

KING EQUIPMENT LIMITED
ABN 69 109 947 051

Registered Office: 1808 Ipswich Road ROCKLEA QLD 4106

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of shareholders of King Equipment Limited **Company**) will be held on Friday 12th August 2005 at 1808 Ipswich Road, Rocklea, Queensland commencing at 4.00 pm.

AGENDA

Ordinary Business

1. Approval of Convertible Note Issue.
2. Approval of Issue of Shares to Boss Equipment Pty Ltd pursuant to Contract.
3. Approval of Issue of Shares to Farwest Equities Pty Ltd.

Special Resolutions

4. To Change the Company's name to King Equipment Distribution Limited.

by Order of the Board

Jennifer Thompson
Company Secretary
12 July 2005

THIS IS AN IMPORTANT DOCUMENT

If you are in any doubt regarding the information in this document, you should seek advice from your professional adviser.

If you are unable to attend the meeting, please complete the proxy form contained in this notice of meeting and return it to our Share Registrar, ASX Perpetual Registries to arrive before 4.00pm on Wednesday 10 August 2005.

INTRODUCTION

This Notice of Meeting, the Agenda, and the Explanatory Memorandum, which is attached to and forms part of it, set out the details of proposals concerning 3 ordinary resolutions and 1 special resolution to be put to members.

RESOLUTIONS

ORDINARY BUSINESS

Resolution 1 – Approval of Convertible Note Issue

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company: “That the Company issue up to 1,500,000 Convertible Notes at \$1.00 each. The Convertible Notes will pay interest of 10% per annum for 3 years and unless converted into Ordinary Shares @ \$0.10 per Convertible Note, the Notes will expire on 31 August 2008”.

Resolution 2 - Approval of Issue of Shares to Boss Equipment Pty Ltd pursuant to Contract

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company: “That in accordance with the provisions of Official Listing Rules 6.24, 6.41, 6.43 and 6.44 of the Newcastle Stock Exchange Limited, and for all other purposes, the Company be authorised to issue up to 400,000 shares in the capital of the Company over a 3 year period for nil consideration and up to 2,000,000 Shares at ten cents (\$0.10) based on profit performance over a 3 year period pursuant to an agreement with Boss Equipment Pty Ltd (Boss) and Paul Jackson, the Company’s Chief Operations Officer.

NB. In accordance with the Listing Rules:

- (a) Boss is entitled, subject to Shareholder approval, to be issued the shares and options pursuant to the Consultancy Agreement the Company negotiated to acquire the Mr Jackson’s services as Chief Operations Officer of the Company on the following terms:
- (b) A total of up to 400,000 shares in the capital of the Company be issued pursuant to the above resolution and pursuant to the Boss Consultancy Agreement.
- (c) The shares have not been issued and allotted, but if approved, will be issued and allotted not later than 36 months from the date of the meeting.

Resolution 3 - Approval of Issue of Shares to Farwest Equities Pty Ltd

To consider, and if thought fit, pass the following resolution as an ordinary resolution of the Company: “That in accordance with the provisions of Official Listing Rules 6.24, 6.41, 6.43 and 6.44 of the Newcastle Stock Exchange Limited, and for all other purposes, the issue of 740,000 ordinary shares in the share capital of the Company to Farwest Equities Pty Ltd at an issue price of \$0.13 per share be hereby approved.

NB. In accordance with the Listing Rules:

- (a) Farwest is entitled, subject to Shareholder approval, to be issued the shares in lieu of consultancy fees due pursuant to the Consultancy Agreement between Mr Sylvester and the Company on the following terms:
- (b) A total of up to 740,000 shares in the capital of the Company be issued pursuant to the above resolution.
- (c) The shares have the same rights and entitlements as all other fully paid ordinary shares in the capital of the Company.
- (d) The shares have not been issued and allotted, but if approved, will be issued and allotted not later than 36 months from the date of the meeting.

SPECIAL RESOLUTIONS

Resolution 4 - Change of Company Name

To consider, and if thought fit, pass the following resolution as a special resolution of the Company: “That the name of the Company be changed to King Equipment Distribution Limited”.

NB. This resolution requires the approval of at least 75% of votes of those members of the Company at the meeting in person or by proxy.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is provided to shareholders of King Equipment Ltd ACN 109 947 051 (the "Company") to explain the resolutions to be put to Shareholders at the Extraordinary General Meeting to be held at 1808 Ipswich Road, Rocklea on 12th August 2005, commencing at 4 pm.

