

COMPANIES ACT

1983

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

-of-

YAQARA GROUP LIMITED

(Formerly PARADISE ENTERTAINMENT LIMITED)

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PRELIMINARY

1. Table “A” Excluded:

The regulations contained in Table “A” in the First Schedule to the Companies Act shall not apply to the company except so far as the same are repeated or contained in this articles.

2. Interpretations:

In these regulations –

“Alternate Director” means a person for the time being holding office as an alternate director under clause 89.

“Business Day” has the meaning given in the Listing Rules if the Company is Listed and otherwise means a day on which banks are open for the conduct of normal banking business in Suva.

“Directors” and “Board” means the directors for the time being of the company.

“Eligible Member” means, in relation to a meeting of the company (including a meeting of any class of Members). Any person who is or was the registered holder of a share at the time prescribed for this purpose in the notice convening a meeting.

“Exchange” means the South Pacific Stock Exchange.

“Executive Director” means a Director who is an employee or employed under contract or agreement (whether full – time or part time) of the Company or of any related body corporate of the Company.

“Executive Chairman” means a Chairman who is an employee or employed under contract or agreement (whether full – time or part time) of the Company or of any related body corporate of the Company.

“Listed “ means having been admitted to the official list of the Exchange and at the relevant time being so admitted.

“Listing Rules” means the official listing rules of the Exchange, and any other rules of the Exchange which are applicable while the Company is Listed, each as amended or relaced from time to time except to the extent of any express waiver by the Exchange.

“Managing Director” means a person holding office as a managing director of the company under clause 98.

“Marketable Parcel” has the meaning given in the Listing Rules.

“Member” means a person entered on the Register as the holder of one or more shares.

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“Members present at a meeting of the Company” includes members personally present by proxy or attorney.

“Memorandum” means the Company’s memorandum of association as amended from time to time.

“Non – Executive Director” means a Director who is not an Executive Director.

“Office” means the registered office of the Company for the time being.

“Ordinary meeting” means an ordinary general meeting or an extraordinary general meeting and any adjourned holding thereof.

“Resolution” means a resolution passed by members present at a meeting of the Company.

“SPSE” means the South Pacific Stock Exchange.

“the Company” means Yaqara Group Limited.

“the Act” means the Companies Act Cap 247 and when any provision is being referred to the reference is to that provision as modified by any law for the time being in force .

“the seal” means the common seal of the Company.

“secretary” means any person appointed to perform the duties of the secretary of the company .

“the office” means the registered office for the time being of the company.

“the register” means the register of members kept pursuant to the Act.

Expressions referring to writing shall unless the contrary intention appears be construed as including references to printing lithography typewriting photography and other modes of representing or reproducing words in a visible form.

Words importing the singular number only shall include the plural number and vice versa.

Words importing the masculine gender only shall include the feminine gender.

Words importing persons include corporations and all legal entities.

All other words or expressions defined in the Act or any statutory modification thereof in force at the date at which these regulations became binding on the Company shall have the meanings so defined and words or expressions contained in these regulations shall be interpreted in accordance with the provisions of the Act as in force at same date.

CAPITAL AND SHARES

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3. The Share Capital

The share capital of the Company shall be \$100,000,000 divided in to 1,000,000,000 shares of \$0.10 (ten cents) each or as amended by a resolution of members. . The capital of the company shall be divided as follows: -

Class A share – 10 (Ten)

Class B shares – 899,999,990 (eight hundred and ninety nine million, nine hundred and ninety nine thousand, nine hundred and ninety).

Class L Shares – 100,000,000 (one hundred million)

And except as is expressly provided in these Articles the Class A, B and L shares shall have the same rights and privileges and shall be subject to the same restrictions.

3.1 The A share:

(a) confers on the holder the following additional rights:

(i) the right to appoint a single A class director, which director will have that number of votes as meetings of directors equivalent to the votes of all directors plus one.

(ii) to approve or disapprove in his sole discretion and amendment to the Articles of the Company where, for so long as the A share remains in existence, in the reasonable opinion of the A shareholder, such amendment would permit a dilution of rights of the A shareholder.

(b) may only be held by Philip Gerlach or such person Philip Gerlach shall nominate in writing to the company.

(c) shall convert to a B share on the earliest of the following events:

(i) the Company raising more than F\$5,000,000.00 (Five Million Dollars) in share capital from investors other than Philip Gerlach, Francis Yourn, Lyndon Driscoll and Keni Dakuidreketi or their nominees.

(ii) when the A share holder advises the Company in writing of his wish to convert the A share to a B share.

(iii) when the company lists on the South Pacific Stock Exchange

(d) may not be listed.

3.2 The B share which is an Ordinary Share.

3.3 The L Shares: -

(a) confer on the holder the following additional rights:

(i) the right to require the Directors, in respect of any issue of B shares, to issue to the L shareholders, without payment, further L shares such that the ratio of L shares to B shares shall remain unchanged following the issue of any such B shares.

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- (b)** may only be held by:
- (i)** the Government of Fiji or a person or persons authorised by the Government of Fiji to hold them on behalf of the Government of Fiji.
 - (ii)** the Native land Trust Board
 - (iii)** some other person, whether incorporated or otherwise, approved by the directors and holding such shares generally, and on such terms as the Directors of the Company shall approve (such approval not to be unreasonably withheld or delayed)

for the benefit of native landowners with interests in land on which the company carries on business.

(c) will subject to request be converted to ordinary shares (B Class) and Listed if the company is listed at that time. The shares whilst they remain “L class” cannot be listed.

(d) in total at any one time shall not comprise greater than 10% (ten percent) of the ordinary capital of the Company and greater than 10% (ten percent) of all votes at a general meeting of the Company.

In the interpretation of these Articles, the provision of Articles 3.1- 3.3 shall apply and predominate over any other Articles or series of Articles.

Notwithstanding anything contained herein the company shall not issue securities to transfer the controlling interest in the Company without prior approval of the shareholders in a general meeting.

4. Issue of Shares:

All unissued shares (whether forming part of the capital at the date the adoption of these Articles or thereafter created) shall be under the control of the Directors who may allot or otherwise dispose of the same to such person on such terms and conditions and having attached thereto such preferred deferred or other special rights or such restrictions and whether at a premium or at a par or (subject to the provisions of the Act) at a discount and at such time as the Directors think fit and with full power to give to any person or group of persons the call of any shares either at par or at a premium and for such time and for such consideration as the Directors think fit.

