HANSEN
TECHNOLOGIES

Hansen Technologies Limited
ABN 90 090 996 455

2 Frederick St
P.O. Box 6127
Doncaster 3108
Victoria Australia
Telephone + 61 3 9840 3000
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www.hsntech.com

7 October 2004

The Manager

Company Announcements Office
Australian Stock Exchange

re : Hansen Technologies Limited (ASX CODE : HSN)

Please find attached a copy of the Notice of Meeting, Explanatory Notes and Proxy Form in relation to the Hansen Technologies Limited AGM to be held on Wednesday 10 November 2004 at 11am at 2 Frederick Street, Doncaster, Victoria.

Yours faithfully
Hansen Technologies Limited

Grant Lister
Company Secretary

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Dear Shareholder,

On behalf of the Board of Hansen Technologies Limited, I have pleasure in inviting you to our Annual General Meeting to be held at 2 Frederick Street, Doncaster, Victoria on Wednesday 10 November 2004 at 11am.

The Notice of Meeting, Explanatory Notes and Proxy Form are all enclosed on the following pages.

Registration will commence at 10.30am and is essential for admittance to the meeting. If you are attending the meeting, please bring this letter with you to assist in registering.

If you are unable to attend the meeting and would like to vote, you are entitled to appoint a proxy. This is not compulsory, however, I encourage you to do so by completing the attached Proxy Form and returning it to ASX Perpetual Registrars in the enclosed return addressed envelope or by facsimile. ASX Perpetual Registrars must receive the completed Proxy Form by 7pm on Monday 8 November 2004, or the proxy will be deemed invalid.

I look forward to seeing you at the meeting.

Yours sincerely

KHansen

Kenneth Hansen
Chairman
Hansen Technologies Limited
11 October 2004

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Hansen Technologies Limited will be held at 2 Frederick St, Doncaster, Victoria 3108 on Wednesday 10 November 2004 at 11 am.

BUSINESS

A. **Accounts and reports:**
To table the financial report of the Company and its controlled entities and the related reports of the directors and auditors for the year ended 30 June 2004 and to provide members with the opportunity to raise any issues or ask any questions generally of the Directors.

B. **Resolutions:**

1. **Re-election of Mr Kenneth Hansen:**
To consider and, if thought fit, pass the following resolution as an ordinary resolution:
'That Mr Kenneth Hansen, a Director retiring by rotation in accordance with the Company's Constitution and being eligible and having signified his candidature for Office, be and is hereby re-elected a Director of the Company'.

2. **Election of The Hon. Richard Alston:**
To consider and, if thought fit, pass the following resolution as an ordinary resolution:
'That The Hon. Richard Alston, a Director appointed by the Board effective from 29 July 2004 until this annual general meeting of the Company in accordance with the Company's Constitution and being eligible and having signified his candidature for Office, be and is hereby re-elected a Director of the Company'.

3. **Reduction in Capital**
To consider and, if thought fit, pass the following resolution as an ordinary resolution:
'That the Company's contributed equity (issued and paid up share capital) be reduced by $54,331,438 from $96,157,578 to $41,826,140 and that the amount of $54,331,438 be set off against the Company's accumulated losses'.

By Order of the Board

Grant Lister
Company Secretary
11 October 2004

EXPLANATORY NOTES

Resolution 1 - Election of Mr Kenneth Hansen
Rule 16 of the Constitution requires one third of directors (except for the Managing Director) to retire each year (by rotation). Mr Kenneth Hansen retires this year in accordance with this Rule and is permitted to seek re-election. Personal particulars for Mr Hansen are set out in the Board of Directors information included in the Annual Report.

Resolution 2 - Election of The Hon. Richard Alston
Under Rule 13.2 of the Constitution, the Board appointed The Hon. Richard Alston as an additional Director to the Board, effective from 29 July 2004. Any Director appointed under Rule 13.2 may hold office only until the next annual general meeting of the Company and is then eligible for election at that meeting. The Board has nominated The Hon. Richard Alston to be re-elected as a Director of the Company and in accordance with Rule 16.3 of the Company's Constitution has given notice in writing signed by The Hon. Richard Alston giving consent to the nomination. Personal particulars for The Hon. Richard Alston are set out in the Board of Directors information included in the Annual Report.

