxy Appointment</b>	the appointment of a proxy on behalf of a Shareholder in accordance with the procedures described in this Circular;
<b>Resolution</b>	the ordinary resolution to be proposed at the EGM and contained in the notice of EGM in this Circular;
<b>Shareholder</b>	means a registered holder of Shares; and
<b>Shares</b>	means ordinary shares of US\$0.001 each in the issued share capital of the Company.

## APPENDIX A

### *Investment Objective*

The Company's investment objective is to achieve long-term capital growth from a portfolio of securities primarily of smaller Japanese companies listed or traded on Japanese Stock Markets. The aim will be to achieve a long-term capital return on the Company's portfolio ~~and in excess of the return on the Tokyo Stock Exchange Section Index (**TSE Second Index**) and the Japan OTC Index (**OTC Index**) calculated in US Dollars.~~ Dividend income will be a secondary consideration in making investment decisions. Although the Company is not managed to a benchmark, it measures performance against the MSCI Japan Small Cap Index (Total Return) for comparison purposes only.

### *Investment Policy*

The Company's investment policy is that it will invest mainly in shares, but may also invest in equity related instruments such as convertible bonds or warrants issued by smaller Japanese companies and debt instruments.

~~The Company may invest not more than 10 per cent. of the net asset value of the Company~~ It is the intention of the Directors that investments in unlisted securities which are not registered for trading on or quoted on any of the Japanese Stock Markets. ~~It is the intention of the Directors that such investments~~ should only be made where either a listing or an alternative form of realising the investment can be expected within a reasonable period of time. Within these parameters, the assets of the Company may be used to provide *venture* or *start-up* capital (but no investment will carry unlimited liability). The balance of the assets of the Company not invested in securities will normally be invested in short-term debt securities and money market instruments or placed on deposit.

The assets of the Company will be denominated principally in Japanese Yen. It is not the present intention of the Directors to hedge the currency exposure of the Company, but the Directors reserve the right to do so in the future if they consider this to be desirable.

It is intended that the principal investment objective and policies of the Company as set out above will remain in force until determined by the Directors and any material change in the policies will only be made with shareholder approval.

### *Investment Restrictions*

It is the intention to observe the investment restrictions necessary to maintain a listing for the Company as an investment company on the London Stock Exchange and for the Company to be able to obtain certification as a *distributing fund* if subject to the applicable United Kingdom taxation legislation (and subject to other conditions of that legislation, see *Taxation below*). For these purposes and for other policy considerations, the Company will not:

- (a) invest in securities carrying unlimited liability; or
- (b) deal short in securities; or
- (c) take legal or management control of investments in its portfolio; or
- (d) invest in any commodities, land or interests in land; or
- (e) invest or lend more than ~~25-40~~ per cent. of its assets at the time the investment is made in securities of any one company or single issuer (other than obligations of the Japanese Government or its agencies or of the US Government or its agencies); or
- (f) invest more than 10 per cent. of its assets at the time the investment is made in closed-end investment funds which are listed on the Official List maintained by the Financial Conduct Authority (except to the extent that those investment funds have state investment policies to invest no more than 15 per cent. of their total assets in other investment funds which are listed on the Official List) and the Company will not invest more than 15 per cent. of its assets at the time the investment is made in such funds; or



- ~~(f) — invest more than 10 per cent. of its assets in non corporate investments or securities not listed or quoted on any recognised stock exchange, for which purpose securities quoted on any of the Japanese Stock Markets will be treated as securities quoted on a recognised stock exchange; or~~
- ~~(g) — invest in any company where the investment would result in the Company holding more than 10 per cent. of the issued share capital of that company or of any class of that company's share capital, unless that company constitutes a trading company (for the purposes of the relevant United Kingdom legislation) in which case the Company may not make any investment that would result in its holding 50 per cent. or more of the issued share capital of that company or of any class of that company's share capital; or~~
- (g) ~~(h)~~ invest in more than 5 per cent. of its assets at the time the investment is made in units of unit trusts or shares or other forms of participation in managed open-ended investment vehicles; or
- (h) ~~(i)~~ commit its assets in the purchase of foreign exchange contracts or financial futures contracts or put or call options or in the purchase of securities on margin other than in connection with or for the purpose of hedging transactions effected on behalf of the Company; or
- (i) enter into borrowings in excess of 20 per cent. of net assets at the time the borrowings are drawn down.

