

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

DATE OF MEETING

Tuesday 26 October 2010
commencing at 12 noon (WST)

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

PLACE OF MEETING

Perth Convention & Exhibition Centre
River View Room 5
21 Mounts Bay Road
PERTH WA 6000

CLOUGH LIMITED
ABN 59 008 678 813



NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

Corporate Directory

Directors	Mr Mike Harding (Non Exec. Chairman) Mr John Smith (Managing Director, CEO) Mr Neil Siford (Exec. Director) Mr Brian Bruce (Non Exec. Director) Mr Nigel Harvey (Non Exec. Director) Mr Roger Rees (Non Exec. Director & Deputy Chairman) Keith Spence (Non Exec. Director) Ms Emma Stein (Non Exec. Director)
Secretaries	Mr John Whitehand & Mr Mirek Uchanski
Registered Office	Level 15 58 Mounts Bay Road Perth WA 6000 Telephone: +61 8 9281 9281 Facsimile: +61 8 9281 9946 Email: clough@clough.com.au Website: www.clough.com.au
Auditors	Deloitte Touche Tohmatsu Level 14 Woodside Plaza 240 St Georges Terrace Perth WA 6000
Share Registry	Computershare Investor Services Pty Limited Level 2 45 St Georges Terrace Perth WA 6000 Telephone + 1300 787 272
ASX Code	CLO

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

The 2010 Annual General Meeting of Clough Limited will be held at the Perth Convention & Exhibition Centre, River View Room 5, 21 Mounts Bay Road, Perth WA 6000, on Tuesday, 26 October 2010 commencing at 12 noon (WST).

Ordinary Business

Financial Statements and Reports (no resolution required)

To receive and consider the Annual Financial Report, together with the Directors' and Auditor's Reports for the year ended 30 June 2010.

Resolution 1 -Adoption of Remuneration Report (non-binding)

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, Shareholders adopt the Remuneration Report set out in the Directors' Report for the year ended 30 June 2010."

Please note that the vote on this resolution is advisory only, and does not bind the Directors or the Company. The resolution is put to Shareholders to allow a reasonable opportunity for Shareholders to ask questions about or comment on the Remuneration Report which is included in the Directors' Report forming part of the Annual Report. For those Shareholders who did not wish to receive the Annual Report, it is available on the Clough website or a copy can be obtained by contacting the Company.

Resolutions 2(a), 2(b), 2(c) and 2(d) – Re-election of Directors

To consider and, if thought fit, to pass, with or without amendment, the following resolutions as **separate ordinary resolutions**:

"That:

- (a) Brian Bruce, who retires by rotation in accordance with article 13.3 of the Existing Constitution and, being eligible, be re-elected as a Director;*
- (b) Emma Stein, who retires by rotation in accordance with article 13.3 of the Existing Constitution and, being eligible, be re-elected as a Director;*
- (c) Neil Siford, who was appointed by the Directors since the last annual general meeting and retires in accordance with article 13.11 of the Existing Constitution and, being eligible, be re-elected as a Director; and*
- (d) Nigel Harvey, who was appointed by the Directors since the last annual general meeting and retires in accordance with article 13.11 of the Existing Constitution and, being eligible, be re-elected as a Director."*

Information about Brian Bruce, Emma Stein, Neil Siford and Nigel Harvey is contained in the Explanatory Statement accompanying this Notice.

Special Business

Resolution 3 – Adoption of a new constitution

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

"That, with effect from the close of the Meeting and in accordance with section 136 of the Corporations Act, the Company adopt the constitution tabled at the Meeting (and signed by the Chairman for identification purposes, but excluding rule 38 of that constitution, the adoption of which is subject to the passing of

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

Resolution 4) as its constitution in substitution for, and to the exclusion of, both the existing Memorandum and Articles of Association and the replaceable rules set out in the Corporations Act."

Resolution 4 – Adoption of proportional takeover provisions

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

"That, subject to approval of Resolution 3, with effect from the close of the Meeting and in accordance with section 136 of the Corporations Act, rule 38 of the constitution of the Company (adopted pursuant to Resolution 3) be adopted in the following form:

38. PROPORTIONAL TAKEOVER APPROVAL

38.1 Special definitions

The following definitions apply in this rule.

Accepted Offer means an offer under a proportional takeover bid that has been accepted and from the acceptance of which a binding contract has not resulted as at the end of the Resolution Deadline.

