



Release to Australian Securities Exchange

Extraordinary General Meeting

25 March 2011: Please find attached Notice of Meeting, Explanatory Notes and Proxy form which are being dispatched to Shareholders today in regard to the Extraordinary General Meeting to be held on 27 April 2011.

For further information:

Larry Case
Chairman

Email: larrycase@nightingale.com.au

LongReach Group Limited (ASX Code: LRG) is a leading ASX-listed provider of integrated information and communications technology based products and services to the defence, security and intelligence sectors, as well as to government, telecommunications and corporate customers, both locally and internationally.

www.longreach.com

31 Market Street (PO Box 581), South Melbourne, Victoria, Australia 3205, Tel: +61 3 9926 1155 Fax: +61 3 9696 1411



Our reference: 1271A/039/11

25 March 2011

Dear Shareholder,

It is my pleasure to invite you to an Extraordinary General Meeting of LongReach Group Limited ("LongReach" or "the Company") to be held at 11:30am on 27 April 2011 at C4i, 31 Market Street, South Melbourne, Victoria. LongReach is seeking shareholder approval to:

- 1) reduce the Company's share capital by writing off capital lost in prior years;
- 2) consolidate the Company's issued ordinary shares into a smaller number of shares in the ratio of 10 to one;
- 3) update its Constitution so that it is aligned with recent changes to the Corporations Act 2001 regarding dividend payments; and
- 4) subject to resolution 3 passing, authorise the payment of a fully franked special dividend of 10 cents per share on a post-consolidation basis.

I enclose your notice of meeting setting out the items of business for the meeting, together with a set of Explanatory Notes giving further information on the proposed resolutions and a personalised proxy form.

If all resolutions pass, and as soon as practicable, the directors intend to declare and pay a special dividend of 10 cents on a post consolidation basis (the equivalent of 1 cent per share on the current number of shares issued).

The existing dividend reinvestment plan is not applicable to this special dividend. Shareholders however will be given the opportunity to receive their dividend in the form of new LongReach shares. Details will be provided to shareholders at the time the dividend details are announced.

If you are unable to attend the meeting, please remember to complete, sign and return the proxy form enclosed with this notice. If you have any queries or would like additional information regarding the proposals, please contact me on 0422-432-441 or at larrycase@nightingale.com.au.

I look forward to welcoming you to the meeting.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Larry Case".

Larry Case
Chairman

An Extraordinary General Meeting of the Shareholders of LongReach Group Limited ("LongReach" or "the Company") will be held at C4i, 31 Market Street, South Melbourne, Victoria 3205, at 11:30am on 27 April 2011.

Further information on the resolutions set out below is contained in the Explanatory Notes which accompany and form part of this Notice of Meeting.

RESOLUTIONS

Resolution 1 - Reduction of Share Capital

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

"That approval is given for the Company to reduce its share capital by cancelling \$29,674,159 of its paid-up share capital, being paid-up share capital not represented by available assets."

Resolution 2 - Consolidation of Share Capital

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

"That for the purposes of Section 254H of the Corporations Act 2001 and for all other purposes, shareholders approve the consolidation of every 10 shares into 1 share with fractions of a share being rounded down to the nearest whole number."

Resolution 3 - Amendment of Constitution

To consider and, if thought fit, to pass the following as a special resolution:

"That the Constitution of the Company be amended by the deletion of clauses 27.1 and 27.2 thereof and their replacement with:

27.1 Accumulation of reserves

Before declaring or otherwise paying any dividend to members, the Board may:

- a) set aside out of profit reserves to be applied, in the Board's discretion, for any purpose it decides and use any sum so set aside in the business of the Company or invest it in investments selected by the Board and vary and deal with those investments as it decides; or
- b) carry forward any amount of profits which the Board decides not to distribute without transferring that amount to a reserve; or
- c) do both.

27.2 Dividends must be paid according to law

- a) The Company must not pay a dividend except in accordance with the Law.
- b) Except where the Company declares a dividend, it does not incur a debt merely by fixing the amount or time for payment of a dividend, a debt arises only when the time fixed for payment arrives and the decision to pay the dividend may be revoked at any time before then. A resolution of the Board as to the amount of the Company's profits and the amount of them or other amounts lawfully available for dividend is conclusive."

