

ABN 28 106 866 442

**NOTICE OF ANNUAL GENERAL MEETING  
EXPLANATORY MEMORANDUM**

**Date and time of meeting**

11th November 2005 at 3.30 p.m.

**Place of meeting**

Rydges Perth (Hay Street Room)  
Corner Hay and King Streets  
Perth, Western Australia

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of shareholders of Mindax Limited ("Company") will be held at the Rydges Perth, Cnr Hay and King Streets, Perth, Western Australia on Friday, 11th November 2005 at 3.30 p.m.

*The explanatory memorandum and proxy form accompanying this notice of meeting are incorporated in and comprise part of this notice of meeting.*

### AGENDA

#### ORDINARY BUSINESS

To receive and consider the annual financial report of the Company and the reports of the directors and auditors for the financial year ended 30 June 2005.

To consider and if thought fit to pass, with or without amendment, the following resolution as an ordinary resolution.

**1. Re-election of Gilbert Charles George as a director**

"That Mr Gilbert Charles George, being a director of the Company, retires by rotation in accordance with Clause 7.3(a) of the Constitution of the Company and being eligible for re-election, be hereby re-elected as a director of the Company."

To consider and if thought fit to pass with or without amendment the following resolution as a non-binding resolution.

**2. Remuneration report**

"That for the purposes of Section 250R(2) of the Corporations Act, the Company adopt the Remuneration Report for the year ended 30 June 2005 as set out in the Directors' Report section of the Annual Report."

The resolution to adopt the Remuneration Report is advisory only and does not bind the directors or the Company.

#### SPECIAL BUSINESS

To consider and if thought fit to pass with or without amendment the following resolution as an ordinary resolution.

**3. Issue of Options to Gregory John Bromley**

"That for the purposes of ASX Listing Rule 10.14 and Part 2E.1 of the Corporations Act the Company approves and authorises the issue of 500,000 options (and shares on exercise of those options) under the Company's Employee and Consultant Option Scheme to Gregory John Bromley (or his nominee)."

**The Company will disregard any votes cast on this resolution by any Director of the Company or any associate of a director. However, the Company will not disregard a vote if:**

- a. it is cast by a Director or associate as proxy for a person who is entitled to vote in accordance with the directions of the proxy form; or**
- b. it is cast by a Director or associate chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.**

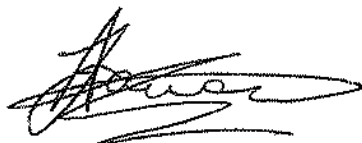
#### Important

1. For further information and explanation on the above resolutions, please refer to the "Explanatory Memorandum" which is annexed to and forms part of this Notice of Annual General Meeting.
2. All resolutions are required pursuant to the provisions of the Listing Rules of The Australian Stock Exchange Ltd, the Constitution of the Company and the Corporations Act.

## NOTICE OF ANNUAL GENERAL MEETING

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By order of the Board



**Angelo Francesca**  
Company Secretary

Perth, Western Australia  
3rd October 2005

### NOTES

A member of the Company who is entitled to attend and vote at the meeting may appoint a proxy to attend and vote for the member at the meeting. A proxy need not be a member of the Company.

A proxy form is attached. If required it should be completed, signed and returned to the Company in accordance with the proxy instructions on that form.

In accordance with Regulation 7.11.37 of the Corporations Regulations, the directors have determined that the identity of those entitled to attend and vote at the meeting is to be taken as those persons who held shares in the Company as at 3.30 p.m. on 9th November 2005.

## EXPLANATORY MEMORANDUM

This explanatory memorandum has been prepared for the information of shareholders of Mindax Limited in connection with the business to be considered at the forthcoming annual general meeting of the Company and should be read in conjunction with the accompanying notice of meeting.

### ANNUAL FINANCIAL REPORT

The financial report of the Company for the year ended 30 June 2005 (including the financial statements, directors' report and auditors' report) was included in the 2005 annual report of the Company, which was distributed to shareholders along with this notice of meeting.

