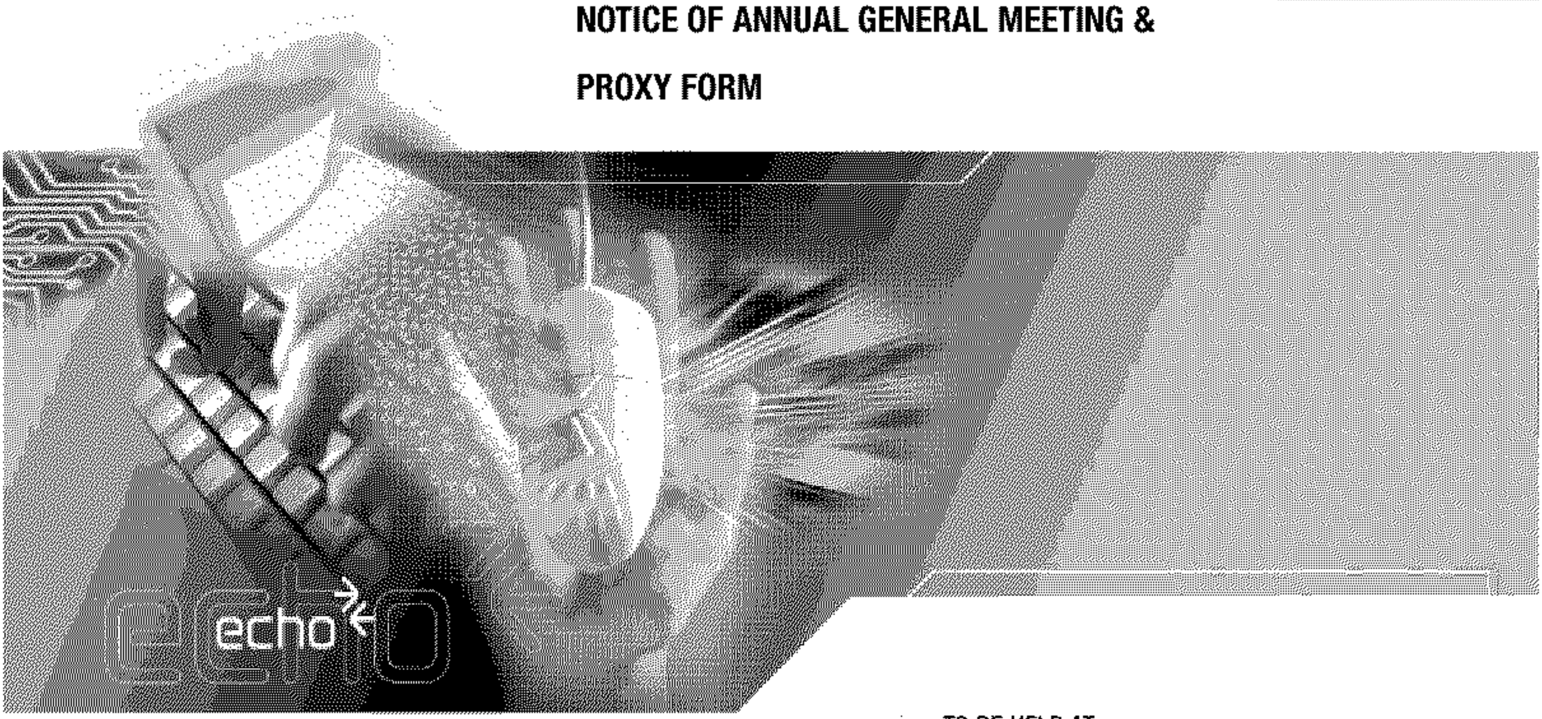
ECHO TECHNOLOGIES LIMITED

ABN 35 094 006 023

NOTICE OF ANNUAL GENERAL MEETING & PROXY FORM



TO BE HELD AT

Ground Floor,

10 Stirling Highway,

Nedlands, Western Australia

Friday, 28 November 2003 at 1:30pm WST.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given of the Annual General Meeting of the shareholders of ECHO TECHNOLOGIES LIMITED (the "**Company**") is to be held at Ground Floor, 10 Stirling Highway, Nedlands, Western Australia on Friday, 28 November 2003 at 1:30pm for the purpose of transacting the following business.

