



21 September 2007

Company Announcements Platform
Australian Securities Exchange Limited

ANNUAL GENERAL MEETING

In accordance with Listing Rule 3.17, please find attached copy of Notice of Meeting and Proxy form for Futuris Corporation Limited's Annual General Meeting to be held on Tuesday, 23 October 2007.

Sonya Furey
Company Secretary





Notice of Annual General Meeting and Explanatory Memorandum To Shareholders

A PROXY FORM IS ENCLOSED

The Directors recommend that shareholders vote in favour of each of the Resolutions contained in this Notice of Meeting.

Please read the Notice and Explanatory Memorandum carefully.

If you are unable to attend the Annual General Meeting of Shareholders please complete and return the enclosed Proxy Form in accordance with the specified directions.

The Australian Government recently introduced legislation changing the default option for receiving annual reports to be via a company's website. You will now receive timely, cost effective and greener online annual reports unless you had requested a printed version. A copy of the Financial Report and Annual Review of the Company is located on the Company's website at <http://www.futuris.com.au/images/presentations/F07fullresults.pdf>

FUTURIS CORPORATION LIMITED

ACN 004 336 636

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 53rd Annual General Meeting of Shareholders of Futuris Corporation Limited will be held in Gallery One, Adelaide Festival Centre, King William Street, Adelaide, South Australia on Tuesday, 23 October 2007 at 9:30am (CST).

AGENDA

ORDINARY BUSINESS

1. Financial Statements and Reports

To receive and consider the Financial Report and the Reports of the Directors and the Auditor, respectively, for the year ended 30 June 2007.

2. Remuneration Report

To receive and adopt the Remuneration Report for the year ended 30 June 2007.

Note that the vote on this item is advisory only and does not bind the Directors or the Company

3. Election of Directors

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

3.1 Re-election of Mr S Gerlach

"That Mr S Gerlach, being a director of the Company who retires by rotation pursuant to Rule 8.1.5(b) of the Constitution of the Company, and being eligible, is re-elected as a director of the Company."

3.2 Re-election of Mr R G Grigg

"That Mr R G Grigg, being a director of the Company who retires by rotation pursuant to Rule 8.1.5(b) of the Constitution of the Company, and being eligible, is re-elected as a director of the Company."

3.3 Election of Mr I MacDonald

"That Mr I MacDonald, having been appointed by the Board since the last Annual General Meeting, who retires in accordance with Rule 8.1.5(a) of the Constitution of the Company, and being eligible, is elected as a director of the Company."

4. Approval of issue of options under Employee Incentive Scheme

"That, for the purposes of Listing Rule 7.2 of the ASX Listing Rules, the issue of options under the Employee Incentive Scheme be approved by the Company as an exception to Listing Rule 7.1, for a period of three years commencing on the date this resolution is passed."

5. Issue of options to Mr L Wozniczka, Chief Executive Officer

"That the shareholders of the Company approve the issue to the Chief Executive Officer of the Company, Mr LP Wozniczka, of 3 million options (in two equal tranches of \$1.5 million) to subscribe for fully paid ordinary shares in the capital of the Company on the terms and conditions described in the Explanatory Memorandum which accompanies this notice of meeting"

EXPLANATORY MEMORANDUM

Shareholders are referred to the Explanatory Memorandum accompanying and forming part of this Notice of Meeting.

SNAPSHOT DATE

The Directors have determined that, for the purposes of regulation 7.11.37 of the Corporations Regulations, the persons eligible to vote at the meeting will be those persons who are registered shareholders at 9:30am (CST), Sunday, 21 October 2007. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

PROXIES

Each shareholder is entitled to appoint a proxy. The proxy does not need to be a member of the Company. A shareholder that is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If a shareholder appoints 2 proxies, each proxy may exercise half of the shareholder's votes if no proportion or number of votes is specified.

