AUTO ENTERPRISES LIMITED

ABN 28 001 894 033

ANNUAL REPORT 2003

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DIRECTORY

COMPANY SECRETARY	Don Wilson B Com Tel: 02 9439 9964 Fax: 02 9439 9963
REGISTERED OFFICE	c/- Stirling Warton Williams Level 10 Bligh House 4 Bligh Street SYDNEY NSW 2000
SHARE REGISTRY	Computershare Investor Services Level 3, 60 Carrington Street SYDNEY NSW 2000 Tel 02 8234 5000 Fax 02 8234 5050
AUDITORS	BDO Chartered Accountants Level 19, 2 Market Street SYDNEY NSW 2000
BANKERS	National Australia Bank 85-95 Marrickville Road MARRICKVILLE NSW 2204

CHAIRMAN'S REPORT

Dear Shareholder,

Through the 12 months to 30 June 2003 your Company again had no operating business. We continued to evaluate opportunities presented during the year but none reached a stage to recommend to shareholders. Evaluation of fresh opportunities is on-going and shareholders are encouraged to refer any that they encounter.

I can report progress on the unauthorised use of the Company's funds by a third party company as detailed in the 2001 and 2002 reports.

Your directors resolved not to reveal the identities of the parties involved while protracted negotiation continued with a view to recovering more funds, being the only course likely to achieve a positive result without risking remaining funds on legal actions. Following serial failure of assurances and undertakings, the Company reported to the Australian Stock Exchange in February 2003 that the third party company was Halion Limited. A liquidator was appointed to Halion Limited on 14 November 2002, with no prospect of a dividend to anyone except the first secured creditor.

In respect of the unauthorised use of your Company's deposit funds as security set-off for a Halion Limited overdraft, negotiations with National Australia Bank resulted in the bank retaining $125,000. This enabled the balance, being $169,000 of the term deposit to be released, and $105,000 of the $230,000 previously provided for as a loss to be written back as income. This accounting reversal is shown in the Statement of Financial Performance and is the reason for the improvement in cash position and shareholders' equity in the Statement of Financial Position from 2002 to 2003.

The return of additional funds by Halion is not expected. The Company is now seeking unreturned funds and other amounts from two individuals in accordance with guarantees entered into by them.

The primary focus of directors remains the rejuvenation of the company with the injection of a new business. Remaining cash resources have been conserved by minimising expenses while the Company evaluates new opportunities. The Company is not paying directors fees. The Company retains its listing on Australian Stock Exchange, although the shares remain suspended from trading pending the reconstruction that the directors wish to achieve.

Sadly I record the death of Danny Fisher soon after his appointment as a director earlier this year, a sad loss to his family and an untimely setback in progress towards the Company's rejuvenation.

In the previous report I noted that the year had been unrewarding. That sentiment applies again. I am looking for major steps forward in the current year.

J Bruce Gibson
Chairman
Dated this 10th day of September 2003.

DIRECTORS' REPORT

In accordance with a resolution of the Board, Directors now report as follows with respect to the Company's results for the financial year ended 30th June 2003 and the state of affairs of the Company that existed at that date.

DIRECTORS

The names and particulars of Directors of the Company in office at the date of this Directors' Report are as detailed below:

J Bruce Gibson, FCA, ACIS – Chairman
Bruce has held the positions of Chairman and Director since 1986. He has 43 years commercial and business experience including 5 years as General Manager of a Sydney stockbroking firm, 17 years as Chairman of a life insurance company and 10 years as Chairman of a major health insurance fund. Bruce has a relevant interest in 850,000 ordinary shares.

Geoffrey John Gibbs – Appointed 6th March 2002
Geoff has been a solicitor for 39 years. He was for 12 years chairman and CEO of a development and sand mining company. Currently he is managing director of Australia's only company manufacturing espresso coffee machines in Australia.

Donald E Wilson B Com
Don has been a Director since November 1998 and has been Company Secretary since December 2001. He has 9 years experience as a business writer with newspaper publishers and 28 years as principal of a communications and investor and media relations company. Don has a relevant interest in 250,000 ordinary shares.

