

Motopia Limited  
ABN 67 099 084 143

## Notice of 2012 Annual General Meeting

Date: 6 December 2012

Time: 10.30 AM AEDT

Place: Hotel Charsfield, 478 St Kilda Road, Melbourne, VIC, 3004.

***This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

**Motopia Limited**  
**ABN 67 099 084 143**

**Notice of 2012 Annual General Meeting**

Notice is hereby given that the 2012 Annual General Meeting of Motopia Limited ACN 099 084 143 will be held in the Webb Room at the Hotel Charsfield, 478 St Kilda Road, Melbourne, VIC, 3004, on Thursday, 6 December 2012 at 10:30 AM. AEDT.

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form are part of this Notice of Meeting.

Terms and abbreviations used in this Notice of Meeting and Explanatory Memorandum are defined in the Glossary.

**1. Agenda for the Meeting**

**Financial statements and reports**

The Meeting will consider the financial statements and reports of the Company including the income statement, balance sheet, statement of changes in equity, cash flow statement, the notes to the financial statements, the Directors' declaration and the reports of the Directors and Auditors for the financial year ended 30 June 2012.

While no resolution is required in relation to this item, Shareholders will be given the opportunity to ask questions and make comments on the financial statements and reports.

The Company's auditor, BDO East Coast Partnership (BDO), will be present at the Meeting and Shareholders will have an opportunity to ask the auditor questions in relation to the conduct of the audit, the auditor's report, the Company's accounting policies, and the independence of the auditor.

The Company's 2012 Annual Report can be viewed online at [www.motopia.com](http://www.motopia.com) and on the ASX website [www.asx.com.au](http://www.asx.com.au).

## **Resolution 1 - Adoption of Remuneration Report**

To consider and if thought fit, pass the following resolution as a non-binding resolution:

*“That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the year ended 30 June 2012 included in the Directors’ Report, which is attached to the Financial Statements as required under section 300A of the Corporations Act, be adopted by the Company.”*

**Voting Exclusion Statement:** In accordance with the Corporations Act the Company will disregard any votes cast in relation to this resolution by or on behalf of the Key Management Personnel, which includes the Directors and executives in the consolidated group whose remuneration is included in the Remuneration Report and their closely related parties (Excluded Persons). However, the Company need not disregard a vote if:

- it is cast by an Excluded Person as proxy for a 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.

## **Resolution 2 - Election of Gernot Abl as a Director**

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

*“That Gernot Abl, having been appointed a Director during the year, offers himself for election pursuant to clause 20.3 of the Constitution and being eligible, is elected as a Director.”*

## **Resolution 3 - Election of Michael Green as a Director**

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

*“That, Michael Green, having been appointed a Director during the year, offers himself for election pursuant to clause 20.3 of the Constitution and being eligible, is elected as a Director.”*

## **Resolution 4 - Election of Raelene Webb as a Director**

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

*“That, Raelene Webb, having been appointed a Director during the year, offers herself for election pursuant to clause 20.3 of the Constitution and being eligible, is elected as a Director.”*

## **Resolution 5 – Approve the previous issue of 38,500,000 Shares**

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

*“That, for the purposes of ASX Listing Rule 7.4 and all other purposes, the previous issue of 38,500,000 Shares, as referred to in the Explanatory Statement, is approved.”*

**Voting exclusion statement:** The Company will disregard any votes cast on this Resolution by any person who participated in the issues of Shares and any of their associates. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a 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 the direction on the proxy form to vote as the proxy decides.

## **Resolution 6 – Approve the issue of 141,427,140 Options**

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

*“That for the purposes of ASX Listing Rule 7.1 and all other purposes, the issue of 141,427,140 Options, as referred to in the Explanatory Statement, is approved.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this resolution by any person who may participate in the issue or might obtain a benefit and any of their associates. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a 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.

## **Resolution 7 – Approve the issue of 154,000,000 Options**

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

*“That for the purposes of ASX Listing Rule 7.1 and all other purposes, the issue of 154,000,000 Options, as referred to in the Explanatory Statement, is approved.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this resolution by any person who may participate in the issue or might obtain a benefit and any of their associates. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a 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.

## **Resolution 8 – Approval of additional capacity to issue shares under ASX Listing Rule 7.1A**

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

*"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement."*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this Resolution by a person who may participate in the 10% Placement Facility issue and a person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if this Resolution is passed, and any associates of those persons. However, the Company will not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- it is cast by the Chairman 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.