5. Variation of rights:

If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may whether or not the Company is being wound up be varied with the consent in writing of the holders of two thirds of the issued shares of that class or with the sanction of any resolution passed at a separate general meeting. The provisions of these regulations relating to general meetings mutatis mutandis apply but so that the necessary quorum shall be two persons at least holding or representing by proxy two thirds of the issued shares of the class or only one if there is only one such person and

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that any holder of shares of the class present in person or by proxy attorney or other duly authorised representative may demand a poll.

6. Redeemable preference shares:

Subject to the Act any preferences shares may be issued by the Directors on the terms that they are or at the option of the Company are liable to be redeemed.

7. Shares ranking equally :

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of issue of the shares of that class may be deemed to be varied by the creation or issue of further shares ranking equally therewith.

8. Commission:

The Company may exercise the powers of paying commissions conferred by the Act provided that the rate per centum or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the commission shall not exceed the rate of 10 per centum of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 10 per centum of that price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

9. No trust:

Except as required by law no person shall be recognised by the company as holding any share upon any and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable contingent future or partial interest in any share or unit of a share or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

10. Share Certificate:

Every person whose name is entered as a member in the register shall without payment be entitled to one certificate under the seal of the Company for the shares held by him or he so desires to several certificates in reasonable denominations provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all. Every certificate shall specify the number of the shares in respect of which it is issued and the amount.

11. Loss, etc. of certificate:

If a share certificate letter of allotment transfer receipt or any other document of title to shares is lost defaced or destroyed a duplicate thereof may be issued by the Company upon such conditions if any as to evidence an indemnity as the directors think fit.

12. Branch Registers:

The Company may open a branch register or registers and cause the same to be kept open in any place or places as the Directors may determine. Any such register or registers shall be opened and kept opened in accordance with the provision of the Act and/or any local law applicable thereto.

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CALLS ON SHARES

13. Calls on Shares:

The Directors may from time to time make calls upon the members in respect of any money unpaid on their shares (excluding "L Class Shares which may not be called)(whether on account of the nominal value of the shares or by way of premium) and not by the conditions of the allotment thereof made payable at fixed times and each shall (subject to receiving at least fourteen days notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares . A call may be revoked or postponed as the Directors may determine.

14. When call made:

A call shall be deemed to have been made at the time when the resolution of the Directors authorising, the call was passed and may be required to be paid by instalments.

15. Calls on joint holders:

The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. Liability of joint holders:

The provisions of these articles as to liability of joint holders and to payment of interest shall apply in the case of non-payment of any sum which by the terms of issues of a share becomes payable at a fixed time whether on account of the amount of the share or by way of premium as if the same had become payable by virtue of a call duly made and notified.

17. Interest on unpaid calls:

If a sum called in respect of a share is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest upon the sum at the rate of 10 per centum per annum from the day appointed for the payment thereof to the time of the actual payment but the Directors shall be at liberty to waive payment after interest wholly or in part.

18. Call duly made:

Any sum by the terms of issue of the share becomes payable on allotment or at any fixed date whether on account of the nominal value of the share or by way of premium share for the purposes of this regulation be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable and in case of non payment all the relevant provisions of this regulations as to payment of interest and expenses forfeiture or otherwise shall apply as if the sum had become payable by virtue of a call duly made and notified.

19. Differences in amount of calls and time of payment:

The Directors may make arrangements on the issue of shares for a differences between the holders in the amount of calls to be paid and in the times of payment.

20. Proof:

On a trial or hearing of any action for the recovery of any money due for any call it shall be sufficient to prove the following namely-

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- (a) that the name of the member sued is entered in the register as a holder or one of the holders of the shares in respect of which such debt is accrued.
- (b) that the resolution making the call is duly recorded in the minute book.
- (c) that the notice of such call in pursuance of these presents was duly given to the member sued.

And it shall not be necessary to prove the appointment of the Directors who made such call no other matter whatsoever but the truth of the matters aforesaid shall be conclusive evidence of the debt.

21. Payment of calls in advance:

The Board may if it sees fit receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any of the money so advanced may (until the same would but for such advance become presently payable) may interest at such rate as may be agreed upon between the member paying the sum in advance and the Board provided always that the Board shall not confer on or provide to any member as consideration or otherwise for any such advance any right to participate in the profits of the Company.

TRANSFER OF SHARES

22. Transfer:

Subject to this regulations any member may transfer all or any of his shares by instrument in writing in any usual or common form or in any other form which the Directors may approve. The instrument shall be executed by or on behalf of both the transferor and the transferee and the transferor shall remain the holder of the shares transferred until the transfer is registered and the name of the transferee is entered in the register in respect thereof.

(a) The Directors may do anything permitted by Law, the Listing Rules and the SPSE business rules which they consider necessary or appropriate in connection with the participation by the Company in any computerised or electronic system established or recognised by the Law and Listing Rules or the SPSE business rules for the purpose of facilitating dealings in marketable securities.

23. Formalities of transfer:

(a) The Directors may decline to register any transfer of shares unless the instrument of transfer is deposited at the registered office of the Company or such other place as the Directors may appoint together with the certificate of the shares to which it relates and such other evidence as the Directors may reasonably require the right of the transferor to make the transfer and the due execution of the instrument of transfer.

(b) The holders of shares may transfer the same or any part thereof but the Directors may from time to time fix the minimum amount of shares transferable and restrict or forbid the transfer of fractions of that minimum.

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24. Registration may be refused if company has Lien:

The Directors may decline to register any transfer of a share on which the Company has a lien.

25. Closing of register:

Subject to the giving of notice required by Section 119 of the Act the registration of transfers may be suspended and the register closed at such times and for such periods as the Directors may from time to time determine not exceeding in the whole thirty days in each year.

TRANSMISSION OF SHARES

26. Persons entitled:

In case of the death of the member the survivor or survivors where the deceased was the joint holder and the legal personal representative of the deceased where he was a sole holder shall be only persons recognised by the Company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

27. Election to be registered or Transferee:

Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may upon such evidence being produced as may from time to time properly be required by the Directors and subject as hereinafter provided elect either to be registered himself as holder of the share or to have some person nominated by him registered as transferee thereof but the Directors shall in other case have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy.