Brian K Tonkin (Alternate to Mr Gibson)

Brian has over 30 years commercial experience in insurance, option broking, computer services, wheel distribution and website development. He was Managing Director of Auto Enterprises as private and public company entities from 1976 to 1990, during which period the Company had an unbroken record of profits. He was Deputy Chairman during the latter of those years. He is Managing Director of Fidelity Administrators Pty Limited, the trustee company for several businesses involved in website development, website hosting and internet domain registrations. Brian has a relevant interest in 627,900 ordinary shares.

PRINCIPAL ACTIVITIES
The principal activity of the company is holding investments and seeking new business opportunities.

TRADING RESULTS

Audited accounts for the year ended 30th June 2003 disclose an after tax profit of $50,908. Income of $20,730 is comprised of $10,730 interest and $10,000 contribution to costs associated with the Halion matter (refer to SIGNIFICANT CHANGES below) and recorded in the 2002 accounts as unearned income.

NET TANGIBLE ASSETS

Net tangible assets stand at 1.75 cents per fully paid ordinary share as at balance date.

DIVIDENDS

The Directors recommend that there be no dividend for the 2003 financial year (2002:Nil).

SIGNIFICANT CHANGES

Following the appointment of a liquidator to Halion Limited, the entity that received in February and April 2001 without the authority of the Company's Board of Directors two amounts totalling $190,000 transferred from the Company's term deposit account, the amount of $60,000 not yet returned was written off to the provision of that amount raised in the 2001 accounts.

Negotiations with National Australia Bank in relation to the unauthorised set-off in 2001 of the Company's term deposit as security for a Halion Limited overdraft, concluded in agreement that the bank retain $125,000 of the deposit, resulting in the Company writing off that amount to the provision of $230,000 raised in the 2001 accounts and writing back as income the remaining $105,000 of the provision no longer required.

UNRESOLVED EVENTS RELATED TO SIGNIFICANT CHANGES

The Company holds joint and several guarantees from two parties to reimburse any loss occurring up to 30 June 2003 arising from the matters detailed in the 2001 and 2002 reports and referred to under SIGNIFICANT CHANGES above. The Company has issued notices of demand on those two parties. The directors are unable to comment on the likely outcome of the guarantees.

FUTURE DEVELOPMENTS

The Company will continue to seek new business opportunities.

EVENTS SUBSEQUENT TO BALANCE DATE

No matter or circumstance has arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

DIRECTORS' BENEFITS

Since the end of the previous financial year no Director of the Company has received, or become entitled to receive a benefit, other than amounts totalling $22,091 paid and payable to a company in which Don Wilson has an interest for secretarial services provided to the Company as determined by the directors.

CORPORATE GOVERNANCE

The Board is responsible for the overall Corporate Governance of the Company including its strategic direction, the establishment of goals for management and monitoring the achievements of these goals.

As at the date of this report the Company has an audit committee of the board. The audit committee reviews the financial statements for announcement to the stock exchange and for presentation to the full board for the half-year and full year accounts and reviews expenses for payment presented to the full board.

MEETINGS OF DIRECTORS

The following table sets out the number of meetings attended by Directors who held office at any time during the year, and the number of Directors' meetings they were eligible to attend during the financial year:

	Directors' Meetings Attended	**Number Eligible to Attend**
J.B. Gibson	17	17
D.V. Fisher (appointed 01/03/03 ; deceased 13/04/03)	1	1
G. J. Gibbs	15	17
D.E. Wilson	17	17
B.K. Tonkin (alternate to Mr Gibson)	-	-

	Audit Committee Meetings Attended	**Number Eligible to Attend**
J.B. Gibson	4	4
D.E. Wilson	4	4

DIRECTORS' REMUNERATION

No directors' fees have been paid. The following table shows amounts paid in all forms of remuneration to directors during the year ended 30th June 2003.

Directors	**Directors' Fees ($)**	**Consulting Fees ($)**	**Superannuation Contributions ($)**	**Non-Cash Benefits**
J.B. Gibson	nil	nil	nil	nil
D.E. Wilson	nil	22,091*	nil	nil
K.H. Flanagan	nil	nil	nil	nil
F.W. Andrews	nil	nil	nil	nil
B.K. Tonkin	nil	nil	nil	nil

*Remuneration to Wilson was in fees to a company in which he has an interest.