The attached Explanatory Memorandum is provided to supply shareholders with information to enable shareholders to make an informed decision regarding the resolutions set out in this Notice of Meeting. The Explanatory Memorandum is to be read in conjunction with and forms part of this Notice of Meeting.

BUSINESS

ITEM 1 – ANNUAL FINANCIAL REPORT

To receive and consider the Annual Financial Report for the year ended 30 June 2003 comprising the Directors' Report, the Directors' Declaration, the financial statements and the Auditors' Report.

RESOLUTION 1 – RE-ELECTION OF DIRECTOR

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

> *"That Mr Bryant McLarty, who was appointed a director of the Company by the Board on 25 July 2003 in accordance with clause 11.12 of the Constitution to hold office until the following Annual General Meeting, being eligible, is hereby re-elected as a Director of the Company."*

RESOLUTION 2 – RE-ELECTION OF DIRECTOR

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

> *"That Dr Stuart Gunzburg, who was appointed a director of the Company by the Board on 25 July 2003 in accordance with clause 11.12 of the Constitution to hold office until the following Annual General Meeting, being eligible, is hereby re-elected as a Director of the Company."*

RESOLUTION 3 – RE-ELECTION OF DIRECTOR

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

> *"That Mr Thomas Picton-Warlow, who was appointed a director of the Company by the Board on 21 August 2003 in accordance with clause 11.12 of the Constitution to hold office until the following Annual General Meeting, being eligible, is hereby re-elected as a Director of the Company."*

RESOLUTION 4 – RATIFICATION OF PREVIOUS SHARE ISSUE

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**.

> *" That for the purposes of Listing Rule 7.4 of the Listing Rules of the Australian Stock Exchange Limited and for all other purposes, the Company approves and ratifies the allotment and issue of up to 21,000,000 fully paid ordinary shares in the capital of the Company at 4 cents on or about 28 October 2003 to investors within the meaning of section 708 of the Corporations Act 2001."*

The Company will disregard any votes cast on this resolution 4 by an allottee of the issue the subject of the resolution (an "allottee") and any of its associates of such an allottee. However, the Company will not disregard a vote cast on resolution 4:

a) if it is cast by an allottee as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or

b) it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

RESOLUTION 5 – APPROVAL OF OPTIONS ISSUED UNDER ECHO TECHNOLOGIES LIMITED OPTION PLAN RULES

To consider and if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution.

> *"That, for the purposes of Listing Rule 7.2 exception 9 of the Listing Rules of the Australian Stock Exchange Limited and for all other purposes, any issue of securities made within 3 years under the Echo Technologies Limited Option Plan Rules of October 2003 (as amended from time to time) be approved as an exception to Listing Rule 7.1 of the Listing Rules of the Australian Stock Exchange Limited."*

Note: (i) A summary of the terms of the Echo Technologies Limited Option Plan Rules is included in the Explanatory Memorandum that forms part of this Notice of the Annual General Meeting.

(ii) Directors of the Company are excluded from participating under the Echo Technologies Limited Option Plan Rules.

RESOLUTION 6 – ISSUE OF OPTIONS TO DR STUART GUNZBURG

To consider and, if though fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

> *"That, for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.11 of the Listing Rules of Australian Stock Exchange Limited and for all other purposes, approval is given for the Company to grant Dr Stuart Gunzburg or his nominee 6,000,000 options on the terms and conditions set out in the Explanatory Statement accompanying this Notice."*

The Company will disregard any votes cast on this Resolution 6 by Dr Stuart Gunzburg and any of his associates. However, the Company will not disregard a vote cast on resolution 6:

a) If it is cast by an allottee as proxy for a persons who is entitled to vote in accordance with the directions on the proxy form; or

b) If it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

RESOLUTION 7 – ISSUE OF OPTIONS TO MR THOMAS PICTON-WARLOW

To consider and, if though fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

