POSMEDIA

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Facsimile

To:	The Company Announcement Office
Company:	Australian Stock Exchange
Fax:	1900 999 279
From:	Peter Aynsley
Subject:	Company Announcement
Date:	14th July, 2003

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Total Pages 9

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Please refer attached announcement re:

Notice of Annual General Meeting to be held on 12th August 2003 with accompanying Explanatory Memorandum and Proxy Form

Yours faithfully,

PETER AYNSLEY
Director

POPAI
POINT-OF-PURCHASE ADVERTISING INSTITUTE
AUSTRALIA & NEW ZEALAND

IMRG
interactive media in retail group

Notice is hereby given that the seventh Annual General Meeting of P.O.S. Media Online Limited will be held at the "Sussex Room", Medina Grand Sydney, corner Kent & Bathurst Streets, Sydney NSW 2000 at 10:00am on Tuesday, 12 August 2003.

BUSINESS

CONSIDERATION AND ADOPTION OF DIRECTORS REPORT AND FINANCIAL REPORTS

To receive, consider and adopt the Directors' Report and Financial Report for the year ended 31 December 2002 and the Auditor's Report on the financial report and consolidated financial report

PROPOSED RESOLUTIONS

The following resolutions are to be considered at the meeting and are discussed in the Explanatory Memorandum to the members of Posmedia.

RESOLUTION 1 – PRIVATE PLACEMENT

To consider and, if deemed fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 7.1 of the Official Listing Rules of Australian Stock Exchange Limited and for all other purposes, the Members approve and authorise the Directors to issue 20,000,000 ordinary fully paid shares in Posmedia at an issue price of five cents ($ 0.05) per share and on the terms and conditions set out in the Explanatory Memorandum in respect of this resolution."

Voting Exclusion Statement

A voting exclusion statement is included in the Explanatory Memorandum

RESOLUTION 2 – APPOINTMENT OF BROOKES MCTAVISH AS A DIRECTOR

Mr P.R. Aynsley retires by rotation in accordance with the Constitution of the company and does not offer himself for re-election. Ms Brookes McTavish offers herself for election as a Director. Resolution 2 proposal is to consider and, if deemed fit, to pass the following resolution as an ordinary resolution:

"That Ms Brookes McTavish be elected as a Director in accordance with Section 10.3 of the Company's Constitution."

RESOLUTION 3 – APPOINTMENT OF GARY CHAN AS A DIRECTOR

Mr D.F. Diamond retires and does not offer himself for re-election. Mr Gary Chan offers himself for election as a Director. Resolution 3 proposal is to consider and, if deemed fit, to pass the following resolution as an ordinary resolution:

"That Mr Gary Chan be elected as a Director in accordance with Section 10.3 of the Company's Constitution."

RESOLUTION 4 - APPOINTMENT OF AUDITOR

To consider and, if deemed fit, to pass the following resolution as an ordinary resolution:

"That Ernst & Young, having been nominated for appointment, and having consented to act, as be appointed as the Company's auditor".

D F Diamond
SECRETARY
13th July, 2003

POSMEDIA

EXPLANATORY MEMORANDUM

This is the Explanatory Memorandum referred to in the Notice of Annual General Meeting of P.O.S. Media Online Limited ("Posmedia" or "the Company" herein) dated 13th July 2003 in relation to the Company's seventh Annual General Meeting to be held on 12th August 2003.This Explanatory Memorandum has been prepared to assist the Members of Posmedia in understanding the reason and nature of the matters and resolutions identified on the accompanying Notice.

The Directors recommend that you read this Explanatory Memorandum and attend the Annual General Meeting. If you are unable to attend but wish your Vote to be counted, please complete the Proxy Form enclosed and forward it to reach the address or facsimile stated in the notice not less than 48 hours prior to the time of the meeting.