EXECUTIVE OFFICERS' REMUNERATION

There were no executive officers of the Company for the period.

INDEMNIFYING OFFICERS OR AUDITORS

No indemnities have been given or insurance premiums paid, during or since the end of the financial year for any person who is or has been an officer or auditor of the company.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Dated this 10th day of September 2003
Donald Wilson
Director

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 30 June 2003

	Notes	2003 $	2002 $
Revenues from ordinary activities	2	20,730	11,018
Borrowing costs		-	(35)
Accounting and Audit fees		(22,947)	(37,066)
Consultancy fees		(22,091)	(15,000)
Share registry and prospectus related expenses		(25,140)	(22,308)
Legal costs		(2,179)	(23,807)
Travelling expenses		-	(3,406)
Other expenses from ordinary activities		(2,465)	(9,736)
Provision for Loss on term deposit – written back	3	105,000	-
Profit / (Loss) from ordinary activities before income tax expense		50,908	(100,340)
Income tax expense relating to ordinary activities	4	-	-
Profit / (Loss) from ordinary activities after related income tax expense		**50,908**	**(100,340)**
Net Profit / (Loss)		**50,908**	**(100,340)**
Total changes in equity other than those resulting from transactions with owners as owners		50,908	(100,340)
Basic earnings per share (cents per share)	14	0.39	(0.77)

The accompanying notes form part of and are to be read in conjunction with these financial statements.

STATEMENT OF FINANCIAL POSITION as at 30 June 2003

	Notes	2003 $	2002 $
CURRENT ASSETS			
Cash	5	199,847	117,853
Receivables	6	4,433	36,261
Other Financial Assets	7	40,000	40,000
TOTAL CURRENT ASSETS		244,280	194,114
TOTAL ASSETS		**244,280**	**194,114**
CURRENT LIABILITIES			
Payables	8	15,444	16,187
TOTAL CURRENT LIABILITIES		15,444	16,187
TOTAL LIABILITIES		**15,444**	**16,187**
NET ASSETS		**228,836**	**177,927**
EQUITY			
Contributed Equity	9	3,671,211	3,671,211
Reserves	10	714,554	714,554
Accumulated Losses	15	(4,156,929)	(4,207,838)
TOTAL EQUITY		**228,836**	**177,927**

The accompanying notes form part of and are to be read in conjunction with these financial statements.

STATEMENT OF CASHFLOWS for the year ended 30 June 2003

	Notes	2003 $	2002 $
Cash Flows from Operating Activities			
Receipts from customers		-	-
Payments to suppliers		(33,736)	(131,021)
Interest received		10,730	12,109
Borrowing costs paid		-	(35)
Net cash used in operating activities	13(b)	(23,006)	(118,947)
Cash Flow from Financing Activities			
(Payment for)/Recovery of unapproved withdrawn funds		(125,000)	130,000
Net cash (used in)/provided by financing activities		(125,000)	130,000
Net (decrease)/increase in cash held		(148,006)	11,053
Cash at the beginning of the financial year		117,853	336,800
		(30,153)	347,853
Increase/(decrease) in provision for loss on term deposit	5	230,000	(230,000)
Cash at the end of the financial year	13(a)	199,847	117,853

The accompanying notes form part of and are to be read in conjunction with these financial statements.

NOTES TO THE ACCOUNTS for year ended 30 June 2003

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The accounts are a general-purpose financial report that has been prepared in accordance with applicable Accounting Standards, other mandatory professional reporting requirements and the Corporations Act 2001. Auto Enterprises Limited is a listed public company, incorporated and domiciled in Australia. The financial report has been prepared on the basis of historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the material accounting policies adopted by the Company in the preparation of the accounts.

INCOME TAX

The Company adopts the liability method of tax-effect accounting whereby income tax expense shown in the Statement of Financial Performance is based on the operating result before income tax adjusted for any permanent differences.

