

MEO AUSTRALIA LIMITED

ABN 43 066 447 952

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fifteenth Annual General Meeting of members of MEO Australia Limited will be held in the Meeting Room of The Institute of Chartered Accountants, Level 3, 600 Bourke Street, Melbourne on Wednesday, 18 November 2009 at 10.30am.

ORDINARY BUSINESS

Item 1. Financial Report

To receive and consider the Annual Financial Report for the year ended 30 June 2009 and the reports of the Directors and Auditor thereon.

Item 2. Remuneration Report

To consider and, if thought fit, pass the following non-binding resolution as an ordinary resolution:

“That the Remuneration Report for the year ended 30 June 2009 be adopted”.

This is a non-binding advisory vote.

Item 3. To re-elect Directors

(a) Re-election of Mr Michael J F Sweeney

“That Mr Michael Sweeney, who retires in accordance with rule 35 of the Company’s constitution and being eligible, is re-elected as a director of the Company”.

(b) Re-election of Mr Stephen Wade Hopley

“That Mr Stephen Wade Hopley, who retires in accordance with rule 35 of the Company’s constitution and being eligible, is re-elected as a director of the Company”.

SPECIAL BUSINESS

Item 4. Approval of new constitution

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

“That the constitution of the company is repealed in its entirety and the company adopts, as its new constitution, the document tabled at the meeting and signed by the chair for identification”.

By order of the Board of MEO Australia Limited

C.H. Naylor
Company Secretary
9 October 2009

The Chairman of the meeting intends to vote undirected proxies in favour of all items of business.

2009 Annual Report

Shareholders who did not elect to receive a printed copy of the 2009 Annual Report can access the Annual Report at MEO’s website address:

http://www.meoaustralia.com.au/icms_docs/56452_2009_MEO_Australia_Limited_Annual_Report.pdf

NOTES

1. Voting

- (a) On a poll, Members have one vote for every fully paid ordinary share held. On a show of hands, every person present and qualified to vote has one vote and if one proxy has been appointed, that proxy will have one vote on a show of hands. If a shareholder appoints more than one proxy, and more than one proxy attends the meeting, neither proxy may vote on a show of hands, but both proxies will be entitled to vote on a poll.
- (b) A Member entitled to attend and vote at a Meeting is entitled to appoint not more than two proxies to attend and vote. Where more than one proxy is appointed, such proxy must be allocated a proportion of the Member's voting rights. If two proxies are appointed and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half of the member's votes.
- (c) A form of proxy accompanies this Notice and, to be effective, the form (and if the appointment is signed by the appointor's attorney, the original authority under which the appointment was signed or a certified copy of the authority) must be received by the registered office of the Company or by the Company's share registry at least 48 hours before the time appointed for the Meeting. Any proxy lodged after that time will be treated as invalid.
- (d) A proxy duly appointed need not be a Member and may be an individual or body corporate. In the case of joint holders either security holder may sign.
- (e) If a member appoints a body corporate as a proxy, that body corporate will need to ensure that it:
 - (i) appoints an individual as its corporate representative to exercise its powers at the meeting, in accordance with section 250D of the Corporations Act; or
 - (ii) provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the meeting.If such evidence is not received prior to the commencement of the meeting, then the body corporate proxy (through its representative) will not be permitted to act as the Member's proxy.
- (f) Proxy and corporate appointment of representative forms may be returned to the Company in any of the following ways:
 - (i) by delivery (by hand, mail, or facsimile) to the Company Secretary, MEO Australia Limited at its registered office:
 - Level 17
 - 500 Collins Street
 - Melbourne Vic 3000
 - Facsimile: 61+ 3 9614 0660.
 - (ii) by delivery (by hand, mail, or facsimile) to the MEO Australia Limited share registry:
 - MEO Australia Limited
 - C/- Link Market Services Limited
 - Locked Bag A14, Sydney South NSW 1235
 - Facsimile: +61 (02) 9287 0309
 - Delivering to
 - Link Market Services Limited
 - Level 12, 680 George Street
 - SYDNEY NSW 2000
- (g) Corporate Members should comply with the execution requirements set out on the proxy form or otherwise comply with the provisions of Section 127 of the Act. Section 127 of the Act provides that a company may execute a document without using its common seal if the document is signed by:
 - (i) 2 directors of the company; or
 - (ii) a director and a company secretary of the company; or
 - (iii) for a proprietary company that has a sole director who is also the sole company secretary - that director.
- (h) Completion of a proxy form will not prevent individual Members from attending the meetings in person if they wish. Where a Member completes and lodges a valid proxy form and then the Member attends the meeting in person, if the member votes on a resolution, their proxy is not entitled to vote, and must not vote, on that resolution.
- (i) Under regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Directors have determined that the shareholding of each member for the purposes of ascertaining their voting entitlements at the Annual General Meeting will be as it appears in the share register at 7pm on Monday 16 November 2009. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

Explanatory Memorandum

Shareholder approval of resolutions is required for the purposes of the ASX Listing Rules and the Corporations Act 2001 (Cth). This Explanatory Memorandum has been prepared to provide you with material information to enable you to make an informed decision in relation to the business to be conducted at the Annual General Meeting of the Company.