28. Requirements and limitations

If the person so becoming entitled elects to be registered himself he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he elects to have another person register he shall testify his election by executing to that person a transfer of the share. All the limitations restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers shall apply as if the death or bankruptcy of a member had not occurred and the notice or transfer were a transfer signed by that member.

29. Rights before registration:

A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, and be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

FORFEITURE OF SHARES

30. Power of Forfeiture:

If a member fails to pay any call or instalments of a call on the day appointed for payment thereof the Board may at any time thereafter during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have

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accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

31. Provisions of notice:

The aforesaid notice shall name a further day (not earlier than the expiration of fourteen days from the date of notice) on or before which the payment required by the notice is to be made and shall state that in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited.

32. Default in complying with notice :

If the requirement of any such notice as aforesaid are not complied with any share in respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

33. Notice and entry of forfeiture:

When any shall have been so forfeited notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture and the entry of the forfeiture with the date thereof shall forthwith be made in the register but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry.

34. Disposal of forfeited share:

Any shares forfeited shall upon forfeiture become the property of the Company and may be sold reallocated or otherwise disposed of either to the person who was before forfeiture the holder therefore or entitled thereto or to any other person on such terms and conditions and in such manner as the board thinks fit and at any time before sale allotment. Or disposal the forfeiture may be annulled on such terms as the Board thinks fit. The Board may authorise some person to execute the transfer of the forfeited share to any who does such other person.

35. Surrender of share liable to forfeiture.

The board may accept the surrender of any share which it is in a position to forfeit upon such terms and conditions which may be agreed. Any shares so surrendered may be disposed of in the same manner and upon the same terms as a forfeited shares.

36. Liability of calls notwithstanding forfeiture:

A person whose shares are forfeited shall cease to be a member in respect of the forfeited shares but shall notwithstanding be liable to pay and shall forthwith pay to the company all calls instalments interest and expenses owing upon or in respect of such shares at the time of forfeiture together with interest thereon from time of forfeiture until payment at the rate of ten per centum per annum and the Directors may enforce the payments of such moneys or any part thereof if they think fit but shall not be under any obligation to do so.

37. Lien for calls:

The company shall have a first and paramount lien and charge upon the specific shares other than fully paid up shares registered in the name of each member (whether solely or jointly with another or others) for the allotment money calls or instalments or calls

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payable to the Company in respect such shares and such lien shall extend to such dividends from time to time and declared in respect of such shares.

38. Effect of Death of a Member

Whenever in respect of any share registered as held by any member either solely or jointly or otherwise in connection with the holding whether joint or sole of any member and whether in consequences of the death of such member or for any other reason any law for the time being of Fiji or for any country or place shall impose any immediate or future liability upon the Company to make any payments to any Government or taxing authority or otherwise the Company shall in respect of any such liabilities be fully indemnified by such member and his executors or administrators wheresoever constituted. Any moneys paid by the Company in respect of any liability imposed or purported to be imposed on the Company as aforesaid may be recovered by action from such member or his executors or administrators wheresoever constituted as a debt due by such member or his estate to the Company with interest at the rate of ten dollars per centum per annum or such lesser rate as the Directors may determine or as may be fixed by law from the date when such moneys were so paid until repayment. In respect of its rights to be indemnified or to be repaid as herein declared the Company shall have a lien upon all shares registered as held either jointly or solely by such member as aforesaid and upon any dividends thereon. Nothing herein contained shall prejudice or affect any right or remedy which in respect of any such payment by the Company as aforesaid any such law as aforesaid may confer or purport to confer upon the Company and it is hereby expressly declared that as between the Company and such member or his estate or his executors or administrators wheresoever constituted any such right or remedy shall be enforced by the Company (but without prejudice to any right or remedy which any such may confer or purport to confer on the Company).

39. Enforcement of Lien

For the purpose of enforcing any lien the Board may sell any shares subject thereto in such manner as it thinks fit but no sale shall be made until notice in writing of the intention to sell shall have been given to such member his executors and administrators and default shall have been made by him or them in the payment fulfilment or discharge of such debts liabilities or engagements for seven days after such notice.

40. Proceeds of Sale After Forfeiture

The net proceeds of any sale after forfeiture or for enforcing a lien after reimbursement of any cost of such shall be applied in or towards payment or satisfaction of the said calls instalments expenses interest money paid or liabilities and the residue (if any) paid to such member his executors or administrators or as they severally may direct.

41. Entry of Purchasers Name in Register

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given the Board may cause the purchaser's name to be entered in the register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money and after his name has been entered in the register the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively and the shares sold shall be freed and discharged from any lien to the Company.

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42. Issue of Certificate

A certificate in writing under the hands of two Directors that a call or instruments thereof in respect of any shares was made and notice thereof given and that default in payment of the call or instrument was made by a resolution of the Directors to that effect shall be sufficient evidence of the facts therein stated as against all persons claiming to be entitled to such shares and of the title of the Company to dispose of the same.

43. Declaration of Shares Exempt From Lien

The Directors may at any time declare any shares to be wholly or in part exempt from any lien of the Company thereover and unless otherwise agreed the registration of a transfer of any share shall operate as a waiver of any such lien

ALTERATION OF CAPITAL

44. Alteration:

The Company may from time to time pursuant to a special resolution:

- (a) increase the share capital by such sum to be divided into shares of such amount of the resolution shall prescribe.
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) subdivide its shares or any of them into shares of smaller amount than is fixed by the Memorandum so however that in the subdivision the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share was derived.
- (d) Cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.

45. Articles to apply to new shares:

New shares shall be subject to the same provisions with reference to the payment of calls lien transfer transmission forfeiture expropriation and otherwise as the shares in the original share capital.

46. Reduction:

The Company may by special resolution reduce its share capital any capital redemption reserve fund or any share premium account in any manner and with and subject to any incident authorised and consent required by law.

GENERAL MEETINGS

47. Annual General Meeting:

An annual general meeting of the Company shall in addition to any other general meeting be held once in every calendar year and not later than fifteen months after the holding of the last preceding annual general meeting at such time and place as may be determined by the Directors. Any general meeting other than an annual general meeting shall be called an extraordinary general meeting .

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48. Extraordinary General Meeting:

Any Director may whenever he thinks fit convene an extraordinary general meeting and extraordinary general shall be convened on such requisition or in default may be convened by such requisitionist as is provided by the Act.