> *"That, for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.11 of the Listing Rules of Australian Stock Exchange Limited and for all other purposes, approval is given for the Company to grant Mr Thomas Picton-Warlow or his nominee 4,000,000 options on the terms and conditions set out in the Explanatory Statement accompanying this Notice."*

The Company will disregard any votes cast on this Resolution 6 by Mr Thomas Picton-Warlow and any of his associates. However, the Company will not disregard a vote cast on resolution 6:

a) If it is cast by an allottee as proxy for a persons who is entitled to vote in accordance with the directions on the proxy form; or

b) If it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

VOTING AND PROXIES

1. A shareholding of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by the person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
3. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a date to determine the identity of those entitled to attend and vote at the Meeting. The date is 10:00am (WST) on 26 November 2003.
4. A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office in accordance with the instructions on that form.

By order of the Board

Dr Stuart Gunzburg
Company Secretary

27 October 2003

1. EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide shareholders with sufficient information to assess the merits of resolutions 4, 5, 6 and 7 contained in the accompanying Notice of Annual General Meeting of the Company.

In relation to resolutions 1, 2 and 3 information relating to experience and qualifications of the Directors offering themselves for re-election is contained in the Company's annual report.

The Directors recommend that shareholders read this Explanatory Memorandum in full before making any decision in relation to the resolutions.

2. THE RESOLUTIONS

2.1 RESOLUTION 4 – RATIFICATION OF SHARE ISSUE

Listing Rule 7.1 restricts the issue of new securities by a listed company. In broad terms, a company cannot increase securities on issue by more than 15% in any 12 month period unless the increase falls within certain exceptions. One exception is an issue of securities which has the approval of shareholders in general meeting.

Listing Rule 7.4 provides that an issue made within the 15% limit will be treated as having been made with prior shareholder approval if it is subsequently approved by shareholders in general meeting.

Approval under Listing Rule 7.4 effectively renews the Company's capacity to issue up to 15% of the securities on issue in a 12 month period. The Company is requesting shareholders to ratify the issue of up to 21,000,000 fully paid ordinary shares in the capital of the Company at 4 cents on or about 28 October 2003 to investors within the meaning of section 708 of the Corporations Act.

For the purposes of Listing Rule 7.5, the following information is provided to shareholders:

1. The number of ordinary shares allotted is up to 21,000,000;
2. The shares were allotted and issued to private investor clients of several different stockbrokers.
3. The ordinary shares were issued at 4 cents;
4. The Shares shall rank equally with the Company's existing issued Shares;
5. The allottees of the Shares were investors entitled to accept offer of securities pursuant to section 708 of the Corporations Act;
6. The funds raised from the issue of the Shares were used for the development of the Epichem Pty Ltd project, the StarPort project and general working capital.

The Board of the Company unanimously recommends that shareholders vote to approve this resolution.

2.2 Resolution 5 – Approval of Options Issued under Echo Technologies Limited Option Plan Rules

Listing Rule 7.1 restricts the issue of new securities by a listed company. In broad terms, a company cannot increase securities on issue by more than 15% in any 12 month period unless the increase falls within certain exceptions. One exception to Listing Rule 7.1 is Listing Rule 7.2 exception 9 in relation to the issue of securities under an employee incentive scheme.

Listing Rule 7.2 exception 9 relevantly provides that an issue of securities (including Options) under an employee incentive scheme will be treated as an exception to Listing Rule 7.1 if that issue is made within 3 years of shareholders in a general meeting approving the issue of securities under the employee incentive scheme as an exception to Listing Rule 7.1. For shareholders to provide their approval the Listing Rules require a summary of the terms of the employee incentive scheme. This summary is set out below.

The purpose of the employee incentive scheme is to:

(a) motivate and assist in retaining key employees;

(b) recognise the ability and efforts of employees and consultants who contribute to the success of the Company;

(c) provide performance incentives (where applicable) to allow persons to share in the rewards and success of the Company;

(d) encourage eligible persons to ensure the Company performs well for shareholders through growth and increasing shareholder value; and

(e) attract persons of experience and ability to employment with the Company.