Ordinary business

Item 1. Financial Report

The *Corporations Act 2001* (Cth) requires:

1. the reports of the Directors and Auditors; and
2. the Annual Report, including the financial statements of the Company for the fiscal year ended 30 June 2009,

to be laid before the Annual General Meeting. Neither the *Corporations Act* nor the Constitution require a vote of members on the reports or statements. However, shareholders will be given a reasonable opportunity to ask questions about or make comments on the management of the Company.

Also, a reasonable opportunity will be given to members as a whole at the meeting to ask the Company's Auditor questions relevant to the conduct of the audit, the preparation and content of the Auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the Auditor in relation to the conduct of the audit.

Item 2. Remuneration Report

As part of the Annual Report provided to all members, a Remuneration Report is required to be included which sets out details of the remuneration for each Director and for each of the other key management personnel of the Company and the five highest remunerated group/company executives, in addition to describing Board policy in respect of remuneration, its relationship to the Company's performance, along with a detailed summary of any relevant performance conditions, why those particular conditions were chosen, and how performance is measured against them.

Under the resolution in Item 2, the Company is seeking member approval of the adoption of the Remuneration Report by the Company. The outcome of this resolution is advisory only, and is not binding on the Company or the Board.

The Board unanimously recommends that members vote in favour of adopting the Remuneration Report.

Item 3. To re-elect Directors

(a) Re-election of Mr Michael J F Sweeney as a director of the Company

Further information in relation to the Director is as follows:

Mr Sweeney practises as a Barrister at the Victorian Bar, Melbourne, specialising in the fields of energy and resources law, competition law/third party access regimes, joint ventures and generally in commercial and contract law. He also specializes in alternative disputes resolution, particularly arbitration both as qualified arbitrator and as counsel in arbitrations.

Mr Sweeney was the senior managing executive (prior to this, general counsel and company secretary) of the Mitsubishi and Mitsui interests (MIMI) in the Australian North West Shelf (NWS) Gas Joint Venture from 1986 to 1996. He served as a member of the NWS Joint Venture Project Committee and was deputised to the Board of the North West Shelf LNG Shipping Company. He was a member of the Tokyo based Operating Committee responsible for overseeing MIMI's investments in Australia.

The Board (other than Mr Sweeney) unanimously recommends that members vote in favour of the resolution to re-elect Mr Sweeney.

(b) Re-election of Mr Stephen Wade Hopley as a director of the Company

Further information in relation to the Director is as follows:

Mr Stephen Hopley enjoyed a 14 year career with Macquarie Bank from 1989 until his retirement in 2003. For the last 4 years of his career, Mr Hopley acted as Division Director of the Financial Services Group with responsibility for Advisor Relationships and Distribution. Mr Hopley successfully developed and implanted a range of new products for distribution and led a number of sales teams that achieved outstanding sales results and was responsible for the two largest retail cash products in the industry.

Mr Hopley has served on a number of boards, foundations, committees and not for profit organizations. He is a past board member of the Education Foundation of Australia; the Lord Mayor's Charitable Fund and is a past Securities Industry Education chair of Task Forces in relation to final subjects in Graduate Diploma in Financial Planning. He devotes part of his time as a business coach and mentor to a number of early stage enterprises.

The Board (other than Mr Hopley) unanimously recommends that members vote in favour of the resolution to re-elect Mr Hopley.

Special Business

Item 4. Approval of New Constitution

Since the Company's current constitution was adopted, there have been a number of fundamental amendments to the Corporations Act 2001 and the ASX Listing Rules. There have also been significant developments in corporate governance principles and general corporate and commercial practice for ASX listed companies.

Your Directors propose that the constitution be replaced to take account of these changes and to modernise the drafting of the existing provisions to reflect current corporate practice. The new provisions ensure the Company's constitution is consistent with current regulations and can operate consistently with contemporary principles of good governance and corporate and commercial practice, and to facilitate the efficient operations of the Company. The principal changes that are proposed are outlined below:

1. Directors

The proposed new provisions relating to directors reflect a number of changes including:

Director nomination and election/re-election procedures

- removing the requirement that one-third of the Board retires by rotation at each AGM. In its place are provisions that require a director to submit for re-election at the third AGM following his or her last election or re-election (new rule 8.1(d)). This change is intended to more closely reflect the ASX Listing Rules, which prescribe that, while there must be an election of directors held each year, it is not necessary for one-third of the Board to retire and submit themselves for re-election each year. Under the ASX Listing Rules each director is required to be re-elected at least every 3 years. This change should lead to greater Board continuity by ensuring most directors serve their full 3 year term prior to presenting themselves for re-election.
- extending the period by which nominations of directors must be given to the Company from 35 business days to 45 business days (new rule 8.1(i)(3)) as permitted under the ASX Listing Rules. This extension ensures that all nominations are received in time to ensure 28 clear days notice of meeting may be provided to shareholders, including allowance for printing, mailing and the Board approval process.