49. Notice:

Subject to the provision of the Act relating to special resolutions fourteen days' at the least (exclusive of the day on which the notice is served or deemed to be served but inclusive of the day for which notice is given) specifying the place the day and the hour of a meeting and in case of special business the general nature of that business shall be given to such persons as a entitled to receive such notices from the Company but with the consent of all the members entitled to receive notice of a meeting that meeting may be convened by such shorter notice and in such manner as those members may think fit.

50. Business:

All business shall be special that is transacted at an extraordinary general meeting and also all that is transacted at an annual general meeting with the exception of declaring a dividend a consideration of the accounts balance sheets and the report of the Directors and Auditors the election of Directors in the place of those retiring and the appointment and the appointment and the remuneration of the Auditors .

51. Non-receipt of notice:

The accidental omission to give notice of a meeting to or the non-receipt of notice of a meeting by any person entitled to such notice shall not invalidate the proceedings of any meeting.

PROCEEDINGS AT GENERAL MEETINGS

52. Quorum:

No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business .Save as herein otherwise provided members present in person and holding between them not less than 51 per centum of the issued capital of the Company shall be a quorum, For the purposes of this regulation and Regulations 62 and 63 "member" includes a person attending the meeting as the attorney proxy or other duly authorised representative of a member.

53. Absence of quorum:

If within half an hour from the time appointed for the meeting a quorum is not present the meeting if convened upon the requisition of members shall be dissolved. In any other case it shall stand adjourned to such time and place as the Directors may determine and the same notice of the adjourned meeting shall be given as was required for the original meeting and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present (being not less than two) shall be a quorum.

54. Chairman:

The Chairman if any of the board of Directors shall preside as Chairman at every General Meeting of the Company or if there is no such Chairman or if he is not present within Fifteen minutes after the time appointed for the holding of the meeting or is

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unwilling to act then the Deputy Chairman or his nominee will act. If no deputy Chairman has been appointed or is not present then for that meeting, the members shall elect one of their number to be Chairman of the meeting.

55. Adjournment:

The Chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place . When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall be not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

56. Voting:

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:

- (a) by the chairman;
- (b) by at least three members present in person;
- (c) by any member or members present in person and representing not less than one tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (d) by a member or members present in person and holding shares in the Company conferring a right to vote at the meeting being shares on which the aggregate sum has been paid up on all the shares conferring that right and representing not less than one tenth of the total such shares in the Company'.

For the purposes of this regulations “member” includes a person attending the meeting as a proxy attorney or other duly authorised representative of a member.

Unless a poll is so demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously or by particular majority or lost and an entry to that effect to the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number of proportion of the votes recorded in favour of or against the resolution. The demand for a poll may be withdrawn.

57. Poll

If a poll is duly demanded it shall be taken in such manner and either at once or after an interval Adjournment or otherwise as the Chairman directs and the result of the poll shall be the resolution of the meeting in which a poll was demanded but a poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith.

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58. Casting vote:

In case of an equality of votes whether on a show of hands or on poll the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.

59. Voting in person and by proxy:

Subjects to any rights or restrictions for the time being attached to any class or classes of shares at meetings of members or class of members each member entitled to vote may vote in person or by proxy or by attorney and on a show of hands every person present who is a member or is a proxy attorney or other duly authorised representative of a member shall have one vote (but shall not vote in one such capacity) and on a poll every member present in person or by proxy attorney or other representative aforesaid shall have one vote for each share he holds provided that the share is fully paid and if not then:-

- (i) Voting rights in respect of contributing shares to be on a one for one basis where such contributing shares were offered on a pro rata basis; and
- (ii) Voting rights in respect of contributing shares offered other than on pro rata basis to shareholders, be pro rata to the total issue price paid.

60. Joint holders:

In the case of joint holders the vote of the senior who tenders a vote whether in person or by proxy attorney or other representative shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of Members

61. Mental health:

A member who is of unsound mind or whose person or estate is liable to be dealt with in anyway under the law relating to mental health may vote whether on a show of hands or on a poll by his committee or by his trustee or by such other person who properly has the management of his estate at any such committee trustee or other person may vote by proxy or attorney.

62. Calls Paid:

No member shall be entitled to vote at any general meeting unless all calls or other sums presently. Presently payable by him in respect of shares in the Company have been paid.

63. Objections:

No objections shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objections made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.

64. Proxy instruments:

The instrument appointing a proxy shall be writing (in the common or usual form) under the hand of the appointer or of his attorney duly authorised in writing or if the appointor is a corporation either under seal or under the hand of an officer or attorney duly authorised . A proxy may but need not be a member of the Company. The instrument

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appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

65. Voting for or against:

Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit –

I /We _____ of _____

Being a member / members of Yaqara Group Limited, hereby appoint

_____ of _____

Or failing him, _____ of _____

As my / our proxy to vote for me /us on my / our behalf at the (annual or extraordinary as the Case may be) general meeting of the Company to be held on the

Day of _____ 200....., and at any adjournment thereof.

Signed this _____ day of _____, 200.....

This form is to be used * in favour of/against the resolution.

*Strike out whichever is not desired .(Unless otherwise instructed the proxy may vote as he thinks fit)

66. Deposit of proxy:

The instrument appointing a proxy and the power of attorney or other authority if any under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company or at such other places within Fiji as is specified for that purpose in the notice convening the meeting not less than forty eight hours before the time for holding the meeting or adjourned meeting which the person named in the instrument proposes to vote or in the case of a poll not less than twenty four hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.

67. Proxy vote:

A vote given in accordance with the terms of an instrument of proxy or attorney shall be valid notwithstanding the previous death or unsoundness of mind of the principal of revocation of the instrument or of the authority under which the instrument was executed or the transfer of the share in respect of which the instrument is given if no intimation in writing of such death unsoundness of mind revocation or transfer as aforesaid has been received by the Company at the registered office before the commencement of the meeting or adjourned meeting at which the instrument is used .

DIRECTORS

68. Number of Directors:

The number of Directors shall be not less than five and not more than twelve.

No corporation shall be eligible to be appointed as a director of the Company.

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69. Power of Directors to appoint others:

The Directors shall have power at any time and from time to time to appoint any other qualified person as a Director either to fill a casual vacancy or as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed Any Director so appointed shall hold office only until the next following general meeting of the Company and shall be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting .

