

# Landholder update

Friday 3 November 2017



## Board avoids Extraordinary General Meeting

I am pleased to announce that the Board of Murray Irrigation has avoided subjecting shareholders to an Extraordinary General Meeting by each agreeing to resign at the conclusion of the company's Annual General Meeting on November 28.

The decision will have no impact on management or the operations of the company.

The potential for the EGM was sparked after an independent, two-part report highlighted poor behaviour and dysfunction built up over many years and which ultimately led to a vote of no confidence in directors Chris Brooks and James Sides.

The five directors who took that vote of no confidence have put their shareholder responsibilities first and foremost and have taken the unprecedented step to end the bitterness that continues to simmer among some of the shareholder base. Their decision was supported by current Board member James Sides who was not successful in being re-elected to the Board, and Chris Brooks who also agreed to resign.

Waander van Beek and Phil Snowden who were recently elected have shown an extraordinary level of courage and commitment by also offering to resign.

After the Board's resignation, there will be an interim governance structure, the make-up of which will be guided by independent advice being sought from experts in corporate transition. An interim governance structure is critical to ensure an appropriate level of company oversight.

That advice will also determine when an election of directors should be held and in what format.

Candidates will be subject to rigorous assessment by an independent, top-tier selection company and the new Board is likely to include four shareholder directors and three independents. The CEO's position will become a managing director appointment subject to a change in the company's constitution.

No one knows more about the business than its most senior manager and as such it is important for that position to have an equal voice at the Board table.

The Board's modernisation also calls for a renewed relationship with landholder associations and an increased role for those associations to play in effective, industrial strength advocacy.

We are working on a Memorandum of Understanding and hope to have it concluded by the end of the year.

A handwritten signature in black ink, appearing to read "Bruce Simpson".

**Bruce Simpson**  
Chairman