### **2. Determination of voting entitlement**

For the purpose of determining a person's entitlement to vote at the Meeting, a person will be recognized as a shareholder and the holder of Shares if that person is registered as a holder of those Shares at 7:00 p.m. AEDT on 4 December 2012.

### **3. Votes**

Unless a poll is demanded in advance of voting on a resolution, voting on each resolution will initially be by way of a show of hands. On a show of hands, each member present in person or by proxy or, in the case of a body corporate, by a representative, shall have one vote.

On a poll, every member present in person or by attorney or by proxy or, in the case of a body corporate, by a representative, shall have one vote for each share held by him, her or it.

#### **4. Proxies**

A Shareholder entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of the Shareholder.

Where the Shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, each proxy may exercise half of the votes. A proxy need not be a Shareholder.

To be effective, the instrument of appointment of a proxy (and power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority) must be received by the Company at PO BOX 627 Collins St West VIC 8007 or by facsimile on + 61 (0) 3 8678 1747 by 10:30 am AEDT on 4 December 2012.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on the Resolutions by marking either "For", "Against" or "Abstain" on the form of proxy for that item of business.

Subject to the voting restrictions set out in the Voting Exclusion Statements, the Chairperson will vote undirected proxies on, and in favour of all Resolutions.

If the proxy is the Chairman, the Chairman can also vote undirected proxies on the Resolution to adopt the Remuneration Report provided that proxy form expressly authorises the Chairman to vote even though the Resolution is connected with the remuneration of the key management personnel.

A form of proxy accompanies this Notice.

#### **5. Questions and Comments by Shareholders at the Meeting**

A reasonable opportunity will be given to Shareholders to ask questions and/or make comments on the management of the Company at the Meeting.

A reasonable opportunity will be given for Shareholders to ask questions of the Company's external auditor, BDO. These questions should be relevant to:

- a) the conduct of the audit;
- b) the preparation and contents of the audit report;

- c) the accounting policies adopted by the Company in relation to the preparation of its financial statements; and
- d) the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to BDO if the question is relevant to the content of the audit report or the conduct of its audit of the Company's financial report for the year ended 30 June 2012. Relevant written questions for BDO must be received by the Company no later than 10:30 PM AEDT on 29 November 2012. A representative of BDO will provide answers to the questions at the Meeting.

Justyn Stedwell

*Company Secretary*

On behalf of the Board of Directors

**Motopia Limited**

ABN 67 099 084 143

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## EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in this Notice.

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

### **Resolution 1: Adoption of remuneration report**

In accordance with Section 300A(1) of the Corporations Act the Remuneration Report is included in the Directors Report for the financial year ended 30 June 2010.

The Remuneration Report sets out details of the remuneration received by the directors and key Company executives, in addition to describing Board policy in respect of remuneration. Resolution 1 seeks shareholder approval of the adoption of the Remuneration Report by the Company.

The outcome of this resolution is not binding on the Company or the Board. However, sections 250U to 250Y of Corporations Act which have recently been enacted introduce a 'two strikes and re-election' process in relation to the shareholder vote on the Remuneration Report provide that:

- A 'first strike' will occur if this Remuneration Report resolution receives a 'no' vote of 25% or more. If this occurs, the Company's subsequent remuneration report will contain an explanation of the Board's proposed action in response to the 'no' vote or an explanation of why no action has been taken by the Board.
- A 'second strike' will occur if the resolution to adopt the Remuneration Report at the 2013 Company Annual General Meeting also receives a 'no' vote of 25% or more. If this occurs, shareholders will vote at that Annual General Meeting to determine whether the Directors will need to stand for re-election at a separate, subsequent meeting (the 'spill resolution'). If the spill resolution passes with 50% or more of eligible votes cast, the spill meeting must take place within 90 days.

The Company has not received a 'first strike'.

The Remuneration Report is set out in the Company's 2012 Annual Report. The 2012 Annual Report can be viewed online at the Company's website [www.motopia.com](http://www.motopia.com).

### **Resolution 2: Election of Gernot Abl as a Director**

In accordance with clause 20.3 of the Constitution, Gernot Abl, a Director appointed subsequent to the last Annual General Meeting of the Company and retiring at the close of this Annual General Meeting, offers himself for election as a Director.

Details of Gernot Abl's qualifications, experience and special responsibilities are set out in the Company's 2012 Annual Report.