70. Retirement and election of Directors:

(a) At every Annual General Meeting one third or nearest higher whole number of the members of the Board of Directors (excluding the Managing Director or a director who is an Executive Chairman) for the time being shall retire from office. A retiring director shall be eligible for re-election.

(b) The Directors to retire in every year shall be those who have been the longest in the office since their last election, but as between persons who become Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring director shall act as a director throughout the meeting at which he retires.

(c) The Company at the General meeting at which a Director retires may fill the vacated office by electing a person thereto and in default the retiring Directors shall if willing be deemed to have been re-elected unless it shall be determined at such meeting not to fill up such vacated office.

(d) The Company may from time to time by ordinary resolution passed at a general meeting increase or reduce the number of Directors and may also determine in what rotation the increased or reduced number is to go out of office.

(e) No person not being a Director retiring at the meeting shall unless recommended by the Directors for election be eligible for election to the office of Director at any general meeting unless at least twenty one days before the meeting there shall have been left at the office notice in writing by some member duly qualified to be present and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected. Notice of each and every candidature shall at least fourteen days prior to the meeting be forwarded to all registered holders of shares.

71. Directors – removal:

The Company may by ordinary resolution remove any Director before the expiration of his period of office and may by an ordinary resolution appoint another person in his stead. The person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

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72. Shareholding qualification:

The shareholding qualification for Directors may be fixed by the Company in General meeting and unless and until so fixed no qualifications shall be required .

73. Remuneration:

The remuneration of the Directors shall from time to time be determined by the Company in general meeting and shall be divided amongst the Directors as they shall agree or failing agreement equally. That remuneration shall be deemed to accrue from day to day. The Directors may also be paid all travelling hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors of any Committee of the Directors or general meetings of the Company or in connection with the business of the Company and any salary or other remuneration as full time employees of the Company.

74. Special remuneration:

If any Director being willing shall be called upon to perform extra services or to make any special exertion in going or residing abroad or otherwise for any of the purposes of the Company ,the Company shall remunerate such Director by a fixed sum as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his share in the remuneration otherwise provided.

75. Directors' contracts or other offices with the Company :

(a) Subject always to the other provisions of this regulation a Director shall not vote in respect of any contract or arrangement in which he has directly or indirectly a personal material interest and if he shall do so his vote shall not be counted nor shall he be counted in the quorum present at the meeting but neither of this prohibitions shall apply to:

(i) any arrangement for giving any Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company; or

(ii) any arrangement for the giving by the Company of any security to a third party in respect of money lent by him to or obligations undertaken by him for the benefit of the Company ; or

76. (a) Any contract or arrangement with any other corporation in which he is interested only as an officer of such other corporations or as the holder of it's shares or other securities or any other of them provided however that such interest is not a direct or indirect personal material interest of such Director;

and these prohibitions may at any time be suspended or relaxed to any extent and either generally or in respect of any particular contract arrangement or transaction by the Company in general meeting .

(b) Directors holding other office or contracting:

A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms (as to remunerations and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such

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other office or place of profit or as vendor purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

(c) A Director notwithstanding his interest may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any such office or place of profit under the Company or whereat the terms of any such appointment are arranged other than his own appointment or the arrangements of the terms thereof.

(d) Any Director may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director provided that nothing herein contained shall authorise a Director or his firm to act as auditor of the Company .

(e) A general notice that a Director Alternate Director or Managing Director is a member of or interested in any special firm or corporation with whom any contract is proposed to be entered into in relation to the affairs of the Company and is to be regarded as interested in all transactions with such firm or corporation shall be a sufficient disclosure under this clause as regards such Director and the said transactions and after such general notice it shall not be necessary for such Director to give any special notice relating to any particular transaction with such firm or corporation.

77. Director officer of or interested in another company:

A Director of the Company may be or become a director or other officer of or otherwise interested in any corporation promoted by the Company or in which the Company may be interested as shareholder or otherwise or which holds any shares in the Company and no such Directors shall be accountable to the Company for any remuneration or other benefits received by him as a Director or officer of or from his interest in such corporation unless the Company otherwise directs at the time of his appointment to the other corporation. The Directors may exercise the voting power conferred by the shares or other interest in any such other corporation held or owned by the Company or exercisable by them as directors of such other corporations in such manner in all respect as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors or other officers of such corporation) and any Director may vote in favour of the exercise in such voting rights in manner aforesaid notwithstanding that he may be or he be about to be appointed a Director or other officer of such corporation and as such is or may become interested in the exercise of such voting rights in manner aforesaid.

78. Disclosure of interest :

(a) In addition to his obligation under Section 201 of the Act to declare his interest in any contract or proposed contract with the Company every Director who holds any office or possesses any property whereby whether directly or indirectly duties or interest might be created in conflict with his duties or interests as Director shall declare at a meeting of the Directors the fact and the nature character and extent

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of the conflict. The declaration shall be made at the first meeting of the Directors held after he becomes a Director or (if already a Director) after he commenced to hold the office or to possess the property.

(b) The Secretary shall record every declaration made under Section 201 of the Act or under this regulation in the minutes of the meeting at which it was made.

(c) Neither the failure of a Director to make any declaration required by section 201 of the Act or by this regulation nor the failure of the Secretary to record any declaration made thereunder shall void or render voidable any contract transaction or arrangement entered into by or on behalf of the Company or render the Director liable to account to the Company for any profit or benefit derived by him.

79. Directors – vacation of office:

The office of Director shall become vacant if the Director:

- (a) ceases to be a Director by virtue of the Act;
- (b) becomes bankrupt or has a receiving order made against him which is not discharged within thirty days or makes any arrangements or composition with his creditors generally;
- (c) becomes prohibited from being a Director by reason of any order made under the Act;
- (d) becomes of unsound mind or a person whose person or estate is liable to be dealt with any way under the law relating to mental health;
- (e) resigns his office by notice in writing to the Company;
- (f) has been convicted of an offence involving dishonesty;
- (g) has not attended three consecutive meetings of the board and has not obtained prior approval of the board for his absences .

