



## **NSX LIMITED**

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### **Melbourne**

Level 3, 45 Exhibition Street,  
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### **Canberra**

Ground Floor, 40 Brisbane Avenue,  
Barton, ACT, 2600  
P: +61 2 6112 8123  
F: +61 3 8282 4528

[www.nsx.com.au](http://www.nsx.com.au)

[www.bsx.com.au](http://www.bsx.com.au)

[www.simvse.com.au](http://www.simvse.com.au)

[www.bsxtaximarket.com.au](http://www.bsxtaximarket.com.au)

[www.waterexchange.com.au](http://www.waterexchange.com.au)

[www.nlx.com.au](http://www.nlx.com.au)

Incorporating

NSX Limited ABN: 33 089 447 058

National Stock Exchange of Australia

Limited ABN: 11 000 902 063

SIM Venture Securities Exchange Limited

ABN: 41 087 708 898

BSX Services Pty Ltd (t/a) BSX Taxi

Markets ABN 57 084 885 683

The Waterexchange Pty Ltd

ABN 19 084 332 132

# **NSX Limited**

**ACN 089 447 058**

## **Notice of Annual General Meeting 2010**

**Thursday 7 October 2010, 11.00am**

**Meeting Room, Quay West Suites**

Level 1, 98 Gloucester Street, The Rocks, Sydney NSW 2000

## **NOTICE OF ANNUAL GENERAL MEETING 2010 AND EXPLANATORY NOTES**

### **THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION**

You should read the whole of this document before you decide whether and how to vote on the Resolutions in the Notice of Annual General Meeting.

### **IMPORTANT NOTICES**

The Explanatory Notes in this document are intended to provide Shareholders with information to assess the merits of the proposed Resolutions contained in the accompanying Notice of Annual General Meeting and are to be read in conjunction with the Notice of Annual General Meeting.

#### **Defined terms**

Terms used in the Notice of Annual General Meeting and the Explanatory Notes are defined in the Glossary at the end of the Explanatory Notes.

#### **Read this document**

The Notice of Annual General Meeting, the Explanatory Notes and the Independent Expert's Report are important. You should read each document in its entirety before deciding how to vote on the Resolutions. If you have any doubt regarding what you should do, you should consult your investment, financial or other professional advisers.

#### **Forward looking statements**

Certain statements in the Explanatory Notes may constitute "forward looking statements" for the purposes of applicable securities law. You should be aware that there are a number of risks (known and unknown), uncertainties and assumptions and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from the future results, performance or achievements, express or implied, by such statements. Factors that could cause or contribute to such differences include the general trading and economic conditions affecting the Company or its subsidiaries. The past performance of the Company is not necessarily representative of future performance.

None of the Company, its subsidiaries or their respective directors, officers and advisers, or any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements in the Explanatory Notes will actually occur. Shareholders are cautioned not to place undue reliance on these forward looking statements.

All subsequent written and oral forward looking statements attributable to the Company or its subsidiaries or any person acting on their behalf are qualified by the above cautionary statement.

## **NOTICE OF ANNUAL GENERAL MEETING 2009**

NSX Limited ACN 089 447 058 ("**NSX**" or "the **Company**") will hold its 11 Annual General Meeting at **11.00 am** (Sydney time) on **Thursday 7 October 2010**, at **Meeting Room, Quay West Suites** Level 1, 98 Gloucester Street, The Rocks, Sydney NSW 2000

### **ORDINARY BUSINESS**

#### **Receipt of financial statements and reports**

To receive, consider and discuss the:

- (a) financial report;
- (b) director's report;
- (c) remuneration report; and
- (d) auditor's report,

for the Company and its controlled entities for the year ended 30 June 2010.

*Note: Reports are tabled at the meeting. Shareholders are not required to vote on this item. Sufficient time will be allowed at the meeting to discuss the reports and to ask questions of the directors and the auditor.*

#### **Resolution 1 – Adoption of remuneration report**

To consider and, if thought fit, to pass the following ordinary resolution:

"That the remuneration report for the financial year ended 30 June 2010 be adopted."

