

JETSET TRAVELWORLD LIMITED
(ABN 60 091 214 998)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Jetset Travelworld Limited (**Company**) will be held:

Date: Thursday 18 November 2004
Time: 11:00am
Venue: The Flinders Room
Podium Level
Sheraton Towers Southgate
One Southgate Avenue
Southbank
Victoria 3006

BUSINESS

A. Consideration of Reports

To receive and consider the Financial Report, the Directors' Report and the Independent Audit Report of the Company for the year ended 30 June 2004.

Shareholders will be given the opportunity to comment on or ask questions about the management and audit of the Company.

B. Ordinary Resolutions

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

Resolution 1: Re-election as a Director

"That Mr Giuseppe Aniello Esposito, a Director retiring in accordance with Clause 3.3 of the Company's Constitution, being eligible, is re-elected as a Director of the Company."

Resolution 2: Re-election as a Director

"That Mr Peter Spathis, a Director retiring in accordance with Clause 3.6 of the Company's Constitution, being eligible, is re-elected as a Director of the Company."

Resolution 3: Introduction of Dividend Reinvestment Plan

"That, in accordance with Clause 28.1 of the Company's Constitution, the members authorise the Board to implement a Dividend Reinvestment Plan."

Resolution 4: Non-Executive Directors' Fees

"That for the purpose of ASX Listing Rule 10.17 and in accordance with Clause 10.2 of the Company's Constitution, approval is granted to increase the maximum aggregate amount payable to Non-Executive Directors by \$50,000 from \$100,000 to \$150,000 per annum."

Dated: 15 October 2004

By Order of the Board



Stephen F Heesh
Company Secretary

Notes:

1. The further details of the resolutions contained in the Explanatory Memorandum accompanying this Notice of Annual General Meeting should be read together with and form part of this Notice of Annual General Meeting.
2. Members which are corporations and are represented at the Meeting by Corporate Representatives must ensure that a formal Notice of Appointment is brought to the Meeting.
3. For the purposes of the Meeting, in accordance with regulation 7.11.37 of the *Corporations Regulations*, the Board has determined that a member's entitlement to vote at the Meeting will be the entitlement of that member set out in the register of members as at 7:00pm on Tuesday 16 November 2004. Accordingly transactions registered after that time will be disregarded in determining members entitled to attend and vote at the Meeting.

Proxies:

1. A member entitled to attend and vote is entitled to appoint not more than two proxies.
2. A member appointing two proxies may state on the Proxy Form the proportion or number of votes each proxy is appointed to exercise. If a member appoints two proxies and does not specify the proportion or number of votes each proxy may exercise, each of the proxies may exercise half of the votes.
3. Where a member has appointed two proxies, on a show of hands only one proxy may vote. The person eligible to vote is determined if the proxies are appointed by means of one Proxy Form, to be the first named on that Form. If two of the proxies are appointed by means of two Proxy Forms, the person eligible to vote is the person whose family name is earlier in alphabetical sequence.
4. A proxy need not be a member of the Company.
5. Either the original or a facsimile transmission of the Proxy Form(s) and any Power of Attorney or authority, (or certified copy of that Power of Attorney or authority) under which they are signed must be received at the Registered Office at least 48 hours prior to the Meeting (that is before 10:00am on Tuesday 16 November 2004) or any adjournment. Any Proxy Form received after this time, including at the Meeting, will be considered invalid.
6. The Proxy Form accompanies this Notice of Meeting.
7. Additional Proxy Forms may be obtained from the Registered Office or by photocopying the enclosed Proxy Form.

Voting Exclusion Statement:

Resolution 4

In accordance with the ASX Listing Rules, any votes cast on Resolution 4 by any Director of the Company or any associate of a Director, will be disregarded.

However, the Company need not disregard a vote if it is cast by:

- (a) a Director of the Company or any associate of a Director as proxy for a person who is entitled to vote and is cast in accordance with the direction on the proxy form; or
- (b) any Director of the Company or any associate of a Director, if he or she is acting as Chairperson of the meeting, as proxy for a person who is entitled to vote and is cast in accordance with a direction on the proxy form to vote as the proxy decides.

