



Recoilless Technologies International Corp. Limited

*XXI Century Pioneer of Recoilless Technologies*

## **2008 ANNUAL GENERAL MEETING MINUTES 30 JANUARY 2009**

The Annual General Meeting of Recoilless Technologies International Corp. Limited ('RTICL') was held on Friday 30 January 2009 at Southern Golf Club, Lower Dandenong Road, Keysborough commencing at 6.30pm.

11.76% of Shareholders attended in person with 63.71% attending in proxy of which the Chairman was nominated the proxy for 1.72%.

RTICL's Executive Director and Chief Operations Officer Mr Geoffrey Morgan chaired the Annual General Meeting and commenced proceedings by welcoming Shareholders and guests, followed by outlining the structure of the meeting.

1. Conduct the formal business, namely taking of a quorum to ensure that we can decide on the proposed resolutions;
2. Receive and consider the Financial Report;
3. Receive and consider the Directors' Report;
4. Vote on 3 Special Resolutions;
5. Vote on 3 Ordinary Resolutions pertaining to the election of Directors;
6. Close the meeting at the conclusion of voting and questions.

Prior to the commencement of formal proceedings, Mr Morgan introduced the additional members of the RTICL Board:

- Mr Richard Giza:- Chairman and Managing Director
- Mr Joseph Vella:- Executive Director

Mr Morgan thanked Shareholders for their continued support and assured them that the Board and Executives are committed to RTICL and the realisation of its objectives and the proper and ethical conduct of its business.

Mr Morgan confirmed that the Annual General Meeting was a fully constituted meeting of RTICL members and declared there was a quorum present in accordance with both the Constitution and the Corporations Act to enable the proposed resolutions to be considered during the meeting.

Mr Morgan confirmed that the minutes from the 18 January 2008 Annual General Meeting have been accepted and signed by the Chairman.

It was recommended that Shareholders voted in favour of all resolutions.

### **Ordinary Business**

#### **Item 1 – Financial Report**



Shareholders were provided the opportunity to view the audited Financial Report for the financial year ended 30 June 2008 on RTICL's website during the meeting notice period. Mr Morgan enabled Shareholders the opportunity during the meeting to ask questions in relation to the Financial Report.

(Key: Q = Question A = Answer N = Note)

- Q. What was the reason for the resignation of Deloitte Touche Tohmatsu? (SRN 1520)
- A. The costs incurred by RTICL for Deloitte Touche Tohmatsu to act in the capacity of Auditors has doubled and they could not deliver what was required in a timely manner and with sufficient supporting communication. Hence the decision was made by RTICL Directors to source a new Audit firm and taking into account RTICL's financial position this was considered favorable. The quotation provided by Whelan & Cook was considerably less than that charged by Deloitte Touche Tohmatsu.
- Q. With regards to current assets and current liabilities, there is a deficit of over \$1 million, when do they fall due, when will they be repaid and how can the company continue to trade in a position of solvency given this situation? (SRN 1575)
- A. Some of the liabilities are loans that will be repaid over an agreed period of time.
- Q. Some of the liabilities of an amount of \$334,000 are current and trade liabilities which are not loans so what is the arrangement for the payment of such? (SRN 1575)
- A. Negotiations are continuing on a very wide scale with a number of prospective investors and once these investments come to fruition these liabilities will be settled.
- Q. There seems to be a consistent pattern that investments are always work in progress therefore how long do Shareholders have to wait until a significant investment comes to fruition? (SRN 1074)
- A. RTICL's Directors and staff are working very hard to make sure success is ascertained and this is not an easy task. As RTICL is a Research and Development company, the only source of revenue is by way of investment and the occasional government grant.
- Q. In the notes to the financial report it states that RTICL was to receive \$70,000 in investment by 31 January 2009. Given today is the last trading day of the month ie 30 January, has this investment been received? (SRN 1464)
- A. No the investment was not received as of 30 January 2009.
- Q. Also in the notes to the financial report it states that RTICL sold 700,000 shares for \$303,000 so does this mean that my investment of \$500,000 three years ago is worth nothing as I was charged much more for less shares? (SRN 1464)
- A. Discounts may be given to an investor dependent on the financial situation of RTICL at any given time and also dependent on the negotiation process between any given investor and RTICL Directors. It is the sole discretion of RTICL's Directors to offer shares at a sale price that is considered suitable at the given time.
- N. If everyone helped instead of running interference then RTICL would be up and running now. (SRN 1599)
- N. In future please show a summary report of the financial statements during the meeting which would be extremely beneficial for all Shareholders in attendance. (SRN 1114)



## **Proposed Motion**

Mr Morgan proposed a motion to accept the Financial Report.