Approving Resolution means a resolution to approve the proportional takeover bid passed in accordance with rule 38.4.

Resolution Deadline means the day that is 14 days before the last day of the bid period of the proportional takeover bid.

A reference to **an associate of** another person is a reference to a person who is an associate of the first person because of sections 11, 12 or 15.

38.2 Limited life of rule

This rule ceases to apply by force of section 648G(1) at the end of three years starting when this rule was inserted in the constitution or starting when this rule was last renewed in accordance with that section.

38.3 Restriction on registration of transfers

The Company must not register a transfer giving effect to a contract resulting from the acceptance of an offer made under a proportional takeover bid until an Approving Resolution is passed.

38.4 Approving Resolution

If offers have been made under a proportional takeover bid for securities in a class issued by the Company:

- (a) an Approving Resolution must be voted on at a meeting, convened and conducted by the Company, of the persons entitled to vote on the Approving Resolution;*
- (b) the Board must ensure that an Approving Resolution is voted on in accordance with this rule before the Resolution Deadline for the bid;*
- (c) a person (other than the bidder or an associate of the bidder) who, as at the end of the day on which the first offer under the bid was made, held securities included in that class is entitled to vote on an Approving Resolution;*
- (d) the bidder or an associate of the bidder is not entitled to vote on an Approving Resolution; and*

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

- (e) *an Approving Resolution that has been voted on is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%, and otherwise is taken to have been rejected.*

38.5 General meeting provisions apply

The rules in this constitution relating to general meetings apply, modified as necessary, to any meeting convened under this rule, except that:

- (a) *a meeting may be convened on less than 28 days' notice and on at least 14 days' notice if the Board considers that should be done to ensure that the meeting is held before the Resolution Deadline; and*
- (b) *the holder of a security that carries no right to vote at a general meeting of the Company has one vote for each security held at a meeting convened under this rule.*

38.6 Notice of meeting outcome

If an Approving Resolution is voted on in accordance with this rule before the Resolution Deadline for the proportional takeover bid, the Company must, on or before the Resolution Deadline give a written notice stating that an Approving Resolution has been voted on and that the resolution has been passed or rejected to:

- (a) *the bidder; and*
- (b) *ASX and any other relevant financial market.*

38.7 Failure to propose resolution

If, as at the end of the day before the Resolution Deadline for a proportional takeover bid, no Approving Resolution has been voted on in accordance with this rule, an Approving Resolution is taken to have been passed in accordance with this rule.

38.8 Rejected resolution

If an Approving Resolution is voted on, in accordance with this rule, before the Resolution Deadline for the proportional takeover bid and is rejected:

- (a) *despite section 652A, all offers under the bid that have not, as at the end of the Resolution Deadline, been accepted, and all Accepted Offers are taken to be withdrawn at the end of the Resolution Deadline;*
- (b) *as soon as practical after the Resolution Deadline, the bidder must return to each person who accepted an Accepted Offer any documents that were sent by the person to the bidder with the acceptance of the offer;*
- (c) *the bidder may rescind, and must rescind, as soon as practical after the Resolution Deadline, each contract resulting from the acceptance of an offer made under the bid; and*
- (d) *a person who has accepted an offer made under the bid may rescind the contract (if any) resulting from that acceptance.*
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NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

EXPLANATORY STATEMENT

The Explanatory Statement accompanying this Notice of Annual General Meeting is incorporated in and comprises part of this Notice of Annual General Meeting. Shareholders are specifically referred to the Glossary in the Explanatory Statement which contains definitions of capitalised terms used both in this Notice of Annual General Meeting and Explanatory Statement.

Proxies

Please note that:

- (a) a member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- (b) proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form must be received not later than 48 hours before the commencement of the meeting, i.e. no later than 12 noon (WST) on Sunday, 24 October 2010. Any Proxy Form received after that time will not be valid for the scheduled meeting.

The Proxy Form may be sent by mail to Computershare Investor Services Pty Limited, GPO Box 242 Melbourne, Victoria 3001 Australia, or sent by facsimile to 1800 783 447 or +61 3 9473 2555 or lodged online for shareholder online voting via www.investorvote.com.au and custodian voting via Intermediary Online www.intermediaryonline.com. The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

“Snap-shot” Time

The Company may specify a time, not more than 48 hours before the meeting, at which a “snapshot” of shareholders will be taken for the purposes of determining shareholder entitlements to vote at the meeting.