*Note: The vote on this item is advisory only and does not bind the Directors or the Company. However the outcome of the vote on the report will be taken under advisement by the Directors when formulating future remuneration policies.*

#### **Resolution 2 – Election of Michael Cox as a Director**

To consider and, if thought fit, to pass the following ordinary resolution:

"That Michael Cox, being a Director of the Company, who was appointed to a casual vacancy in accordance with the Company's Constitution, and being eligible, offers himself for election, is elected as a Director of the Company."

#### **Resolution 3 – Re-election of Ann Bowering as a Director**

To consider and, if thought fit, to pass the following ordinary resolution:

"That Ann Bowering, being a Director of the Company, who retires in accordance with the Company's Constitution, and being eligible, offers herself for re-election, is re-elected as a Director of the Company."

#### **Resolution 4 – Election of Thomas Price as a Director**

To consider and, if thought fit, to pass the following ordinary resolution:

"That Thomas Price, being a Director of the Company, who was appointed to a casual vacancy in accordance with the Company's Constitution, and being eligible, offers himself for election, is elected as a Director of the Company."

### **NOTES TO NOTICE OF ANNUAL GENERAL MEETING**

#### **EXPLANATORY NOTES**

The accompanying Explanatory Notes form part of this Notice of Annual General Meeting and should be read in conjunction with it. Unless the context otherwise requires, terms which are defined in the Explanatory Notes have the same meaning when used in this Notice of Annual General Meeting.

#### **RECORD DATE**

The Board has determined that, for the purposes of the meeting, Shares will be taken to be held by the persons who are registered as a Shareholder as at 7.00pm (Sydney time) on Tuesday 5 October 2010. Accordingly Share transfers registered after that time will be disregarded in determining entitlement to attend and vote at the meeting.

#### **POLL**

On a poll, Shareholders 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, neither proxy may vote on a show of hands, but both proxies will be entitled to vote on a poll.

#### **REPRESENTATIVES**

A body corporate may appoint an individual as its representative to exercise any of the powers the body corporate may exercise at meetings of Shareholders. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution.

The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

#### **PROXIES**

A proxy form accompanies this Notice of Annual General Meeting.

If you are entitled to attend and cast a vote at the meeting, you may appoint a person as your proxy to attend and vote for you at the meeting and that appointment may specify the proportion or number of votes that the proxy may exercise. If you are entitled to cast 2 or more votes at the meeting, you may appoint up to 2 proxies. If you appoint 2 proxies but do not specify the proportion or number of your votes that each proxy may exercise, each proxy may exercise half of your votes. A proxy does not need to be a Shareholder.

If the proxy form is signed under a power of attorney, you must also lodge the power of attorney with the Company not less than 48 hours before the meeting, unless you have previously sent the power of attorney to the Company.

To appoint a proxy (or proxies) you must complete the attached proxy form and lodge it so that it is received by the Company not less than 48 hours before the meeting (i.e. by 11.00 AM (Sydney time) on Tuesday 5 October 2010) at the following address, fax number or vote online:

**BY MAIL** - Share Registry – Registries Limited, GPO Box 3993, Sydney NSW 2001 Australia

**BY FAX** - + 61 2 9290 9655

**IN PERSON** - Share Registry – Registries Limited, Level 7, 207 Kent Street, Sydney NSW 2000 Australia

**VOTE ONLINE** - [www.registries.com.au/vote/nsxagm2010](http://www.registries.com.au/vote/nsxagm2010)

### **ATTENDING THE MEETING**

If attending the meeting, please bring along your personalised proxy form with you. The bar code at the top of the form will help you to register. If you do not bring your form with you, you will still be able to attend the meeting but representatives from Registries Limited will need to verify your identity. You will be able to register from **10.30am** on the day of the meeting.

By Order of the Board

1 September 2010

**Scott Evans**  
Company Secretary

## **EXPLANATORY NOTES**

These Explanatory Notes have been prepared for the Shareholders to provide information about the items of business to be considered at the Annual General Meeting of the Company to be held at 11.00am on Thursday 7 October 2010.