# THE PROSPECT JAPAN FUND LIMITED

(an authorised closed-ended investment company incorporated under the laws of Guernsey with registered number 28863)

(the **Company**)

## NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE is given that an extraordinary general meeting of the Company (**EGM**) will be held at PO Box 255, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3QL on Wednesday 5 March 2014 at 10.00 a.m. to consider and, if thought fit, to pass the following ordinary resolution which, if approved, will replace the Company's Existing Investment Objective, Policy and Restrictions with the New Investment Objective, Policy and Restrictions. The complete text of the New Investment Objective, Policy and Restrictions is set out in the Circular.

## ORDINARY RESOLUTION

THAT the New Investment Objective, Policy and Restrictions, as set out in the Circular, be and is approved and adopted with immediate effect as the Investment Objective, Policy and Restrictions of the Company, to the exclusion of the Existing Investment Objective, Policy and Restrictions.

*By order of the Board*  
**THE PROSPECT JAPAN FUND LIMITED**

*Registered Office:*  
PO Box 255  
Trafalgar Court  
Les Banques  
St Peter Port  
Guernsey GY1 3QL

Date: 31 January 2014

### Notes:

- (i) A form of appointment of a proxy (the **Proxy Appointment**) is enclosed with this notice. A Shareholder entitled to attend, speak and vote is entitled to appoint one or more proxies to exercise all or any of his rights to attend, speak and vote at the EGM. A proxy need not be a Shareholder of the Company. If you wish to appoint a person other than the Chairman of the EGM, please insert the name of your chosen proxy holder in the space provided on the enclosed Proxy Appointment.
- (ii) In the case of joint holders such persons shall not have the right to vote individually in respect of a Share but shall elect one person to represent them and vote in person or by proxy in their name. In default of such an election, the vote of the person first named in the register of members of the Company tendering a vote will be accepted to the exclusion of the votes of the other joint holders.
- (iii) You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different Shares. You may not appoint more than one proxy to exercise rights attached to any one Share. To appoint more than one proxy you may photocopy the enclosed Proxy Appointment. Please indicate the proxy holder's name and the number of Shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of Shares held by you). Please also indicate if the proxy instruction is one of multiple instructions given by you. All hard copy Proxy Appointments must be signed and should be returned together in the same envelope.
- (iv) In order to be valid a Proxy Appointment must be returned in hard copy form by post, by courier or by hand to the Company's registrars, Computershare Investor Services (Jersey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY by no later than 48 hours before the time for holding of the EGM.
- (v) In the case of a Shareholder which is a company, a hard copy Proxy Appointment must be executed under its common seal or under the hand of an officer or attorney duly authorised.
- (vi) Any corporation which is a Shareholder may by a resolution of its directors or other governing body authorise such persons as it thinks fit to act as its representative at any meeting of the Company or of any class of Shareholders of the Company or to approve a resolution submitted in writing and the person so authorised shall be entitled to exercise on behalf of the corporation which he represents the same powers (other than to appoint a proxy) as that corporation could exercise if it were an individual Shareholder of the Company.

- (vii) Completion and return of the Proxy Appointment will not preclude a holder of Shares from subsequently attending, speaking and voting in person at the EGM should they wish. If a Shareholder attends the EGM in person, any Proxy Appointment will automatically be terminated.
- (viii) By attending the EGM a holder of Shares expressly agrees they are requesting and willing to receive any communications made at the EGM.
- (ix) If you submit more than one valid Proxy Appointment, the Proxy Appointment received last before the latest time for the receipt of proxies will take precedence. If the Company is unable to determine which Proxy Appointment was last validly received, none of them shall be treated as valid in respect of the same.
- (x) To have the right to attend, speak and to vote at the EGM (and also for the purpose of how many votes a holder of Shares casts), a holder of Shares must first have his or her name entered in the register of holders of Shares by no later than 10.00 a.m. on Monday, 5 March 2014. Changes to entries on the register of holders of Shares after that time shall be disregarded in determining the right of any holder of Shares to attend and vote at the EGM.
- (xi) A quorum consisting of two Shareholders holding 5 per cent or more of the voting rights applicable to the EGM and attending in person or by proxy is required for the EGM. If within half an hour after the time appointed for the meeting a quorum is not present the EGM shall be adjourned for 7 (seven) days at the same time and place or to such other day and at such other time and place as the Board may determine and no notice of adjournment need be given at any such adjourned meeting. Those Shareholders present in person or by proxy shall constitute the quorum at any such adjourned meeting.
- (xii) The resolution to be proposed at the EGM as an ordinary resolution must receive the support of not less than a simple majority of votes cast.
- (xiii) Defined terms used but not defined in this notice shall have the same meaning given to them in the Circular of the Company dated 31 January 2014.