A Proxy Form accompanies this Notice and to be effective must be completed and received at either the Company's registered office or its share registry, Computershare Investor Services Pty Ltd:

Registered Office

The Company Secretary
Futuris Corporation Limited
Level 6, 27 Currie Street
Adelaide SA 5000

or by facsimile on:
(08) 8236 2305

or by electronic address*:
companysecretary@futuris.com.au

Share Registry

Futuris Corporation Limited
C/- Computershare Investor Services Pty Ltd
GPO BOX 242
Melbourne VIC 3001

by no later than 9.30am (CST), Sunday 21 October 2007.

- * If any shareholder wishes to lodge a proxy electronically, it will be necessary to scan an image of a signed proxy form and e-mail that image of the proxy form with the signature affixed. This is needed to comply with the requirements of the Company's Constitution that a valid proxy be in writing and be signed by the shareholder appointing the proxy.

CORPORATE REPRESENTATIVES

Any corporate shareholder wishing to appoint a person to act as its representative at the meeting may do so by providing that person with:

- (a) a letter or certificate, executed in accordance with the corporate shareholder's constitution, authorising that person as the corporate shareholder's representative at the meeting; or
- (b) a copy of the resolution appointing the person as the corporate shareholder's representative at the meeting, certified by a secretary or director of the corporate shareholder.

By Order of the Board

S Furey
Company Secretary
06 September 2007

FUTURIS CORPORATION LIMITED

ACN 004 336 636

EXPLANATORY MEMORANDUM TO SHAREHOLDERS

This Explanatory Memorandum has been prepared to assist shareholders of the Company in understanding the business to be put to shareholders for their consideration at the forthcoming Annual General Meeting of the Company.

The Directors recommend that you read this Explanatory Memorandum and attend the forthcoming Annual General Meeting of the Company.

Item 1 Financial Statements and Reports

The *Corporations Act 2001 (Cth)* (**Corporations Act**) and the Company's Constitution requires the following reports in respect of the year ended 30 June 2007 to be laid before the Meeting:

- (i) the Financial Report (which includes the financial statements and Directors' declaration); and
- (ii) the Directors' Report and the Auditor's Report.

In accordance with the *Corporations Act*, shareholders as a whole will be given a reasonable opportunity at the Annual General Meeting to ask questions about, or make comments on the management of the Company. Shareholders as a whole will also be given a reasonable opportunity to ask the Auditor or its representatives questions relevant to the conduct of the audit and the preparation and content of the Auditor's Report.

A copy of the Financial Report and Annual Review of the Company is located on the Company's website at <http://www.futuris.com.au/images/presentations/F07fullresults.pdf>.

The *Corporations Act* and the Company's Constitution do not require shareholder approval of these Reports.

Item 2 Remuneration Report

Section 250R(2) of the *Corporations Act* requires the Company to propose a resolution that the Remuneration Report be adopted. Section 250R(3) provides that the vote on this resolution is advisory only and does not bind the Company or the Directors of the Company. In accordance with the *Corporations Act*, shareholders as a whole will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report. The Remuneration Report can be found on pages 45 to 56 of the Company's 2007 Annual Review.

The Directors unanimously recommend that shareholders vote in favour of this resolution.

Item 3 Election of Directors

Pursuant to Rule 8.1.5(b) of the Company's Constitution, Messrs Gerlach and Grigg will retire at the Annual General Meeting and offer themselves for re-election.

Mr Gerlach was last re-elected in 2005 and Mr Grigg, 2004.

Mr MacDonald was appointed to the Board on 28 November 2006. Pursuant to Rule 8.1.5(a), Mr MacDonald holds office only until the Annual General Meeting at which he will retire and offer himself for election.

Profiles of the candidates offering themselves for re-election or election to the office of director are set out below. The candidates are listed in alphabetical order.

Your Directors have reviewed the necessary and desirable competencies of Board members, the composition of the Board and each candidate's contribution to the Board and unanimously recommend the re-election or election of each candidate.