**Section 1** of these Explanatory Notes provides information relating to the Ordinary Business described in the Notice of Annual General Meeting, including Resolutions 1 through to Resolution 5.

**Section 2** sets out the glossary of terms used in these Explanatory Notes.

The information contained in this explanatory notes are important and should be read carefully by all Shareholders.

### **1. FINANCIAL STATEMENTS AND REPORTS**

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#### **1.1 Shareholder questions and comments**

The financial report, directors' report, remuneration report and auditor's report for the Company for the year ended 30 June 2010 will be laid out before the meeting. There is no requirement for shareholders to approve those reports. However, the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments about those reports and the management of the Company. Shareholders will also be given a reasonable opportunity to ask the auditor questions about 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.

An electronic version of the Company's 2010 Annual Report is available on the NSX website Shareholders area ([http://www.nsx.com.au/shareholder\\_financials.asp](http://www.nsx.com.au/shareholder_financials.asp)). A hardcopy of the report is available from the Company Secretary on request.

#### **1.2 Resolution 1 – Adoption of the remuneration report**

Shareholders are required to vote on the remuneration report.

The remuneration report is contained within the director's report of the Annual Report, including the required presentation of the remuneration tables referred to in the report and set out in note 21 of the financial statements. A summary table of requirements of Section 300A of the Corporations Act is also provided within the remuneration report.

The vote on this proposed resolution is advisory only and will not bind the directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing remuneration practices and policies.

#### **What majority of votes is required for Resolution 1 to be passed?**

An ordinary resolution is required for Resolution 1 to be passed.

#### **Who can vote on Resolution 1?**

Subject to the Constitution, all Shareholders can vote on Resolution 1.

### **Directors' recommendation**

The Directors unanimously recommend that the Shareholders pass Resolution 1 to adopt the Remuneration Report.

### **1.3 Resolution 2 - Election of Michael Cox as a Director**

Under rule 12.7 of the Company's Constitution, Directors may appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing Directors. Under ASX rule 14.4, a director appointed to fill a casual vacancy or as an addition to the board must not hold office (without election) past the next Annual General Meeting of the Company.

#### **Information about Michael Cox**

**Positions Held:** Chairman & Chief Executive Officer  
**Qualifications:** BSc (USyd), LLB(UTS), Cert Acc, Dip Gem, Dip DT, PNA, MAICD, FGAA  
**Appointed:** 23 November 2009  
**NSX Limited** 2,609 Fully Paid Shares  
**Securities Held:** 700,000 Partly Paid Shares paid to 1 cent

#### **Experience:**

Mr Cox has 10 years experience in the securities industry prior to acting as corporate consultant and professional director. Mr Cox was formerly a director of other public companies including Benitec Ltd, Queensland Opals NL, Australian Environmental Resources NL and is a director of a number of private and public unlisted companies.

Mr Cox was CEO of the NSX at the time it listed on the ASX and merged with the BSX. Mr Cox is a partner in Solidus Financial Services – public accountants.

#### **What majority of votes is required for Resolution 2 to be passed?**

An ordinary resolution is required for Resolution 2 to be passed.

#### **Who can vote on Resolution 2?**

Subject to the Constitution, all Shareholders can vote on Resolution 2.

#### **Directors' recommendation**

The Board of Directors of the Company recommends that Shareholders vote in favour of Michael Cox's election as a Director of the Company.

#### 1.4 Resolution 3 - Re-election of Ann Bowering as a Director

According to ASX listing rules 14.4 and 14.5 and NSX's constitution rule 12.4, a director must not hold office without re-election past the third Annual General Meeting following the director's appointment or three years which ever is longer or at least one-third of the existing director's must retire by rotation irrespective of when they were appointed. A director who retires in accordance with these requirements may offer themselves for re-election.

##### Information about Ann Bowering

**Positions Held:** Director; and  
Chief Executive Officer of SIM Venture Securities Exchange Limited (a subsidiary of NSX Limited).