Features of the employee incentive scheme by way of summary are as follows:

1. the Board may establish and administer a plan in accordance with rules known as the "Echo Technologies Limited Option Plan Rules";
2. the eligible persons who may participate in the plan are:
   (a) a full or part-time employee or consultant of the Company or any associated company, other than a person who is also a Director ("Eligible Employee");
   (b) a spouse of an Eligible Employee;
   (c) a body corporate in which an Eligible Employee holds or beneficially owns not less than 50% of the issued voting share capital;
   (d) the trustee of a trust in which an Eligible Employee is a member; or
   (e) a trustee of a superannuation fund of which an Eligible Employee is a member.
3. Directors are excluded from participating in the plan.
4. Subject to the Corporations Act and Listing Rules, the Board may at its discretion and at such times as it determines, issue invitations to eligible persons inviting applications for the grant of Options. The number of Options the subject of any invitation will be as determined by the Board.
5. The Board may impose performance criteria that must be satisfied before a holder is permitted to exercise an Option granted under the Plan.
6. The exercise price for each Option will be as determined by the Board but will not be less than the greater of:
   (a) the average market price per share (weighted by reference to volume) of the shares sold through ASX during the 5 trading days ending one day immediately before the proposed grant date; or
   (b) such minimum exercise price (if any) prescribed by the Listing Rules.

7. Shares issued upon exercise of Options shall, from the date of issue, rank equally in all respects with Shares which are listed for quotation on the ASX.
8. All Options held by an eligible person will automatically lapse within 30 days of the holder ceasing to be an eligible person.
9. The total number of shares the subject of the offers or any grant of Options under the Rules must not exceed 7_% of the total Shares in the same class at the time of the offers or grant of Options.
10. All Options may be exercised during a takeover period or, if the Board considers appropriate, in the event of a death or permanent disablement of an Eligible Employee.
11. The Board may deem any unexercised Options to have lapsed where an Eligible Employee acts fraudulently or dishonestly in any material respect or is in material breach of his or her obligations to any group company.
12. The Board may alter the plan or rules at any time so long as such amendment complies with the Listing Rules.

No securities have been issued under the Echo Technologies Limited Option Plan Rules as at the date of this Notice.

A copy of the Echo Technologies Limited Option Plan Rules can be obtained by request from the Company and a copy may be inspected at the Annual General Meeting.

The Board of the Company unanimously recommends that shareholders vote in favour of this resolution.

2.3 Resolutions 6 and 7 – Grant of Options to Dr Stuart Gunzburg and Mr Thomas Picton-Warlow

For the purposes of ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act the Company seeks your approval for the grant of options to acquire shares in the Company to two of the Company's directors.

The exercise price of the Options is 7.5 cents and the Options must be exercised on or before 30 June 2008. The Options will be issued for no consideration. They will not be quoted on ASX.

If all the Options are granted and exercised, the effect will be to dilute the shareholdings of existing shareholders. The market price of Echo shares during the term of the Options would normally determine whether or not the optionholder exercises his Options. The Company's Share price at 24 October 2003 was 4.5 cents. During the last 12 months the Company's Shares traded as low as 1.4 cents (3 April 2003) and as high as 5.4 cents (22 October 2003). At the time any options are exercised Echo shares may be trading on ASX at a price which is higher than the exercise price of the Options.

The Company currently has a total of 166,206,842 Shares on issue.

If the Options were to be exercised the number of Echo shares on issue would increase by 10,000,000 to 176,206,842 representing a dilution of 5.67% of the Company's issued capital. Exercise of the Options would raise $750,000 for the Company.

Dr Gunzburg currently has a relevant interest in 434,501 shares. Mr Picton-Warlow has no relevant interest in any securities.

The Company with the assistance of its adviser, has valued the options by reference to the Black Scholes methodology, based on the following assumptions:

Call Option Valuation	**Input**
Share price at 24 October 2003	4.5 cents
Exercise Price	7.5 cents
Volatility Factor	35% to 60%
Risk Free Rate	4.8%
Expiry Date	30 June 2008

Based on the assumptions and advice to the Company it is considered the value of Options to be granted lies in the range of $0.008 to $0.0176 per Option (with a value of $0.014 for a volatility of 50%).