Item 3.1 Re-election of Mr S Gerlach

Mr Stephen Gerlach, LLB

Mr Gerlach has been a non-executive member of the Board since November 1996 and Chairman since July 2003. He chairs the Company's Nomination & Prudential and Remuneration Committees. Formerly Managing Partner of Adelaide legal firm Finlaysons, Mr Gerlach has extensive experience as a corporate advisor and company director. Mr Gerlach also holds directorships at Santos Limited (chairman), Santos Finance Ltd (chairman) and Challenger Listed Investments Ltd. He is the Chairman of Foodbank SA Inc., a director of Foodbank Australia Ltd and a Trustee of the Australian Cancer Research Foundation. During the past three years, Mr Gerlach served as a director of the following listed companies: Beston Pacific Vineyard Management Limited (1997-2005) and Southcorp Limited (1994-2005). Mr Gerlach is aged 62 and a resident of South Australia.

Item 3.2 Re-election of Mr R G Grigg

Mr Raymond G Grigg, FSAE-I, FAICD

Mr Grigg has been a non-executive member of the Board since February 2004. He is chairman of the Futuris Automotive Group of companies and a member of the Futuris Audit Committee. Mr Grigg has extensive experience in senior management within the automotive industry, having joined the Board following a 47 year career with General Motors Corporation where Mr Grigg held a number of senior positions both in Australia and overseas. At retirement Mr Grigg was President and Representative Director, General Motors Asia Pacific (Japan) as well as Chairman, CEO and Representative Director of GM Japan. Previous positions held include General Manager-Operations at GM Holden, Australia and Executive Director, GM International CKD Operations in Germany. Mr Grigg is a non-executive director of Adtrans Group Limited. He is also a director of the Royal Automobile Association of SA Inc and Bedford Industries Ltd. Mr Grigg is aged 66 and a resident of South Australia.

Item 3.3 Election of Mr I MacDonald

Mr Ian MacDonald, SF Fin

Mr MacDonald was elected to the Board on 28 November 2006. He is also a director of Elders Insurance Ltd, Elders Rural Bank Ltd, Elders Insurance Brokers Pty Ltd, Elders Trustee Ltd and Elders Financial Services Group Pty Ltd. Mr MacDonald is a member of the Australian Institute of Company Directors and a Senior Fellow of the Financial Services Institute of Australasia. Prior to becoming a company director Mr MacDonald had an extensive career in banking both in Australia and internationally, having served at National Australia Bank Ltd for 34 years including performance of a number of senior management roles, including Chief Operating Officer, Yorkshire Bank, Executive General Manager, Financial Services Australia and Group Chief Information Officer. Mr MacDonald is a director of Arab Bank Australia Ltd and CPT Global Ltd. Mr MacDonald is aged 53 and a resident of Victoria.

Item 4 Approval of issue of options under Employee Incentive Scheme

In accordance with Rule 2.8 of the Constitution, the Company has in place an Employee Incentive Scheme under which options to subscribe for fully paid ordinary shares in the Company may be granted to employees of the Company.

ASX Listing Rule 7.1 places certain restrictions on the extent to which a listed company may issue certain securities, including options, without the approval of holders of ordinary securities. In effect, shareholder approval is required before the Company may issue or agree to issue securities representing more than 15% of securities of a class of security of the Company within a 12 month period. Listing Rule 7.2 provides certain exceptions to this 15% restriction imposed by the ASX Ltd.

Exception 9 of Listing Rule 7.2 provides that an issue of securities to persons participating in an employee incentive scheme is excluded from the restriction in Listing Rule 7.1 if shareholders have approved the issue of securities under the scheme in a general meeting held not more than 3 years before the date of issue. The notice of such general meeting must contain or be accompanied by certain prescribed information for Exception 9 to apply. This information is set out below.

Exception 9 of Listing Rule 7.2 will give the Company in general meeting greater flexibility in the extent to which it can issue securities up to the full 15% limit imposed by the ASX Ltd. To obtain this benefit, shareholders are asked to renew the approval of the issue of options under the Employee Incentive Scheme as an exception to Listing Rule 7.1 in the terms of Resolution 4. This approval will give effect to an exception to the 15% limit for 3 years from the date of the resolution. In accordance with Exception 9 of Listing Rule 7.2, shareholders are provided with the following information.