CONSIDERATION AND ADOPTION OF DIRECTORS REPORT AND FINANCIAL REPORTS

The Corporations Law and the Company's constitution requires these accounts and reports to be laid before the annual general meeting, but do not require that a vote of members be taken on them. As at the date of this Explanatory Memorandum, the financial accounts are in the process of final audit for the twelve months ended 31st December 2002. Appendix 4B, comprising the Company's Preliminary Final Report for Full Year to 31 December 2002, was lodged with the ASX on 17th April 2003 and may be accessed via the ASX web site (www.asx.com.au) to provide an overview of the Company's financial position as at that date.

A full copy of the Annual Report, Director's Report, Financial Report and Auditor's Report will be announced to the market on or before Thursday 8th August 2003 and available on the ASX web site thereafter. Copies of the complete documentation will be available at the Annual General Meeting and will be distributed to all Members in due course. The Directors and a representative of the auditor will be available at the Annual General Meeting to address any questions or comments in relation to the accounts and reports.

RESOLUTION 1 – PRIVATE PLACEMENT

A Heads of Agreement ("the Agreement") was entered into on 8th July 2003 between Posmedia and Smart Cities International Pty Ltd ("Smart") pursuant to which Smart has agreed to subscribe for $ 1 million in shares in Posmedia, subject to approval by the Members of Posmedia. A copy of the Agreement is available for review by Members at the Annual General Meeting and prior to that at the office of the Company's lawyer as follows:

Levitt Robinson
Level 11, 117 York Street
Sydney NSW 2000

For the purpose of approving an issue of shares pursuant to Listing Rule 7.1, Posmedia must, under Listing Rule 7.3, include with the Notice of Annual General Meeting the following information:

(a) Maximum number of shares available for issue

The maximum number of shares that Posmedia may issue pursuant to Resolution 1 is 20,000,000. Posmedia will not make disclosure to the subscribers of these shares as the shares will only be issued where the issue will fall within Section 708 of the *Corporations Act.*

(b) Date by which Posmedia will issue the shares

Posmedia will issue the shares within three (3) days of passing Resolution 1.

(c) Issue price

The shares will be issued at a price of five cents ($ 0.05) per share.

(d) The names of the allottees (if known) or the basis on which the allottees will be identified and selected

Under the terms of the Agreement referred to above, the allottee will be Smart Cities International Pty Limited and/or its nominee(s). Whether Smart or its nominee(s), in either case the terms:

(i) fall within the terms of Section 708 of the *Corporations Act*;

(ii) do not result in a breach of Section 606 of the *Corporations Act* or require any Member approval under Part 6.2 of the *Corporations Act*;

(iii) will not require Member approval under either Rule 10.11 of the ASX Listing Rules or Chapter 2E of the Corporations Act.

The number of shares to be issued will not breach the $ 2,000,000 ceiling set out in Section 708 of the Corporations Act (i.e. the number of shares to be issued under this Resolution will not exceed $ 2 million in subscription price).

(e) Terms of the shares

The principal terms of the shares are as follows:

(i) The shares will be issued at a price of five cents ($ 0.05) per share;

(ii) Some of the shares may be issued as partly-paid shares provided that:

A. any partly paid shares are placed into Escrow with Computershare Registry Pty Ltd immediately after quotation and shall be neither encumbered nor released to the Holder unless paid in full beforehand; and

B. all shares shall be paid in full by 11th November 2003.

(iii) Shares will only be issued in compliance with the exemption provisions of Section 708 of the *Corporations Act*. Accordingly, the share placement will be conducted without a disclosure document.

(iv) The shares will have the same rights and obligations as all other fully-paid ordinary shares in Posmedia. All ordinary shares in Posmedia following the issues contemplated by this Notice of Meeting rank equally for dividends and have the same rights and attaching obligations as for ordinary shares provided in the constitution of Posmedia. The shares will be quoted on the ASX and traded as securities.

(f) Intended use of the funds raised

The funds raised are to be used to:

(i) meet settlement obligations that have been reached with existing creditors of the Company; and

(ii) provide working capital for the Company's ongoing business activity and new initiatives.

(g) Timing of allotment of Shares

All 20,000,000 shares will be allotted within three (3) days of the passing of this Resolution.