Timing differences which arise due to the different periods in which items of revenue and expense are included in the determination of operating results before income tax and taxable income are brought to account as either a provision for deferred income tax or an asset described as a future income tax benefit applicable to the period in which the benefit will be received or the liability will become payable.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond any reasonable doubt. Future income tax benefits in relation to tax losses are not brought to account unless there is virtual certainty of realisation of the benefit. The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income tax legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

INVESTMENTS

Investments are carried at cost less any material permanent diminutions in the carrying value.

NOTES TO THE ACCOUNTS cont

		2003 $	2002 $
2.	**REVENUE**		
	Interest received from unrelated parties	10,730	10,968
	Other	10,000	50
		20,730	11,018

3 PROFIT/LOSS FROM ORDINARY ACTIVITIES

a) Significant Revenue

The following item of significant revenue is relevant in explaining the company's financial performance.

	2003 $	2002 $
Provision for loss on term deposit – written back	105,000	-

b) Variation from Preliminary Final Report

There is no variation between the figures in these accounts and those presented in the Company's preliminary report to the Stock Exchange.

4 INCOME TAX

a) The prima facie tax on operating profit/(loss) is reconciled to the income tax expense/(benefit) provided in the financial statements as follows:

	2003 $	2002 $
Prima facie tax expense/(benefit) on operating profit/(loss) before tax at 30% (2002: 30%)	15,272	(30,102)
Add tax effect of other non-allowable items	73	73
	15,345	(30,029)
Less future income tax benefits of tax losses and timing differences not recognised	-	30,029
Recoupment of prior years tax losses	15,345	-
	-	-

b) Future income tax benefits in respect of tax losses have not been brought to account. These benefits will only be realised if the conditions for deductibility set out in Note 1 occur.

NOTES TO THE ACCOUNTS cont

5 CASH

	2003 $	2002 $
Term deposit	-	289,894
Provision for loss	-	(230,000)
	-	59,894
Cash at bank and on hand	199,847	57,959
	199,847	117,853

An amount of $125,000 has been written off to the provision for loss brought forward from the 2002 accounts, being the amount taken by National Australia Bank of the Company's term deposit as set-off for the overdraft facility of Halion Limited (in liquidation). The remaining $105,000 of the provision has been written back to income. Prior to 30 June 2003 the Company issued notice of claim on two individuals pursuant to guarantees entered by them relating to any loss occurring up to 30 June 2003 arising from the Halion Limited matter. As at the date of this report no recoveries have been made pursuant to the guarantees.

6. RECEIVABLES

CURRENT

	2003 $	2002 $
Other receivable	-	60,000
Provision for doubtful debts	-	(60,000)
GST Receivable	4,433	36,261
	4,433	36,261

7 OTHER FINANCIAL ASSETS

CURRENT

	2003 $	2002 $
Investment in listed securities - cost	40,000	40,000

8 PAYABLES

CURRENT

	2003 $	2002 $
Trade creditors	9,444	187
Unearned income	-	10,000
Accrued expenses	6,000	6,000
	15,444	16,187

NOTES TO THE ACCOUNTS cont

	2003 $	2002 $
9 CONTRIBUTED EQUITY		
13,074,000 (2002: 13,074,000) fully paid ordinary shares	3,671,211	3,671,211
At the beginning of the year	3,671,211	3,671,211
Balance at the end of the year	3,671,211	3,671,211
Number of shares	No.	No.
At the beginning of the year	13,074,000	13,074,000
Shares issued during the year	-	-
Balance at the end of the year	13,074,000	13,074,000

10 RESERVES

Capital profits reserve	714,554	714,554

The capital profits reserve represents amounts realised from the sale of the company's assets.

11 REMUNERATION OF DIRECTORS

The following persons held the position of Director of the Company during the financial year:

J Bruce Gibson
Donald Wilson
Geoff Gibbs
Daniel V Fisher
Brian Tonkin (alternate)

Amounts received or due and receivable by Directors of the Company	22,091	15,000
The number of Directors whose remuneration is within the following bands:		
$0 to $9,999	4	5
$10,000 to $19,999	-	1
$20,000 to $29,999	1	-

NOTES TO THE ACCOUNTS (continued)

11 RELATED PARTY TRANSACTIONS

(a) During the year there were no related party transactions apart from consulting fees of $22,091 received by Wilson McCarthy & Co Pty Limited (a company related to a director, Mr Wilson) for services provided (2002: $15,000). Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Directors and director related entities as at 30th June 2003 held directly or beneficially the following equity interests in the Company as at that date.