The Company’s directors have determined that, for the purpose of voting at the meeting, shareholders are those persons who are the registered holders of Shares at 5.00pm (WST) on Sunday, 24 October 2010.

Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company’s representative. The authority may be sent to the Company and/or registry in advance of the meeting or handed in at the meeting when registering as a corporate representative. An appointment of Corporate Representative form is available from Computershare Investor Services Pty Limited if required.

By Order of the Board of Directors

John Whitehand
Company Secretary
Clough Limited
25 September 2010

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's 2010 Annual General Meeting. The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolutions in the accompanying Notice of Annual General Meeting. This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

Financial Statements and Reports

The Annual Financial Report, Directors' Report and Auditor's Report for the Company for the year ended 30 June 2010 will be laid before the Meeting.

There is no requirement for Shareholders to approve these reports. However, the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments about those reports and the management of the Company. Shareholders will also be given a reasonable opportunity to ask the auditor questions about the conduct of the audit and the preparation and content of the auditor's report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- the preparation and content of the Auditor's Report;
- the conduct of the audit;
- accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Meeting date to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne VIC 3001, or by facsimile to (Australia) 1800 783 447 or (Overseas) 61 3 9473 2555.

Resolution 1: Adoption of Remuneration Report (non-binding)

The Remuneration Report of the Company for the financial year ended 30 June 2010 is set out in the Directors' Report in the Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the executive and non-executive Directors and executive employees of the Company. A reasonable opportunity will be given for the discussion of the Remuneration Report at the Meeting. Shareholders should note that the vote on this resolution is advisory only and does not bind the Company or the Directors. However, the Directors will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

Resolutions 2(a), 2(b), 2(c) and 2(d): Election of Directors

Resolutions 2(a) and 2(b) seek Shareholder approval for Brian Bruce and Emma Stein to be re-elected as Directors.

Listing Rule 14.4 and article 13.3 of the Existing Constitution require one third of the Directors for the time being to retire from office at each Annual General Meeting of the Company. Directors who retire in accordance with these rules are eligible for re-election. The Directors to retire are to be those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement.

Brian Bruce and Emma Stein retire and, being eligible, offer themselves for re-election as Directors. Further information about Brian Bruce and Emma Stein is set out below.

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

EXPLANATORY STATEMENT

Resolutions 2(c) and 2(d) seek Shareholder approval for Neil Siford and Nigel Harvey to be re-elected as Directors.

Listing Rule 14.4 and article 13.11 of the Existing Constitution require that a Director appointed to fill a vacancy or as an addition to the Board must not hold office (without re-election) past the next Annual General Meeting. Directors who retire in accordance with these rules are eligible for re-election. Neil Siford was appointed to the Board on 19 August 2010. Nigel Harvey was appointed to the Board on 13 April 2010 to fill the vacancy caused by the retirement of John Cooper.

Neil Siford and Nigel Harvey retire and, being eligible, offer themselves for re-election as Directors. Further information about Neil Siford and Nigel Harvey is set out below.

Brian Bruce Pr Eng, BSc Eng (Civil), Deng (hc),

Brian Bruce joined the Clough Limited Board in November 2004. He is Group Chief Executive and Managing Director of Murray & Roberts Holdings Limited, appointed in July 2000. He joined its board of directors in March 2000. Brian built his career through the strategic and project management of a range of world-class engineering and contracting projects and played the leadership role in resolving a number of major project disputes in both South Africa and internationally. He has transformed many operating business units in the Murray & Roberts Group and has played a key role in the development of its strategic future. Brian is a board member and was inaugural Chair of South Africa's Construction Industry Development Board. He is a director of the National Business Initiative in South Africa and a member of the Construction and Engineering Board of Governors at the World Economic Forum. He is also a past-president (1994) of the South African Institution of Civil Engineering and has served on many other industry board and councils.