Time will be allowed during the annual general meeting for consideration by shareholders of the financial statements and the associated directors' and auditors' reports.

### RESOLUTION 1 – RE-ELECTION OF GILBERT CHARLES GEORGE AS A DIRECTOR

The Constitution of the Company requires that one third of the directors in office (other than a managing director) must retire by rotation at each annual general meeting of the Company.

Mr Gilbert Charles George therefore retires at the forthcoming annual general meeting in accordance with the Constitution and being eligible, has offered himself for re-election at the meeting.

Mr George has been a director of the Company since January 2004. He is a consultant providing strategic advice to companies nationally and internationally, and has been involved in over \$250 million of new investment in Australia in resource, IT, food processing and service sectors. Mr George operates his own business development consultancy.

### RESOLUTION 2 – REMUNERATION REPORT

In accordance with Section 250(R)(2) of the Corporations Act, shareholders are required to vote on the Company's Remuneration Report.

The Remuneration Report is contained in the Directors' Report section of the 2005 annual report. The Remuneration Report describes the underlying policies and structure of the remuneration arrangements of the Company and sets out the remuneration arrangements in place for directors and where relevant, senior executives.

The Corporations Act requires that a resolution to adopt the Remuneration Report be put to the vote of the Company. However, shareholders should note that the vote on Resolution 2 is not binding on the Company or the directors.

### RESOLUTION 3 - ISSUE OF OPTIONS TO GREGORY JOHN BROMLEY

In accordance with sections 195(4) and 208(1) of the Corporations Act and Listing Rule 10.14 of the Australian Stock Exchange Limited, the Board seeks approval for the allotment and issue of a total of 500,000 options to Gregory John Bromley (or his nominee) in accordance with the terms and conditions of the Company's Employee and Consultant Option Scheme ("EOS"). A summary of the main provisions of the EOS is attached as "Annexure A" which was also included in the Company's Prospectus dated 12 October 2004, for the initial public offering of the Company's securities.

#### Part 2E of the Corporations Act

Part 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior approval is obtained from shareholders to the giving of the financial benefit.

For the purposes of Part 2E, Gregory John Bromley is considered to be a related party of the Company and a grant of options constitutes the giving of a financial benefit.

The proposed issue of options to Gregory John Bromley involves the provision of a financial benefit to a related party of the Company and therefore, requires prior shareholder approval.

In accordance with the requirements of Part 2E, and in particular with section 219 of the Corporations Act, the following information is provided to shareholders to allow them to assess the proposed issue of options to Gregory John Bromley:

- (a) Gregory John Bromley is a related party of the Company to whom the proposed resolution would permit the financial benefit to be given;

## EXPLANATORY MEMORANDUM

- (b) The nature of the financial benefit to be given to Gregory John Bromley is the issuing of options to subscribe for ordinary shares in the numbers set out above. The issue of employee options to Gregory John Bromley is proposed to assist in his retention and motivation whilst the Company implements its strategies for growth. The number of options proposed to be issued, the exercise price and expiry date have been determined after consideration of other employee incentive schemes in the market, the share price history of the Company since 8 December 2004 (being the commencement of trading on ASX) and objectives of the Company over the coming two years;
- (c) the options are granted for no consideration;
- (d) the 500,000 options will be issued upon approval by shareholders with an exercise price being the greater of 120% of the market value of the ordinary shares on the day the option is issued or 25 cents;
- (e) the market sale price of Mindax's shares on ASX since 8 December 2004 (being the commencement date of trading on ASX) to the period immediately preceding the date of preparation of this Notice have ranged from a high of 20.0 cents on 8 December 2004 and a low of 9.4 cents on 26 July 2005. At the date of preparation of this Explanatory Memorandum the market sale price was 12.0 cents. The highest and lowest market sale prices of the Company's 20 cent options expiring 3 June 2006 during the same timeframe have ranged from a high of 7.0 cents on 9 December 2004 to a low of 0.8 cents on 10 May 2005. At the date of preparation of this Explanatory Memorandum, the last market sale price was 2.0 cents. The options to be issued under the EOS will not be listed on ASX;
- (f) the Options will be offered to and, if accepted, issued to Gregory John Bromley as soon as is practicable after Resolution 3 is passed, certainly no later than 3 months after the meeting;
- (g) the Options will, subject to Gregory John Bromley remaining a Director of or employed by the Company, be exercisable on or before 3 years from the date of their issue;
- (h) should the Company's shares be trading on the ASX at a price in excess of the exercise price of Options granted pursuant to the EOS the holders of the Options will obtain a potential financial gain on the exercise of the options and subsequent sale of shares;
- (i) the Company has calculated a value per potential share arising out of the options the subject of this Resolution based on the number of shares into which those Options could be converted on exercise as 4.3 cents per potential share. This calculation has been made using the Black & Scholes Option Pricing Model which is the standard formula used for calculating the valuation of an option. The formula requires the use of various assumptions to calculate a value for the options.