Resolution 3 – Reduction in Capital
The actions proposed by this resolution do not impose any change on a Shareholder's equity interest in Hansen Technologies Limited. There is no cash impact or operating consequence of this change. It is purely an accounting matter and impacts the presentation of the Company's equity within its Statement of Financial Position.

When Hansen became a publicly listed company in 1999 the Accounting Standards at the time required the creation of a large intangible asset value for goodwill. In the 2002 fiscal year the Company decided to write off a large proportion of this goodwill. This action created a large book loss in the Group accounts and contributed much of the current accumulated losses carried in the Statement of Financial Position.

The nature and size of this write off and the consequential accumulated losses are confusing to many readers of our financial reports, especially our customers. We propose to remove this confusion by making a simple accounting adjustment to offset the accumulated losses against the value of the accumulated equity.

This action will have the key affect of substantially reducing the accumulated losses shown in the Statement of Financial Position. The net equity and net asset worth of the Group will be unaffected by this change. It will represent purely a presentation change within the equity section of the Statement of Financial Position.

Offsetting accumulated losses against contributed equity is referred to in the Corporations Act as a "Capital Reduction" and in accordance with this legislation this initiative requires the Company to inform all shareholders and to obtain shareholder approval before proceeding with this action.

The contributed equity (issued and paid up share capital) of the Company as at 30 June 2004 was $96,157,578 (comprising 112,014,565 fully paid ordinary shares). This amount is recorded in the Company's Statement of Financial Position at $96.158 million, the difference being due to rounding. Since 30 June 2004 the Company made a further equity issue as a consequence of the Dividend paid on 23 September 2004, (in accordance with the Dividend Reinvestment Plan), of 2,264,426 fully paid ordinary shares. As at the date of these Explanatory Notes the issued shares of the Company is 114,278,991 fully paid ordinary shares.

As at 30 June 2004, the total equity (shareholders' funds) was $43,908,227.

The accumulated losses of the Company as disclosed in Note 22 to the financial statements at 30 June 2004 comprised:

Accumulated losses at beginning of year	54,331,438
Net profit attributable to members of the parent entity	2,082,087
Accumulated losses at end of year	$52,249,351

It is proposed that the contributed equity (issued and paid up share capital) of the Company be restructured by reducing it by $54,331,438, being the amount of accumulated losses at the beginning of the year.

The proposed restructuring will have the effect of reducing the Company's accumulated losses to Nil, leaving the Company with retained earnings equivalent to the profit earned in the year to 30 June 2004 of $2,082,087. However the Company's total equity (shareholders' funds) and the number of shares on issue as at 30 June 2004 and now will remain unchanged.

To illustrate the effect of the capital reduction on the Statement of Financial Position, the following summary shows the total equity at 30 June 2004 and the adjusted total equity if the capital reduction had been approved prior to that date is as follows:

	Total Equity at June 2004 (prior to capital reduction)	**Adjusted Total Equity at June 2004 (after adjusting for the capital reduction)**
Contributed Equity	$96,157,578	$41,826,140
Accumulated Losses	($52,249,351)	Nil
Retained Earnings	Nil	$2,082,087
Total Equity	$43,908,227	$43,908,227

The proposed reduction in the Company's contributed equity will not involve the payment to any shareholder of any contributed equity (issued and paid up share capital) and accordingly will have no adverse financial effect on the Company or its members or creditors. Technically, however, it is a reduction in capital for the purposes of Part 2J.1 of the Corporations Act 2001 and thus must be authorised by ordinary resolution.

Subsequent to year end a dividend of $1,120,146 was declared out of profits for the year ended 30 June 2004, as reported above.