POWERS AND DUTIES OF DIRECTORS

80. Management of Company:

The business of the Company shall be managed by the Directors who may pay all the expenses incurred in forming and registering the Company and may exercise all such powers of the Company as a not by the Act or any statutory modification thereof for the time being in force or by this Articles required to be exercised by the Company in general meeting subject nevertheless these powers shall be subject also to the control of any general meeting of the Company specially convened for that purpose but no resolution of the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that resolution had not been passed .

81. Powers of borrowing:

The Director may exercise all the powers of the Company to borrow money(including borrowing money by overdrawing the Company's banking account to the extent permitted by the bank) and to mortgage or charge it's undertaking property and uncalled capital or any part thereof and to issue debentures and other securities whether outright or as security for any debt liability or obligation of the Company or of any third Party and

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to guarantee the payment of any debt or liability or the performance of any obligation of the third party.

82. Local Boards:

The Directors may establish any local boards or agencies for managing any of the affairs of the Company either in Fiji or elsewhere and may appoint any persons to be members of such local boards or any managers or agents and may fix their remuneration and may delegate to any local board manager or agent any of the powers authorities and discretion vested in the Directors with power to sub-delegate may authorise the members of the local boards or any of them to fill any vacancies and such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit and the Directors may remove any person so appointed and may annul or vary any such delegation but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

83. Appointment of attorney:

The Directors may from time to time and at any time by power of attorney under the seal appoint any corporation firm or person or any fluctuating body of persons whether nominated directly or indirectly by the Directors to be attorneys of the Company for such purposes and with such powers authorities and discretion (not exceeding those vested in or exercisable by the Directors under these presents) and for such periods and subjects to such conditions as they may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorneys as the Directors may think fit and may also authorise any such attorney to sub-delegate all or any of the powers authorities and discretion vested in him.

84. Cheques etc:

All cheques promissory notes drafts bills of exchange and other negotiable instruments and all receipts for money paid to the Company shall be signed drawn accepted endorsed or otherwise executed as the case may be in such manner as the Directors shall from time to time by resolution determine.

85. Minutes:

The Directors shall cause minutes to be made in books provided for the purpose:

- (a) of all appointment of officer made by the Directors;
- (b) of the names of the Directors present and at each meeting of the Directors and of any committee of the Directors;
- (c) of all resolution and proceeding at all meetings of the Company and of the Directors and of Committees of Directors.

Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

86. Register Books and Returns:

The Directors shall cause to be kept and entered up all Registers and books as required by law and to be furnished to the Registrar of Companies from time to time whenever necessary and within the prescribed time all Notices Returns and Particulars as required by law and without prejudice to the generality of the foregoing shall particularly cause to be kept and entered up the following:

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Register of Members (Section 114)

Register of Debenture Holders (Sections 90 and 91)

Register of Charges (Section 106 and 107) and

Registers of Director's and Secretaries (Section 202);

And to be furnished to the Registrar of the Companies the following:

Notice of Registered office (Section 110),

Allotment of shares (Section 56),

Particulars of Charges (Section 98, 99 and 100), and

PROCEEDINGS OF DIRECTORS

87. Proceedings of Directors:

The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit.

A Director may at any time and the Secretary shall on the requisition of Director summon a meeting of the Directors

Questions arising at any meeting shall be decided by a majority of votes .

In case of an equality of votes the Chairman shall have a second or casting vote.

A resolution signed by all the Directors for the time being entitled to receive notice of meetings of Directors shall be as valid and effective as a resolution duly passed at a meeting of the Directors duly called and constituted. Any such resolution may consist of several documents in like form each signed by one or more Directors or their alternatives.

PROVIDED that with the approval of the majority of the Directors any meeting of the Company may be proceeded with by telephone, video conference.

88. Quorum:

The quorum necessary for the transaction of business of the Directors shall be not less than three Directors holdings office at any time and shall include not less than two Fiji resident Directors.

89. Directors – Alternate or substitute

An A Class Director may, and any Director with the Approval of a majority of the other Directors may appoint any person to be alternate or substitute Director in his place during such period as he thinks fit. Any person while he so holds office as an alternate or substitute Director shall be entitled to notice of meetings of the Directors and to attend and vote thereat as a Director when the appointer is not personally present and where the person appointed is himself a Director to have a separate vote on behalf of the appointer in addition to his own vote. An alternate or substitute Director shall not require any share qualification and shall ipso facto vacate office if the appointer vacates office as a Director or removes the appointee from office. Any appointment or removal under this regulation may be in writing under the hand of the Director making the same or by telegram cablegram or facsimile. At any meeting at which an alternate or substitute Director is present as such he shall be deemed a Director for the purpose of constituting

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a quorum and for all other purposes. He shall not be entitled to remuneration from the Company but the Company may reimburse him for all travelling and other expenses incurred by him in attending meetings of Directors or otherwise on the Company's business.

90. Power of continuing Directors:

The Directors may act notwithstanding any vacancy in their body but if and so long as their number is reduced below the number fixed by and pursuant to these Articles as the necessary quorum of Directors the Directors or Director may act for the purpose of increasing the number of Directors to that number or of summoning a general meeting of the Company but for no other purpose.

91. Directors – Chairman:

The Directors may elect a Chairman of their meetings and determine the period for which he is to hold office but if no such Chairman is elected or if at any meeting the Chairman is elected or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting the Deputy Chairman shall preside if he is present and if he is not the Directors present may choose one of their number to be Chairman of the meeting.

92. Committees:

The Chairman shall appoint a Deputy Chairman.

93. Committees:

The Directors may delegate any of their powers to committees consisting of such members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulation that may be imposed on it by the Directors.

94. Chairman of committee:

A committee may elect a Chairman of its meetings. If no such Chairman is elected or if at any meeting the Chairman is not present within ten minutes after the time appointed for holding the same the member present may choose one of their number to be Chairman of the meeting.

95. Proceedings of committee:

A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present and in case of an equality of votes the Chairman shall have a second or casting vote.

96. Acts of Directors valid in spite of defective appointment:

All acts done by any meeting of the Directors or of a committee of Directors or by any person acting as a Director shall notwithstanding that it is afterward discovered that there was some defect in the appointment of any such Director or person acting as aforesaid or that they or any of them were disqualified be as valid as if every such person had been duly appointed and was qualified to be a Director.

97. Resolution in writing meeting valid:

A resolution determined on without any meeting of Directors and evidenced in writing under the hands of all the Directors or a sole Director or of all members of a committee

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or of a sole member of a committee shall be as valid and effectual as a resolution duly passed at a meeting of the Directors or of such committee.