The assumptions used by the Company for the calculation are:

- an exercise price of 25.0 cents and time to expiry of 3 years from date of issue of the proposed options
- a share price of 12.0 cents per share
- a volatility factor for the Company's share price of 77% which was derived by the Company by reference to the Bloomberg Historical Price Volatility and Standard Option Valuation Model. This volatility factor represents the historical standard deviation of the Company's share price since listing on ASX and has been used as a proxy for the future standard deviation (volatility) of the share price of the Company
- a discount rate of 5.34% by reference to the current 3 year Government Bond Rate.

On the basis of that valuation, the total value of the options proposed to be issued to Gregory John Bromley is \$21,500.

- (j) if all of the options are exercised, this will have a dilution effect on the holding of existing shareholders of 1.08% based on the total issued capital of the Company at the date of preparation of this Notice;
- (k) At the date of preparation of this notice, Gregory John Bromley had a relevant interest in the following securities of the Company;

Fully Paid Ordinary Shares	9,050,001*
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\* The interest held with respect to 4,000,000 of these shares derives solely from an interest in Plateau Resources Limited, which owns those shares.

## EXPLANATORY MEMORANDUM

- (l) The total remuneration package for Gregory John Bromley for the year ended 30 June 2005, as disclosed in the 2005 annual report, is as follows:

Consultancy Fees	\$42,080
Base Salary	\$87,500
Superannuation	\$7,875
	<hr/>
	\$137,455

The total remuneration package for the year ended 30 June 2006 will be \$150,000 plus statutory superannuation at the rate of 9% pursuant to a service agreement dated 5 October 2004. In addition, Gregory John Bromley will receive an additional benefit of \$21,500 being the approximate value of the employee options proposed to be issued under this Resolution 3.

- (m) ownership of shares pursuant to the exercise of the options will entitle the holders of shares to receive benefits of ownership / membership, on the same basis as existing shareholders of the Company;
- (n) no Fringe Benefits Tax liability will arise to the Company for the proposed issue of Options to Gregory John Bromley pursuant to the EOS. The liability to income tax will be borne by the recipients of the Options who may be required to include certain amounts in their assessable income;
- (o) all Options issued pursuant to Resolution 3 will be subject to the terms and conditions as set forth under the Company's EOS;
- (p) other than the information specified above, the Company believes there is no other information that would be reasonably required by shareholders in order to decide whether it is in the best interests of the Company to pass the resolution.

### Section 195 of the Corporations Act

Section 195 of the Corporations Act provides, in essence, that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a "material personal interest" are being considered.

Approval is sought to grant to Gregory John Bromley options to subscribe for fully paid ordinary shares in the Company pursuant to the EOS.

The remaining Directors have accordingly exercised their right under section 195 of the Corporations Act and have resolved to place the proposed issue of options to subscribe for fully paid ordinary shares in the Company pursuant to the EOS to shareholders to consider and resolve upon without any recommendation or comment by those Directors as both they and Gregory John Bromley are prohibited from voting on the resolution by the ASX Listing Rules.