Office of director

- amending existing rule 36 in respect of when the office of a director becomes vacant to include the situation where a director has been absent from 3 consecutive months without 'special leave of absence' (new rule 8.2(d)).

Quorum at director meetings

- amending the existing quorum requirement for a meeting of directors (existing rule 45) from requiring 2 directors (one of whom must be a managing director) to any two directors (new rule 8.10). This amendment will provide greater flexibility to conduct board meetings in the absence of the managing director.

Ancillary powers of directors

- expanding the ancillary powers of directors under existing rule 61 to enable the Company to deal with shares held by foreigners or shares that would otherwise constitute a non-marketable parcel and also to enable the Company to effect a demerger without a scheme of arrangement (new rule 4.3).

Director remuneration

- adding new rule 8.3(b) to clarify that allocations and/or grants of securities in the Company to directors do not form part of the non-executive director fee cap provided that separate shareholder approval has been obtained; and
- amending existing rule 37(a), which currently excludes superannuation contributions from the calculation of the remuneration provided to directors, so that such contributions are now included in the non-executive director fee cap (new rule 8.3(c)). This amendment reflects the current position of the Australian Shareholders Association that shareholders expect non-executive director fee pools to include all entitlements paid to directors 'including all superannuation contributions'. In addition, the ASX, in its paper issued on 11 September 2008, is proposing an amendment to ASX Listing Rule 10.17 to clarify that the fee pool for non-executive directors approved by ordinary shareholders must include all superannuation payments.

2. Preference shares

It is proposed to introduce new rule 2.2 to give the Board authority to issue preference shares.

The Board, taking into account the types of equity instruments issued by other ASX listed companies in recent years, proposes new rule 2.2 to provide the Board with flexibility to issue equity instruments other than ordinary shares in order to meet the Company's future financing requirements.

The new rule will enable preference shares to be issued which are capable of being redeemed or converted into ordinary shares.

The rule provides that preference shares will confer on their holders a right to receive a preferential dividend at a rate determined by the Board at the time of issue, and certain preferential rights to the return of their capital in priority to ordinary shareholders upon a winding up. Preference shares issued will generally not be entitled to vote, except on a proposal that will affect their rights.

The new provision will enable the Company to issue preference shares in the future, without having to seek further shareholder approval.

As at the date of this notice, the Board is not currently proposing to raise capital through the issue of preference shares or other hybrid securities.

3. Sale of non-marketable parcels

Existing rule 23 contains a power which enables the directors to sell shares held by a member which constitute less than a marketable parcel (currently a shareholding with a market value less than \$500) unless the member notifies the Company that he or she does not wish the shares to be sold. The provisions comply with the ASX Listing Rules and many other leading listed companies have adopted similar provisions.

It is proposed that new rule 5.4 relating to selling non-marketable parcels will be expanded in accordance with ASX Listing Rule 15.13A to allow the Company to sell non-marketable parcels if a member holds less than a marketable parcel and that holding was created by a transfer of a parcel of shares that was less than a marketable parcel at the time the transfer document was initiated or, in the case of a paper-based transfer document, lodged with the Company.

4. General Meetings

Amendments are proposed to certain provisions relating to the holding of general meetings including permitting the Company to enable shareholders in the future to vote directly on resolutions considered at a general meeting by submitting their votes to the Company by post, fax or other electronic means approved by the directors (new rule 7.7(j)).

Amendments are also proposed to procedural matters concerning the conduct of general meetings, including inserting express powers to give the Company the flexibility to complete an incomplete proxy form and to allow an amendment to be made to a proxy form to clarify a member's instructions (new rule 7.9(k))

5. Dividends

It is proposed that the existing direct credit rule (rule 59) which allows dividends and other money in respect of shares to be paid directly into an account with a bank or other financial institution as directed by a member will be expanded under new rule 4.1 to include backup provisions which deal with the situation where a member fails to nominate an account.

6. Indemnification and insurance and access to company documents

It is proposed that existing rule 69 will be updated by new rule 10 which permits indemnification of current and former directors, alternate directors, secretary and executive officers (**Officers**) to the full extent permitted by law.