### **Resolution 3: Election of Michael Green as a Director**

In accordance with clause 20.3 of the Constitution, Michael Green, a Director appointed subsequent to the last Annual General Meeting of the Company and retiring at the close of this Annual General Meeting, offers himself for election as a Director.

Details of Michael Green's qualifications, experience and special responsibilities are set out in the Company's 2012 Annual Report.

### **Resolution 4: Election of Raelene Webb as a Director**

In accordance with clause 20.3 of the Constitution, Raelene Webb, a Director appointed subsequent to the last Annual General Meeting of the Company and retiring at the close of this Annual General Meeting, offers herself for election as a Director.

Ms Raelene Webb QC is a senior barrister practicing from Magayamirr Chambers in Darwin, Northern Territory, Australia.

Raelene joined the independent bar in 1998 and was appointed as Senior Counsel in 2004. Raelene is one of the most experienced native title barristers in Australia, having appeared in the High Court in most land-mark cases on the judicial interpretation and development of native title/Aboriginal land law since the decision in *Mabo* in 1992. Her other areas of particular legal expertise include international law, mining and resources law, constitutional law and administrative law.

With a keen interest in corporate governance issues, in January 2011 Raelene was awarded a Board Diversity Scholarship - a program jointly funded by the Australian Institute of Company Directors and the Commonwealth Governments Office for Women. Raelene is a graduate of the Australian Institute of Company Directors, having completed the Company Directors Course later in 2011.

Before entering the legal profession in the 1980s, Raelene taught mathematics and physics at secondary and tertiary levels, and was involved in small business management, both as a small business owner and as a management trainer. Ms. Webb will serve as a non-executive director.

## **Resolution 5 – Approve the previous issue of 38,500,000 Shares**

### **Background**

On 18 October 2012, the Company issued 38,500,000 Shares at an issue price of \$0.004 per Share raising \$154,000 for working capital purposes.

The 38,500,000 Shares were issued without prior Shareholder approval and in accordance with ASX Listing Rule 7.1. Resolution 5 seeks Shareholder approval for the previous issue of 38,500,000 Shares for the purposes of ASX Listing Rule 7.4 and all other purposes.

### **ASX Listing Rules 7.1, 7.4 & 7.5**

ASX Listing Rule 7.1 provides that a listed company must not, subject to certain exceptions, issue or agree to issue more than 15% of its capital within a 12 month period without the approval of shareholders.

ASX Listing Rule 7.4 provides that an issue of shares made without approval under Listing Rule 7.1 is treated as been made with approval if each of the following applies:

- the issue did not breach Listing Rule 7.1, and
- the shareholders of ordinary securities subsequently approve the issue.

The previous issue of 38,500,000 Shares did not breach ASX Listing Rule 7.1 and the Company seeks subsequent Shareholder approval for the issue of Shares for the purposes of ASX Listing Rule 7.4 and all other purposes.

The following information is provided to Shareholders in accordance with ASX Listing Rule 7.5:

#### **The number of securities allotted**

The number of securities allotted was 38,500,000 Shares.

#### **The price at which the securities were issued**

The Shares were issued at \$0.004 per Share (A 100% premium to the closing price of Shares of \$0.002 as traded on ASX from 27 September 2012 to 18 October 2012).

### The terms of the securities

The Shares issued rank equally in all respects with the Company's existing Shares.

### The names of the allottees

The 38,500,000 Shares were issued to:

<b>Name</b>	<b>Shares</b>
Ellenvee Pty Ltd <Ellenvee P/L Super Fund A/C>	1250000
Ellenvee Pty Ltd <C&J Zeatter Family A/C>	1250000
Daniel Zeaiter	1250000
Zelan Pty Ltd <M & S Zeaiter Family A/c>	1250000
Zelan Pty Ltd <Zelan Pty Ltd S/F A/c>	1250000
Yambali Pty Ltd <Zeaiter Family A/c>	1250000
Yambali Pty Ltd <Laurie Zeaiter A/c>	1250000
Yambali Pty Ltd <Superannuation Fund A/c>	1250000
Anthony Zeaiter	1250000
Ben Saliba	1250000
Margaret Gounder	1250000
Stephen Mario Edwards	1250000
LJR Constructions Pty Ltd	6250000
Master Cut Earthworks Pty Ltd	1750000
R&F Beaini Enterprises Pty Ltd	750000
Steven John Ioannou	2500000
Yvonne Margaret Stedwell & Mark Andrew Stedwell <Stedwell Family Super Fund A/C>	750000
Mark Linney	6250000
Jamie Robert Bolton	1000000
Sandra Clair Bolton	500000
Mr Sam Campisi & Mr Greg Dinatale <Paraount Design P/L Super Fund A/C>	2500000
Campisi & Co Pty Ltd	1250000
<b>Total</b>	<b>38500000</b>

### The use of the funds raised

The Company raised \$154,000 from the issue of Shares. Funds raised were/will be used for working capital purposes.