	2003 $	2002 $
Number of ordinary shares	1,727,900	1,727,900
Aggregate share transactions of Directors:		
- acquired by existing directors	-	1,566,800*
- disposed by existing directors	-	1,566,800*

* In the 2002 year a total 938,900 shares were acquired in an off market transaction by Mr Gibbs. A total 938,900 shares were sold by Mr Gibbs in an off market transaction. In the same year a total of 627,000 shares were acquired in an off market transaction by Mr Tonkin from a company controlled by Mr Tonkin, and thus the transaction is recorded as an acquisition and a disposal.

NOTES TO THE ACCOUNTS (continued)

12 AUDITORS' REMUNERATION

	2003 $	2002 $
Amounts receivable by the auditors for:		
- auditing the accounts	8,024	11,215
- half year review	3,670	5,490
- other services	-	20,361
	11,694	37,066

13 NOTES TO STATEMENT OF CASH FLOWS

a) Reconciliation of Cash

For the purpose of the statement of cash flows, cash includes cash at bank and on hand net of bank overdrafts.

Cash at the end of the year is shown in the balance sheet as:

	2003 $	2002 $
Cash at bank and on hand	199,847	57,959
Term Deposits	-	289,894
Less provision for loss	-	(230,000)
	199,847	117,853

b) Reconciliation of cash flows from operations with profit (loss) from operating activities

	2003 $	2002 $
Profit (loss) from ordinary activities after income tax	50,908	(100,340)
Provision for loss on term deposit written back	(105,000)	-
Changes in assets and liabilities:		
Trade debtors	31,828	(12,522)
Prepayments and other debtors	-	1,141
Trade creditors and accruals	9,257	(18,905)
Other creditors	(10,000)	10,000
Accrued expenses	-	1,679
Cash flows from operating activities	(23,006)	(118,947)

NOTES TO THE ACCOUNTS (continued)

		2003	2002
14	**EARNINGS PER SHARE**		
	Basic earnings per Share	0.39 cents	(0.77 cents)
	Diluted earnings per share has not been calculated as there are no potential ordinary shares on issue.		
		No.	No.
	Weighted average number of ordinary shares outstanding during the year used in the calculation of basic EPS	13,074,000	13,074,000
		$	$
	Earnings used in the calculation of basic EPS	50,908	(100,340)
15	**ACCUMULATED LOSSES**		
	Accumulated losses at the beginning of the financial year	(4,207,838)	(4,107,498)
	Net profit/(loss) for the year	50,908	(100,340)
	Accumulated losses at the end of the financial year	(4,156,929)	(4,207,838)

16 FINANCIAL INSTRUMENTS

a) Credit risk exposure

The credit risk exposure of the Company to financial assets that have been recognised on the balance sheet, is generally the carrying amount, net of any provision for doubtful debts.

b) Net fair values of financial assets and liabilities

The carrying amounts of cash, cash equivalents and non-interest bearing monetary financial assets and liabilities (eg, accounts receivable and payable) approximate fair value.

NOTES TO THE ACCOUNTS cont

16. Financial Instruments (Cont'd)	**Notes**	**Weighted Average Effective Interest Rate**	**Floating Interest Rate**	**Fixed Interest Rate**		**Non Interest Bearing**	**Total**
2003				Within 1 Year	1 to 5 Years		
Financial Assets							
Cash	5	2.68%		199,847			199,847
Receivables	6					4,433	4,433
Investment in Securities	7	6.10%	40,000				40,000
Total Financial Assets			40,000	199,847	-	4,433	244,280
Financial Liabilities							
Payables	8					15,444	15,444
Total Financial Liabilities			-	-	-	15,444	15,444
Net Financial Assets			40,000	199,847	-	(11,011)	228,836
2002							
Financial Assets							
Cash	5	3.56%		347,853			347,853
Less provision for loss of term deposit	5			(230,000)			(230,000)
				117,853			117,853
Receivables	6					36,261	36,261
Investment in Securities	7	5.92%	40,000				40,000
Total Financial Assets			40,000	117,853	-	36,261	194,114
Financial Liabilities							
Payables	8					16,187	16,187
Total Financial Liabilities			-	-	-	16,187	16,187
Net Financial Assets			40,000	117,853	-	20,074	177,927

NOTES TO THE ACCOUNTS (continued)

17 SEGMENT REPORTING

The company holds investments and operates solely in Australia.