BACKGROUND NOTES ON RESOLUTIONS

ORDINARY BUSINESS

Resolution 1 – Approval of Convertible Note Issue

"That in accordance with Official Listing Rules 6.24, 6.41, 6.43 and 6.44 of the NSX, and for all other purposes, the company enters into Convertible Note Agreements up to a maximum value of \$1.5 million on the terms set out below".

(a) Summary of Terms

- The converting loan agreements will be until the 31 August 2008 (maturity date)
- Interest is payable quarterly in arrears at 10% per annum.
- The moneys owing under the Convertible Notes shall be repaid by the company on the maturity date if not converted on or before the maturity date.
- The moneys may be converted to shares by the lender at any time, with the price being 10 cents per share.
- The maximum number of shares that may be issued under the note issues is 15,000,000 shares.
- Each share issued upon conversion shall rank, as from the conversion date, in all respects pari passu with the then existing shares.
- If this resolution is passed these notes will be issued and allotted within 3 months of the date of the meeting.

(b) The issue of convertible notes may raise a maximum of \$1.5 million. The rights attaching to the convertible notes are as follows: -

General Terms of Issue of Notes

1. Each of the Notes will:
 - (a) have a principal amount ("Face Value") of, and be issued at, \$1.00;
 - (b) bear interest at the rate of 10% per annum, which interest shall be payable in arrears;
 - (c) be convertible in the manner and at the times provided by clauses 2 and 3 into the number of Ordinary Shares determined in accordance with clause 8;
 - (d) be transferable only in accordance with clause 15 ;
 - (e) mature on the Maturity Date, being the 31 August 2008 anniversary after the issue date and, unless converted, will be redeemed on that date as provided in clause 15; and
 - (f) will not be listed for quotation by NSX.
2. Each of the Notes must be paid for in full on application.

General Conversion Rights

3. Notes are convertible by a Noteholder:
 - (a) on the occurrence of a Conversion Event in accordance with clause 11,
 - (b) on the Maturity Date, in accordance with clause 15,into the number of Ordinary Shares determined in accordance with clause 8 by a Noteholder delivering to the Company:
 - i. a Conversion Notice requiring the Company to convert Notes specified in the Conversion Notice; and
 - ii. the Note Certificate comprising or including the Notes to be converted.
- (c) Where a Noteholder wishes to convert Notes on the Maturity Date, the Conversion Notice must be delivered to the Company at least 5 Business Days before the Maturity Date.

Allotment of Ordinary Shares on Conversion

- 4 A notice give under clause 3 is irrevocable unless the Company otherwise determines.
- 5 The Ordinary Shares to which a holder of Notes is entitled in the case of conversion of Notes under clause 3 must be allotted on the Conversion Date and any such allotment will have effect and be deemed to have been made on that Conversion Date.
- 6 Ordinary Shares allotted on conversion of Notes under clause 3 will participate in full for all dividends provided that where the Conversion Date occurs after a Dividend Record Date but on or before a Dividend Payment Date the Ordinary Shares allotted will not participate in the dividends paid on the Dividend Payment Date but will participate equally with all other Ordinary Shares on issue in respect of future dividends.
- 7 Subject to clause 3.6 Ordinary Shares allotted on conversion of Notes will rank equally in all respects and form one class with the Ordinary Shares on issue at the Conversion Date.
- 8 On conversion of a Note:
 - (a) The Company must redeem that Note for an amount equal to its Face Value; and
 - (b) The holder of that Note, by operation of this clause, hereby directs the Company to apply the whole of the moneys payable to it on redemption in subscribing for that number of Ordinary Shares at \$0.10 per share.

Non participation in issues and limited voting rights

- 9 Except as set out in these Clauses of Issue, the Notes carry no right to participate in any offering of Equity Securities by the Company. The Company reserves the right at all times to issue Equitable Securities to shareholders or to any other persons, whether for cash, as a bonus distribution or any other way.
- 10 Except as required by the Corporations Act, Noteholders will not have any right to vote at general meetings of the Company.