Summary of Terms and Conditions of Employee Incentive Scheme

- 1 The securities to be issued pursuant to the Scheme are options (**Options**) to subscribe for fully paid ordinary shares in the Company. The Options will not be transferable without the prior consent of the Board of the Company (which consent shall not be unreasonably withheld) and application will not be made for their quotation on the ASX.
- 2 The total number of Options the subject of the Scheme shall not exceed 5% of the total number of ordinary shares in the Company on issue from time to time.
- 3 All employees of the Company or any of its subsidiaries are eligible to participate in the Scheme. With the exception of the Chief Executive, Directors of the Company and their associates are not eligible to participate in the Scheme. Issues of Options to the Chief Executive are subject to prior shareholder approval.
- 4 The entitlements of employees under the Scheme shall be determined from time to time by the Directors of the Company.
- 5 The Options will expire on the date following the date of cessation or termination of employment of the participant of the Option or the date prior to the 5th anniversary of the date upon which they are granted (Expiry Date) unless otherwise approved by the Board.
- 6 There shall be no issue price for the Options. The exercise price of the Options shall be an amount equal to:
 - (a) the weighted average market price of fully paid ordinary shares in the Company traded on the ASX during the period of between 30 days and 5 days immediately preceding the date upon which the Options were granted, issued, or agreed to be issued;
 - (b) 20 cents,whichever is the greater;
- 7 The Board may, in its absolute discretion, impose exercise restrictions (performance, vesting or other conditions) on the Options determined by the Board and specified in an offer to the participant which are, subject to the rules of the scheme, required to be satisfied, reached or met before an Option can, during the Exercise Period, be exercised.

- 8 The Options may be exercised (wholly or in part) by notice in writing to the Company received at any time during the period commencing on the 3rd anniversary of the date upon which the Options are granted and terminating on the Expiry Date (Exercise Period). If the Options are subject to exercise conditions, then they may be exercised only if the exercise condition is met.
- 9 The Board may, at its discretion, by notice to the participant reduce or waive the exercise conditions attaching to all or any of the Options held by the participant at any time and in any particular case including due to special circumstances. The Board may, at its discretion, bring forward the vesting date of all Options held by the participant to a date determined by the Board.
- 10 Any power or discretion which is conferred on the Board by the rules of the scheme may be exercised by the Board only in the interests or for the benefit of the Company and its shareholders, and the Board is not, in exercising that power or discretion, under any fiduciary or other obligation to another person.
- 11 Share certificates for the shares to which the shareholder is entitled pursuant to paragraph 7 will be despatched within 10 business days of allotment. The Company will apply for listing of such shares.
- 12 Participants are not entitled to participate in any new issue to existing shareholders of securities in the Company unless they have become entitled to exercise their Options under the Scheme. Participants may participate in new issues of securities in the Company on the prior exercise of the Options, in which case the participants shall be afforded a period of at least 10 days before the record date, to determine entitlements to the issue, to exercise the Options.
- 13 Notwithstanding paragraph 12 above, it is a condition of the Options that entitlements to bonus issues of securities accrue and are only available to the participant on the exercise of the Options.
- 14 If the Company makes (whether before or during the Exercise Period) a pro-rata issue of Shares (except a bonus issue) to existing holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no Share has been issued or transferred in respect of an Option before the record date for determining entitlements to the issue, the Exercise Price of the Option is reduced in accordance with the Listing Rules.
- 15 In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company before the expiry of any Options, the number of the Options to an eligible employee is entitled or the exercise price of the Options or both will be reconstructed (as appropriate) in accordance with the ASX Listing Rules.
- 16 Subject to the ASX Listing Rules, the Board may at any time amend any of these Rules, or waive or modify the application of any of these Rules in relation to a participant.