Resolution 4 - Dividend

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

"Subject to Resolution 3 passing, that the meeting being satisfied that the Board's proposal for a dividend in accordance with the Explanatory Notes annexed to the Notice of Meeting is fair and reasonable to the Company's shareholders as a whole and does not materially prejudice the Company's ability to pay creditors, the proposal is approved if and as required for the purposes of section 256C of the Corporations Act 2001."

VOTING ENTITLEMENT

Pursuant to Regulation 7.11.37 of the Corporations Regulation 2001, the persons eligible to vote at the Extraordinary General Meeting are those who are registered as shareholders of the Company at least 48 hours prior to the time of the meeting.

PROXIES

Any member entitled to attend and vote as the meeting is entitled to appoint a proxy. The proxy need not be a member of the Company, and may be a corporation. A member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

Proxies should reach the Company no later than 25 April 2011 and can be returned to the Company by the following methods;

To the Company's Share Registry:	or	Direct to the Company:
By mail:		By fax:
PO Box 1156		(03) 9696 1411
Nedlands, WA, 6909	(08) 9389 7871	

By order of the Board

VOTING EXCLUSIONS

No voting exclusions apply to these resolutions.

EXPLANATORY NOTES

These Explanatory Notes accompany and form part of the Notice of Extraordinary General Meeting of LongReach Group Limited (“the Company” or “LongReach”).

1 Reduction of Share Capital

Section 258F of the Corporations Act 2001 allows a company to reduce its share capital by cancelling any paid-up capital that is lost or not represented by available assets, provided the company does not cancel any shares and provided the cancellation is not inconsistent with the requirements of any accounting standard. LongReach was originally a speculative mining exploration company. Over the years the Company has incurred substantial losses. Directors feel that given the change in business that has occurred over the past two years, it is appropriate to write off accumulated losses as at 30 June 2010 so as to eliminate a legacy that is no longer relevant.

As the reduction in share capital applies equally to all members (subject only to the rounding of fractions), it will have no material effect on the percentage interest of each member in the Company. Furthermore the reduction will not affect the Company's profitability or financial position.

The directors believe that the reduction in share capital is fair and reasonable to the Company's shareholders as a whole. The reduction in share capital will have no tax implications for members.

2 Consolidation of Share Capital

This resolution seeks to consolidate the Company's share capital in a ratio of one new share for every 10 shares held. If passed it will result in the issued capital of LongReach being reduced from 291.8 million to approximately 29.2 million shares with individual holdings being reduced in accordance with the 10 to one consolidation ratio. The Company has an abnormally high number of shares on issue for a company of its size and market capitalisation, and the Board believes that the share consolidation will establish a share price that is more appropriate for a listed entity of its size.

As the consolidation applies equally to all members (subject only to the rounding of fractions), it will have no material effect on the percentage interest of each member in the Company. Furthermore the aggregate value of each member's proportionate interest in the Company should not materially change solely as a result of the consolidation. Theoretically the market price per share following the consolidation should be 10 times the market price per share before the consolidation. In reality the actual effect on the per share market price will depend on a number of factors outside the control of the Company and may be higher or lower than the theoretic post-consolidation price.

The directors believe that the consolidation is fair and reasonable to the Company's shareholders as a whole. The consolidation will have no tax implications for members whose shares are consolidated.

If this resolution passes the following timetable will apply:

27 April 2011	Shareholder approval for 10 for 1 share consolidation obtained
29 April 2011	Trading in the re-organised securities on deferred settlement basis starts
05 May 2011	Last day for LongReach to register transfers on a pre-reorganisation basis
06 May 2011	LongReach sends notices to each security holder and: <ul style="list-style-type: none"> a) In the case of uncertificated holdings, first day for the Company to register securities on a post-reorganisation basis and first day for issue of holding statements. b) In the case of certificated holdings, first day for issue of new certificates.
12 May 2011	<ul style="list-style-type: none"> a) Despatch date b) Last day for securities to be entered into the holders' security holdings. If securities are certificated, last day for the Company to issue them and send the certificates to the holders. c) Last day for the Company to send notice to each security holder.