**Qualifications:** B.Comm Acc & Fin, CA

**Appointed:** 25 May 2009

**NSX Limited shares held:** NIL

##### Experience:

Ann Bowering has considerable experience in the Australian capital markets and a strong management background. Her career has consistently focused on the opportunities and economic activities of the Energy and Resources sector and, in more recent times, the emerging Cleantech and Sustainability sector. A Chartered Accountant, having worked with KPMG Melbourne, Sydney and Houston, Ann has a suite of professional and personal competencies that are highly complementary to the role of director of NSX Limited. At KPMG Ann worked on more than 30 unique transactions totalling over \$12 billion of capital raisings, and merger and acquisition transactions for clients such as AGL, Bluescope Steel, Tabcorp and Lend Lease. She was a leader of the firm's Risk Management practice.

Ann oversaw a period of significant business development at Lucsan Capital, a consultancy and advisory business focused on providing services to the Australian financial markets in her role as Head of Operations and Business Development. Her major accomplishments during this time were the expansion of the business nationally and internationally: the Melbourne office successfully opened in June 2007 and the London office successfully opened in May 2008.

As a member of the executive team of the Financial and Energy Exchange, Ann is responsible for finance, regulatory and compliance and equity markets, all of which have allowed her to create influential relationships in the financial exchange market globally.

Ann is a director of Australian Cleantech Marketplace Pty. Limited.

##### What majority of votes is required for Resolution 3 to be passed?

An ordinary resolution is required for Resolution 3 to be passed.

##### Who can vote on Resolution 3?

Subject to the Constitution, all Shareholders can vote on Resolution 3.

##### Directors' recommendation

The Board of Directors of the Company recommends that Shareholders vote in favour of Ann Bowering re-election as a Director of the Company.



## 1.5 Resolution 4 - Election of Thomas Price as a Director

Under rule 12.7 of the Company's Constitution, Directors may appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing Directors. Under ASX rule 14.4, a director appointed to fill a casual vacancy or as an addition to the board must not hold office (without election) past the next Annual General Meeting of the Company.

### Information about Tom Price

**Positions Held:** Director  
**Qualifications:** B.Arts (Macquarie)  
**Appointed:** 17 November 2009  
**NSX Limited shares held:** As a director of financial and Energy Exchange Limited: 8,424,236 shares.

#### Experience:

Tom Price is an Executive Director of the Financial & Energy Exchange Limited (FEX), a Director of the Australian Market licensed interest rate and currency swap market operator, Mercari Pty Ltd, and a Strategy Advisor on the environmental product development joint venture between FEX, Macquarie Capital Group and Climate Exchange plc (Envex).

In his role at FEX, Tom is responsible for the overall implementation of operational technology and regulatory infrastructure for business development including the proposed energy, commodity and environmental derivative markets. He works closely with NASDAQ OMX on technology issues and is also responsible for overall market connectivity infrastructure for the group.

Previously, Tom was an Australian based Derivative Asset Manager and Consultant with over 15 years experience in derivative transactions, derivatives trading and option pricing.

As at 30 June 2010 Tom had been appointed an Executive Director of NSX for the purpose of assisting with client liaison. This appointment was for a six week period. Tom is no longer acting in the capacity of executive Director.

### What majority of votes is required for Resolution 2 to be passed?

An ordinary resolution is required for Resolution 2 to be passed.

### Who can vote on Resolution 2?

Subject to the Constitution, all Shareholders can vote on Resolution 2.

### Directors' recommendation

The Board of Directors of the Company recommends that Shareholders vote in favour of Tom Price's election as a Director of the Company.

## 2. GLOSSARY

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**\$ and cents** means an amount in Australian currency.

**Annual Report** means the Company's Annual financial report, directors' report and auditor's report for the financial year ended 30 June 2010.

**ASX** means ASX Limited ACN 008 624 691.

**Board** means the board of directors of the Company.

**Business Days** means:

- (a) for determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Sydney.