Securities Issued Since Last Approval

The terms and conditions of the Employee Incentive Scheme as listed above are different from the rules presented and approved by members in the Company's 2005 annual general meeting as an exception to ASX Listing Rule 7.1. The key changes are:

- To increase the total permitted number of Options to be on issue relative to the total number of ordinary shares in the Company on issue from 3% to 5%
- To allow the Chief Executive to participate in the Scheme. All issues of Options to the Chief Executive are subject to shareholder approval.
- To allow the Board discretion to amend the terms of Options already granted, but only in the interests of enhancing shareholder value; and
- To align the terms of the reconstruction of the Options, in the event of a reconstruction of the Company's capital, with the ASX Listing Rules.

Since the date on which the Company in general meeting last approved the issue of shares under the Employee Incentive Scheme as an exception to Listing Rule 7.1, 12,963,000 Options have been issued to employees of the Company pursuant to the Scheme.

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11, the Company makes the following statement:

Any votes cast in relation to Resolution 4 by a Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associate of that Director will be disregarded by the Company in determining the result of the resolution. However, the Company 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
- the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

The Directors eligible to vote unanimously recommend that shareholders vote in favour of this Resolution 4.

Item 5 Issue of options to Mr L Wozniczka, Chief Executive Officer

Your directors review annually, and take considered appropriate independent advice on, the appropriateness of Mr Wozniczka's remuneration package to ensure it is commensurate with his qualifications and experience, consistent with market practice in Australia for comparable positions and provides an appropriate balance of ongoing reward and long term personal incentive to create shareholder value.

Mr Wozniczka was last granted with employee options in 2005 as approved by shareholders at the 2005 Annual General Meeting.

It is proposed that Mr Wozniczka be granted a long term incentive in the form of the issue of 3,000,000 options in 2 tranches of 1,500,000 each. Shareholder approval is sought for the issue of these options as required by ASX Listing Rule 10.14, which prescribes that issues of securities to directors under an employee incentive scheme be approved by shareholders.

If approved by shareholders, the maximum number of securities that will be issued to Mr Wozniczka under the Employee Incentive Scheme is 3,000,000 options to acquire 3,000,000 fully paid ordinary shares in the Company, subject to the terms and conditions of the options set out below.

Terms and Conditions of the Options

The options will be issued under the Employee Incentive Scheme, the key terms and conditions of which are described above in item 4. If item 4 is not passed, the options will still be issued under the Employee Incentive Scheme, albeit that the issue of the Options may not be excluded securities for the purposes of Listing Rule 7.1.

If approved by shareholders, Mr Wozniczka will be the only director to be issued with options under the Employee Incentive Scheme.

The principal terms of the options are:

Number of Options

The terms and the number of the options to be granted have been developed with careful regard to current practice in executive remuneration and following independent professional remuneration advice from Egan Associates.

It is proposed to issue 2 tranches of options:

- 1,500,000 options, for which the performance hurdles test period commences 1 July 2007 (the **2007 Options**); and
- 1,500,000 options, for which the performance hurdles test period commences 1 July 2008 (the **2008 Options**).

The 2007 and 2008 Options will be issued within one month of the date of shareholder approval.

The Options permit Mr Wozniczka to subscribe for up to 3,000,000 shares in total in the Company, on terms designed to provide an incentive to him to deliver ongoing improvements in the Company's performance. A fundamental feature of the package is that no benefit will accrue to Mr Wozniczka under the long term incentive unless there is compounded annual growth in the Company's total shareholder returns and earnings per share over the long term.

Performance hurdles attach to these Options and are explained below.

Exercise Price

Upon exercise of both the 2007 Options and the 2008 Options, the price per share required to be paid by Mr Wozniczka to the Company is \$2.36 representing the weighted average market price at which ordinary shares in the Company traded on the ASX on the trading days between the date of the announcement of the Company's 2007 full year result (9 August 2007) and the date the Board considered and approved the proposed option package (28 August 2007).

It is important to note that the shares issued upon exercise of the Options are not free. The full exercise price (\$2.36 per share) must be paid by Mr Wozniczka.

Issue Date

The Company will issue the 2007 Options and the 2008 Options within 3 months after the date of this meeting.

Performance Periods and Hurdles

The Options can only be exercised after specified periods have elapsed and if the Company's performance exceeds certain hurdles as set out below.