3 Amendment of Constitution

Effective 1 July 2010 the Corporations Act was amended to give companies greater flexibility in paying dividends. In particular new Section 254T of the Corporations Act 2001 allows companies to pay dividends provided that three conditions are met:

The company's assets must exceed its liabilities immediately before the dividend is declared and the excess must be sufficient for the payment of the dividend;

The payment of the dividend must be fair and reasonable to the company's shareholders as a whole; and the payment of the dividend must not materially prejudice the company's ability to pay its creditors.

Historically the legal requirement was that dividends only be paid out of profits and most company's Constitutions, including LongReach's, repeated that requirement. The purpose of this resolution is to bring the Company's Constitution into alignment with current legislation. Failure to pass the resolution will severely limit the ability of LongReach to pay dividends.

4 Dividend

Our legal advice is that it is unclear from the 2010 amendments to the Corporations Act 2001 whether a dividend in accordance with Section 254T not paid out of profits requires shareholder authorisation under Part 2J of the Corporations Act 2001. To avoid any doubt on the issue shareholders are being asked to authorise the proposed dividend.

5 Voting Entitlement

Pursuant to Regulation 7.11.37 of the Corporations Regulations 2001, the persons eligible to vote at the 2010 Annual General Meeting are those who are registered as shareholders of the Company at least 48 hours prior to the time of the meeting.

6 Proxies

Included with the Notice of Meeting accompanying these Explanatory Notes is a Proxy Form for use by Shareholders. All shareholders are invited and encouraged to attend the meeting or, if they are unable to attend in person and are eligible to vote, to complete, sign and return the Proxy Form. Lodgment of a Proxy Form will not preclude a shareholder from attending and voting at the meeting in person. To be valid, Proxy Forms must be received by the Company by no later than 25 April 2011.

The Proxy Form can also be sent by facsimile to the Company's share register on (08) 9389 7871.

7 Questions

If you have any questions about this notice or the accompanying documents, please contact either:

LongReach Group Share Registry:
Advanced Share Registry Services
110 Stirling Hwy (PO Box 1156)
Nedlands WA 6009
Ph: + 61 8 9389 8033
Fx: + 61 8 9389 7871

or
Lawrence Case, Chairman
LongReach Group Ltd
Ph: 0422-432-441
email: larrycase@nightingale.com.au

By order of the Board

The Secretary
 LongReach Group Limited
 C/- Advanced Share Registry Services
 PO Box 1156
 Nedlands WA 6909
 Fax: + 61 8 9389 7871

I/We _____

Of _____

Being a member/(s) of LongReach Group Limited (the "Company")

hereby appoint _____

of _____

or failing him/her the Chairman as my/our proxy to vote for me/us and on my/our behalf at the Extraordinary General Meeting of the Company to be held at C4i, 31 Market Street, South Melbourne, Victoria at 11:30am on 27 April 2011, and at any adjournment thereof.

The Chairman intends voting in favour of each resolution in relation to undirected proxies where he is acting as proxy.

RESOLUTION *please insert (x) in relevant box	FOR*	AGAINST*	ABSTAIN*
Resolution 1 - Reduction of share capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 - Consolidation of share capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 - Amendments to the Company's Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 - Payment of a special dividend of 10 cents per share	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SIGNATURE OF SHAREHOLDER – THIS MUST BE COMPLETED

Shareholder 1 (individual) <div style="border: 1px solid black; height: 25px; width: 100%; margin-top: 5px;"></div> Director	Joint shareholder 2 (individual) <div style="border: 1px solid black; height: 25px; width: 100%; margin-top: 5px;"></div> Director/Company Secretary	Joint shareholder 3 (individual) <div style="border: 1px solid black; height: 25px; width: 100%; margin-top: 5px;"></div> Sole Director/ Sole Company Secretary
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This form should be signed by the shareholder. If a joint holding, all shareholders should sign. If this Proxy Form is signed under Power of Attorney, the original Power of Attorney of a certified copy must be forwarded with this Proxy Form. If executed by a company, this form must be executed in accordance with the shareholder's constitution and The Corporations Act 2001. In the case of a Sole Director and Sole Secretary company, please indicate such.