18 EVENTS SUBSEQUENT TO BALANCE DATE

No matter or circumstance has arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

DIRECTORS' DECLARATION

The Directors of the Company declare that:

a) The financial statements and notes set out on pages 5 to 16:

   i) comply with Accounting Standards, Corporations regulations 2001 and the Corporations Act 2001

   ii) give a true and fair view of the financial position as at 30 June 2003 and performance for the year ended on that date of the Company; and

b) in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Donald Wilson
Director

Dated this 10th day of September 2003

BDO Chartered Accountants & Advisers

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INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF AUTO ENTERPRISES LIMITED

Scope

The Financial Report and Directors' Responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for Auto Enterprises Limited (the company), for the year ended 30 June 2003.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We have conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Audit Opinion

In our opinion, the financial report of Auto Enterprises Limited is in accordance with:

(a) the Corporations Act 2001, including:

 (i) giving a true and fair view of the company's financial position as at 30 June 2003 and of its performance for the year ended on that date; and

 (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

(b) other mandatory financial reporting requirements in Australia.

BDO
Chartered Accountants

K R Reid
Partner

Sydney, 10th September 2003

SHAREHOLDER INFORMATION

DIRECTORS INTERESTS

The interest of each Director in the share capital of the Company as shown in the register of Directors Shareholdings at 29 August 2003 is as follows:

	Shares Held Beneficially	Other Relevant Interest in Shares
John Bruce Gibson	850,000	-
Don Wilson	250,000	-
Brian Tonkin (alternate to Mr Gibson)	627,900	-

NUMBER OF EQUITY HOLDERS AND VOTING RIGHTS

As at 29 August 2003 there were 807 shareholders. Shares are not divided into classes and all rank equally as to voting rights, namely on a show of hands every member present or by proxy shall have one vote and upon a poll each share shall have a vote.

Holdings are analysed below according to size of holdings:

Number Held			Ord Share Paid to 25 cents	Total Units	%
1	-	1,000	471	116,760	0.89
1,001	-	5,000	157	383,808	2.93
5,001	-	10,000	57	448,256	3.43
10,001	-	100,000	94	3,103,752	23.74
100,001	-	over	28	9,021,424	69.00
Rounding Discrepancy					0.01
		Totals	**807**	**13,074,000**	**100.00**

The Company's shares are listed on the Australian Stock Exchange Limited. As at 30 June 2003 the company's shares were suspended from quotation, and there was no market price. Listing is current to 30 June 2004. There is currently no on-market buy-back of securities

SUBSTANTIAL SHAREHOLDINGS

As at 29 August 2003 the following shareholders were registered with holdings of 5% or above:

Shareholder	No of Shares	% of Total Shares
Kopai Holdings Pty Limited	1,081,016	8.27
Symvine Pty Limited	938,900	7.18
John Bruce Gibson	850,000	6.50
Wessex Capital Investment Limited	664,312	5.08

SHAREHOLDER INFORMATION

20 LARGEST SHAREHOLDERS AS AT 29 August 2003

Name of Shareholder	Fully Paid	% of Issued Capital
Kopai Holdings Pty Limited	1,081,106	8.27
Symvine Pty Limited	938,900	7.18
John Bruce Gibson	850,000	6.50
Wessex Capital Investment Limited	664,312	5.08
Brian Keith Tonkin	627,900	4.80
Keith Gordon & Nita Isabel McKay	400,000	3.06
Keith Gordon & Nita Isabel McKay	400,000	3.06
Rob Wright	400,000	3.06
Golden Words Pty Ltd	269,300	2.06
Chi Cheng Huang	268,000	2.05
Donald Elliott Wilson	250,000	1.91
Rodmin Estates Pty Ltd	250,000	1.91
Jemaya Pty Ltd	242,900	1.86
Lutmar Pty Ltd	240,000	1.84
David William McKay	234,500	1.79
Wayne Keith & Jennifer Fay McKay	234,500	1.79
Golden Words Pty Ltd	206,000	1.58
Rowe Street Investments Pty Ltd	181,251	1.39
John Walter Utz	175,000	1.34
Austron Pty Ltd	150,000	1.15
TOTAL	**8,063,579**	61.68
Other shareholders	5,010,421	38.32
		100.00
TOTAL ON ISSUE	**13,074,000**	