Each of the 2007 and 2008 Option tranches will be divided into two (2) equal tranches of 750,000 each with different performance hurdles. Each performance hurdle aims to encourage pursuit of sustainable continuous improvement with the objective of achieving superior performance for the benefit of shareholders.

With these hurdles, benefits will only be generated for Mr Wozniczka if the Company's performance exceeds the hurdles set.

The performance hurdles used measure the Company's performance in terms of its:

- growth in total shareholder return (TSR); and
- growth in earnings per share (EPS).

For both of these measures, the performance hurdles:

- define a minimum performance requirement that must be achieved if Mr Wozniczka is to receive any benefit under the long term incentive scheme; and
- specify higher performance hurdle rates that must be exceeded for Mr Wozniczka to become eligible for higher entitlements under the long term incentive scheme.

All Options will become exercisable by Mr Wozniczka only when superior levels of performance are achieved.

Total Shareholder Return (TSR)

One (1) tranche of 750,000 Options of each of the 2007 Options and the 2008 Options will be subject to a performance hurdle requiring compound annual growth in total shareholder return (TSR) of at least 12%. TSR for the Company is defined as share price growth plus dividends assuming the dividends are reinvested into the Company's ordinary shares (the Company's "Accumulation Index"). The test period will initially be three years requiring compound annual growth in TSR of 12% before any 2007 Options or 2008 Options can be exercised.

Futuris Corporation Limited's Compound Annual Growth in its TSR Over the Measurement Period	Cumulative % of Options to Become Exercisable
Less than 12%	Nil
12%	One half (50%) of Options
12% to less than 16%	Pro-rata
16% or more	100%

The Company's TSR will be measured over the three year period ending on 30 June 2010 in the case of the 2007 Options and 30 June 2011 in the case of the 2008 Options and then six monthly thereafter until 30 June 2011 in the case of the 2007 Options and 30 June 2012 in the case of the 2008 Options. Any Options that have not become exercisable at the end of the relevant measurement period will lapse.

No Options in a TSR tranche vest until the Company's performance meets a cumulative TSR growth rate reflective of a 12% compound rate of annual growth as a threshold or 16% compound rate of growth for all securities to vest. If all securities have not vested at the end of three years, there will be two retests, one at 42 months and one at 48 months, with the hurdles reflecting the compound rate of improvement required in the Company's total TSR over the nominated period.

Any Option not exercised within 6 years of their date of issue in the case of the 2007 Options and 7 years of their date of issue in the case of the 2008 Options will lapse.

Earnings Per Share (EPS)

One (1) tranche of 750,000 Options of each of the 2007 Options and the 2008 Options will be subject to an EPS performance hurdle as detailed in the following table:

Futuris Corporation Limited's Compound Annual Growth in its EPS Over the Measurement Period	Cumulative % of Options to Become Exercisable
Below 8%	Nil
8%	One half (50%) of Options
Between 8% and 12%	Pro-rata
12% or more	100%

Therefore, the minimum requirement for Options in an EPS tranche to vest is set at a compound EPS annual growth of 8%, at which 50% of the Options vest, with all the Options vesting on a pro rata basis between 8% and 12%, such that 100% of the Options in an EPS tranche will vest if over the three year period the Company meets the EPS performance condition.

The Company's performance in Earnings Per Share will be measured over the three year period ending on 30 June 2010 in the case of the 2007 Options and 30 June 2011 in the case of the 2008 Options. Any Options that have not become exercisable at the end of the initial 36 month period will be exercisable at the end of 48 months, subject to the Company's compound EPS growth achieving the performance hurdles for the four year period.

To avoid distortion, EPS for the purposes of the long term incentive will be calculated excluding significant divestment gains or losses.

If the Board of the Company approves a takeover by the Company or a "related body corporate" of the Company (as that expression is defined in the Corporations Act) under the provisions of Chapter 6 of the Corporations Act or a merger by way of scheme of arrangement (**Acquisition**) and, if not for the Acquisition, the EPS performance hurdle would have been achieved, then the Board in its absolute discretion can resolve to allow Mr Wozniczka to exercise some but not all of the Options in an EPS tranche.