Emma Stein, BSc Hons Physics, MBA, FAICD

Emma Stein was appointed to the Clough Limited Board with effect from 1 July 2008. Emma is an experienced non-executive director and audit committee chair serving on the board of listed company DUET (majority owners of the Dampier to Bunbury pipeline). She has considerable experience with industrial customers and a comprehensive set of commercial skills in international energy and utilities markets, investments in long life assets and projects, and the upstream oil and gas sector. Formerly the UK Managing Director for French utility Gaz de France's energy retailing operations. Emma moved to Australia in 2003 beginning a career as a non-executive director, she took up appointments in NSW Integral Energy and the Growth Centres Commission. In March 2010 Emma was appointed to the board of the University of Western Sydney. She is an Ambassador for the Guides and State resident for charity NAPCAN, which works to prevent child abuse.

Neil Siford, BSc, CA

Neil Siford was appointed to the Clough Limited Board in August 2010. Neil joined Clough in 2006 as Finance Manager for Capital Projects and Asset Support and held a variety of senior finance management positions before being promoted to his current position of Chief Financial Officer in November 2009. He is a Chartered Accountant with over 25 years of business and financial management experience gained in international organisations in the UK and Australia.

Nigel Harvey, BSc Building Management

Nigel Harvey was appointed to the Clough Limited Board in April 2010. Nigel has been the Managing Director of Murray & Roberts Contractors (Middle East) since 2004. He is also President of the South African Business Council in Dubai. Nigel is a member of the Murray & Roberts Executive Committee and his career with the Group spans 30 years. Before moving to Dubai, Nigel was responsible for the Building Construction activities of Murray & Roberts across South Africa and also parts of Africa. During this time he played a pivotal role in merging some of the construction companies in the Group. He is also a Director of Murray & Roberts International, Johnson Arabia and BRC Mesh Reinforcing.

Board recommendation: The Board, other than the Director whose re-election is the subject of the relevant resolution, recommends that Shareholders vote in favour of Resolutions 2(a), 2(b), 2(c) and 2(d).

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

EXPLANATORY STATEMENT

Resolution 3 – Adoption of a new constitution

The Company is currently governed by constitutional documents that were originally prepared in 1998 at the time the Company listed on ASX. Changes to legislation since 1998 (principally changes to the Corporations Act and the Listing Rules) have resulted in these documents becoming outdated and, in some circumstances, inconsistent with current legislation.

Rather than making a large number of amendments to the Existing Constitution to incorporate the necessary changes, the Board considers it simpler and more practical to replace the Existing Constitution with the proposed new constitution.

Resolution 3 seeks Shareholder approval for the adoption of a new constitution in accordance with section 136 of the Corporations Act, which permits the Company to repeal its Existing Constitution and, by special resolution, adopt a new one.

It is proposed that the Existing Constitution be replaced to enable the Company to better function in accordance with its constituent documents, by:

- taking account of the substantive amendments to the Corporations Act and Listing Rules, changes in Australian corporate governance practices and reflecting terminology shifts, since the Existing Constitution was first adopted in 1998; and
- clarifying and simplifying certain provisions in the Existing Constitution.

The new constitution will become effective from the close of the Meeting. Rule 38 (proportional takeover approval) of the proposed new constitution will only be adopted if Resolution 4 is passed.

A summary of the key differences between the Existing Constitution and the proposed new constitution is set out in Annexure A. This summary is not exhaustive. A copy of the proposed new constitution will be sent to any Shareholder upon request, and will also be available for inspection at the Company's registered office during normal business hours prior to the Meeting, and will be available for inspection at the Meeting.

The proposed new constitution has been approved by ASX as required under the Listing Rules.

Resolution 3 is a special resolution which means that a vote to pass this Resolution is decided on a 75% majority of the votes cast by Shareholders entitled to vote.

Board recommendation

The Board believes that Resolution 3 is in the best interests of the Company and its Shareholders and unanimously recommends that Shareholders vote in favour of it.

Resolution 4 – Adoption of proportional takeover provisions

Subject to approval of Resolution 3 and the Company adopting a new constitution pursuant to that Resolution, if passed, Resolution 4 would adopt rule 38 of the new constitution regarding proportional takeover approval under section 648D of the Corporations Act. The adoption of rule 38 would operate for three years, and would then cease to apply unless renewed by a further special resolution of Shareholders.

Articles 12.39 to 12.46 of the Existing Constitution contains provisions similar in effect to the proposed rule 38.

If Resolution 4 is passed, then for 21 days after the Meeting the holders of 10% of the Company's Shares have the right to apply to the court to have the Resolution set aside. The court may set aside the Resolution if the court is satisfied in all the circumstances that it is appropriate to do so.