Consistent with many other listed companies, new rule 10 contains a mandatory indemnity by the Company in favour of each person who is or has been a director, alternate director or executive officer of the Company and such other officers or former officers of the Company or of its related bodies corporate as the directors in each case decide. The indemnity covers all losses or liabilities incurred by the person as an officer of the Company or a related body corporate to the full extent permitted by law.

New rule 10 also contains a specific power for the Company to purchase and maintain insurance or pay, or agree to pay, premiums for insurance for officers against liability incurred as an officer of the Company or a related body corporate, to the extent permitted by law.

The Company may enter into deeds to give effect to the rights confirmed by new rule 10 or the exercise of a discretion under rule 10 on terms not inconsistent with the rule.

New rule 12 permits the Company to enter into contracts with its directors or former directors agreeing to provide continuing access for a specified period after the director ceases to be a director to board papers, books, records and documents of the Company which relate to the period during which the director or former director was a director on such terms as the directors think fit.

7. Proportional takeover approval provisions

As part of the proposal to adopt a new constitution in Item 4 in the accompanying notice of meeting, it is intended to insert rule 6 which contains proportional takeover approval provisions.

The *Corporations Act 2001* (Cth) sets out the terms of the relevant provisions to be included in the constitution. The *Corporations Act 2001* (Cth) also requires that we provide you with sufficient information to make an informed decision on whether to support or oppose the resolution.

Why do we need the proportional takeover approval provisions?

In a proportional takeover bid, the bidder offers to buy a proportion only of each shareholder's shares in the target company.

This means that control of the company may pass without shareholders having the chance to sell all their shares to the bidder. The bidder may take control of the company without paying an adequate amount for gaining control.

To deal with this possibility, a company may provide in its constitution that if a proportional takeover bid is made for shares in the company, shareholders must vote on whether to accept or reject the offer and that decision will be binding on all the shareholders.

The benefit of the provision is that shareholders are able to decide collectively whether the proportional offer is acceptable in principle and it may ensure that any partial offer is appropriately priced.

What is the effect of the proportional takeover approval provisions?

If a proportional takeover bid is made, the directors must ensure that shareholders vote on a resolution to approve the bid more than 14 days before the bid period closes.

The vote is decided on a simple majority.

Each person who, as at the end of the day on which the first offer under the bid was made, held bid class securities is entitled to vote, but the bidder and its associates are not allowed to vote.

If the resolution is not passed, transfers which would have resulted from the acceptance of a bid will not be registered and the bid will be taken to have been withdrawn.

If the bid is approved (or taken to have been approved), the transfers must be registered if they comply with the *Corporations Act 2001* (Cth) and the company's constitution.

The directors will breach the *Corporations Act 2001* (Cth) if they fail to ensure the approving resolution is voted on. However, if the resolution is not voted on, the bid will be taken to have been approved.

The proportional takeover approval provisions do not apply to full takeover bids and only apply for 3 years after the date of adoption of the constitution. The provisions may be renewed, but only by a special resolution.

No person to acquire or increase its substantial interest

At the date this statement was prepared, no director is aware of a proposal by a person to acquire, or to increase, a substantial interest in the shares of the company.

Potential advantages and disadvantages

The directors consider that the proportional takeover approval provisions have no potential advantages or disadvantages for them. They remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential **advantages** of the proportional takeover approval provisions for shareholders of the company are:

- you will have the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- the provisions may help shareholders avoid being locked in as a minority;
- increase in the bargaining power of shareholders which may ensure that any partial offer is adequately priced; and
- knowing the view of the majority of shareholders may help each individual shareholder assess the likely outcome of the proportional takeover bid and to decide whether to accept or reject that offer.

The potential **disadvantages** for shareholders of the company include:

- proportional takeover bids for shares in the company may be discouraged;
- shareholders may lose an opportunity of selling some of their shares at a premium; and
- the chance of a proportional takeover bid being successful may be reduced.

The board of directors considers that the potential advantages for shareholders of the proportional takeover approval provisions outweigh the potential disadvantages. In particular, shareholders as a whole are able to decide whether or not a proportional takeover bid is successful.

8. Other Amendments

A number of other amendments are proposed to:

- update several of the definitions, for example changing the name of Australian Stock Exchange Limited to ASX Limited, changing references from Corporations Law to Corporations Act and changing the name of SCH Business Rules to ASTC Settlement Rules; and
- remove a number of redundant provisions that reiterate items that are regulated by the Corporations Act or the ASX Listing Rules or which are otherwise outdated and unnecessary to minimise the need for future amendment of the Constitution when the law is changed.

Copy of Constitution

A copy of the proposed new constitution is available on request or can be inspected during the notice period at the Company's registered office and at the meeting.

The Board unanimously recommends the adoption of the new constitution.