The grant of Options is to provide an incentive to the recipients for future services they will provide to the Company. They are not intended as a substitute for fees or salaries or as a means for compensation for past services. Under Echo's current circumstances, the Directors consider that the incentive to be provided is cost effective as opposed to alternative incentives in the form of monetary bonuses or increased directors fees.

The current remuneration for both directors in $25,000 per annum.

In circumstances where a company wishes to issue securities to a related party, Listing Rule 10.11 requires that the Company obtain shareholder approval by ordinary resolution. Directors are considered related parties of a company for the purposes of Listing Rule 10.11. Listing Rule 10.13 requires information to be disclosed to shareholders to approve an issue of securities to a related party for the purposes of Listing Rule 10.11.

The information needed to satisfy the requirements of Listing Rules 10.13 in relation to Resolutions 6 to 7 is set out below:

- in relation to Resolution 6, the Company will grant Dr Stuart Gunzburg (a Director) or his nominee 6,000,000 Options;
- in relation to Resolution 7, the Company will grant Mr Thomas Picton-Warlow (a Director) or his nominee 4,000,000 Options;

Accordingly, it is proposed that up to a 10,000,000 Options may be granted.

The grant of the Options referred to in Resolutions 6 to 7 will take place no later than one month after the date of the meeting convened by this Notice and it is anticipated that allotment will occur on one date;

The Options will be issued on terms as set out in the Annexure;

No funds will be raised from the issue of Options as per Resolutions 6 to 7.

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

(a) the giving of the financial benefit falls within one of the nominated exceptions to the provision; or

(b) prior shareholder approval is obtained to the giving of the financial benefit.

For the purposes of Chapter 2E, the Directors are considered to be related parties of the Company.

Resolutions 6 to 7 provide for the grant of options to the directors which is a financial benefit which requires shareholder approval. For the purpose of Chapter 2E of the Corporations Act the following information is provided:

a) The related parties to whom Resolutions 6 to 7 would permit financial benefit to be given are Dr Stuart Gunzburg and Mr Thomas Picton-Warlow.

b) The nature of the financial benefits are the issue of 6,000,000 and 4,000,000 Options to S. Gunzburg and T. Picton-Warlow respectively.

c) Mr Bryant McLarty as Managing Director recommends the passing of the resolutions. Dr Gunzburg and Mr Picton-Warlow have declined to make a recommendation about these Resolutions 6 to 7 since they each have a material personal interest in the outcome of one of these Resolutions;

d) Dr Stuart Gunzburg is not able to vote on Resolution 6, and Mr Thomas Picton-Warlow on Resolution 7. This is because Section 195 of the Corporations Act does not permit a director of a public company who has a material personal interest in a matter being considered by the Board to vote or be present while such a matter is being considered;

e) Dr Stuart Gunzburg has a material personal interest in the outcome of Resolution 6 as the recipient of the Options the subject of this Resolution. No other director has a personal interest in the outcome of this Resolution.

f) Mr Thomas Picton-Warlow has a material personal interest in the outcome of Resolution 7 as the recipient of the Directors'/Staff Options the subject of this Resolution. No other director has a personal interest in the outcome of this Resolution.

g) Additional information in relation to Resolutions 6 to 7 is set out through this Explanatory Memorandum. Shareholders should therefore read the memorandum in its entirety before making a decision as to how to vote in relation to Resolutions 6 to 7.

ANNEXURE

OPTION TERMS AND CONDITIONS

- Each Option entitles the holder to one Share;
- The Options are exercisable at any time prior to 5:00pm (WST) on 30 June 2008;
- The Options will be issued for no consideration;
- The Options are transferable upon written notification to the board;
- The Options are exercisable at $0.075 each;
- The Options will not be quoted on ASX.
- All Shares issued upon the exercise of the Options will rank pari passu in all respects with the Company's then issued Shares.
- There are no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new Shares of capital to shareholders during the currency of the Options. However, the Company will ensure, for the purposes of determining entitlements to any issue, that optionholders will be notified of a proposed issue at least 10 Business Days after the issue is announced. This will give optionholders the opportunity to exercise their options prior to the date for determining entitlements to participate in such issues.
- In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all rights of the option holder shall be reconstructed (as appropriate) in accordance with the Listing Rules.
- The Options will not give any right to participate in dividends, bonus issues or new issues until Shares are allotted pursuant to the exercise of the relevant Options. There is no right to change the exercise price of Options if the Company completes a bonus or new issue.