Seconded by SRN 1025.

Shareholders SRN 1074, SRN 1160, SRN 1464 and SRN 1575 opposed to accept the Financial Report.

The motion to accept the Financial Report was carried by majority acceptance.

## **Item 2 – Directors’ Report**

Shareholders were given the opportunity to consider the Directors Report within the 2008 Financial Statements. Mr Morgan provided a summary of events from the previous twelve months and then invited a guest speaker to provide information on a prospective stock exchange listing on the Frankfurt Stock Exchange.

Presentation made by Mr Morgan:

*“2008 was a very challenging year for RTICL both in terms of progression and ensuring operations were sustained. In a year which saw a global financial crisis, this heavily impacted on RTICL’s fundraising ability. On paper this may seem negative but out of the negative much positive can be sought as RTICL strives even harder to achieve commercial success and provide a significant return to all 603 Shareholders, some of whom have been supporting RTICL since its inception in the year 2000.*

*Despite the economy resulting in investors airing even greater caution before making a decision to invest, RTICL secured \$342,000 of investment funding. A further \$285,000 was received through RTICL’s participation in two Government Grant schemes, one being an Export Marketing and Development Grant and the other a Research and Development Tax Concession in which RTICL applies on an annual basis. Mr Joseph Vella also facilitated funding by way of advancing a loan to RTICL to an amount of \$512,000 and part of which has since been repaid.*

*This funding has enabled RTICL to continue operating and of course necessitated a serious streamlining of expenditure resulting in a reduced employee base, a focus on Research and Development activities to further technology improvement and immense priority and attention given to a commercial development agreement accompanied by significant investment. The patents have also been maintained and a new patent application prepared and subsequently launched. Three subsidiaries of RTICL have also been registered in New Zealand, Singapore and most recently Poland, and these compliment the already registered entity in the USA.*

*As mentioned earlier, 2008 has enabled much advancement with the technology and subsequent demonstrations of such. The current prototype ‘The Gamma Prototype’ allows multiple variations of the Recoilless Technology indicating various methods of controlling and eliminating recoil. This enables RTICL to show upgraded demonstrations to interested parties showing the various methods of control and elimination of recoil. The testing and developing new components along with using more powerful ammunition charges also enhances the Recoilless Technology and will ultimately lead to new patent applications being launched. Modification and improvements to the testing facility now enables RTICL staff, in a safe, controlled environment, to actually hold the prototype*



*during test firing. This provides further valuable research data about the capabilities of the technology.*

*<A short DVD demonstration the Gamma Prototype was shown.>*

*Some may query the need and relevance for subsidiaries of RTICL to be registered and I can understand this as you would expect it would be normal and best business practice to deal directly with RTICL Australia. Unfortunately this assumption is incorrect. We have found it to be quite difficult to deal on a commercial level with companies in Poland and Singapore, for example, and to move forward with greater success and at a much faster pace, it was imperative that such commercial discussions were had on common ground and with a locally registered entity hence the subsidiaries were formed and a local representative appointed for each.*

*I will now read you a report that has been prepared by our representative in Poland, Mr Nicolas Zapala, touching on activities in Poland during 2008 and the plans for 2009.*

*<A report was read regarding Poland operatives that was prepared by the Polish representative Mr Nicolas Zapala.>*

*As you can hopefully realise, there is much potential in Poland and Mr Richard Giza's upcoming travel will definitely assist in progressing matters and clearly defining viable business opportunities.*

*The subsidiary in the United States was registered in 2004 and has been dormant since. It is now the intention to use the US subsidiary for fund raising initiatives to not only support Research and Development activities but also preparations for a potential stock exchange listing in the USA. Mr Craig Stariha has been appointed RTICL's representative in the USA and I will now read a business update that has been prepared by Mr Stariha for presentation to you this evening.*

*<A report was read regarding USA operatives that was prepared by the USA representative Mr Craig Stariha.>*

*With Craig's expertise, and the potential of the Recoilless Technology, the RTICL Board is positive that something will come to fruition from the goals and objectives set for RTI USA.*