Any Option not exercised within 6 years of their date of issue in the case of the 2007 Options and 7 years of their date of issue in the case of the 2008 Options will lapse.

Board Discretion

The Board may, at its discretion, by notice to the Chief Executive reduce or waive the exercise conditions attaching to all or any of the Options held by the participant at any time and in any particular case including due to special circumstances. The Board will only waive an exercise condition where it is fair and reasonable to do so having regard for factors which resulted in the conditions not otherwise vesting.

Any power or discretion in respect of the 2007 Options and 2008 Options which is conferred on the Board may be exercised by the Board only in the interests or for the benefit of the Company and its shareholders, and the Board is not, in exercising that power or discretion, under any fiduciary or other obligation to another person.

Expiry date of the Options

If the performance hurdles for any options are met, Mr Wozniczka may exercise those Options within six (6) years after their issuance, that is, in or about October 2013 in the case of the 2007 Options and within seven (7) years after their date of issuance that is, in or about October 2014 in the case of the 2008 Options. Any options not exercised by those dates will lapse.

Early Exercise

Options can be exercised early and without the performance hurdles being met at any time after the date upon which a proposal is announced for the reorganisation, amalgamation or merger of the Company, or its main undertaking, which proposal is or has become free of any defeating conditions or in respect of which any defeating conditions are expressed by the offeror to have become satisfied, or offers are made pursuant to a takeover scheme, which is or has become free of any defeating conditions or in respect of which any defeating conditions are expressed by the offeror to have become satisfied or a takeover announcement, for ordinary shares in the Company.

Transfer of Options

The Options are not transferable or assignable to any person.

Reconstruction of Capital

In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company before the expiry of any Options, the number of the Options to which Mr Wozniczka is entitled or the exercise price of the Options or both will be reconstructed (as appropriate) in accordance with the ASX Listing Rules.

New Issues

There are no participating rights or entitlements inherent in the Options and Mr Wozniczka will not be entitled by virtue of holding the Options to participate in new issues of capital offered to shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the books closing date will be at least 10 business days after the issue is announced. This will give Mr Wozniczka the opportunity to exercise that proportion of the Options which he is entitled to exercise at that time before the date for determining entitlements to participate in any issue.

Bonus Issue

If from time to time before the expiry of any Options the Company makes an issue of shares to the holders of ordinary shares by way of capitalisation of profits or reserves (a "bonus issue") other than in lieu of a dividend payment, then upon exercise of the Options Mr Wozniczka will be entitled to have issued to him (in addition to the shares which he is otherwise entitled to have issued to him upon such exercise) additional shares in the Company. The number of additional shares is the number of shares which would have been issued to him under that bonus issue ("**bonus shares**") if on the date on which entitlements were calculated he had been registered as the holder of the number of shares which he would have been registered as holder if immediately before that date he had exercised the Options. The bonus shares will be paid by the Company out of profits or reserves (as the case may be) in the same manner as was applied in relation to the bonus issue and upon issue will rank *pari passu* in all respects with the other shares allotted upon exercise of the Options.

Pro Rata Issues

In the event of a pro rata issue by the Company (other than a bonus issue) the number of ordinary shares over which the Options exists and the exercise price for each option will be adjusted in accordance with the ASX Listing Rules.

Independent Advice

Mr Wozniczka's remuneration arrangements have been independently reviewed by external remuneration consultants (Egan Associates), with a view to providing Mr Wozniczka with incentives to perform for the benefit of the Company and all its shareholders, in a manner which your Board believes will accord with shareholders' expectations for such arrangements.

Intended use of funds raised

The Company will not receive a fee for the issue of Options to Mr Wozniczka. However, upon exercise of the Options, Mr Wozniczka will be issued shares in the Company at a cost of \$2.36 each. The Company will use the funds raised upon the issue of shares (up to \$7.86 million) in any manner that the Board regards appropriate in light of the number of Options exercised (the total funds raised), the Company's financial position and investment opportunities available to the Company at the time of exercise. Use of the funds upon exercise of the Options may include but would not be limited to funding working capital for normal business operations or investment activities or retiring debt.