Conversion Event

- 11 A Noteholder may within 20 Business Days after a Takeover has occurred ("Conversion Event") serve a Conversion Notice on the Company not less than 5 Business Days before that twentieth Business Day requiring the conversion of all its Notes into the number of Ordinary Shares determined in accordance with clause 8.
- 12 If a Noteholder does not require the Company to convert its Notes in accordance with clause 11, the Noteholder will have no right of conversion under this clause in respect of that Conversion Event.
- 13 Within 10 Business Days of deemed service of each Noteholder's Conversion Notice in accordance with clause 3, the Company must:
 - (a) convert the Notes held by the Noteholder into the number of Ordinary Shares in the Company determined in accordance with clause 8; and
 - (b) issue to each Noteholder a statement detailing the number of Ordinary Shares into which the Notes held by the Noteholder were converted.

Non-resident Noteholders

- 14 Where Notes are held by or on behalf of a person resident outside Australia, then, despite anything to the contrary contained in or implied by the Terms of Issue, it is a condition precedent to any right of the Noteholder:
 - (a) to receive payment of the principal sum represented by those Notes; or
 - (b) to obtain Ordinary Shares on conversion of any of those Notes;that all necessary authorisations (if any) and any other statutory requirements which may then be in existence are obtained at the cost of the Noteholder and satisfied.

Mandatory Redemption

- 15 If Notes are not converted on or before the Maturity Date, the Company must redeem all outstanding Notes on the Maturity Date for cash at Face Value.

Cancellation of Notes

- 16 All Notes redeemed and converted by the Company will thereupon be cancelled and may not be re-issued.

Status

- 17 The Notes will constitute unsecured obligations of the Company.

Entitlements to Certificates

- 18 Subject to the Corporations Act, and these Terms of Issue, each Noteholder will be entitled to one Note Certificate in respect of the Notes held by the Noteholder.
- 19 A Noteholder, other than an allottee of Notes, may waive the Noteholder's entitlement to a Note Certificate.

Joint Noteholders

- 20 Joint Noteholders will be entitled to one Note Certificate only in respect of Notes held by them jointly and the Note Certificate will be delivered to that one of the joint Noteholders whose name stands first in the Register.
- 21 If several Persons are entered in the Register as joint Noteholders in respect of a Note the receipt by any one of such Persons for the payment or satisfaction of any moneys from time to time payable or repayable to the Joint Noteholders will be as effective a discharge to the Company as if the Person accepting the payment were a sole Noteholder in respect of that Note.
- 22 The Company will not be bound to register more than three Persons as the joint holders of any Notes.
- 23 Subject to these Terms of Issue, all of the joint Noteholders in respect of any Note must join in any:
- (a) application to transfer the relevant Note from one Register to another Register;
 - (b) transfer of the relevant Note; or
 - (i) application for the replacement of a Note Certificate which has been lost or destroyed; or
 - (ii) application for conversion.

Cancellation, Production and Replacement of Certificates

- 24 The ranking of the Notes will in no way be affected by the cancellation of the Certificate on which they were originally included or of any subsequent Note Certificate on which they were included.
- 25 A Noteholder must, as a clause precedent to receiving payment of or in respect of the principal amount of Notes comprised in that Noteholder's Note Certificate, produce that Note Certificate to the Company, in the case of contemplated payment by the Company.
- 26 This clause will not, however, preclude payment by the Company at its own entire responsibility prior to production of that Note Certificate if the Company elects to make such a payment. On payment to the Noteholder, the relevant Note Certificate will be deemed to have been cancelled.
- 27 If any Note Certificate becomes worn out or defaced, then on production and delivery of that Note Certificate to the Company together with any other evidence as the Company may require, the Company will, subject to these Clauses of Issue, will cancel the same and issue a new Note Certificate in its place.
- 28 Subject to the Corporations Act and these Terms of Issue, if any Note Certificate is lost or destroyed, the Company will issue a duplicate Note Certificate in its place on application in writing by the Noteholder accompanied by:
- (a) a statutory declaration or any other evidence as the Company may require that the Note Certificate has been lost or destroyed and has not been pledged, mortgaged, charged, sold or otherwise disposed of and, if lost, that proper searches for the same have been made;
 - (b) an undertaking in writing that if it is found or received by the Noteholder, it will be returned to the Company;
 - (c) if required by the Company, a copy of an advertisement which has recently appeared in a daily newspaper circulating generally throughout the State or Territory in which the Register on which the relevant Note is registered is kept, stating that the Note Certificate has been lost or destroyed and that the Noteholder intends, within a time specified by that advertisement, to apply to the Company for the issue of a duplicate Note Certificate;
- 29 if required by the Company, a bond for an amount equal to the face value of the relevant Note or such lesser amount in any particular case as the Company may determine, indemnifying the Company against loss following production to the Company of the original Note Certificate and payment to the Company of such out-of-pocket expenses of the Company in investigating evidence as the Directors of the Company deem adequate;