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

EXPLANATORY STATEMENT

The Corporations Act requires certain information to be included in a notice of meeting where a company seeks the approval of its shareholders to adopt proportional takeover provisions. This information is set out below.

1. Proportional takeover bid

A proportional takeover bid is a takeover bid that is sent to all shareholders in a class, offering to purchase only a specified proportion of each shareholder's shares. If a shareholder accepts, the shareholder disposes of that specified portion and retains the balance.

2. Effects of the proportional takeover provisions

The effects of the proportional takeover provisions are that:

- (a) if a bidder makes a proportional takeover bid for any class of shares in the Company, the Directors must ensure that a meeting of members of that class is convened where a resolution to approve the proportional takeover bid is voted upon. The vote is decided on a simple majority. The bidder and its associates are excluded from voting on that approving resolution;
- (b) the meeting and the vote on the approving resolution must take place more than 14 days before the last day of the bid period;
- (c) if the approving resolution is rejected before the deadline, the bid cannot proceed and the offer will be taken to have been withdrawn. Any transfers giving effect to takeover contracts for the bid will not be registered and all offers under the takeover bid are taken to be withdrawn and all takeover contracts must be rescinded;
- (d) if the approving resolution is not voted on, the bid will be taken to have been approved; and
- (e) if the approving resolution is passed (or taken to have been approved), the transfers must be registered (subject to other provisions of the Corporations Act and the Company's constitution).

The proportional takeover provisions do not apply to full takeover bids.

3. Reasons for the proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having an opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of not being able to exit their investment in the Company by selling their entire shareholding and consequently being left as a minority shareholder in the Company. The bidder may be able to acquire control of the Company without payment of an adequate control premium.

The Board believes that the proposed rule 38 is desirable to give Shareholders protection from these risks inherent in proportional takeover bids – this is protection that the Corporations Act provisions are intended to provide.

This proposed amendment allows Shareholders to decide if a proportional takeover bid is acceptable in principle, and assist in ensuring that any proportional takeover bid is appropriately priced.

To assess the merits of the proposed rule 38, Shareholders should make a judgement as to what events are likely to occur to the Company during the three year life of the proposed rule 38.

4. Potential advantages and disadvantages

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them, and that they remain free to make a recommendation on whether or not an offer under a proportional takeover bid should be accepted.

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

EXPLANATORY STATEMENT

The Directors also note that it could be argued that proposed rule 38 is an advantage to them as a takeover defence mechanism that could be exploited to entrench the incumbent board. However, the Board believes that argument ignores the basic object of rule 38 which is to empower Shareholders, not the Board.

The potential advantages for Shareholders of the proportional takeover provisions include the following:

- Shareholders have the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- they may assist Shareholders and protect them from being locked in as a minority;
- they increase the bargaining power of Shareholders and may assist in ensuring that any proportional takeover bid is adequately priced; and
- each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders and assist in deciding whether to accept or reject an offer under a proportional takeover bid.

The potential disadvantages for Shareholders include the following:

- proportional takeover bids for Shares in the Company may be discouraged;
- Shareholders may lose an opportunity to sell some of their Shares at a premium;
- individual Shareholders may consider that rule 38 would restrict their ability to deal with their Shares as they see fit; and
- the likelihood of a proportional takeover bid succeeding may be reduced.

5. Knowledge of any acquisition proposals

Apart from the above general considerations, as at the day on which this Explanatory Statement is prepared, no Director is aware of a proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Those Directors who are Shareholders have the same interest in the proposal as all Shareholders have. Details of shareholdings of Directors are contained in the Company's annual report.

6. Board recommendation

The Board believes that the proposed rule 38 is in the best interests of the Company and its Shareholders and unanimously recommends that Shareholders vote in favour of Resolution 4.

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

EXPLANATORY STATEMENT

Glossary

In this Notice and Explanatory Statement:

Annexure means an annexure to this Notice.

Annual Financial Report means the Company's financial report contained in the Annual Report.

Annual Report means the Company's annual report for the year ending 30 June 2010.

Auditor's Report means the auditor's report contained in the Annual Report.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited or the Australian Securities Exchange operated by ASX Limited, as the context requires.

ASX Settlement Rules means the operating rules of ASX Settlement Pty Limited and, to the extent that they are applicable, the operating rules of each of ASX and ASX Clear Pty Limited.