(h) Voting exclusion statement

For the purpose of Resolution 1, Posmedia will disregard any votes on Resolution 1 cast by any person who may participate in the issue and any person who might obtain a benefit except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed. However, Posmedia need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or if it is cast by a person chairing the meeting as proxy for a person who is entitled to vote in accordance with a direction on a proxy form to vote as the proxy decides.

RESOLUTION 2 – APPOINTMENT OF BROOKES MCTAVISH AS A DIRECTOR

Ms Brookes McTavish is a Director of Smart Cities International Pty Ltd and her qualifications as a prospective Director of Posmedia are as follows:

Brookes G McTavish

Brookes McTavish has more than 30 years experience in business, including as an executive in multinational corporations and as a consultant to Australian State and Federal Government. Her early career was in communications media and in the 1980s, Brookes established the first advertising agency in Australia dedicated to social change. She was responsible for developing most of the large Federal Government social change media campaigns of the period, including the United Nations' International Years. She won awards for a number of these and in 1994, won the *Women and the Media Award*, presented by the Minister for the Status & Advancement of Women.

In 1994, Brookes completed her Masters Degree in Science & Society. She advised several Government Reference Groups making submissions to the House of Representatives Sixth Channel Inquiry, the Broadband Services Expert Group, the Senate Inquiry into Telecommunications, Open Learning Electronic Student Support Network, the Australian Science and Technology (ASTEC) Futures Report and the National Multimedia Education & Training Strategy. Brookes chaired the NSW bid to Federal Government for the development of a Co-operative Multimedia Centre (CMC) in Sydney. She was instrumental in securing the sixth television channel license in Australia for community use and was elected President of the national organization.

Since 1993, she has facilitated a number of mergers & acquisitions for public companies, particularly those intending to enter the Chinese market, including PharmaNet Online, China's first pharmaceutical trading exchange, telemedicine and e-commerce network. Brookes is an experienced director and chairman of both private and public companies in Australia and Asia.

RESOLUTION 3 – APPOINTMENT OF GARY CHAN AS A DIRECTOR

Mr Gary Chan is a financial consultant and former banker whose qualifications as a prospective Director of Posmedia are as follows:

Gary Chan

Gary Chan graduated from Monash University in 1985 with an Arts degree with a double major in Economic Statistics and Human Geography. Gary joined ANZ Bank as a graduate trainee in Melbourne and after six months he was allocated to specialise in lending. After his initial grounding in retail lending in Melbourne, he spent most of his early banking career in commercial and corporate lending in Sydney. He also worked in several off shore offices such as Singapore, Hong Kong, Taiwan and USA.

In early 1993, Gary was instrumental in establishing the Asian Business Centre in Brisbane, which quickly became the branch with the largest funds under management outside Brisbane CBD. In late 1996 Gary returned to Sydney to help set up the Private Banking Division. During his time in ANZ Private Bank, Gary established one of the most successful portfolios with $150 million funds under management in just over two years. In 1998 he was recognized as the most successful ANZ Private Banker in Australia.

In early 1999, after 14 years of experience with the banking industry Gary left ANZ Bank and started his own consulting business. Through his network of "rainmakers", he worked as a finance/investment consultant in Hudson Securities and Barton Securities, mainly looking after the financial interests of high-net-worth individuals. In 2001, he entered the areas of projects/finance syndication for property developments. Most of the projects and investors were sourced through his established network of contacts. Gary has a Graduate Diploma of Management and is a Senior Associate of Australian Institute of Banking and Finance.

RESOLUTION 4 - APPOINTMENT OF AUDITOR

Ernst & Young were appointed auditors at the last Annual General Meeting, have audited the Company's books of account since 1999, and offer themselves for re-election. The Company has received a notice of nomination to appoint Ernst & Young as auditor from a Member of the Company. A copy of the notice of nomination is reproduced on the following page of this Notice of Meeting in accordance with Section 328(3) of the Corporations Law.