Transfer of Notes

- 30 During the first 12 months after the Issue Date, a Noteholder will only be entitled to transfer Notes held by that Noteholder in the manner permitted under s 708 of the Corporations Act.
- 31 Notes may only be transferred by:
- (a) a written transfer instrument in any usual or common form; or
 - (b) any other form approved by the Directors.
- 32 A written transfer instrument must be forwarded for registration to the address of the Register on which the Noteholder's relevant Notes are recorded accompanied by the Note Certificate (if any) for the Notes to be transferred and such other evidence as the Directors of the Company may require to prove:
- (a) the title of the transferor, or the Noteholder's right to transfer the Notes;
 - (b) the due execution of the transfer; and
 - (c) the due compliance with the provisions of any relevant statute relating to stamp duties;
- and if satisfied with such evidence and that the transferor has otherwise complied with this clause, the Company will register the transfer and recognise the transferee as the Noteholder entitled to the amount of Notes comprised in the transfer.
- 33 A written transfer instrument must be:
- (a) executed by the transferor; and
 - (b) executed by the transferee.

Subject to the Corporations Act, the written transfer instrument may comprise 2 or more documents.

- 34 A transferor of Notes remains the holder of the Notes transferred until the transfer is registered and the name of the transferee entered in the Register in respect of the Notes.
- 35 Despite anything contained elsewhere in this clause, the Directors of the Company may in their absolute discretion refuse to register any transfer that is not in accordance with clause 32.
- 36 No transfer of a Note may be made to more than 3 transferees jointly unless the transferees are the legal personal representatives or trustees of a deceased Noteholder.
- 37 No instrument of transfer will be registered by the Company during any period when the relevant Register or any transfer books relating to the Register is closed. The transferor will be deemed to remain the owner of that Note until the name of the transferee is entered in the relevant Register.
- 38 The Company must:
- (a) register all registrable transfer forms (if any), split certificates (if any), renunciations (if any) and transfers (if any);
 - (b) issue Note Certificates (if any) and transmission receipts (if any); and
 - (c) mark or note transfer forms (if any).

without charge, except where the issue of any Note Certificate is to replace a lost or destroyed Note Certificate (if any).

- 39 Transfers of Notes between Registers will be effected free of charge, provided that the Noteholder will, on demand, pay to the Company any stamp duty which may be payable on such transfer.
- 40 Any power of attorney granted by a Noteholder may be lodged, produced or exhibited to the Company or any of its offers and will, as between the Company and the Noteholder who granted the power of attorney:
- (a) will be taken and deemed to continue and will remain in full force and effect; and
 - (b) may be acted upon,
- unless express notice in writing of its revocation or of the death of the Noteholder who granted it is lodged with the Company.
- 41 All instruments of transfer which are registered and Note Certificates (if any) surrendered to the Company will remain the property of the Company and will be retained by it for a period of 3 years or such minimum period or in such alternative form as may be permitted by Corporations Act after receipt. However, any instrument of transfer which the company declines to register will (except in the case of fraud or suspected fraud) be returned on demand to the Person depositing the instrument.

Indemnity to Company

- 42 Whenever in consequence of:
- (a) the death or incapacity of a Noteholder;
 - (b) the non-payment of any income Tax or other Tax payable by a Noteholder;
 - (c) the non-payment of any stamp or other duty by the legal personal representatives of a Noteholder or his estate; or
 - (d) any other act or thing in relation to a Note or a Noteholder;
- any Corporations Act for the time being of any other country or place, in respect of that Note, imposes or purports to impose any liability of any nature whatever on the Company to make any payments to any Public Authority, the Company will in respect of that liability be indemnified by that Noteholder and his legal personal representatives and any moneys paid by the Company in respect of that liability may be recovered by action from that Noteholder and/or the Noteholder's legal personal representatives as a debt due to the Company and the Company will have a lien in respect of those moneys upon the Notes held by that Noteholder or his legal personal representatives and upon any moneys payable in respect of the Notes.

Payment to Noteholders

- 43 Any moneys payable on or in respect of any Notes must be paid in Australian dollars only:
- (a) by payment by cheque marked 'not negotiable' and sent through the post to the address of the Noteholder on the Register or other Person entitled thereto, or in the case of joint holders to the address of that one of the joint holders who is first named in the Register in respect of those Notes; or
 - (b) by deposit to such account with any bank (as that expression is defined in the *Banking Act 1959 (Commonwealth)* in Australia as the Noteholder (or, where the Notes are held by joint Noteholders, the first joint holder named on the Register of Noteholders), by written notice to the Company, may direct; or
 - (c) by any other method of transferring money (whether through Austraclear or otherwise) approved by the Directors from time to time.