### Listing Rule 10.15

For the purposes of Listing Rule 10.15, the following information is provided to shareholders:

- (i) the proposed recipient is Gregory John Bromley, the Managing Director of the Company or his nominee;
- (ii) The maximum number of options that may be acquired by all parties for whom approval is required is as set out above being 500,000 in total;
- (iii) Gregory John Bromley will acquire options for no consideration. The exercise price is as specified in paragraph (d) and the proposed date of issue is as specified in paragraph (f) of the notes to Resolution 3 above;
- (iv) No options have been previously issued to directors of the Company under the previously approved EOS.
- (v) The Company will not be loaning any money to any party for an acquisition or exercise of options under the Plan.

## GLOSSARY OF TERMS

"ASIC" means Australian Securities and Investments Commission;

"ASX" means Australian Stock Exchange Limited;

"ASX Listing Rules" means the official listing rules of ASX;

"Board" means the board of directors of the Company;

"Company" means Mindax Limited (ABN 28 106 866 442);

"Constitution" means the constitution of the Company as amended from time to time;

"Corporations Act" means the Corporations Act 2001 (Commonwealth);

"Corporations Regulations" means the Corporations Regulations 2001 (Commonwealth);

"Director" means a director of the Company;

"Shares" means ordinary fully paid shares in the capital of the Company;

"\$" means Australian dollars.

## “ANNEXURE A”

### Employee and Consultant Option Scheme

The Employee and Consultant Option Scheme (“EOS”) was approved by shareholders at the Company’s general meeting of 21 January 2004.

The purpose of the EOS is to provide a means by which employees (including directors of the Company) and consultants, upon whom the responsibilities for the successful growth of the Company rest, can share in such growth and recognise the ability and efforts of those who have contributed to the success of the Company. There will be no issue price for Options issued under the EOS.

Each Option issued under the Scheme is exercisable into one share at an exercise price which is the greater of:

- (a) 120% of the market value of the shares on the day the option is issued;
- (b) 25 cents; and
- (c) such greater amount as is determined by the Board (which will not be less than the minimum exercise price permitted by the Listing Rules)

The other material terms of the Options are as follows:

1. Application will not be made to ASX for Official Quotation of the Options.
2. Except as set out below Options shall expire on the third anniversary of the date of their issue:
  - (a) if the holder ceases to be an employee or the consultant:
    - (i) two years or more after the Options are issued; or
    - (ii) because of retirement, total and permanent disablement, redundancy, death or any other circumstances approved by the Board,  
  
the Options may be exercised within 30 days (or 3 months, in the case of death) after ceasing to be an employee or a consultant or any longer period permitted by the Board. If not exercised within that period, the Options lapse.
  - (b) if the Board determines that:
    - (i) a holder has acted fraudulently, dishonestly or in breach of the holder’s obligations to the Company; and
    - (ii) the Options held by the holder are to be forfeited,  
  
the Options will immediately lapse.
3. Options are exercisable by lodging a notice in writing with the Company and attaching a cheque for the total exercise price of all the Options being exercised.
4. Options must be exercised in multiples of 100 unless the option holder exercises all Options able to be exercised at that time.
5. Shares allotted pursuant to an exercise of Options will be of the same class and will rank, from the date of allotment, equally with existing Shares in all respects.
6. If the Options are exercised before the record date of an entitlement, the Option Holder can participate in a pro rata issue to the holders of the underlying securities in the Company. The Company must notify the Option Holder of the proposed issue at least nine (9) business days before the record date. Option Holders do not have a right to participate in new issues without exercising their options in accordance with Listing Rule 6.19.
7. In the event of any reorganisation of the issued capital, the number of Options, or the Exercise Price, or both will be reorganised (as appropriate) in accordance with the Listing Rules.
8. An option holder shall not be entitled to dividends in respect of unexercised Options.
9. Subject to the Listing Rules, Options are not transferable except with prior written approval of the Board.