MANAGING DIRECTOR AND EXECUTIVE DIRECTORS

98. Managing Director:

The Directors may from time to time appoint one or more of their body to the office of Managing Director for such period and on such terms as they fit and subject to the terms of any agreement entered into in any particular case may revoke any such appointment. A Director so appointed shall not while holding that office be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors but whose appointment shall be automatically determined if he ceases from any cause to be a Director or after holding office for not less than 6 months is not resident in Fiji.

99. Managing Director- remuneration:

A Managing Director shall subject to the terms of any agreement entered into in any particular case receive such remuneration (whether by way of salary commission or participation in profits or partly in one way and partly in another) as the Directors may determine.

100. Managing Director – powers:

The Directors may entrust to and confer upon a Managing Director any of the powers exercisable by them upon such terms and conditions and with such terms and conditions and with such restrictions as they may think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke withdraw alter or vary all or any of those powers.

101. Remuneration of Executive Directors

An Executive Director is (subject to the terms of any agreement entered into in a particular case) entitled to receive such remuneration (whether by way of salary, commission or particular profits, or partly in one way and partly in another) as the Directors determine but if the Company is Listed that remuneration shall not include any commission on or any percentage of operating revenue (other than as may arise by way of payment of royalties on intellectual property and other rights assigned to the company). The Directors may remunerate Executive and Non – Executive Directors by issuing options for shares or fully paid shares from reserves of the company, provision of land from land held by the company either under lease or freehold and by payment of bonuses on operating profit.

SECRETARY

102. Secretary:

The Secretary shall be appointed by the Directors for such term , at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed by them.

SEAL

103. Seal:

The Director shall provide for the safe custody of the seal which shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf and every instrument to which the seal is affixed shall be signed

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by a Director and shall be countersigned by the Secretary or by some person appointed by the Directors for the purpose.

104. Duplicate seals:

The Directors may provide for duplicate common seal for use in any other place or country in which the Company is registered or shall acquire real or personal property or shall enter into any contract or otherwise function.

DIVIDENDS AND RESERVES

105. Dividends:

The Company in general meeting may declare dividends but no dividend shall exceed the amount recommended by the Directors.

106. Interim dividends:

The Directors may from time to time pay to the members such interim dividends as appear to the Directors to be justified by the profits of the Company.

107. Dividends out of profits only:

No dividend shall be paid otherwise than out of profits.

108. Reserve fund:

The Directors may before recommending any dividend set aside out of the profits of the Company such sums as they think proper as a reserve which shall at the discretion of the Directors be applicable for meeting contingencies or for equalising dividends or for any other purpose to which the profits of the Company may be properly applied and pending any such application may at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares in the Company) as the Directors may from time to time think fit. The Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.

109. Interest on dividends:

No dividend shall bear interest against the Company.

110. Payment:

Subject to the rights of persons if any entitled to shares with special rights as to dividend all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid but no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date that share shall rank for dividend accordingly.

111. Distribution of assets:

Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in particular of paid-up shares debentures or debenture stock of any other company or in any one or more of such ways and the Directors shall give effect to such resolution and where any difficulty arises in regard to such distribution the Directors may settle the same as they think

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expedient and fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall determine that cash payment shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.

112. Mode of payment:

Any dividend interest or other money payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or in the case of joint holders to the registered address of that one of the joint holders who is first named on the register or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one or two or more joint holders may give effectual receipts for any dividends or other money payable in respect of the shares held by them as joint holders.

CAPITALIZATIONS OF PROFITS

113. Resolution for capitalisation:

The Company in general meeting may upon the recommendations of the Directors resolve that is desirable to capitalise any part of the amount for time being standing to the credit of any of the Company's reserve accounts or to the credit of the profits and loss account or otherwise available for distribution and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on conditions that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures of the Company to be allotted or distributed credited as fully paid up to and amongst such members in the proportion aforesaid or partly in the one way and partly in other and the Director shall give effect to such resolution. A share premium account and a capital redemption reserve fund may for the purposes of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

114. Giving effect to resolutions:

Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised and all allotments and issues of fully paid shares or debentures if any and generally shall do all acts and things required to give effect thereto with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of the shares or debentures becoming distributable in fractions and also to authorise any person to enter on behalf of all the members entitled thereto in an agreement with the Company providing an allotment to them respectively credited as fully paid up of any further shares or debentures to which they may be entitled upon such capitalisation or (as the case may require) for the payment up by the Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares and any agreement made under such authority shall be effective and binding on all such members.

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ACCOUNTS

115. Accounts:

The Directors shall cause proper accounts to be kept with respect to :

- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
- (b) all sales and purchases of goods by the Company; and
- (c) the assets and liabilities of the Company.

116. Books, where to be kept:

The account shall be kept at the registered office of the Company or such other place or places as the Directors think fit and shall always be open to the inspection of the Directors.

117. Inspection of books:

The Directors shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulations the account and the books of the Company or any of them be open to the inspections of member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in General meetings.

118. Profit and loss account:

Once at least in every year the Directors shall lay before the Company in general meeting a profit and loss account for the period since the preceding account or (in the case of the first account) since the incorporation of the Company made up to a date not more than six months before such meeting.

119. Balance sheet:

A balance sheet shall be made out in every year and laid before the Company in the General meeting made up to a date not more than six months before such meeting. The balance sheet shall be accompanied by a report of the Directors as to the state of the Company's affairs what amount has been written off for depreciation and the amount which they recommend to be paid by way of dividend and the amount if any which they propose to carry to a reserve fund.

AUDIT

120. Audit:

Auditors shall be appointed and their duties regulated in accordance with Sections 161 and 165 of the Act.

The interval between the close of the financial year of the Company and the issue of the printed Annual Report and the audited accounts relating to it shall not exceed four months.

NOTICES

121. Giving of notice:

A notice may be given by the Company to any member either personally or by sending it by post to him to his address in the register or by transmission by facsimile.

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122. Notices by post:

Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing prepaying and posting a letter envelope or wrapper containing the notice, and to have been effected on the fourteenth day after the date of its posting. A certificate in writing signed by the Secretary, Manager or other officer of the Company that the letter, envelope or wrapper containing the notice was so addressed and posted shall be conclusive evidence thereof. Any notice to be sent to an address outside Fiji shall be posted by air mail.

