

25 October 2023

OPEN LETTER TO MEMBERS
Proposed Special Resolutions for the 2023 AGM



Dear Member,

On behalf of the Board of Directors, I write to you to provide a more in depth understanding of the Board's strategy and purpose behind the proposed constitutional changes to be considered at the Group's upcoming Annual General Meeting scheduled for **Sunday, 19 November 2023 commencing at 10:30am**. I trust that this letter provides you with a clear understanding of the Board's motivation behind these proposed changes, which in our view will strengthen the Group's strategic plans and operational direction.

FIRST SPECIAL RESOLUTION
Proposes to reduce the size of the Board

The First Special Resolution has been proposed by the Board to ensure the efficient operation of future Board proceedings and to maintain a high standard of skills, knowledge, and experience across future Boards.

In the Board's view, a reduction in the size of the Board will deliver a number of benefits to the Group's governance structures and the way in which it operates. Some of these benefits include:

1. Efficiency and Decision-Making Speed
A smaller Board typically leads to more efficient decision-making processes. With fewer members, discussions can be more focused, and decisions can be reached more quickly.
2. Board Quality
Over the past decade, demand for Board positions has declined with many members unable or unwilling to undertake the training and compliance education required to become a member of the Board. This has been further compounded with members of the current Board indicating that they intend to stand down from the Board over the coming elections. A reduction in the size of the Board will provide a smoother transition for Board members without diluting the quality of the Board.
3. Enhanced Communication
Smaller Boards often have better communication among members. There's a reduced chance of information getting lost or misinterpreted, as communication channels are streamlined. This can foster better collaboration and shared understanding.
4. Reduced Costs
A smaller Board can lead to reduced costs associated with Board meetings, travel, training and compliance costs, and other expenses.



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5. Increased Engagement

With a smaller Board, each member might have a more substantial role and responsibility, which can lead to increased engagement and commitment. This can also lead to higher attendance rates at meetings.

6. Flexibility and Adaptability

Smaller Boards can be more nimble and more adaptable in response to changes in the business environment. They can more easily adjust their strategies and approaches without encountering the challenges of coordinating a larger group.

7. Fostering Inclusivity

Smaller Boards can facilitate more inclusive discussions where each member has a chance to contribute. This can encourage a wider range of perspectives and prevent a few dominant voices from overshadowing others.

Ultimately, the Board is seeking to reduce the size of the Board to ensure that the quality of the Board and the efficiency of its functions will foster success for the Group into the future. Accordingly, I ask all Members to consider this information and seek your support for this First Special Resolution.

SECOND SPECIAL RESOLUTION

Proposes to give the Secretary additional powers on Disciplinary Matters

In practice, the disciplinary procedures outlined in the Group's constitution have been inefficient and cumbersome. Disciplinary matters often remain unresolved indefinitely, with most Members not responding to disciplinary notices.

The Second Special Resolution gives the Secretary the power to issue a suspension of membership for a period up to 12 months if the Secretary is of the view that a Member has engaged in conduct unbecoming of a Member or conduct that is prejudicial to the interests of the Club. However, the Member concerned has the right to request that the matter be referred to the Board to be dealt with in the usual way at a disciplinary hearing.

This proposed Special Resolution will improve the efficiency with which disciplinary matters are managed and resolved. Accordingly, I ask all Members to consider this information and seek your support for this Second Special Resolution.

THIRD SPECIAL RESOLUTION

Proposes to restrict former employees and directors of other clubs from standing for the Board

In past elections, both former Employees and Employees of competitors have stood for the Board of Directors. The Board is concerned that former employees and employees of competitors, may not have the Group's best interests in mind when standing for the Board. Former employees of the Group maybe disgruntled with the Group and have the potential to disrupt the Board's activities, while employees of

competitors create conflict of interest concerns which would further disrupt the Board's activities.

Currently there are no restrictions on former employees or employees of competitors standing for and joining the Board. Current employees of the Group are prohibited from standing for the Board, and the Board believes that former employees and employees of competitors should be treated in the same context.

Accordingly, I ask all Members to consider this information and seek your support for this Third Special Resolution.

On behalf of the Board of Directors, I thank you for taking the time to read this letter and I encourage you to attend the Group's upcoming Annual General Meeting to be held on **Sunday, 19 November 2023 commencing at 10:30am.**

Yours sincerely,

A handwritten signature in cursive script, appearing to read 'B Wilson'.

Bruce Wilson OAM | President