*At last years AGM, you were advised that RTICL was in negotiation with an entity in the United States for fundraising and a listing on the NASDAQ within a 12 to 24 month period. A letter of intent was subsequently signed between RTICL and the US entity with the main condition being that the interests of RTICL's Shareholders was paramount and to protect the intellectual property therefore it was decided not to proceed.*

*The most important subsidiary at present, or perhaps the one that is attracting heavy focus, is RTI Singapore. This is the subsidiary that is actively involved in negotiations with the Singapore Government for Research and Development project based funding as well as a major capital investment. RTICL has appointed Ms Patricia Yong as a local representative and she is also a Director of RTI Singapore. Ms Yong is currently on business in the USA so I have prepared a report in her absence.*

*<A report was read regarding Singaporean operatives that was prepared by Mr Geoffrey Morgan in the absence of Ms Patricia Yong.>*



*One topic that poses many questions from Shareholders is a stock exchange listing and again this is understandable as it is a topic of discussion at each AGM and within each newsletter released by RTICL. I can guarantee that RTICL is investigating options for a stock exchange listing and given financial circumstances over recent months, it is indeed fortunate that RTICL did not try to list, particularly in the United States, during this time. The Board truly appreciates Shareholders' concerns and anxiety in this regard and has hopefully found a possible solution, in the short term, and that is to list on the Frankfurt Stock Exchange. I would now like to introduce Mr Paul Bitetto from Smart Capital who will explain this process.*

*<Mr Paul Bitetto provided some background in relation to a listing on the Frankfurt Stock Exchange, the benefits and advantages of such and the listing process. Shareholders were also provided the opportunity to ask questions during the presentation.>*

*During 2008 RTICL engaged in communication with Molecular Science Products (MSP) who supplies a metal treatment system, somewhat similar to a lubricant, that changes the molecular structure of the surface of metals thereby reducing friction, wear, excessive temperature, fuel consumption and carbon emissions. This product has significant potential with warfare machinery such as vehicles, tanks, helicopters and ships and provides a reduction in rifling wear in barrels and supports improved ballistic performance. Besides serving the purpose of potentially enhancing the Recoilless Technology, RTICL is considering the distribution of the MSP product to generate an additional revenue stream to support the Research and Development efforts and as current distribution within Australia is limited this should prove a success.*

*RTICL's technical consultant on the MSP product, Mr Robert Anwyl will be available to address any queries in this regard at the conclusion of proceedings.*

*Over the next 12 months the RTICL Directors will continue efforts to raise major capital investment to enable many of the short term goals to be achieved including:*

- Continued preparations for possible stock exchange listings and focus on Frankfurt Stock Exchange Listing;*
- Securing of contracts for the development of concept technology demonstrators for both small and large calibre weapons;*
- Further filing of new patent applications to obtain further IP protection for new components to the technology;*
- Advanced research with repeating and possibly semi as well as fully automatic weapons;*
- Modifications and improvements to the existing testing and research facilities;*
- Purchase of metal fabrications company and modifications of such to enable research and test firing of larger calibre weapons ie larger than 7.62mm NATO rounds;*
- Enhancement of RTICL subsidiaries to promote a strong global presence;*
- Finalisation of the purchase of equipment as per the Letter of Intent with HSW (Poland);*
- Renegotiation of strategic partnership(s) with major defence manufacturer(s) in Poland;*
- Joint Development Project with an Agency in Singapore leading to commercialisation of the technology in South East Asia; and*
- Limited manufacturing of RTICL's developed products by an RTICL associated company or companies.*



*We, Richard, Joe and I as Directors of RTICL have both a legal and moral obligation to each and every Shareholder and it will be our duty, in parallel with the five employees, to deliver you the best results we can in 2009 and make this the most memorable and successful year in RTICL history.*

*In closing I ask for your patience, support and understanding as we operate, at least in the short term, on reduced staff and minimal funding to make RTICL the Microsoft in weapons.”*

Shareholders were provided the opportunity to ask questions in relation to the Directors' Report or the presentation from Mr Paul Bitetto of Smart Capital.