Board means the board of Directors.

Company means Clough Limited.

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

Director means a director of the Company.

Directors' Report means the Directors' report contained in the Annual Report.

Existing Constitution means the existing Articles of Association of the Company.

Explanatory Statement means the explanatory statement to the Notice.

Listing Rules means the listing rules of ASX.

Meeting has the meaning given in the introductory paragraph of the Notice and includes, for the avoidance of doubt, any meeting arising from the adjournment or postponement of the Meeting.

Notice means this notice of meeting.

Resolution means a resolution contained in the Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

WST means Australian Western Standard Time.

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

EXPLANATORY STATEMENT

ANNEXURE A

Summary of key differences between the Existing Constitution and the proposed new constitution

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
Changes in terminology	A number of the definitions used in the Existing Constitution are outdated.	Definitions are updated to reflect changes in the Corporations Act, Listing Rules and the ASX Settlement Rules.
Form of constitution	The Existing Constitution is in the form of a memorandum of association and articles of association.	The proposed new constitution is in the form of a constitution.
Issue of shares	Directors may grant options or other securities with rights of conversion to shares at par or at a premium.	No equivalent provision regarding the issue of shares at par or at a premium as this concept is no longer applicable. The Board may issue, grant options over or otherwise dispose of unissued shares on the terms, with the rights, and at the times that the Board decides.
Share premium account	The Existing Constitution refers to the share premium account. These references are no longer relevant given amendments to the Corporations Act.	No equivalent provision.
Brokerage and commissions	The Company may pay brokerage and commission not exceeding 10% of the total amount payable on securities that require brokerage or commission.	The Company may pay brokerage or commissions. No equivalent provision imposing a 10% limit on brokerage and commission.
Procedure for calls on shares	A Shareholder must pay to the Company the amount called on the relevant shares at the time, or times, and place specified by the Directors.	The Board may make calls on a Shareholder for some or all of the money unpaid on a share or make a call payable by instalments. The Company must give written notice of the call or instalment within the time limits and in the form required by the Listing Rules.
Holding lock	The Existing Constitution sets out the circumstances in which the Directors may request that a holding lock be applied to shares or refuse to register a transfer of shares.	The Board may refuse to register a transfer of shares only if that refusal would not contravene the Listing Rules or the ASX Settlement Rules. The Board must not register a transfer if the Corporations Act, the Listing Rules or the ASX Settlement Rules forbid registration.
Unmarketable parcels	The provisions regarding the sale of unmarketable parcels are outdated.	Contains rules regarding the sale of unmarketable parcels consistent with the Listing Rules.
Share capital reductions	This provision is outdated given amendments to the Corporations Act.	Permits the Company to reduce or alter its capital in accordance with the Corporations Act.

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

EXPLANATORY STATEMENT

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
Notices of meeting	The Company must give Shareholders at least 14 days' notice of a meeting of Shareholders. This is inconsistent with the requirements under the Corporations Act.	The Company must give at least 28 days' written notice of a meeting of Shareholders. This provision is consistent with the requirements of the Corporations Act.
	The Existing Constitution does not set out the information that must be contained in a notice of meeting as required under the Corporations Act.	Notice of meetings must comply with the relevant sections of the Corporations Act, Corporations Act regulations and the Listing Rules.
Postponement or cancellation of meeting	The Existing Constitution gives the Directors the ability to postpone or cancel a meeting of Shareholders, without specifying the manner in which this may be achieved.	The Board may postpone, cancel or change the place for a meeting of Shareholders by written notice given to ASX.
Notice of adjourned meeting	If a meeting of Shareholders is adjourned for 21 days or more, the Company must give notice of the adjourned meeting.	If a meeting of Shareholders is postponed or adjourned for one month or more, the Company must give notice of the adjourned meeting.
Technology and meeting	No equivalent provision.	The Company may hold a meeting of Shareholders at two or more venues using any technology that gives the Shareholders as a whole a reasonable opportunity to participate.
Quorum for meetings of Shareholders	The quorum for a meeting of Shareholders is three Shareholders present and entitled to vote at the meeting.	The quorum for a meeting of Shareholders is two Shareholders present and entitled to vote at the meeting.
	No equivalent provision.	Each individual present may only be counted once toward a quorum.
	No equivalent provision.	If a Shareholder has appointed more than one proxy or representative only one of them may be counted toward a quorum.
	The quorum must be present within 30 minutes after the time for which a meeting of Shareholders is called.	The quorum must be present within 15 minutes after the time for which a meeting of Shareholders is called.
Chairman of meetings of Shareholders	The Chairman must preside as Chairman of every meeting of Shareholders.	If the Board has appointed a Director to chair Board meetings, that Director may also chair meetings of Shareholders.
	If the Chairman is not present within 15 minutes after the time for which the meeting is called, the Deputy Chairman is to act as Chairman for the meeting.	If the Chairman is not present or there is no Chairman, the Shareholders present must elect a Chairman.
	If the Deputy Chairman is not present, the Directors present are to elect one of them to be the Chairman. If no Director is present, the Shareholders	