Every cheque referred to in paragraph 42 will be sent at the risk of the Person entitled to the moneys represented by the cheque and payment will be deemed to have been made when the cheque is posted or the deposit is made in accordance with this clause.

- 44 Unless the Company otherwise determines, each Noteholder is liable for all Taxes and costs (including, without limitation, bank charges) incurred by the Company in relation to that Noteholder's entitlement to, or payment of, income or capital, or as a result of any act requested by that Noteholder. The Company may withhold payment of any money payable to a Noteholder until the liability is discharged, or may meet the liability and recover the amount from any money or property held for, or by redeeming Notes of, the Noteholder.

Title to Notes

- 45 Subject to these Terms of Issue, the Company will recognise only the Noteholder whose name appears in the Register as the absolute owner of the Note in respect of which the Noteholder is entered in the Register, and the Company may act accordingly, The Company will not, except as otherwise ordered by a Court of competent jurisdiction or as by statute required, be bound to take notice of or see to the execution of any trust or equity to which a Note may be subject or otherwise affecting the ownership of a Note or rights incidental thereto. The receipt of a Noteholder or one of Joint Noteholders for any moneys payable upon the redemption of a Note will be a good discharge to the Company despite any notice the Company may have, whether express or otherwise, of the right, title or interest of any Person to or in that Note or moneys. No details of any such equity or trust, express or constructive, will be entered in any Register.

Survivorship

- 46 In the case of the death of any one of joint Noteholders, the survivors will be the only Persons recognised by the Company as having any title to or interest in the Notes registered in their names jointly.

Deceased Noteholders

- 47 The legal personal representatives of a deceased Noteholder (not being one of joint Noteholders) will be the only Persons recognised by the Company as having any title to that Noteholder's Notes. Any Person becoming entitled to Notes in consequence of the death or liquidation of any Noteholder may, on producing such evidence of that Person's title as the Directors of the Company think sufficient, be registered himself as the holder of the Notes or, subject to the preceding Terms of Issue as to transfer, may transfer those Notes. The Directors of the Company will be at liberty to retain any moneys payable in respect of any Notes, which any Person under this clause is entitled to, or to transfer until such Person is registered or has duly transferred the Notes in accordance with these Terms of Issue. Nothing in this clause will prejudice the rights of any such Person to vote in respect of that Note at any meeting or on a poll or in relation to any Extraordinary Resolution.

Resolution 2 – Approval of issue of shares and options to Boss Equipment Pty Ltd

Under the Deed, Mr Jackson is entitled to receive 400,000 'Executive Options' to subscribe for shares in KEL and up to 2,650,000 'Incentive Options', which are dependant upon KEL's profit performance. Each Option is personal to Mr Jackson and is not transferable.

Executive Options

The expiry date is 30 June 2009 and the options are exercisable for nil consideration.

100,000 Executive Options to be issued upon shareholder approval;

100,000 Executive Options to be issued upon completion of the first year's service;

100,000 Executive Options to be issued upon completion of the second year's service; and

100,000 Executive Options to be issued upon completion of the third year's service;

Incentive Options

The expiry date is 3 years from the date of issue and the options are exercisable for 10 cents each.

Dependant upon KEL's 2005/2006 financial year profit performance, up to 2,000,000 options;

Dependant upon KEL's 2006/2007 financial year profit performance, up to 300,000 options;

Dependant upon KEL's 2007/2008 financial year profit performance, up to 350,000 options;

KEL retained an Independent Expert to value the Option package and the Independent Expert's valuation is attached to this Notice of Meeting. The value of the Option package, if KEL were to meet all the profit forecasts, is \$164,295. If Shareholders do not approve the COO Option Deed with Paul Jackson, the Deed will lapse.

Resolution 3 – Approval of issue of shares to Farwest Equities Pty Ltd

The Consultancy Agreement between KEL and Farwest Equities Pty Ltd ("Farwest") extends until April 2006 and Farwest has an option to renew the Agreement for a further 2 years until April 2008. Farwest has agreed to accept 740,000 Ordinary Shares in lieu of the \$96,200 Farwest would accrue under the Agreement until April 2006. Upon the issue of the Shares, KEL's financial obligations under the Agreement will cease.