## **Voting Exclusion Statement**

A voting exclusion statement is included in the Notice of Meeting.

## **Resolution 6 – Approve the issue of 141,427,140 Options**

### **Background**

In July 2012 the Company issued 35,356,785 Shares at \$0.007 per share raising just over \$247,000 for working capital purposes. In addition to the issue of Shares referred to above, the Company has agreed, subject Shareholder approval, to issue four free attaching Options for each Share issued to the subscribers.

The Company now seeks Shareholder approval to issue 141,427,140 Options as referred to in this Explanatory Statement for the purposes of ASX Listing Rule 7.1 and all other purposes.

### **ASX Listing Rule 7.1**

ASX Listing Rule 7.1 provides that a listed Company must not, subject to certain exceptions, issue or agree to issue more than 15% of its capital within a 12 month period without the approval of shareholders. For the purpose of ASX Listing Rule 7.1, the issue of a convertible security is treated as an issue of the capital of the Company on a fully converted basis.

By obtaining the prior approval of the Shareholders for the issue of Options, the issue of those Options, and the issue of Shares upon exercise of such Options, will not count within the 15% limit under Listing Rule 7.1.

For the purposes of ASX Listing Rule 7.1, Resolution 6 seeks Shareholder approval for the issue of 141,427,140 Options on the terms and conditions set out below.

### **ASX Listing Rule 7.3**

Listing Rule 7.3 contains certain requirements as to the contents of a notice sent to Shareholders for the purposes of Listing Rule 7.1 and the following information is included in this Explanatory Statement for that purpose:

#### **The number of securities to be issued**

The maximum number of securities to be issued is 141,427,140 Options.

### **The date by which the Company will issue the securities**

The Options will be issued progressively, and in any event, no later than 3 months after the date of this Meeting.

### **The issue price of the securities**

The Options will be free attaching Options to the 35,356,785 Shares issued by the Company in July 2012 and referred to above. The Options will be issued for nil consideration.

### **The names of the allottees of the securities**

The 141,427,140 Options will be issued to:

<b>Name</b>	<b>Options</b>
Bill Anagnostopoulos	28571432
Mr David Richard Green & Mr Robert Edward Green <D R Green Super Fund A/C>*	6000000
Robert Edward Green*	5600000
Ellenvee Pty Ltd <Ellenvee P/L Super Fund A/C>	5714000
Anthony Zeaiter	5714000
Zelan Pty Ltd <M&S Zeaiter Family A/C>	5714000
Yambali Pty Ltd <Laurie Zeaiter A/C>	11428000
Mark Linney	8000000
Steven John Ioannou	8000000
Neroski Pty Ltd	2285712
Dural Constructions NSW Pty Ltd	11428572
Garry Chong and May Chan	4000000
Natalie Joan Maloney*	14400000
Stephen Mario Edwards	5714280
Bling Nominees Pty Ltd <The 888 Family Trust>	2857144
Christos Vassilia	16000000

\*Related party to Motopia Director, Mike Green.

### **The terms of the securities**

General terms and conditions of the Options are:

- Each Option entitles the holder, on exercise, to one Share.
- Each Option is exercisable at \$0.001
- Each Option will expire 3 years from the date of issue.

- All Shares issued on the exercise of the Options will rank equally in all respects with the Company's existing issued Shares.
- The Company will not apply to ASX for official quotation of the Options.
- The Company will apply for quotation by ASX of all Shares issued upon the exercise of the Options.
- Options may be escrowed for up to 1 year from the date of issue.
- Subject to any restrictions or escrow arrangements imposed pursuant to the ASX Listing Rules or the *Corporations Act 2001* (Cth), the Options (or Shares issued upon exercise of Options) are transferrable.
- An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.
- In the event of any reconstruction of the issued capital of the Company prior to the expiry date, all rights of the Option holder will be varied in accordance with the ASX Listing Rules.
- If the Company makes a bonus issue of Shares or other securities to existing Shareholders:
  - the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the Option before the record date for the bonus issue; and
  - no change will be made to the exercise price of the Options.