### **Questions addressed to Mr Paul Bitetto of Smart Capital**

- Q. Do we have to be a registered entity in Germany to list on the Frankfurt Stock Exchange? (SRN 1126)
- A. No you do not need to be a registered entity in Germany. In fact approximately 50% of companies listed are from the Americas, 5% from Australia and the rest throughout Europe. All reporting is in English and as RTICL is already a public company this makes it quite a simple process.
- Q. You made mention of a registered trader. What is a registered trader? (SRN 1114)
- A. A stock broker.
- Q. Can you talk about the types of investors available to RTICL through such a listing? (SRN 1126)
- A. There are both personal and institutional investors available and part of the marketing of the project and potential is projected at institutions and there are over 200 fund managers that will attend a 3 day road-show which executives of RTICL will be asked to present the technology, talk about the technology and sell the company. In such a scenario you will have fund managers asking about the Intellectual Property, the technology and protection of the Intellectual Property etc.
- Q. We do not want a lecture on how to list. We just want a Prospectus to list. This process seems to be taking so long and now we are talking about listing on the other side of the world. (SRN 1084)
- A. To prepare a Prospectus is extremely costly. The OPEN Exchange through the Frankfurt Stock Exchange does not require a Prospectus. As a company you need to go where the money is and where the clients are. Europe is a significant area. What makes you think you can raise money in Australia when Australia represents only 5% of the world's economy. Through Europe you can access capital and access liquidity.
- Q. If you are going to float in Germany, will the company you are floating be required to hold the IP in its own right or will it be okay to have it in another company? (SRN 1074)
- A. As long as there is a strong binding agreement regarding the IP then that is fine and it is a strategic decision if the IP is to be transferred but it is not necessary to do so.
- Q. What is the likely time period required for a listing? (SRN 1126)
- A. The listing period can be anywhere between 3 months and 6 months and that depends on the company.
- Q. How much is this process going to cost? (SRN 1333)



- A. Smart Capital is in the process of providing a quotation but just to give an estimate, the NASDAQ would cost around \$1m, AINS in London \$500k, US Bulletin Board 75k-100k EURO plus the paperwork. Frankfurt is between 40k-60k EURO including legal disbursements, and bank fees. The listing fee is 750 EURO per year and a one time listing fee of 2500 EURO and this is focusing on smaller companies wanting to raise between 1m and 5-6m EURO and not for large corporations; just to facilitate investment in smaller technology companies which Germans love and understand.
- Q. How do I keep track of this sort of thing and if I want to sell it how do I do it? (SRN 1333)
- A. Very simple. You just notify your stock broker and they will do this for you or if you have a computer you can monitor the share price.

**Further questions in relation to the Directors' Report were directed to the Chair.**

- Q. Why are we not yet listed on a stock exchange either in the USA or in Australia? (SRN 1126 & SRN 1277)
- A. The reasons for this have basically been covered in the report I just provided but to summarise once again, the economic conditions in the USA particularly in the second half of 2008 were not seen as appropriate for a successful stock exchange listing. It also should be noted that sufficient capital funding is required in order for a successful stock exchange listing to be achieved whether this be within the USA, Australia, Germany etc. For example the minimum fee for a listing on the Frankfurt Stock Exchange is 25,000 EURO. We as Directors are hopeful that the solution, in the short term, to list on the Frankfurt Stock Exchange will prove promising.
- Q. What reason can you give for not having RTICL listed on a stock exchange by April 2009? (SRN 1126)
- A. As previously stated, in order to ensure the best possible return for investors, the timing, and market conditions need to be suitable which is not the case at the moment. And this too needs to be supported by sufficient capital to support the marketability of RTICL at any given time for listing. As Paul Bitetto mentions it is possible to list on the Frankfurt Stock Exchange within 2 to 3 months but this is always subject to meeting listing criteria and market conditions.
- Q. When are the Shareholders likely to see a return on their investment? (SRN1285 & SRN 1505)
- A. The most likely return on a Shareholders investment would be via a successful stock exchange listing and again which is subject to all the conditions as previously outlined.
- Q. When are the Shareholders likely to see the product returning a positive cash flow? (SRN 1285)
- A. I take this question to mean when will the product ie the Recoilless Technology start attracting revenues. A positive cash flow by way of revenue from the licensing of the Recoilless Technology is anticipated within a 3 to 5 year period upon securing a contract for the further research, development and finessing of the technology and leading to the subsequent manufacture of such.
- Q. We are happy to hear about a Frankfurt Stock Exchange Listing. If we list a subsidiary of RTICL then how will a Shareholder in RTI Australia be able to trade their shares? (SRN 1464)