AUTO ENTERPRISES LIMITED

ACN 001 894 033

NOTICE OF MEETING 2003

NOTICE IS HEREBY GIVEN that the Annual General Meeting of shareholders of Auto Enterprises Limited (the "Company") will be held at the office of BDO, Level 19, Allianz House, 2 Market Street, SYDNEY at 12 noon on 20 October 2003.

AGENDA

1. To consider the annual financial report, the directors' report and the auditor's report for the year ended 30 June 2003.

2. To consider the election of Mr Don Wilson as a director. Mr Wilson retires by rotation in accordance with Clause 3.6 of the Company's Constitution and, being eligible, offers himself for election.

3. Other Business

By Order of the Board
Don Wilson
Company Secretary
10th September 2003

IF YOU ARE VOTING BY PROXY

- A proxy form is included with this notice;

- A member who is entitled to attend and cast a vote at the Meeting may appoint not more than two proxies to attend and vote instead of the member;

- When more than one proxy is appointed, each proxy must be appointed *by separate proxy form* to represent a specified portion of the member's voting rights;

- A proxy need not be a member of the Company and has the same rights as a member to speak, vote (in accordance with the appointment) and join a demand for a poll;

- A corporation may elect to appoint a representative in accordance with the Corporations Act in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company prior to the Meeting;

- To be effective, completed proxy forms must reach the Registered Office of the Company not less than 48 business hours before the scheduled commencement of the meeting, that is by 12 noon. Thursday 16 October 2003. Proxies may be delivered or posted to **ATL Proxies, c/ Stirling Warton Williams, Level 10, Bligh House 4 Bligh Street, SYDNEY NSW 2000.** Legible *facsimile* copies properly executed will be accepted in the required time at: **02 9439 9963**;

- The Company has determined in accordance with section 1109N of the Corporations Act that for the purposes of determining voting rights at the Meeting or any adjourned meeting, shares will be taken to be held by those persons recorded in the Company's Register of Shareholders as at 5.00 p.m. Thursday 16 October 2003.

• FORM OF PROXY FOR THE ANNUAL GENERAL MEETING

TO BE HELD ON MONDAY 20 OCTOBER 2003 AT 12 noon.

To appoint a valid proxy, complete and send this form to reach the Company no later than 12 noon on *Thursday 16 October 2003.*

Post to:	**OR**	**Fax to:**
ATL Proxies		ATL Proxies
C/ Stirling Warton Williams		02 9439 9963
Level 10 Bligh House		
4 Bligh Street SYDNEY 2000		

Insert TOTAL number of shares held if known ☐

I/We

____

of ____

fax number ____

being a member/members of the Company hereby appoint ________________________
or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us and on our behalf at the Annual General Meeting of the Company to be held at 2 Market Street Sydney NSW on Monday 20 October 2003 and at any adjournment thereof, in the manner indicated below, or in the absence of indication, as he/she thinks fit.

Copy this form if two proxies are being appointed

Nominate a percentage for ***this*** *proxy if two proxies are being appointed* ☐ %

	FOR	AGAINST	ABSTAIN
1. Adoption of financial report and directors' report ...	☐	☐	☐
2. To elect Mr Wilson as a director	☐	☐	☐

Signed this ____________________ day of ________________________ 2003

Individual Members sign here: (*Corporate Members see below*)

______________________________ ______________________________

Signature of Member Signature of Joint Member (if applicable)

Corporate Members sign here: (*Individual Members see above*)

Signed in accordance with the Constitution of the Company:

______________________________ ______________________________