Voting Restrictions

In relation to this Resolution, in accordance with ASX Listing Rule 10.15.4, the Company will disregard any votes cast by or on behalf of Mr Wozniczka and his associates.

However, the Company 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 chairperson of the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

FUTURiS

Futuris Corporation Limited ABN 34 004 336 636

Mark this box with an 'X' if you have made any changes to your address details (see reverse)

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All correspondence to:

Computershare Investor Services Pty Limited
GPO Box 1903 Adelaide
SA 5001 Australia
Enquiries (within Australia) 1300 556 161
(outside Australia) 61 3 9415 4000
Facsimile 61 8 8236 2605
www.computershare.com

Appointment of Proxy

I/We being a member/s of Futuris Corporation 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 to act generally at the meeting 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) at the Annual General Meeting of Futuris Corporation Limited to be held at Gallery One, Adelaide Festival Centre, King William Street, Adelaide, South Australia on Tuesday 23 October 2007 at 9:30 am (CST) and at any adjournment of that meeting.

Voting directions to your proxy – please mark ☒ to indicate your directions

	For	Against	Abstain*		For	Against	Abstain*
ORDINARY BUSINESS				ORDINARY BUSINESS CONTINUED			
2. Adoption of Remuneration Report†	☐	☐	☐	3.3 Election of Mr I MacDonald	☐	☐	☐
3. Election of Directors				4. Approval of issue of options under Employee Incentive Scheme	☐	☐	☐
3.1 Re-election of Mr S Gerlach	☐	☐	☐	5. Issue of options to Mr L Wozniczka, Chief Executive Officer	☐	☐	☐
3.2 Re-election of Mr R G Grigg	☐	☐	☐				

The Chairman of the Meeting intends to vote undirected proxies in favour of each item 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. †Note that the vote on Item 2 is advisory only.

Appointing a second Proxy

I/We wish to appoint a second proxy

☐

Mark with an 'X' if you
wish to appoint a second
proxy.

AND

 %

OR

State the percentage of your voting rights or the number of securities for this Proxy Form.

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

Individual/Sole Director and
Sole Company Secretary

Director

Director/Company Secretary

In addition to signing the Proxy Form in the above box(es), please provide the information below in case we need to contact you.

Contact Name

Contact Daytime Telephone

Date

/ /

How to complete the Proxy Form

1 Your Address

This is your address as it appears on the company's Securities register. If this information is incorrect, please mark the box and make the correction on the form. Securityholders sponsored by a broker (in which case your reference number overleaf will commence with an 'x') should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the full name of that individual or body corporate in the space provided. 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 securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

3 Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three 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.

4 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) indicate that you wish to appoint a second proxy by marking the box.
- (b) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or 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.
- (c) return both forms together in the same envelope.

5 Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

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

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of a corporate Securityholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's Securities registry or at www.computershare.com.

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 no later than 48 hours before the commencement of the meeting at 9:30 am (CST) on Tuesday 23 October 2007. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged using the reply paid envelope or:

IN PERSON	Registered Office, Level 6, 27 Currie Street, ADELAIDE SA 5000 Share Registry - Computershare Investor Services Pty Limited, Level 5, 115 Grenfell Street, ADELAIDE SA 5000
BY MAIL	Registered Office, Level 6, 27 Currie Street, ADELAIDE SA 5000 Share Registry - Computershare Investor Services Pty Limited, GPO Box 242, MELBOURNE VIC 3001
BY FAX	Share Registry – 61 8 8236 2305
BY EMAIL	Registered Office – companysecretary@futuris.com.au *

*If you wish to lodge a proxy electronically, it will be necessary to scan an image of a signed proxy form and email that image of the proxy form with the signature affixed. This is needed to comply with the requirements of the Company's constitution that a valid proxy be in writing and signed by you.