EXPLANATORY MEMORANDUM

PURPOSE OF INFORMATION

This information is given to Shareholders in relation to the resolutions to be considered at the Annual General Meeting of the Company to be held on 18 November 2004 at 11.00am.

Definitions

In this Explanatory Memorandum the following terms have the following meanings:

Board means board of Directors.

Company means Jetset Travelworld Limited ABN 60 091 214 998.

Constitution means the Constitution of the Company.

Director means a Director of the Company from time to time.

Notice of Meeting means the notice of Annual General Meeting referred to in and which accompanies this Explanatory Memorandum.

Resolution means a resolution referred to in the Notice of Meeting.

Share means an ordinary share in the capital of the Company.

Shareholders means the holders of shares.

THE PROPOSALS

The Resolutions before the meeting relate to the following matters:

- (a) the re-election of Mr Giuseppe Esposito as a Director;
- (b) the re-election of Mr Peter Spathis as a Director;
- (c) the introduction of a Dividend Reinvestment Plan; and
- (d) approval of an increase to the maximum aggregate amount of Non-Executive Directors' fees by \$50,000 per annum to \$150,000 per annum.

WHY THE MEETING IS BEING HELD

1. The Accounts

Pursuant to the *Corporations Act*, the Directors of a public company that is required to hold an Annual General Meeting must table the financial statements and reports of the Company for the previous year before the members at that Annual General Meeting.

Shareholders have been provided with all relevant information concerning the Company's financial statements in the Annual Report of the Company for the year ended 30 June 2004. A copy of the Annual Report has been forwarded to each Shareholder. A copy of the financial statements and the associated reports will also be tabled at the meeting.

Shareholders should note that the sole purpose of tabling the financial statements of the Company at the Annual General Meeting is to provide the Shareholders with the opportunity to be able to ask questions or discuss matters arising from the financial statements at the meeting. It is not the purpose of the meeting that the financial statements be accepted, rejected or modified in any way. Further, as it is not required by the *Corporations Act*, no resolution to adopt, receive or consider the Company's financial statements will be put to the Shareholders at the meeting.

2. Re-election of Mr Esposito

Mr Giuseppe Esposito was appointed on 1 January 2004 by the Board to fill a casual vacancy. Pursuant to the requirements of Clause 3.3 of the Constitution, Mr Esposito retires at this AGM and, being eligible, stands for re-election.

Mr Esposito was appointed as CEO of Jetset Travelworld Limited in November 2003.

Prior to joining Jetset Travelworld, Mr Esposito worked with the ANZ Bank, BankWest and St George Bank in various roles. Mr Esposito moved to Australia from New Zealand in 1990.

Mr Esposito is an Associate of the Institute of Chartered Secretaries and Administrators and a member of the Finance and Treasury Association. He has a Bachelor of Commerce degree (Canterbury) and a Master of Applied Finance degree (Macquarie).

3. Re-election of Mr Spathis

Pursuant to clause 3.6 of the Constitution, at each Annual General Meeting, one third of the Directors (or, if their number is not a multiple of 3, then the number nearest to but not exceeding one third) must retire from office. The Directors retire by rotation, with the Directors who have been the longest in the office since being appointed or re-appointed being the Directors who must resign in any year. The Constitution ensures that no Director is able to remain in office for longer than 3 years without facing re-election. Each Director is entitled to offer himself for re-election as a Director at the Annual General Meeting which coincides with his retirement. The Managing Director is exempted by his office as managing Director from the requirement to retire by rotation.

Mr Spathis will retire in accordance with the requirements of the Company's Constitution at the Annual General Meeting. As he is entitled and eligible for re-election, he seeks re-election as a Director of the Company at the meeting.

Mr Spathis began his career as an Auditor and Tax Consultant in private practice, where he developed a special interest for the travel and entertainment industries. He has held a number of senior financial positions in these industries since 1990.

Mr Spathis is currently a corporate executive with a leading travel company, responsible for financial reporting, development of automation systems, and the application of this technology to the travel agent industry. With over 15 years experience in finance, accounting and information technology, he has acted as a consultant and adviser to other organisations on the commercial aspects of the travel industry.