SPECIAL RESOLUTIONS

Resolution 4 – Change of Company Name to King Equipment Distribution Limited

Each of the existing Directors considers the change of name of the Company to "King Equipment Distribution Ltd" to be appropriate, as it is consistent with the core activities of the Company.

Interpretation

- "ASIC" means Australian Securities and Investments Commission;
- "NSX" means Newcastle Stock Exchange Limited ACN 009 851 653;
- "Board" means the directors of the Company from time to time;
- "Business Day" has the meaning ascribed to it by the Listing Rules;
- "Company" means King Equipment Limited ACN 109 947 051;
- "Constitution" means the Constitution of the Company;
- "Directors" means the directors of the Company;
- "Meeting" means the meeting of shareholders convened by the Notice for 12 August 2005 and any adjournment thereof;
- "Notice" means the Notice in respect of the Meeting;
- "Official List" means the Official List of NSX;

Voting Exclusions

The Company will disregard any votes cast on Resolution 1, 2 and 3 by:

- Parties to the transaction; and
- an associate of those persons.

However, the entity need not disregard a vote if:

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

ATTENDANCE AND VOTING AT THE MEETING

Pursuant to section 1109N of the Corporations Act 2001 (Cwlth), the Directors of the Company have made a determination that all the Shares of the Company are taken, for the purposes of determining the right of members to attend and vote at the meeting, to be held by persons who held them at 4 pm on 10th August 2005 (being a time that is not more than 48 hours before the meeting).

PROXIES

A proxy form accompanies this Notice and to be effective must be received at the registered office of the Company at not less than two (2) clear business days before the time of holding the meeting and if being received by facsimile should be sent to the Company at Facsimile 07 3275 1808.

NOTE ON PROXIES

1. A member entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies.
2. Where more than one (1) proxy is appointed each proxy must be appointed to represent a specified proportion of the member's voting rights and neither proxy shall be entitled to vote on a show of hands.
3. A proxy need not be a member of the Company.

DATED 11 July 2005

BY ORDER OF THE BOARD



Jennifer Thompson, Company Secretary

PROXY FORM

The Secretary,

I (the undersigned) _____
(FULL NAME)

of _____
(ADDRESS)

being a member of King Equipment Limited hereby appoint

_____ (FULL NAME)

_____ (ADDRESS)

or, failing him, the Chairman of the Meeting as my proxy to attend and exercise _____ % of my votes on my behalf at the Extraordinary General Meeting of the Company to be held on 12 August 2005 and at any adjournment thereof.

The Chairman's voting intentions in relation to undirected proxies is to vote in favour of Resolutions 1, 2 and 3 and Special Resolution 4.

If you do **not** wish to direct your proxy how to vote, please place a mark in the box. []

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest. This proxy is to be used as follows in relation to the resolutions to be proposed the meeting.

ORDINARY BUSINESS:	FOR	AGAINST
Resolution 1 - Approval of Convertible Note Issue	[]	[]
Resolution 2 - Approval of Share and Option Issue to Boss Equipment Pty Ltd	[]	[]
Resolution 3 - Approval of Shares to Farwest Equities Pty Ltd	[]	[]

SPECIAL RESOLUTIONS

Resolution 4 – Change to Company Name	[]	[]
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If two proxies are being appointed, the proportion of voting rights this proxy is appointed to represent is.....%

If no specific direction to vote is given, the proxy holder may vote as he thinks fit or abstain from voting.

Dated	Signature of Member
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PROXY INFORMATION

The form must be completed and received at the registered office of the Company not less than two (2) clear business days before the time appointed for holding of the Extraordinary General Meeting and if being received by facsimile should be sent to the Company on Facsimile No: (07) 3275 1808.

A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint no more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company.

Where only one proxy is to be appointed the form should be completed and the word "all" be inserted in the space before "of my votes" in each part. Where more than one proxy has been appointed neither proxy may vote on a show of hands.

If a member wishes to direct a proxy how to vote an "X" should be inserted in the appropriate space against each a resolution to be proposed at the meeting, otherwise the proxy may vote as he or she thinks fit or may abstain from voting.

The form must be signed personally by the member or by his attorney, a copy of the relative constitution or Power of Attorney, if not previously exhibited to the Company, must be produced at the registered office of the Company not less than 48 hours before the time appointed for holding the Extraordinary General Meeting.