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AWI AGM Concerns

By David Everist as printed in The Border Mail 13/12/03

Serious allegations are surfacing that recent Australian Wool Innovations annual general meeting held at Burswood Resort, Perth, WA, lacked a quorum of at least 50 grower shareholders and should be declared null and void.

The call for another AGM will throw the struggling wool industry into turmoil and poses significant corporate legal problems for AWI CEO Dr Len Stevens and chairman Ian McLachlan. Also current statutory funding arrangement could be jepodised.

Voting procedures for the meeting were in the hands of ASX Perpetual. A spokesman from ASX perpetual who attended the AGM said that there was a quorum at the meeting

A high profile Western Australian wool grower who does not wish to be named said several head counts taken during the meeting had shown there was less than 53 woolgrower/ shareholders present during the AGM

Australian Wool Growers Association chairman Will Crozier said he was aware of the startling allegations and was shocked to think that the AWI board and staff may have breached company law.

Mr Crozier said item 11.2 (a) of the AWI constitution sated that, "all shareholders or 50 shareholders (whichever is the lesser) present, constitute a quorum for a meeting. No business may be transacted any meeting except for the election of a Chairman (if necessary) and the adjournment of the meeting unless a quorum is present at the commencement of the meeting.

A spokeswoman from AWI has provided conflicting reports on the number of shareholders at the annual general meeting . In one report she wrote that the meeting had been attended by 53 shareholders.

In latter correspondence she stated that the meeting was attended by 53 share holders and proxy holders.

Under the constitution proxies may only be used for procedural voting matters not for a quorum.

The total voting right at the AGM was 1,129,367 votes. There were 162,000 proxy votes registered and there were 6,400 votes held by those attending the AGM.

Mr McLachlan has been reported that he held 65pc of the proxies which meant he held the power to outvote those attending the AGM.

AWGA Comments



AWGA - News Update

The Australian Wool Growers Association is very concerned by this article published in the Albury Border Mail and has requested full clarification of these serious allegations from Australian Wool Innovation.

According to the AWI Constitution a quorum may consist of shareholders present either in person or by proxy. AWGA has sought from AWI full copies of Proxy holder forms in order to establish full compliance.

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