Mr Spathis gained a Bachelor of Business degree in 1984, and completed a Graduate Diploma in Public Accounting (Taxation) in 1990. He is a Fellow of CPA Australia and a Registered Tax Agent.

4. Introduction of Dividend Reinvestment Plan

The Directors have decided, subject to Shareholder approval, to introduce a Dividend Reinvestment Plan (DRP) under clause 28.1 of the Constitution. Under the DRP, Shareholders may elect to receive dividends in respect of part or all of their holding in the form of fully paid shares at a discount to the prevailing market price. It is proposed that this DRP would be activated at a time in the future to be chosen by the Directors.

A summary of the main features of the DRP is detailed below.

Activation

The Directors are empowered to activate or terminate the DRP. When a decision is made to activate the DRP, Shareholders will be provided with the Terms and Conditions of the DRP and the notice required to initiate, vary or terminate participation in the DRP.

Right to Participate

All Shareholders with an Australian address on the share register are eligible to participate.

How to Participate

In order to participate, Shareholders must complete the required notice and return it to the Company's Registered Office. Additional copies of the required notice will be available from the Company's Registered Office.

Level of Participation

Shareholders may elect to participate in respect of their total holding (full participation) or only part of their holding (partial participation). The level of participation, including total withdrawal, may be varied by Shareholders at any time by completing and sending the required notice to the Company's Registered Office.

Dividends will be paid in the normal way for that portion of a Shareholder's holding not participating in the DRP.

Costs of Participation

No brokerage, commission or other transaction costs (including stamp duty) are currently payable in respect of shares allocated under the DRP.

Issue Price

Shares will be issued at a discount - currently set at 2.5% - to the volume weighted average price of all the Company's shares traded on the Australian Stock Exchange during the five (and possibly up to ten) trading days after the record date for the relevant dividend.

Number of Shares to be Allotted

The number of shares to be allotted to each Shareholder under the DRP is calculated by dividing the value of the dividend attracted by the shares of each holding participating in the DRP by the issue price of the shares rounded down to the nearest whole number. The remaining balance is retained and carried forward to be added to the next dividend.

Dividend Statements

Shareholders will be sent a statement for each dividend providing full details of any allotment under the DRP and, in the case of partial participation, details of any dividend paid.

Rights Attaching to Shares Allotted Under the DRP

Shares allotted under the DRP rank equally in all respects with existing shares from the date of allotment. The Company will apply to have all shares issued under the DRP listed on the ASX as soon as practicable after issue.

Sale of Shares

Shareholders participating in the DRP may sell any of their shares at any time. In that case, any shares not participating in the DRP are deemed to be sold first, followed by those shares participating in the DRP.

Taxation

The Company takes no responsibility for any taxation implications or liabilities of participants arising from the operation of the DRP. Participants should seek specific taxation advice from professional advisers.

5. Non-Executive Directors' Fees

As stated above, the current maximum aggregate amount which Shareholders approved as fees to be paid to Non-Executive Directors, pursuant to clause 10.2 of the Company's Constitution, is \$100,000 per annum.

In recognition of the additional workload resulting from expansion of the business and time elapsed since the current maximum aggregate amount per annum was last set in 2000 and to provide for additional membership of the Board, Shareholder approval is sought to increase the approved aggregate amount of Non-Executive Directors' Fees by \$50,000 per annum to \$150,000 per annum.

It is considered that this level of Non-Executive Director remuneration is in keeping with other comparable listed companies. It is important that the Company be able to attract board members with considerable industry and broader experience given the importance that the Board has in the formation of Company policy and strategy. Therefore the Company must offer Director remuneration that is in keeping with industry standards.

Further, the introduction of the *ASX Principles of Good Corporate Governance and Best Practice Recommendations* in March 2003, which sets out a corporate governance framework that the ASX recommends be adopted by listed companies, has increased significantly the responsibility placed on Board committees. This has meant considerably more time must now be spent by Directors in fulfilling duties on these Committees. These Committees include the Finance Committee, Audit Committee, Remuneration Committee and Nomination Committee.