A copy of the complete rules of the EOS is available upon request by contacting the Company Secretary.

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# MINDAX LIMITED

ABN 28 106 866 442

## PROXY FORM

Company Secretary  
Mindax Limited  
Suite 9, 57 Labouchere Road  
South Perth WA 6151

FACSIMILE: (08) 9474 3299

I/We \_\_\_\_\_

being a member of Mindax Limited,

holding \_\_\_\_\_ shares in the capital of the Company,

hereby appoint \_\_\_\_\_

or failing him/her, the Chairman of the meeting as my/our proxy to vote on my/our behalf at the annual general meeting of the Company to be held on Friday, 11th November 2005 at 3.30pm at the Rydges Perth, Cnr Hay and King Streets, Perth, Western Australia, and at any adjournment thereof. If no voting directions are given, the Chairman will vote in favour of each resolution.

### Instructions on voting

	FOR	AGAINST	ABSTAIN
Resolution 1 Re-election of Gilbert Charles George as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Issue of Options to Gregory John Bromley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### OR

If you do **not** wish to direct your proxy how to vote, please place a mark in this box

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he/she has an interest in the outcome of the resolution and votes cast by him/her other than as proxy holder will be disregarded because of that interest. The Chairman intends to vote in favour of each resolution.

**YOU MUST EITHER MARK THE BOXES DIRECTING YOUR PROXY HOW TO VOTE OR MARK THE BOX INDICATING THAT YOU DO NOT WISH TO DIRECT YOUR PROXY HOW TO VOTE, OTHERWISE THIS APPOINTMENT OF PROXY FORM WILL BE DISREGARDED.**

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2005

Individuals and joint holders to sign:

Companies to sign (affix common seal if applicable):

\_\_\_\_\_  
Usual signature

\_\_\_\_\_  
Director, or sole director and sole secretary  
(please delete as applicable)

\_\_\_\_\_  
Usual signature

\_\_\_\_\_  
Director or Company Secretary

## VOTING BY PROXY

1. A member of the Company entitled to attend and vote at the annual general meeting is entitled to appoint a proxy (who need not be a member) to attend and vote on his/her behalf.
2. If the member is entitled to cast two or more votes at the meeting, they may appoint two proxies. If the member appoints two proxies 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 votes.
3. The proxy form must be received at the Company's offices at Suite 9, 57 Labouchere Road, South Perth, Western Australia, 6151, or by facsimile on (08) 9474 3299 and in both cases, not less than 48 hours before the time of the holding of the meeting.
4. In the case of joint holders of a share in the Company the vote of the senior who tenders a vote, whether in person or by proxy, attorney or representative, must be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority is determined by the order in which the names stand in the register.
5. An instrument appointing a proxy must be in writing under the hand of the appointor or of the appointor's attorney, duly authorised in writing or, if the appointor is a corporation, under seal. A copy of the power of attorney must be lodged for any proxy appointed under a power of attorney.
6. A proxy for a corporation must be appointed under the common seal of the corporation or signed in accordance with the requirements of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
  - 2 directors of the company; or
  - a director and a company secretary of the company; or
  - for a proprietary company that has a sole director who is also the sole company secretary, that director.

For the Company to rely on the assumptions set out in Sections 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

7. If no voting instructions are marked on the proxy form then the proxy may vote as he/she thinks fit or may abstain from voting.

If a proxy is instructed to abstain from voting on an item of business, that person is directed not to vote on the shareholder's behalf on a poll and the shares the subject of the proxy appointment will not be counted in calculating the required majority.

Shareholders who return their proxy forms with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the chairman of the meeting as their proxy to vote on their behalf. If a proxy form is returned and the nominated proxy does not attend the meeting, the chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the chairman of the meeting which do not contain a direction how to vote will be used to support each of the resolutions proposed in the notice of meeting.