GENERAL NOTES

Entitlement to Vote

The Company has determined in accordance with Part 7.11 of the Corporations Regulations that for the purpose of voting at the meeting, shares will be taken to be held by those persons recorded in the Company's register as at 7pm AEST, Monday 8 November 2004.

Corporate Representatives

For a corporate representative to vote, they will require a Certificate of Appointment of Corporate Representative executed in accordance with the Corporations Act.

Voting

On a show of hands, every member present in person or by Proxy or by attorney or, in the case of a corporation, by a duly appointed representative, shall have one vote and on a poll one vote for every share held provided that if a member appoints two proxies or two attorneys, neither proxy or attorney shall be entitled to vote on a show of hands.

Proxies

A member entitled to attend and vote at the Annual General Meeting may appoint one or two persons to attend and vote at the meeting as the member's proxy. If you wish to appoint a second proxy you will need to complete a second form. ASX Perpetual Registrars Limited will provide additional proxy forms upon request.

A Proxy need not be a member. If two proxies are appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. If the vote split is not specified, it is deemed to be equally divided between the two proxies.

The Proxy Form must be deposited at the Share Registry of the Company, ASX Perpetual Registrars Limited, located at Level 4, 333 Collins Street, Melbourne, or by facsimile to ASX Perpetual Registrars Limited on (03) 8615 2909, by no later than 7pm AEST, Monday 8 November 2004. The Proxy Form must be signed by the member or an attorney duly authorised in writing. If signed by a company, the form must be signed in accordance with the member's constitution and the Corporations Act 2001 (Cwlth) by an authorised officer or attorney who has not received any notice of revocation. Where two or more persons are registered as members, each person must sign the Proxy Form.

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All Registry communications to:
C/- ASX Perpetual Registrars Limited
Level 4, 333 Collins Street, Melbourne, VIC. 3000
GPO Box, 1736, Melbourne, VIC. 3001
Telephone: 1300 554 474
(03) 9615 9947
Facsimile: (03) 8614 2909
ASX Code: HSN
Email: registrars@asxperpetual.com.au
Website: www.asxperpetual.com.au

APPOINTMENT OF PROXY

If you propose to attend and vote at the Annual General Meeting, please bring this form with you. This will assist in registering your attendance.

FOLD

I/We being a member(s) of **Hansen Technologies Limited** and entitled to attend and vote hereby appoint

A the **Chairman of the Meeting (mark box)** ☐ **OR** If you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy.

or failing the person/body corporate named, or if no person/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 instructions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of the Company to be held at 11:00am on Wednesday, 10 November 2004 or at any adjournment of that meeting. Where more than one proxy is to be appointed or where voting intentions cannot be adequately expressed using this form an additional form of proxy is available on request from the share registry. Proxies will only be valid and accepted by the Company if they are signed and received in the Registrar's office no later than 48 hours before the meeting.

Should you desire to direct your proxy how to vote on any resolution please insert X in the appropriate box below.

	For	Against	Abstain*
Resolution 1 Re-election of Kenneth Hansen	☐	☐	☐
Resolution 2 Election of The Hon. Richard Alston	☐	☐	☐
Resolution 3 Reduction in Capital	☐	☐	☐

FOLD

*** 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.**

B SIGNATURE OF SECURITYHOLDERS - THIS MUST BE COMPLETED

Securityholder 1 (Individual)	Joint Securityholder 2 (Individual)	Joint Securityholder 3 (Individual)
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form must be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the securityholder's constitution and the Corporations Act 2001 (Cwlth).

ASX Perpetual Registrars Limited advises that Chapter 2C of the *Corporations Act 2001* requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. Information is collected to administer your security holding and if some or all of the information is not collected then it might not be possible to administer your security holding. Your personal information may be disclosed to the entity in which you hold securities. You can obtain access to your personal information by contacting us at the address or telephone number shown on this form. Our privacy policy is available on our website (www.asxperpetual.com.au).

HSN PRX041