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

EXPLANATORY STATEMENT

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
	present are to elect a Chairman.	
Demand for a poll	The requirement under the Existing Constitution regarding the number of Shareholders required to demand a poll is inconsistent with section 250L of the Corporations Act and needs to be updated.	A poll may be demanded by Shareholders entitled to cast at least 5% of the votes that may be cast on the resolution on a poll.
Casting vote – Shareholder meeting	The Chairman does not have a casting vote.	The Chairman has a casting vote. However, if the Chairman is not entitled to vote on the resolution, the matter is decided in the negative.
Direct Voting	No equivalent provision.	The Board may provide for direct voting, which allows for Shareholders to vote without attending the meeting either in person or by proxy or representative. Generally, direct voting occurs by a Shareholder completing a voting card (similar to a proxy form) indicating their vote, and returning the card to the Company in advance of the relevant meeting and may include electronic voting (eg via the internet or email).
Proxies	No equivalent provision.	A Shareholder may appoint a proxy, attorney or representative to act at a particular meeting of Shareholders or make a standing appointment (which may be revoked).
	No equivalent provision.	The appointment of a proxy or attorney is not revoked by the Shareholder attending and taking part in the meeting of Shareholders.
	If both a Shareholder and its proxy is present at a meeting, the proxy is not entitled to vote on a show of hands. The proxy may only vote on a poll if the Shareholder has not voted on the poll.	If both a Shareholder and its proxy is present at a meeting and the Shareholder votes on a resolution, the proxy is not entitled to vote.
Proxies' voting rights	The Existing Constitution provides that if a Shareholder appoints more than one proxy, they may only vote on a poll if each proxy is appointed to represent a specified portion of the Shareholder's voting rights. This is inconsistent with section 249X of the Corporations Act and needs to be updated.	If a Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, each proxy may exercise half of those votes.
Appointment of attorney	A Shareholder may appoint an attorney to act on its behalf at a meeting of Shareholders. The Existing Constitution does not specify the manner in which an attorney may be appointed.	A Shareholder may appoint an attorney to act at a meeting of Shareholders. If the appointor is an individual, the power of attorney must be signed in the presence of at least one witness. The instrument effecting the appointment of an attorney must be received by the Company at least 48 hours before the time for which the

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

EXPLANATORY STATEMENT

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
		meeting was called.
Number of Directors	The Company must have at least three Directors and a maximum of 10.	The Board may decide the number of Directors but that number must be at least three or the number of Directors in office when the decision is made (whichever is greater). Unless decided otherwise by the Company in general meeting, the number of Directors must not be more than 10.
	The Company may by resolution reduce the number of Directors below three. This is inconsistent with section 201A of the Corporations Act.	No equivalent provision.
Eligibility of Directors	No equivalent provision.	Neither the auditor of the Company for the time being nor any partner, director or employee of the auditor is eligible to act as a Director.
	No person (other than an eligible retiring Director) is eligible for election as a Director unless consent to nomination is lodged at the registered office at least 30 days before the meeting of Shareholders.	The Company must accept nominations from Shareholders for election of Directors up to 35 business days before the meeting of Shareholders.
	If the Directors nominate a person as Director, the consent to nomination must be lodged at the registered office at least 21 days before the meeting of Shareholders.	No equivalent provision.
Managing Director	If more than one Managing Director is appointed, the first appointed Managing Director will not be required to retire by rotation.	If more than one Managing Director is appointed, the Board may nominate one of them to be exempted from retirement by rotation. If none of them is subject to a nomination, each of them must retire by rotation.
Quorum for Board meetings	The quorum for a meeting of Directors is three Directors.	No change.
	If one or more Directors included in the quorum are not entitled to vote on a matter, two other Directors present shall constitute a sufficient quorum to consider and vote on that matter.	No equivalent provision.
	No equivalent provision.	A Director is treated as present at a meeting held by audio or audio-visual communication if the Director is able to hear and be heard by all others attending.
Casting vote – Board meeting	The Chairman does not have a casting vote.	The Chairman has a second or casting vote. However, if there are only two Directors entitled to vote or the Chairman is not entitled to vote, the matter is decided in the negative.

