



RECOILLESS TECHNOLOGIES INTERNATIONAL CORP. LIMITED

XXI Century Pioneer of Recoilless Technologies

ACN 092 154 857

**NOTICE OF ANNUAL GENERAL MEETING
AND EXPLANATORY STATEMENT**

Annual General Meeting to be held at **Southern Golf Club**, Lower Dandenong Road, Keysborough, Victoria, Australia on **30 January 2009** commencing at 6.00pm.

This Notice of Annual General Meeting and Explanatory Statement must be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.



2008 ANNUAL GENERAL MEETING

The 2008 Annual General Meeting of Recoilless Technologies International Corp. Limited (ACN 092 154 857) will be held at Southern Golf Club, Lower Dandenong Road, Keysborough, Victoria, Australia on Friday 30 January 2009 commencing at 6.00pm. Shareholders of Recoilless Technologies International Corp. Limited are invited to arrive at 6.00pm and be seated to enable proceedings to commence promptly at 6.30pm.

ORDINARY BUSINESS

Ordinary Business Item 1 – Financial Report

To receive and consider the Financial Report for the year ending 30 June 2008 incorporating the Independent Audit Report.

Refer to Annexure A of the Explanatory Statement.

Ordinary Business Item 2 – Directors’ Report

To receive and consider the Directors’ Report for the year ending 30 June 2008.

Refer to Annexure B of the Explanatory Statement.

SPECIAL RESOLUTIONS

Special Resolution 1 – Appointment of Auditor

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

“That the members ratify the Directors appointment of Whelan & Cook as the Audit firm for RTI in replacement of Deloitte Touche Tohmatsu due to the resignation of Deloitte Touche Tohmatsu.”

Refer to Annexure C of the Explanatory Statement.

Special Resolution 2 – Remuneration of Auditor

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

“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.”

Special Resolution 3 – Change to RTI Constitution

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

“That Article 41 (b) of the Company’s Constitution be substituted by the following:



Article 41 (b)

The Directors must call and arrange to hold a general meeting on the 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.”

Refer to Annexure D of the Explanatory Statement.

ORDINARY RESOLUTIONS

Ordinary Resolution 1 - Election of Director: Mr Richard Giza

To consider and if thought fit, pass the following as an Ordinary Resolution:-

“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. “

Refer to Annexure E of the Explanatory Statement.

Ordinary Resolution 2 - Election of Director: Mr Joseph Vella

To consider and if thought fit, pass the following as an Ordinary Resolution:-

“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. “

Refer to Annexure F of the Explanatory Statement.

Ordinary Resolution 3 - Election of Director: Mr Geoffrey Morgan

To consider and if thought fit, pass the following as an Ordinary Resolution:-

“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. “

Refer to Annexure G of the Explanatory Statement.

THIS SPACE INTENTIONALLY LEFT BLANK



EXPLANATORY STATEMENT

This Explanatory Statement forms part of this notice of Annual General Meeting and must be read in conjunction with it by Shareholders.

PROXIES

Please note that:

- (a) a Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of Recoilless Technologies International Corp. Limited; and
- (c) Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

A loose leaf proxy form has been included with the notice of Annual General Meeting and provides further details on appointing proxies and lodging proxy forms. For a proxy form to be effective, it must be received by the Company Secretary of Recoilless Technologies International Corp. Limited by close of business **Wednesday 28 January 2009**:

in person at the Company's registered office:

Recoilless Technologies
International Corp. Limited
18/595 Chandler Road
Keysborough VIC 3173
AUSTRALIA

by mail:

Recoilless Technologies
International Corp. Limited
PO Box 4406
Dandenong South VIC 3164
Australia

by email:

admin@rticl.com

or by facsimile:

+61 3 9769 1606.

VOTING ENTITLEMENTS

In accordance with Regulation 7.11.37 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person as set out in the register of Shareholders as at **5.00pm AEDT 28 January 2009**. Accordingly, transactions registered and proxy forms received after that time will be disregarded in determining Shareholders' entitlements to attend and vote at the Annual General Meeting.



QUESTIONS FOR THE AUDITOR

A loose leaf form has been included with the notice of Annual General Meeting for Shareholders to outline questions they have for the Auditor. In order for questions to be addressed by the Auditor at the Annual General Meeting, and at the Auditors request, all questions must be received by Recoilless Technologies International Corp. Limited by close of business **Friday 23 January 2009**. A reply paid envelope has been included to assist with this process.

QUESTIONS FOR THE BOARD

A loose leaf form has been included with the notice of Annual General Meeting for Shareholders to outline questions they have for the Board of Recoilless Technologies International Corp. Limited. To assist with an efficient question and answer period following formalities at the Annual General Meeting, it would be appreciated if all questions to be addressed by the Board at the Annual General Meeting are received by Recoilless Technologies International Corp. Limited by close of business **Friday 23 January 2009**. A reply paid envelope has been included to assist with this process.

By Order of the Board

A handwritten signature in black ink, appearing to read 'G Morgan', written in a cursive style.

Geoffrey Morgan
Company Secretary
9 January 2009

THIS SPACE INTENTIONALLY LEFT BLANK



ORDINARY BUSINESS

Annexure A – Ordinary Business Item 1 ‘Financial Report’

The audited Financial Report for the financial year ended 30 June 2008 will be available for viewing and downloading from the RTI website (www.rticl.com/pdf/financialreport2008.pdf) by close of business Friday 9 January 2009.