- A. The actual listing process for the shares on the market are for buyers and sellers and for anyone who is interested and you as a group of Shareholders will need to have an agreement with RTICL to transfer your shares to the subsidiary which is just one of the options. Another option is for RTI Australia to reimburse you and this has no effect on the listing and is a contractual arrangement between you and RTICL.
- Q. Given the above response, what is RTICL going to do for the RTI Shareholders in Australia? (SRN 1464)
- A. Of course we want Shareholders to have success as you have been waiting a long time and you will be given the choice to stay in RTI Australia or take your shares to Europe or do a partial deal and there will be a number of schemes you will be able to participate in.
- Q. Why are we spending money in Poland if we say the Government in Poland is unstable? Why would we spend money on this? (SRN 1464)
- A. The reality is the economy is suffering and especially for the Government weapons manufacturers. The information we have from the Polish operative is that they will almost jump at the opportunity with RTICL and try and rectify their economic situation and some serious meetings are being established at very high Government levels.
- Q. Every year you have excited your Shareholders and each year projects disintegrate. Can you assure Shareholders that the Frankfurt deal goes ahead and is promising? (SRN 1464)
- A. We are doing all we can to push this forward and we are definitely committed but we must ensure that Shareholders interests are protected.
- Q. Are there any negotiations continuing with the Israeli's? (SRN 1464)
- A. No.
- Q. Are there any negotiations continuing with H&K? (SRN 1464)
- A. Our relations with H&K are still open and I (Geoffrey Morgan) met with them at the Land Warfare Conference and again this is capital related and the Frankfurt Stock Exchange will greatly assist this.
- Q. Going back to the minutes from the 2006 AGM, it was proposed that RTICL exchange the IP from Vader to RTICL etc. What has happened with that? (SRN 1109)
- A. That has still not been brought to the floor at this stage. There is a Commercial Research and Development Licence Agreement between Vader and RTICL and this provides RTICL the exclusive perpetual rights to exploit the technology.
- Q. The question is how much is it going to cost because I asked the question back in 2006 and how it was going to be paid and now it is still the same and we still do not own the technology so how do we get that technology? (SRN 1109)
- A. You have invested in a company that has exclusive rights to the technology and there is an in principle agreement that states if RTICL enters the market, and it is safe to do so, then the transfer of the technology from Vader to RTICL will take place. The advice is that if we do this before a stock exchange listing then there will be a problem so the question is how do we, as a company, do a deal where everyone is equal and this is profitable for all Shareholders.
- Q. In my time on the Board the decision stood that the technology would be brought into RTICL. Has there been any formal resolution made at Board level to abandon the decision to



transfer the technology and if no decision to change this has been made then why does the transfer of the technology not take place? (SRN 1575)

A. There has not been any change in decision at Board level with respect to the transfer of the Intellectual Property from Vader to RTICL.

Q. Given that the Intellectual Property is held by Vader, the intention at the initial stages was in the event that RTICL would fail as a company, then the Directors, namely Richard Giza and Joseph Vella, could sell the Intellectual Property and return the money that had been invested to the relative Shareholders. (SRN 1074)

A. This understanding is incorrect. The intention was that should RTICL fail as a company, then the Intellectual Property would be protected enabling future development and progression of such.

Q. Since the Shareholders of RTICL have paid for all of the development of the Intellectual Property, I thought it was agreed that the transfer of the Intellectual Property from Vader to RTICL would be for a nominal amount ie \$1. Is this true or does RTICL have to buy it for a greater price? (SRN 1074)

A. Investors invested in an exclusive and perpetual right to exploit the technology and all streams of funding which is predominantly investment monies, is filtered through RTICL so that investors receive what they are promised. There are no plans for the founding Directors to double dip and all monies injected into RTICL is used for Research and Development. The founding Directors will establish the best possible option for the transfer of the technology whether it be for \$1, or for a nil cost etc.

Q. If a listing on the Frankfurt Stock Exchange takes place, will there be a Shareholder meeting prior so that Shareholders know what is occurring or will the Board just make the decision and continue? (SRN 1333)

A. Yes a meeting of Shareholders will take place.

### **Proposed Motion**

Given there were no further questions relating to the Directors' Report, Mr Morgan proposed a motion to accept the Directors' Report.

Seconded by SRN 1126.

Shareholder SRN 1575 opposed to accept the Directors' Report.

The motion to accept the Directors' Report was carried by majority acceptance.

### **Special Resolutions**

#### **Special Resolution 1 – Appointment of Auditor**

Mr Morgan put the motion to the meeting that the members ratify the Directors' appointment of Whelan & Cook as the Audit firm for RTICL in replacement of Deloitte Touche Tohmatsu due to the resignation of Deloitte Touche Tohmatsu.