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

EXPLANATORY STATEMENT

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
Written resolutions	No equivalent provision.	A facsimile or electronic message containing the text of a document which has been signed by a Director, is taken to be signed by that Director at the time the document is received by the Company.
Material personal interest	The provisions of the Existing Constitution regarding Directors' disclosure of material personal interests need to be updated to be consistent with the Corporations Act.	Each Director must comply with section 195 of the Corporations Act in relation to being present and voting at a Board meeting that considers a matter in which a Director has a material personal interest. These provisions are consistent with the requirements of the Corporations Act.
Removal of Directors	A person ceases to be a Director if they are absent without the consent of the Directors from all Board meetings held during a period of six months.	A person ceases to be a Director if they fail to attend three consecutive Board meetings without consent from the Board.
	No equivalent provision.	A person automatically ceases to be a Director if they cease to be a Managing Director.
	No equivalent provision.	A person ceases to be a Director if they cease to be eligible under the relevant provisions of the proposed new constitution.
Remuneration of non-executive Directors	Non-executive Directors may be paid as remuneration for their services an aggregate amount of up to \$200,000 per annum or up to any greater amount as the Company determines in a meeting of Shareholders.	Non-executive Directors are entitled to be paid as remuneration for their services an aggregate amount fixed by ordinary resolution of the Company.
	The remuneration is divided among the non-executive Directors in the proportion and manner determined by at a meeting of Shareholders. If no determination is made, the remuneration is divided as the Directors agree. If the Directors are unable to agree, the remuneration is to be divided equally.	The remuneration is allocated among the non-executive Directors on an equal basis having regard to the proportion of the relevant year for which each Director held office, or as otherwise decided by the Board. The remuneration is provided in the manner the Board decides, which may include provision of non-cash benefits.
Minutes	No equivalent provision.	A minute recorded and signed in accordance with the Corporations Act is evidence of the proceeding, resolution or declaration to which it relates unless the contrary is proved.
	No equivalent provision.	The Company must allow Shareholders to inspect the minute book.

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

EXPLANATORY STATEMENT

SUBJECT	EXISTING CONSTITUTION	PROPOSED NEW CONSTITUTION
Notices sent electronically	No equivalent provision.	Notices to Shareholders may be sent by electronic message.
	No equivalent provision.	Proxy appointment forms may be sent by electronic message.
	No equivalent provision.	Circulating resolutions may be sent by electronic message.
Common seal	The Existing Constitution contains detailed provisions which regulate the use of a common seal, one or more official seals and a duplicate (certificate) seal.	The Company may decide whether or not the Company has a common seal. If the Company elects to do so, the use and fixing of the common seal are detailed.
Payment of dividends	No equivalent provision.	Subject to the Corporations Act (specifically section 254T), and the terms of issue of the relevant shares, the Board may resolve to pay any dividend it thinks appropriate and fix the time for payment.
Reinvest dividends	The Directors may give Shareholders the right to elect to reinvest dividends by subscribing for Shares.	The Board may adopt and implement a re-investment plan for dividends paid.
Other share plans	No equivalent provision.	The Board has the power to adopt and implement a number of share plans, including plans for the benefit of employees or Directors of the Company.
Indemnity of officers	The Company must indemnify officers to the maximum extent permitted by law against any liabilities, costs and expenses incurred by the officer in specified circumstances. The provisions of the Existing Constitution require updating to incorporate amendments to the Corporations Act and <i>Trade Practices Act 1974</i> (Cth).	Subject to the Corporations Act and the <i>Trade Practices Act 1974</i> (Cth), the Company must indemnify every officer (including Directors and Secretaries) of the Company and its wholly owned subsidiaries.