If shareholders experience any difficulties in viewing or downloading the Financial Report a printed copy can be mailed upon request by contacting RTI by email admin@rticl.com or by phone +61 3 9769 0770.

Annexure B – Ordinary Business Item 2 ‘Directors’ Report’

The Directors Report for the financial year ended 30 June 2008 is included within the Financial Report for year ended 30 June 2008 and will be available for viewing and downloading from the RTI website (www.rticl.com/pdf/financialreport2008.pdf) by close of business Friday 9 January 2009.

If shareholders experience any difficulties in viewing or downloading the Financial Report a printed copy can be mailed upon request by contacting RTI by email admin@rticl.com or by phone +61 3 9769 0770.

SPECIAL RESOLUTIONS

Annexure C – Special Resolution 1 ‘Appointment of Auditor’

Deloitte Growth Solutions (formerly engaged by RTI as BDO Melbourne), signed an application to ASIC seeking consent to resign as RTI’s Auditors. ASIC is currently processing the application and RTI expects to receive consent shortly. The Directors therefore thought it appropriate to engage Whelan & Cook as replacement Auditors.

ABOUT WHELAN & COOK

Whelan & Cook offer a range of services enabling them to develop solutions to meeting the individual needs and opportunities of companies. The core services offered by Whelan & Cook include:

- Business strategy
- Taxation advisory
- Termination guidance and options
- Superannuation and retirement planning
- Personal financial strategy
- Corporate advisory and audit
- Salary packaging and management

The corporate advisory team can provide expert assistance in assessing new opportunities and restructures of existing businesses, including:

- advice on merger, acquisition and sale of businesses
- owner sell down and management buyouts
- business valuations
- due diligence review of purchase targets or as preparation for vendors selling a business
- business succession and estate planning
- assisting family businesses get the right balance of family and commercial issues
- asset protection



Auditing is a vital component of an organisation’s administration process, and must be conducted in a professional, efficient and effective manner. Each of the Whelan & Cook audit partners have held senior positions in large audit firms, drawing on this wealth of knowledge to assist large and small firms in their auditing strategy and procedures.

The Whelan & Cook auditing services extend beyond merely ensuring a company meets the regulatory requirements. The audit process is used as an opportunity to take a bigger picture approach, analysing the accounting and internal processes to maximise reliability and operating efficiency.

The key audit services cover:

- statutory audits
- internal audits and system reviews
- superannuation

Annexure D – Special Resolution 3 ‘Change to RTI Constitution’

In support of changes to RTI’s Constitution:

Article 41 (b) of RTI Constitution:

“The Directors shall on the requisition of a member or members holding at the date of the deposit of the requisition not less than such part of the paid up capital of the Company as at the date carries the right of exercising not less than one-tenth of the voting strength at general meetings forthwith proceed to convene an extraordinary general meeting to be held as soon as practicable but in any case within two months after the receipt by the Company of the requisition.”

Proposed replacement 41 (b):

“The Directors must call and arrange to hold a general meeting on the 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.”

Reason for Proposed Changes:

To ensure that this provision reflects Section 249D(1) of the Corporations Act:

“The directors of a company must call and arrange to hold a general meeting on the request of:

- a) members with at least 5% of the votes that may be cast at the general meeting; or
- b) at least 100 members who are entitled to vote at the general meeting.”

ORDINARY RESOLUTIONS

Annexure E – Ordinary Resolution 1 ‘Election of Director: Mr Richard Giza’



Mr Giza has been an Executive Director of RTI since the Company’s inception in March 2000.

Mr Giza, founder of RTI, is responsible for the research and development, architecture and engineering of the technology, in addition to maintaining RTI’s vision and goals and overseeing the global operations of the Company.



Mr Giza's diverse background, and his involvement with both private and professional shooting associations worldwide, gives him the necessary skills and advantages to foster not only his research but face the challenges that RTI may encounter and lead the Company into a very exciting future and new innovative areas of technological advancement.

Annexure F – Ordinary Resolution 2 ‘Election of Director: Mr Joseph ‘Vella



Mr Vella has been an Executive Director of RTI since February 2001.

Mr Vella is a hands on entrepreneur with experience and interests in several businesses. As a founding director with Mr Giza, he has assisted with the development of models which led to working prototypes incorporating the Recoilless Technology. Mr Vella has been primarily responsible for RTI fundraising and the protection of the Recoilless Technology to date.

Mr Vella's motivation is a testament to his belief in RTI and is a source of continuous aspiration for other members of the Company.

Annexure G – Ordinary Resolution 3 ‘Election of Director: Mr Geoffrey Morgan’

Mr Morgan joined the Board as an Executive Director and Chief Operations Officer in April 2007, and was recently appointed as Company Secretary.



Mr Morgan has over 20 years experience at Senior Management levels within the Victorian Government and has worked closely with Ministers of Parliament in numerous portfolio areas. Mr Morgan has had more than 10 years experience in the manufacturing industry and has also managed both capital and recurrent budgets.

Mr Morgan's Senior Management and manufacturing experience is valuable to RTI as it moves into the next stage of development.

THIS SPACE INTENTIONALLY LEFT BLANK