

ON Q GROUP LIMITED (*the Company*)
ACN 009104 330

NOTICE OF GENERAL MEETING

Notice is hereby given that the annual general meeting of the Company will be held at 677 The Boulevard, Eaglemont, Victoria on 29 November 2007 at 2pm.

Business

1. To table the financial report of the Company and the related reports of the Directors and auditors for year ended 30 June 2007 and to provide members with the opportunity to raise any issues or ask any questions generally of the Directors. The members are also entitled to ask questions of the auditors in accordance with section 250T of the Corporations Act (**Act**) and submit questions in accordance with section 250PA of the Act.
2. To elect the following directors (each by separate resolution):
 - 2.1. *'Mr Julian Little retires by rotation in accordance with article 81 the Company's constitution and, being eligible, offers himself for re-election'.*
 - 2.2. *'Mr Ian Christiansen retires by rotation in accordance with article 81 the Company's constitution and, being eligible, offers himself for re-election'.*
3. To consider, and if thought fit to pass, the following resolutions as an ordinary resolution:

'That Mr Peter McDougall be removed as director of the Company effective immediately upon conclusion of this resolution'.
4. To approve the Remuneration Report for the year ended 30 June 2007.
5. To conduct any other business that may be legally brought forward.

By order of the Board



Secretary

Melbourne: 29 October 2007

EXPLANATORY MEMORANDUM

Resolutions 2.1 and 2.2 – Re-election of Directors

Article 81 of the Company's constitution requires one third of the Directors (except for the Managing Director) to retire each year (by rotation). Mr Julian Little and Mr Ian Christiansen retire this year in accordance with article 81 and being eligible, are permitted to seek re-election. Personal particulars of Mr Little and Mr Christiansen are set out in the Board of Directors Information included in the Annual Report.

Recommendation: Your Directors other than Mr Little and Mr Ian Christiansen recommend that shareholders vote in favour of the proposed resolutions.

Resolution 3 – Removal of Mr McDougall as Director (section 249N notice)

On the 28 September 2007, the Company were served with a notice under section 249N of the Corporations Act (annexure A to this notice).

Section 249N allows member(s) with at least 5% of the votes that may be cast on a resolution to give notice to the Company that they propose to move a resolution at a general meeting. The resolution requisitioned is set out in the notice of meeting (**Resolution**).

The Resolution must be considered at the next general meeting that occurs more than 2 months after the notice is given. Accordingly, the Directors are required to include the Requisition as part of the agenda for this annual general meeting.

In accordance with the request of the Requisitioning Member, the statement of the Requisitioning Member is also attached at annexure A.

Recommendation: Your Directors do not give a recommendation on this Resolution.

Resolution 4 – Remuneration Report

The Annual Report for 30 June 2007 contains a Remuneration Report, which sets out the Company's remuneration policy for the Directors. Although it is a requirement of the Corporations Act that a resolution adopting the remuneration report be put to a vote, the vote is only advisory. The vote will not bind the Directors of the Company to make any changes to the Remuneration Report.

Information of shareholders

1. A member entitled to attend and vote is entitled to appoint a proxy.
2. If a member may cast 2 or more votes at a meeting, the member may vote by two proxies.
3. Where more than one proxy is appointed, a member may specify the proportion or number of votes each proxy is appointed to exercise. If the proportion is not specified, each proxy may exercise half of the member's voting rights.
4. Where more than one proxy is appointed, neither proxy is entitled to vote on a show of hands.
5. If it is desired to appoint two proxies, then an additional proxy form can be obtained by telephoning the Company.
6. A proxy need not be a member of the Company.
7. Proxy forms must be signed by the member or the member's attorney or, if a corporation, executed in accordance with the Corporations Act or signed by an authorised officer or attorney.
8. If the proxy form is signed by a person who is not the registered holder, then the relevant authority must either have been exhibited previously to the Company or be enclosed with the proxy form.
9. For a proxy form to be valid, it must be received by the Company, together with the power of attorney or other authority (if applicable) under which it is signed, or a certified copy of that power or authority not less than 48 hours before the time for holding the meeting, by sending to the Company.
10. For a corporate representative to vote, they will require a Certificate of Appointment of Corporate Representative as required under the Corporations Act.

The Board has determined that a shareholder's voting entitlement at a meeting will be taken to be the entitlement of that person shown in the register of members at 7pm on 27 November 2007.

Notice pursuant to section 249N of the Corporations Act 2001 (Cth)

By Hand

The Directors of On Q Group Limited
677 The Boulevard
EAGLEMONT VIC 3084

RECEIVED
BY: [Signature]

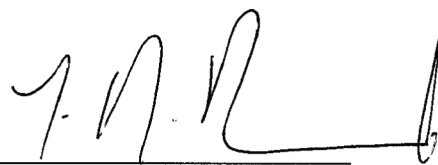
I, Sandro Di Donato, being a member with at least 5% of the votes that may be cast (**Requisitioning Member**) hereby request the Company to include the following resolution at the next annual meeting which occurs more than 2 months after this notice is given:

“That Mr Peter McDougall be removed as director of the Company effective immediately upon conclusion of this resolution”.

The Requisitioning Member requests that the Company circulate the attached statement to members with the notice of meeting of the next AGM.

Dated: 28 September 2008

Sandro Di Donato



Signature

Statement of Requisitioning Member

1. The Requisitioning Member has concerns whether Mr McDougall is able to perform his directors' duties given the Company is pursuing him for repayment of loan moneys pursuant to the signed Loan Agreement between the Company and Mr McDougall. The company has been forced to commence proceedings in the Supreme Court of Victoria and Mr McDougall has refused to pay the outstanding loan amount which the Company claims is in excess of \$2.7m.
2. Further, the Requisition Member has concern that Mr McDougall has joined the other directors, (other than Stephen Fitzgerald) and the Chief Financial Officer in the litigation.
3. Based on the above, the Requisition Member is of the view that it is appropriate for Mr McDougall to be removed from the Board.

