EXPLANATORY STATEMENT – SPECIAL BUSINESS

This Explanatory Statement forms part of the Notice of the 2026 Annual General Meeting. It is intended to help Members decide how to vote on Item 6. Members should read it together with the proposed amended Constitution and the marked-up copy showing the changes, which accompany this notice.

Item 6 – Special Resolution: Adoption of amended Constitution

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

> *"That, for the purposes of section 136(2) of the Corporations Act 2001 (Cth) and Rule 54.1 of the Constitution of Apunipima Cape York Health Council Limited, and with effect from the close of this meeting, the existing Constitution is repealed and replaced with the constitution in the form accompanying the Notice of Meeting and tabled at the meeting, signed by the Chairperson for the purposes of identification (the **Amended Constitution**)."*

Board recommendation: The Directors unanimously recommend that Members vote **in favour** of this resolution.

Majority required: This is a special resolution. It will be passed only if at least 75% of the votes cast by Members entitled to vote on the resolution are cast in favour.

Why is the Constitution being changed?

The current Constitution was adopted on 24 November 2022 and was due for review by 24 November 2025. The Board has reviewed it and is proposing changes to strengthen cultural governance, simplify membership, update the rules about the Board, and bring the Constitution into line with current law and modern ways of communicating with Members.

Summary of the main changes

1. Cultural governance (new Rule 4.4). Recognises the unique cultural authority, knowledge and responsibilities of Aboriginal and Torres Strait Islander peoples of Cape York Peninsula. In pursuing its Objects, Apunipima will uphold self-determination and community control, promote cultural safety, recognise Traditional Owners and cultural leaders, respect local cultural protocols and support the protection and transmission of cultural knowledge.

2. One type of membership. Associate Membership is removed and there will be a single class of Member: Aboriginal or Torres Strait Islander people over 18 with traditional or historical interests in Cape York Peninsula. All Members will have the same rights. Anyone who is an Associate Member when the change takes effect will stop being a Member (new Rule 6.2).

3. The Board. "Skills-based Directors" are renamed Appointed Directors. When appointing them, the Board will give preference to Aboriginal and Torres Strait Islander people with a connection to Cape York, but this is not a requirement. The Chairperson and Deputy Chairperson must be Elected Directors. Appointed Directors serve a fixed term of up to two years. Only Members can remove a Director, as required by the Corporations Act. The Board must meet at least four times a year (previously twice).

4. Conflicts of interest. Apunipima will keep a Register of Interests. Directors must declare their interests in writing each year and as soon as a material conflict arises. A Director with a material personal interest must disclose it, leave the meeting, not vote and not try to influence the decision.

5. Notices and meetings. Notices may be given by email, SMS, an electronic portal, website or other electronic means as well as in person or by post. General Meetings may be held in person, as hybrid meetings or fully online, with electronic voting.

6. Audit and winding up. The rules about the auditor are updated to match the Corporations Act. Because Apunipima is a deductible gift recipient, any surplus on winding up must go to another charity with similar objects to which tax-deductible gifts can be made.

7. General updates. Provisions are referred to as "Rules"; out-of-date references are corrected (for example, to the CATSI Act); and minor drafting and typographical corrections are made.

When will the changes take effect?

If the special resolution is passed, the Amended Constitution will take effect at the close of the meeting. The meeting itself will be conducted under the current Constitution. Apunipima will then notify the Australian Charities and Not-for-profits Commission of the change.