Enquiries

Shareholders are invited to contact the Company Secretary,
Dr Stuart Gunzburg on (08)-9284-8800 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

"**ASX**" means the Australian Stock Exchange;

"**Board**" means the board of directors;

"**Company**" or "**Echo**" means Echo Technologies Limited ABN 35 094 006 023;

"**Directors**" means Directors of the Company;

"**Explanatory Memorandum**" means the information attached to the Notice, which provides information to shareholders about the resolutions contained in the Notice;

"**Listing Rules**" means the Listing Rules of the Australian Stock Exchange Limited;

"**Notice**" means the notice of meeting which accompanies this Explanatory Memorandum;

"**Options**" means an option to subscribe for a share; and

"**Shares**" means fully paid ordinary shares issued in the capital of the Company.

ECHO TECHNOLOGIES LIMITED

ABN 35 094 006 023

PROXY FORM

Registered Office: 1st Floor, 10 Stirling Highway, Nedlands, Western Australia 6009

I/We,____ being a shareholder of Echo Technologies

Limited, hereby appoint,____

of,____

or, in his absence the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at Ground Floor, 10 Stirling Highway, Nedlands, Western Australia on Friday, 28 November 2003 at 1.30pm and at any adjournment of that meeting in resect of:

☐ The whole of my voting rights

☐ % of my voting rights

(Please complete by inserted "X" in the appropriate boxes. If no details are inserted and only one proxy is appointed, it will be assumed that the proxy is for all of the voting rights of the shareholder).

Should you desire to direct your proxy how to vote in relation to each resolution to be considered at the meeting, please complete the following section of this form by inserting "X" in the appropriate boxes. If you do not direct your own proxy, he/she will vote on it as he/she thinks fit or may abstain from voting. The Chairman intends to vote undirected proxies in favour of the resolution.

I instruct my proxy to vote as indicated in respect of:

	For	Against	Abstain
1. Re-election of Bryant McLarty	☐	☐	☐
2. Re-election of Stuart Gunzburg	☐	☐	☐
3. Re-election of Thomas Picton-Warlow	☐	☐	☐
4. Ratification of Share Issue	☐	☐	☐
5. Approval of Options issue under Echo	☐	☐	☐
Technologies Limited Option Plan Rules	☐	☐	☐
6. Approval of Option Issue to Stuart Gunzburg	☐	☐	☐
7. Approval of Option Issue to Thomas Picton-Warlow	☐	☐	☐

If you do not wish to direct your proxy how to vote, please place a mark "X" in this box. ☐

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he/she 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.

Please return this Proxy Form to the Company Secretary, Stuart Gunzburg, Echo Technologies Limited, 1st Floor, 10 Stirling Highway, Nedlands, Western Australia 6009 or fax to (08) 9284 8899 by 4pm on 26 November 2003.

Signed this day of 2003

Shareholders who are individuals, joint holders unincorporated trustees.

Signature____________________ **Signature**____________________

Shareholders who are companies.

Executed in accordance with the Consitution

Director ____________________ **Director** ____________________

PROXY FORM INSTRUCTIONS

1. A member entitled to attend and vote at a meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.
3. Corporate shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127(1) of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
   - 2 directors of the company;
   - A director and a company secretary of the company; or
   - For a proprietary company that has a sole director who is also the sole company secretary – that director.

   For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of section 127(1) or (2) as applicable. In particular, a person who witnessed the affixing of a common seal and who is the sole director company secretary of the company must state that next to his or her signature.
4. Completion of a Proxy form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the meeting.
5. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.

ECHO TECHNOLOGIES LIMITED ABN 35 094 006 023

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