**Company** means NSX Limited ABN 33 089 447 058.

**Constitution** means the constitution of the Company at the date of these Explanatory Notes.

**Corporations Act** means *Corporations Act 2001 (Cth)*.

**Directors** means the directors of the Company.

**Explanatory Notes** means these Explanatory Notes.

**Notice of Annual General Meeting** means the Notice of Annual General Meeting accompanying these Explanatory Notes.

**ordinary resolution** means a simple majority of those Shareholders present and entitled to vote either in person or by proxy at the meeting, either on a show of hands or on a poll if one is called in accordance with applicable requirements.

**Resolution** means a resolution in the Notice of Annual General Meeting which requires Shareholder approval.

**Share** means a fully paid ordinary share in the Company.

**Shareholder** means any person holding Shares.

**FOR ALL ENQUIRIES CALL:**  
(within Australia) 1300 737 760 (outside Australia) +61  
2 9290 9600

**FACSIMILE**  
+61 2 9290 9655

## Name and Address

**ALL CORRESPONDENCE TO:**  
Registries Limited  
GPO Box 3993  
Sydney NSW 2001  
Australia

**Your Address**

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction on the form. Securityholders sponsored by a broker should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

## YOUR VOTE IS IMPORTANT

FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 11.00am  
TUESDAY 5<sup>th</sup> OCTOBER 2010

## TO VOTE ONLINE

Reference Number: <HIN/SRN>



**STEP 1 : VISIT** [www.registries.com.au/vote/nsxagm2010](http://www.registries.com.au/vote/nsxagm2010)

**STEP 2: Enter your holding/Investment type**

**STEP 3: Enter your Reference Number and VAC: <VAC NUMBER>**

## TO VOTE BY COMPLETING THE PROXY FORM

### STEP 1 Appointment of Proxy

Indicate here who you want to appoint as your Proxy  
If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chairman of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

#### Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

#### Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

### STEP 2 Voting Directions to your Proxy

You can tell your Proxy how to vote

To direct your proxy how to vote, place a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### STEP 3 Sign the Form

The form **must** be signed as follows:

**Individual:** This form is to be signed by the securityholder.

**Joint Holding:** where the holding is in more than one name, all the securityholders must sign.

**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. **Please indicate the office held by signing in the appropriate place.**

### STEP 4 Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the meeting at **11.00am on Thursday, 7 October 2010**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

**Proxies may be lodged using the reply paid envelope or:**

**BY MAIL -** Share Registry – Registries Limited, GPO Box 3993,  
Sydney NSW 2001 Australia

**BY FAX -** + 61 2 9290 9655

**IN PERSON -** Share Registry – Registries Limited,  
Level 7, 207 Kent Street, Sydney NSW 2000 Australia

**Vote online at: [www.registries.com.au/vote/nsxagm2010](http://www.registries.com.au/vote/nsxagm2010)  
or turnover to complete the Form →**

### Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

**NSX Limited**

<Co Name>  
 <Address 1>  
 <Address 2>  
 <Address 3>  
 <Address 4>  
 <Address 5>

<BARCODE>

**STEP 1 - Appointment of Proxy**

I/We being a member/s of **NSX Limited** and entitled to attend and vote hereby appoint

the Chairman of the Meeting (mark with an 'X') **OR**

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy at the **Annual General Meeting of NSX Limited to be held at the Meeting Room, Quay West Suites, Level 1, 98 Gloucester Street, The Rocks, Sydney NSW 2000 at 11.00am** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

**STEP 2 - Voting directions to your Proxy – please mark  to indicate your directions**

Ordinary Business		For	Against	Abstain*
Resolution 1	Adoption of the remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Michael Cox as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Ann Bowering as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Election of Thomas Price as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

In addition to the intentions advised above. The Chairman of the Meeting intends to vote undirected proxies in favour of each of the items of business.

\*If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**STEP 3 - PLEASE SIGN HERE** This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3

Sole Director and Sole Company Secretary

Director

Director/Company Secretary

Contact Name .....

Contact Daytime Telephone .....

Date / / 2010