123. Notice to joint holders:

A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder named first in the register in respect of the share.

124. Notice to deceased or bankrupt members:

A notice may be given by the Company to the persons entitled to a share in consequences of the death or bankruptcy of a member by sending it through the post in a prepaid letter envelope or wrapper addressed to them by name or by the title of representatives of the deceased or trustee of the bankrupt or by any like description at the address if any supplied or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.

125. Notices of general meeting:

Notice of general meeting shall be given in the same manner hereinbefore authorised to:

- (a) every member;
- (b) every person entitled to a share in consequence of the death or bankruptcy of a member who but for his death or bankruptcy would be entitled to receive notice of the meeting; and
- (c) the auditor for the time being of the Company.

No other person shall be entitled to receive the notices of general meetings.

WINDING UP

126. Winding up:

If the Company is wound up the liquidator may with sanction of a special resolution of the Company divide amongst the members in kind the whole or any part of the assets of the Company (whether they consist of property of the same kind or not) and may for that purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how the division shall be carried out as between the members or different classes of members. The liquidator may with the like sanction vest the whole or any part of any such assets in trustees upon such trusts for the benefit of the contributories as the liquidator with the like sanction thinks fit but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

127. Officers Indemnity and Insurance:

Every Executive Director, Managing Director, Agent, Auditor, Secretary and other officer for the time being of the Company shall be indemnified out of the assets of the

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Company against any liability incurred by him in defending any proceedings whether civil or criminal in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 403 of the Act in which relief is granted to him by the court. To the extent permitted by law, the Company may pay, or agree to pay, a premium in respect of a contract insuring a person who is an Officer of the Company or a subsidiary of the Company against;

(a) any liability incurred by the person, as an Officer of the Company or a wholly – owned subsidiary of the Company, to another person (other than the Company or a related body corporate of the Company) unless the liability arises out of a contract involving a lack of good faith; and

(b) any liability for costs and expenses incurred by that person in defending any proceedings, whether civil or criminal, in which judgement is given in that person's favour, or in which the person is acquitted, or in connection with an application in relation to any proceedings in which the Court grants relief to the person under Law.

PLANS

128. Directors may implement plans.

The Directors may adopt and implement any number of plans on terms they determine by which a Member may elect to receive shares as, or instead of dividends.

129. Types of Plans.

The plans, which the Directors may adopt and implement under this provision 128, include;

(a) a dividend reinvestment plan whereby any Member or any number or class of Members eligible in accordance with the plan may elect that dividends payable by the Company will be applied on behalf of the that Member in subscribing for fully paid ordinary shares in the capital of the Company in accordance with the plan; and

(b) a bonus share plan whereby any Member or any number of class of Members eligible in accordance with the plan may elect to forego any dividends that may be payable on all or some of the ordinary shares held by that Member and to receive instead some other entitlement in accordance with the plan including allotment to the Member of fully paid ordinary shares or options to fully paid ordinary shares in the capital of the company.

130. Plans may be amended suspended etc.

The Directors have all the powers necessary or desirable to implement and carry out fully and plan adopted by them under this clause provision in 128, 129 & 130 and may (without limitation):

(a) amend the terms of any plan as they consider desirable: and

(b) suspend for any period or terminate the operation of any plan, as they consider desirable.

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131. General Authorisation.

This clause authorises the Company to do any act or thing which the Law or the Listing Rules permit if the Company is authorised by its articles to do that act or thing.

132. Proportional Takeover Scheme.

A resolution to approve a Takeover Scheme must be voted on at a meeting of the Members (other than the offerer in respect of the Takeover Scheme and each associate of the offerer) who, as at the end of the day on which the first offer under the Takeover Scheme was made held shares of the class subject to the Takeover Scheme.

The meeting referred to in paragraph 1 of this provision must be:

- (a) convened and conducted by the Company;
- (b) except as provided in this schedule, conducted as if it were a general meeting of the Company; and
- (c) held so that the Prescribed Resolution is voted on before the day, which is 14 days before the end of the period during which the offers under the Takeover Scheme remain open.

At the meeting referred to paragraph 1 of this provision, only the persons entitled to one vote for each share the subject to the takeover Scheme are entitled to vote on the Prescribe Resolution. Each Member entitled to vote on the Prescribe Resolution is entitled to one vote for each share the subject to the Take over Scheme held by that Member unless they hold a class of share that has been issued with special voting rights which is subject to the Takeover Scheme and in that case their entitlement to vote will be in accordance with the provisions entitled to that share.

A Prescribed Resolution is carried 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 75 % (Seventy Five Percent), and otherwise is taken to have been rejected.

133. Shareholders Agreement.

Subject to the Listing Rules and SPSE Business Rules and with the approval of Members by ordinary resolution, the Company may enter into agreements with Members as to the governance and management of the Company”.

134. Compliance with the Law and the Listing Rules

- (a) Notwithstanding anything express or implied in these clauses, each and every provision of these clauses is subject to the law of Fiji and, if the Company is Listed, the Listing Rules and any SPSE business rules. The Company must at all times comply with the law and the Listing Rules and the SPSE business rules.
- (b) If there exist any inconsistency between any provision of these clauses and the law or the Listing Rules, the law or the Listing Rules (as the case may be) will prevail to the extant of the inconsistency.
- (c) Without in any way limiting the generality of parts (a) and (b) if the Company is Listed, the following provisions apply;
 - (i) Not withstanding anything contained in these clauses, if the Listing Rules prohibit an act being done, that act must not be done.

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(ii) Nothing contained in these clauses shall prevent an act being done that the Listing Rules require to be done.

(iii) If the Listing Rules require an act to be done or not to be done, the Company shall be deemed authorised to do or as the case may be not do it.

(iv) If the Listing Rules require these Articles to contain a provision which is absent from these Articles, these Articles shall be deemed to contain such provision and may be amended by the Directors to provide such a provision without reference to members so long as such amendment does not prejudice the rights and entitlements of any Member in any material way.

(v) If any provision of these clause is or becomes inconsistent with the Listing Rules, these clauses are deemed not to contain that provision to the extent of the inconsistency.

135. Listing Rules

A reference to the Listing Rules, the SPSE business rules or the Exchange in the clauses or provisions has effect if, and only if, at the relevant times the Company is Listed, and must otherwise be disregarded.