RECOMMENDATION

Your Directors, with the exception of Mr Esposito in respect of Resolution 1 and Mr Spathis in respect of Resolution 2, recommend that Shareholders vote in favour of Resolutions 1 to 3. The Directors do not make any recommendation in respect of Resolution 4. The Chairman intends to vote undirected proxies in favour of Resolutions 1 to 3. The Chairman is not entitled to vote undirected proxies in respect of Resolution 4, however, the Chairman is able to vote as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the Chairman decides.

HOW TO VOTE

To vote on the Resolutions you will need to follow these steps.

1. To be valid, the form appointing the proxy and the power of attorney or other authority (if any) under which it is signed (or any attested copy thereof) must be lodged with the Company:
 - (a) at Level 9, 1 Bligh Street, Sydney NSW 2000; or
 - (b) by facsimile on (02) 9221 9900.

Shareholders are urged to return their proxies as soon as possible. To be valid, proxies must be received by 10.00am on 16 November 2004.

2. Attend the meeting.

It is noted that the sending of a proxy form will not prevent you from attending and voting at the meeting.

QUERIES

If you have any queries about the meeting, the resolutions to be put to the meeting or the proposals being considered, please contact Stephen Heesh, Company Secretary, on (02) 8080 3150.

JETSET TRAVELWORLD LIMITED
(ABN 60 091 214 998)

PROXY FORM

(Name of Member or Members)

(Address of Member or Members)

(the 'Member'), a Member of JETSET TRAVELWORLD LIMITED (the 'Company'), hereby appoints:

(Name of Proxy)

(Address of Proxy)

or, failing that person, the Chairman of the meeting as the Member's proxy to vote for the Member and on the Member's behalf at the Annual General Meeting of the Company to be held on **Thursday 18 November 2004 in the Flinders Room, Sheraton Towers Southgate, One Southgate Avenue, Southbank, Victoria**, commencing at 11:00am and at any adjournment of that meeting.

If two proxies are being appointed, complete the following sentence: This proxy is authorised to

exercise votes/ % of my/our total voting rights.

The proxy is directed to vote in the following manner:

Resolution	For	Against	Abstain
1 Retirement and Re-election of Director Giuseppe Esposito	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Retirement and Re-election of Director Peter Spathis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Introduction of Dividend Reinvestment Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Increase of Maximum Aggregate Amount of Non-Executive Directors Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Members should note the voting restrictions set out in the Notice of Meeting. A mark should be placed in the appropriate box if the Member wishes to direct the proxy to vote in a specified way in relation to the above resolutions. If no direction is given, the proxy may vote or not as the proxy sees fit. In addition to the intention advised below, the Chairman intends to vote for the resolution in the case of undirected proxies in respect of Resolutions 1 to 3.

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. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman will not cast your vote on Resolution 4 and your vote will not be counted in computing the required majority if a poll is called on this Resolution. If you do mark this box, the Chairman intends to vote for Resolution 4.

This form must be signed by the member or by an attorney of the member (in the case of a body corporate, the proxy must be executed in accordance with section 127 of the Corporations Act 2001. In the case of a sole director/secretary company, please indicate "Sole Director".)

Dated: _____

Common seal	Signature(s)	Name (print)

To be valid, the form appointing the proxy and the power of attorney or other authority (if any) under which it is signed (or any attested copy thereof) must be lodged with the Company:

- (a) at Level 9, 1 Bligh Street, Sydney NSW 2000; or
- (b) by facsimile on (02) 9221 9900.

Shareholders are urged to return their proxies as soon as possible. To be valid, proxies must be received by 10.00am on 16 November 2004.

NOTES

- 1. A member who is entitled to vote at the meeting may appoint not more than two proxies.
- 2. Where the member appoints two proxies, the appointment may specify the proportion or number of votes that each proxy may exercise. If the appointment does not specify a proportion or number, each proxy may exercise one-half of the votes in which case any fraction of votes will be disregarded.
- 3. Where a member has appointed two proxies, on a show of hands only one proxy may vote. The person eligible to vote is determined if the proxies are appointed by means of one proxy form, to be the first named on the form. If two of the proxies are appointed by means of two proxy forms, the person eligible to vote is the person whose family name is earlier in alphabetical sequence.
- 4. If you require an additional proxy form, the Company will supply it on request or you may photocopy this form.
- 5. A proxy need not be a member of the Company.