

MONTERAY GROUP LIMITED

ACN 062 959 540

Registered Office:

Level 18, 50 Cavill Avenue, Surfers Paradise Queensland 4217

Notice of Annual General Meeting

Notice is given that the Annual General Meeting of Monteray Group Limited ("the Company") will be held at the offices of McCullough Robertson, Lawyers, Level 11, Central Plaza Two, 66 Eagle Street, Brisbane Queensland 4000 on Thursday 29 November 2007 at 3:00 pm.

For the purpose of the meeting, and in accordance with regulation 7.11.37 of the *Corporations Regulations*, securities will be taken to be held by persons who are registered holders as at 5:00 pm on Tuesday 27 November 2007. Accordingly, transactions registered after that time will be disregarded in determining entitlement to attend and vote at the meeting.

ORDINARY BUSINESS

ITEM 1 - Receive Financial Statements and Reports

To receive and consider the Company's and consolidated entity's financial statements and the reports of the Directors and the auditor for the financial year ended 30 June 2007.

ITEM 2 - Directors' Remuneration Report

To consider and, if in favour, to pass the following resolution under section 250R(2) Corporations Act 2001 (**Corporations Act**):

- 1 'That the section of the report of the Directors for the financial year ended 30 June 2007, dealing with the remuneration of the Directors, Company Secretary and senior executives (**remuneration report**) be adopted'.

This resolution will be decided as if it was an ordinary resolution, but under section 250R(3) Corporations Act the vote on this resolution is advisory only and does not bind the Directors or the Company.

ITEM 3 - Election of Director

To consider and, if in favour, to pass the following as an ordinary resolution:

- 2 'That Roger Byrne who retires by rotation under rule 20.2 of the Company's constitution, and being eligible, be re-elected as a Director of the Company'.

DATED: 26 October 2007

By Order of the Board of Directors



STEVEN COLE
Company Secretary

EXPLANATORY STATEMENT

This information forms part of the notice of Annual General Meeting to be held on 29 November 2007 as set out in the accompanying notice of Annual General Meeting. The main purpose of this Explanatory Statement is to provide shareholders with information concerning all of the resolutions proposed in the notice of Annual General Meeting.

ITEM 1 - Receive Financial Statements and Reports

The Corporations Act requires that the report of the Directors, the auditor's report and the financial report be laid before the AGM. In addition the Company's constitution provides for these reports to be received and considered at the meeting.

Apart from the matters involving remuneration which are required to be voted upon, neither the Corporations Act nor the Company's constitution requires a vote of shareholders at the AGM on the financial statements and reports, however, shareholders will be given reasonable opportunity to raise questions with respect to these reports.

Shareholders may also submit written questions to the Company's auditor PKF if the question is relevant to the content of the audit report, or the conduct of its audit of Monteray's annual report for the year ended 30 June 2007. Relevant written questions for the auditor must be delivered by 22 November 2007. Please send any written questions for PKF to David Garvey, PKF, PO Box 5099, Melbourne Victoria 3001.

ITEM 2 - Directors' Remuneration Report

In terms of Section 300A(1) of the Corporations Act 2001 the remuneration report from the Directors is set out on pages 5 to 9 of the Company's 2007 Financial Report. Section 250SA of the Corporations Act 2001 requires the Company to allow the opportunity for shareholders to consider, ask questions about, and to make comments upon, the remuneration report. It is mandatory for the Company to have a formal agenda item for shareholders to approve the adoption of the remuneration report.

A 'non-adoption' vote for the remuneration report will not affect the legal obligations created, in terms of paying or providing for remuneration. This arises because subsection 250R(2) of the Corporations Act 2001 provides that the resolution is advisory. The vote will be advisory only and does not bind the Directors or the Company.

The Board believes the Company's remuneration policies and structures as outlined in the remuneration report are appropriate relative to the size of the Company, its business and strategic investment objectives and current and emerging market practices.

ITEM 3 - Election of Director

Pursuant to rule 20.2 of the Company's constitution, at every AGM, one third of the Directors must retire from office (other than the Managing Director). A retiring Director under this rule is eligible for re-election. A Director must retire from office at the conclusion of the third Annual General Meeting after which the Director was elected or re-elected.

Roger Byrne, a Director of the Company is subject to this rule and offers himself for re-election.

INFORMATION FOR MEMBERS

- 1 A member entitled to attend and vote at the meeting is entitled to appoint not more than 2 proxies.
- 2 Where more than 1 proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights.
- 3 A proxy need not be a member of the Company.
- 4 The proxy form must be signed by the member or his or her attorney.
- 5 Proxies given by corporations must be signed either under seal or signed by a director, secretary or attorney of the appointor.
- 6 To be valid, the form appointing the proxy and the power of attorney or other authority (if any) under which it is signed (or an attested copy) must be deposited at Level 18, 50 Cavill Avenue, Surfers Paradise Qld 4217 or by mail to PO Box 40, Surfers Paradise Qld 4217 or sent by facsimile transmission to the Company (07) 5526 8922 not later than 48 hours before the time of holding the meeting.
- 7 Unless a member specifically directs the proxy how to vote, the proxy may vote as he or she thinks fit or abstain from voting.
- 8 Any undirected proxies given to the Chairperson will be voted in favour of each resolution.

PROXY FORM

MONTERAY GROUP LIMITED
ACN 062 959 540

Member/s name/s and address

Name/s: _____

Address/es: _____

I/we appoint as my/our proxy the person named below at the general meeting of the Company to be held at 3.00 pm (Queensland time) on 29 November 2007 at the offices of McCullough Robertson, Lawyers, Level 11, Central Plaza Two, 66 Eagle Street, Brisbane Queensland 4000 and at any adjournment thereof.

Appointment of Proxy

I/we appoint
as my/our proxy or, failing him/her, the Chairperson to exercise my/our votes for me/us on my/our behalf.

Box A

☐

OR

Appointment of Chairperson

I/we appoint the Chairperson to exercise all of my/our votes for me/us on my/our behalf.

Box B

☐

Directing your Proxy how to vote

I/we direct my/our proxy to vote in the following manner:

No*	Resolution	For	Against	Abstain	Discretion
1	Directors' Remuneration Report				
2	Election of Director - Roger Byrne				

Directing your proxy how to vote

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 Chairperson 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.

The Chairperson intends to vote all undirected proxies in favour of the resolutions being passed.

Individuals to sign

Execution by attorney

Executed by: _____
(insert name of attorney)

(attorney to sign here)

as attorney for

(insert name of individual or company)

in accordance with the company's constitution and the Corporations Act 2001. The authority or a certified copy of the authority under which the appointment is signed must be attached.

Companies to sign

Executed in accordance with the company's constitution:

Director

Director/Secretary OR

Sole Director and Sole Company Secretary

Affix seal if required