Patkin

Patkin Investments Pty Limited
A.C.N. 002 902 514
A.B.N. 43 002 902 534
15/4 Mitchell Road,
Darling Point NSW 2027
Tel. 0412 224 225
e-mail futureshape@bigpond.com.au

10 July 2003

The Secretary
P.O.S. Media Online Limited
Suite 603, 4 Young Street
Neutral Bay NSW 2089

Dear Sir

For the purposes of Section 328(1) of the Corporations Law, I, Boris Patkin, being a Director of and acting for and on behalf of Patkin Investments Pty Limited, said corporation being a member of P.O.S. Media Online Limited, hereby nominate Ernst & Young as auditor of the company at the Annual General Meeting to be held on 12th August 2003.

Yours faithfully

BORIS PATKIN
Director

PROXY FORM
P.O.S. MEDIA ONLINE LIMITED
ABN 80 072 964 179

I/we (name of member),..

of ....

Shareholder Reference Number/Holder Identification Number..............................being a member of P.O.S. Media Online Limited ,
appoint...

of ....or, failing whom, or if no person is named above, the Chair of the meeting, as my proxy to attend, act and exercise voting rights at the Annual General Meeting of the Company to be held on 12th August 2003 and at any adjournment of that meeting.

If you wish your proxy to be able to exercise votes in respect of less than 100% of your shares, specify the relevant proportion or number of your shares here:

Proportion: ....% **OR** Number: ....

My proxy is to vote in the following manner in relation to the following resolutions, and may vote as the proxy thinks fit in relation to any resolution in respect of which no voting direction is given below:

		For	**Against**	**Abstain**
1.	Approval to issue 20,000,000 shares to Smart Cities International Pty Limited and/or its nominee(s)	❑	❑	❑
2.	Election of Brookes McTavish	❑	❑	❑
3.	Election of Gary Chan	❑	❑	❑
4.	Appointment of Ernst & Young as auditor of the company	❑	❑	❑

If you have appointed

(i) an individual as your proxy but that proxy has not voted for, against or abstained from voting on the resolution; or

(ii) the Chairman as your proxy

the Chairman will vote in favour of the resolution.

If you do not wish to direct your proxy how to vote, please place a mark in the box at right *: ❑

* By marking the 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 a proxy holder will be disregarded because of the interest.

Certain voting restrictions apply to resolutions 1 and members should refer to the notice of meeting to see if they are disqualified from voting. Should we need to contact you about your Proxy Form, please provide your phone number here:........................

Please refer other side of this document for signature requirements

SIGNATURES (please see below for instructions)

.... Individual or 1st Shareholder. Director/ Company Secretary	.... Shareholder 2. Director	.... Shareholder 3. Sole Director & Sole Company Secretary
.... Date		Affix Common Seal here

Proxies

A member entitled to attend and vote at the meeting is entitled to appoint not more than two proxies. A proxy need not be a member of the Company.

Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the member's voting rights. If the proxy form does not specify the proportion or number of the member's votes that proxy may exercise, the proxy may exercise half the member's votes.

The proxy form must be signed by all members or the member's attorney, duly authorised in writing. Proxies given by corporations must be signed either under the corporation's common seal, by two directors, by a director and secretary, by the corporation's sole director and secretary, or by a duly authorised officer of the corporation, and in any case in accordance with the corporation's constitution.

To be valid, the proxy form and, if the proxy form is signed by the member's attorney, the power of attorney under which it is signed (or a certified copy of it) must be either:

- lodged with P.O.S. Media Online Limited Share Registry, Computershare Registry Services[1], level 3, 60 Carrington Street, Sydney NSW 2000,
- delivered by post to P.O.S. Media Online Limited Share Registry, Computershare Registry Services[1], GPO Box 7045, Sydney NSW 1115, or
- faxed to P.O.S. Media Online Limited Share Registry, Computershare Registry Services[1] by fax number (02) 8234 5050,

not less than 48 hours before the time for holding the meeting. A proxy form accompanies this Notice of Meeting.

[1] Computershare Registry Services Pty Limited, tel: (02) 8234 5000, fax: (02) 8234 5050, www.computershare.com.au