Mr Morgan noted at this time that ASIC has given consent for Deloitte Touche Tohmatsu to resign as RTICL's Auditors effective the date of RTICL's AGM and a copy of such consent was shown to Shareholders.



Nil questions were asked by Shareholders in relation to Special Resolution 1.

Seconded by SRN 1015.

Nil Shareholders both present and by proxy opposed to ratify the Directors appointment of Whelan & Cook as the Audit firm for RTICL in replacement of Deloitte Touche Tohmatsu due to the resignation of Deloitte Touche Tohmatsu therefore the motion was unanimously passed by the 75.48% of Shareholders participating in voting during the meeting.

### **Special Resolution 2 – Remuneration of Auditor**

Mr Morgan proposed that the members ratify the Directors' resolution that Whelan & Cook be remunerated an amount of \$28,000 plus GST for the financial year end audit including reviewing the accounts.

Nil questions were asked by Shareholders in relation to Special Resolution 2.

Seconded by SRN 1126.

Nil Shareholders both present and by proxy opposed to ratify the Directors' resolution that Whelan & Cook be remunerated an amount of \$28,000 plus GST for the financial year end audit including reviewing the accounts therefore the motion was unanimously passed by the 75.48% of Shareholders participating in voting during the meeting.

### **Special Resolution 3 – Change to RTICL Constitution**

Mr Morgan put the motion to the meeting that Article 41 (b) of the Company's Constitution be substituted by the following to ensure that this provision is in line with the Corporations Act:

That the Directors must call and arrange to hold a general meeting on request of members with at least 5% of the votes that may be cast at the general meeting or at least 100 members who are entitled to vote at the general meeting.

Nil questions were asked by Shareholders in relation to Special Resolution 3.

Seconded by SRN 1056.

Nil Shareholders both present and by proxy opposed Special Resolution 3 therefore the motion was unanimously passed by the 75.48% of Shareholders participating in voting during the meeting.

### **Ordinary Resolutions**

#### **Ordinary Resolution 1 – Election of Director: Mr Richard Giza**

Mr Morgan put the motion to the meeting that Mr Richard Giza who retires as a Director in accordance with Clause 67 of the Company's Constitution, be re-elected as a Director in accordance with Clause 70 of the Company's Constitution.

There were some general comments from Shareholders concerning Mr Giza's actions in running RTICL.



Nil questions were asked by Shareholders in relation to Ordinary Resolution 1.

Seconded by SRN 1126.

12.6% of Shareholders abstained from voting, 0.86% of Shareholders opposed the appointment of Mr Giza as a Director and 62.02% of Shareholders were in favour of Mr Giza's election to the Board of RTICL. The motion was therefore passed by majority vote and Mr Giza was appointed a Director of RTICL.

### **Ordinary Resolution 2 – Election of Director: Mr Joseph Vella**

Mr Morgan put the motion to the meeting that Mr Joseph Vella who retires as a Director in accordance with Clause 67 of the Company's Constitution, be re-elected as a Director in accordance with Clause 70 of the Company's Constitution.

Nil questions were asked by Shareholders in relation to Ordinary Resolution 2.

Seconded by SRN 1126.

0.56% of Shareholders abstained from voting, 12.43% of Shareholders opposed the appointment of Mr Vella as a Director and 62.49% of Shareholders were in favour of Mr Vella's election to the Board of RTICL. The motion was therefore passed by majority vote and Mr Vella was appointed a Director of RTICL.

Mr Morgan then handed the Chair to Mr Richard Giza for Ordinary Resolution 3.

### **Ordinary Resolution 3**

Mr Giza put the motion to the meeting that Mr Geoffrey Morgan who retires as a Director in accordance with Clause 67 of the Company's Constitution, be re-elected as a Director in accordance with Clause 70 of the Company's Constitution.

Nil questions were asked by Shareholders in relation to Ordinary Resolution 3.

Seconded by SRN 1056.

Nil Shareholders both present and by proxy opposed Ordinary Resolution 3 therefore the motion was unanimously passed by the 75.48% of Shareholders participating in voting during the meeting.

The Chair was returned to Mr Morgan and there being no further questions and no further business, the meeting was closed at 8.50pm.

Signed as a true and correct record:

Mr Geoffrey Morgan  
Company Secretary  
2 March 2009