CERVANTES CORPORATION LTD

ABN 79 097 982 235

NOTICE OF ANNUAL GENERAL MEETING, EXPLANATORY MEMORANDUM AND PROXY FORM

Date of Meeting:	**Wednesday 26 November 2008**
Time of Meeting:	**10:00 am (WST)**
Place of Meeting:	**Royal Perth Golf Club, South Perth, WA**

What Action You Need to Take

Read Meeting Documents

The attached meeting documents set out the details of the Resolutions being put to Shareholders. This information is important. You should read the documents carefully and if necessary seek your own independent advice on any aspect about which you are not certain.

Vote on Resolutions

Your vote is important. Details of the Resolutions are set out in the Notice of Meeting and the Explanatory Memorandum.

Shareholders should complete the Proxy Form and return it by mail or facsimile so as to be received by the Company before 10:00am (WST) on Monday 24 November 2008.

Proxy Forms received later than this time will be invalid.

Entitlement to Vote

In accordance with Regulation 7.11.37 of the Corporations Act 2001, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the register of shareholders as at 5:00pm (WST) on Monday 24 November 2008.

Proxies

A Proxy Form is attached to this Notice of Meeting and to be effective must be lodged with the Company at Shop 11 "South Shore Piazza" 85 South Perth Esplanade, South Perth, 6152 or sent by facsimile to (08) 9367 2450.

Key Dates

Date and time for determining eligibility to vote	Monday 24 November 2008 at 5:00pm (WST)
Deadline for lodgment of Proxy Forms	Monday 24 November 2008 at 10:00am (WST)
Date of Annual General Meeting	Wednesday 26 November 2008 at 10:00am (WST)

Queries

If you have any queries about any matters contained in these meeting documents, please call the Company Secretary, Patrick O'Neill, on (08) 9474 3799.

NOTICE IS GIVEN that the Annual General Meeting of Shareholders will be held at Royal Perth Golf Club, South Perth, WA on Wednesday, 26 November 2008 commencing at 10:00am (WST).

AGENDA

Report by the Managing Director

BUSINESS

1. Annual Accounts and Reports

To receive and consider the annual financial report of the Company for the year ended 30 June 2008 and the reports of the Directors' and of the Auditor's thereon.

2. Resolution 1 – Re-Election of Director – Mr Graeme Armstrong

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

> *"That, for the purpose of clause 13.4 of the Company's Constitution and ASX Listing Rule 14.4, Mr Graeme Armstrong, a Director who was appointed 16 January 2008, retires, and being eligible, offers himself for election, be elected as a Director."*

3. Resolution 2 – Re-Election of Director – Barry MacKinnon

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

> *"That, for the purpose of clause 13.2 of the Company's Constitution and ASX Listing Rule 14.4, Mr Barry MacKinnon, a Director who retires by rotation, and being eligible, offers himself for election, be elected as a Director."*

4. Resolution 3 – Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

> *"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company's annual financial report for the financial year ended 30 June 2008."*

Members entitled to attend and vote at the Meeting

For the purposes of the Meeting and in accordance with regulation 7.11.37 of the Corporations Regulations 2001, it has been determined that the members entitled to attend and vote at the meeting shall be those persons who are recorded in the register of members at 5:00pm on Monday, 24 November 2008. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Proxies

Each Shareholder is entitled to appoint a proxy. The proxy does not need to be a member of the Company. A Shareholder that is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies, each proxy may exercise half of the Shareholder's votes if no proportion or number of votes is specified.

A Proxy Form accompanies this Notice of Meeting and, to be effective, duly completed Proxy Forms, together with any relevant power of attorney must be received at the Company's registered office:

Shop 11 "South Shore Piazza"
85 South Perth Esplanade
South Perth WA 6151

or by facsimile on:

+61 8 9367 2450

by no later than 10:00am (WST), Monday 24 November 2008.

Corporate Representatives
Any body corporate wishing to appoint a person to act as its representative at the Meeting may do so by providing that person with a copy of the resolution by its directors or other governing body authorising the person to act as the corporate shareholder's representative at the Meeting.

By Order of the Board

Patrick J O'Neill
Company Secretary
14 October 2008

CERVANTES CORPORATION LTD
ABN 79 097 982 235
EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to assist shareholders with their consideration of the resolutions proposed for the Annual General Meeting of Cervantes Corporation Ltd (**Company**) to be held at the Royal Perth Golf Club, South Perth, WA at 10:00am on Wednesday, 26 November 2008.

FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2008 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

RESOLUTION 1 – Re-election of Mr Graeme Armstrong

Clause 13.4 of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election.

Mr Graeme Armstrong was appointed as a Director on 16 January 2008.

Mr Graeme Armstrong will retire in accordance with clause 13.4 of the Constitution and being eligible seeks re-election.

RESOLUTION 2 – Re-election of Mr Barry MacKinnon

Clause 13.2 of the Constitution requires that if the Company has three or more Directors, one third (or the number nearest one third) of these Directors must retire at each annual general meeting, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Company currently has 3 Directors and accordingly 1 must retire.

A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election.

Mr Barry MacKinnon retires by rotation and being eligible seeks re-election.

RESOLUTION 3 – Adoption of Remuneration Report

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2008.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

Glossary

$ means Australian dollars.

Annual General Meeting or **Meeting** means the meeting convened by the Notice of Meeting.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Days means any day other than a Saturday, Sunday or public holiday in the State of Western Australia.

Company means Cervantes Corporation Limited (ACN 097 982 235).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

PROXY FORM

APPOINTMENT OF PROXY
CERVANTES CORPORATION LTD
ACN 097 982 235

ANNUAL GENERAL MEETING

I/We

hereby

Appoint

OR

☐ Mark this box if you wish to appoint the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the Annual General Meeting to be held at 10:00am (WST), on Wednesday 26 November 2008 at Royal Perth Golf Club, South Perth, WA, and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of all the Resolutions.

Voting on Business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Re-election of Director – Mr Graeme Armstrong	☐	☐	☐
Resolution 2 – Re-election of Director – Mr Barry MacKinnon	☐	☐	☐
Resolution 3 – Adoption of remuneration report	☐	☐	☐

OR

☐ If the Chair of the Annual General Meeting is appointed as your proxy, or may be appointed by default, and you do **not** wish to direct your proxy how to vote as your proxy in respect of Resolutions 1 to 3 please place a mark in this box.

By marking this box, you acknowledge that the Chair of the Annual General Meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 1 to 3 and that votes cast by the Chair of the Annual General Meeting for Resolutions 1 to 3 other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on Resolutions 1 to 3 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 1 to 3.

If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is ___________%

Signed this day of 2008

By:

Individuals and joint holders	**Companies (affix common seal if appropriate)**
Signature	Director
Signature	Director/Company Secretary
Signature	Sole Director and Sole Company Secretary

CERVANTES CORPORATION LIMITED
ACN 097 982 235

Instructions for Completing 'Appointment of Proxy' Form

1. A member entitled to attend and vote at an Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.

2. Where a member's holding is in one name the holder must sign. Where the holding is in more than one name, all members should sign.

3. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under a power of attorney, the power of attorney must be lodged in like manner as this Proxy Form.

4. Corporate members 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 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 witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

5. Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.

6. To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

   (a) post to Cervantes Corporation Limited, PO Box 1196, South Perth WA 6951; or

   (b) facsimile to the Company on facsimile number +61 8 9367 2450,

so that it is received not later than 10:00am (WST) on Monday 24 November 2008.

Proxy forms received later than this time will be invalid.