Adjustment for pro rata issue:

If the Company makes a pro rata issue of Shares or other securities to existing Shareholders (other than a bonus issue) the exercise price of an Option will be adjusted according to the following formula:

$$\text{New exercise price} = \frac{O - E [P - (S + D)]}{N + 1}$$

O = the old Exercise Price of the Option.

E = the number of underlying Shares into which one Option is exercisable.

P = average market price per Share (weighted by reference to volume) of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one new Share.

### **The intended use of funds raised**

No funds will be raised from the issue of Options. Up to approximately \$141,427 will be raised if the Options are exercised and Shares are subscribed for during the exercise periods. It is anticipated that any funds raised from the exercise of Options will be used for working capital purposes. There is no guarantee that the Options will be exercised at all.

### **Voting exclusion statement**

A voting exclusion statement is included in the Notice of Meeting.

### **Resolution 7 – Approve the issue of 154,000,000 Options**

#### **Background**

On 18 October 2012 the Company issued 38,500,000 Shares at \$0.004 per share raising just \$154,000 for working capital purposes (the subject of Resolution 5). The 38,500,000 Shares were issued at \$0.004 per Share (A 100% premium to the closing price of Shares of \$0.002 as traded on ASX from 27 September 2012 to 18 October 2012). In addition to the issue of Shares referred to above, the Company has agreed, subject Shareholder approval, to issue four free attaching Options for each Share issued to the subscribers.

The Company now seeks Shareholder approval to issue 154,000,000 Options as referred to in this Explanatory Statement for the purposes of ASX Listing Rule 7.1 and all other purposes.

#### **ASX Listing Rule 7.1**

ASX Listing Rule 7.1 provides that a listed Company must not, subject to certain exceptions, issue or agree to issue more than 15% of its capital within a 12 month period without the approval of shareholders. For the purpose of ASX Listing Rule 7.1, the issue of a convertible security is treated as an issue of the capital of the Company on a fully converted basis.

By obtaining the prior approval of the Shareholders for the issue of Options, the issue of those Options, and the issue of Shares upon exercise of such Options, will not count within the 15% limit under Listing Rule 7.1.

For the purposes of ASX Listing Rule 7.1, Resolution 7 seeks Shareholder approval for the issue of 154,000,000 Options on the terms and conditions set out below.

### **ASX Listing Rule 7.3**

Listing Rule 7.3 contains certain requirements as to the contents of a notice sent to Shareholders for the purposes of Listing Rule 7.1 and the following information is included in this Explanatory Statement for that purpose:

#### **The number of securities to be issued**

The maximum number of securities to be issued is 154,000,000 Options.

#### **The date by which the Company will issue the securities**

The Options will be issued progressively, and in any event, no later than 3 months after the date of this Meeting.

#### **The issue price of the securities**

The Options will be free attaching Options to the 38,500,000 Shares issued by the Company on 18 October 2012 and referred to above and the subject of Resolution 5. The Options will be issued for nil consideration.

#### **The names of the allottees of the securities**

The 154,000,000 Options will be issued to:

<b>Name</b>	<b>Options</b>
Ellenvee Pty Ltd <Ellenvee P/L Super Fund A/C>	5000000
Ellenvee Pty Ltd <C&J Zeatter Family A/C>	5000000
Daniel Zeaiter	5000000
Zelan Pty Ltd <M & S Zeaiter Family A/c>	5000000
Zelan Pty Ltd <Zelan Pty Ltd S/F A/c>	5000000
Yambali Pty Ltd <Zeaiter Family A/c>	5000000
Yambali Pty Ltd <Laurie Zeaiter A/c>	5000000
Yambali Pty Ltd <Superannuation Fund A/c>	5000000
Anthony Zeaiter	5000000
Ben Saliba	5000000
Margaret Gounder	5000000
Stephen Mario Edwards	5000000
LJR Constructions Pty Ltd	25000000
Master Cut Earthworks Pty Ltd	7000000

R&F Beaini Enterprises Pty Ltd	3000000
Steven John Ioannou	10000000
Yvonne Margaret Stedwell & Mark Andrew Stedwell <Stedwell Family Super Fund A/C>	3000000
Mark Linney	25000000
Jamie Robert Bolton	4000000
Sandra Clair Bolton	2000000
Mr Sam Campisi & Mr Greg Dinatale <Paraount Design P/L Super Fund A/C>	10000000
Campisi & Co Pty Ltd	5000000
<b>Total</b>	<b>154000000</b>

### The terms of the securities

General terms and conditions of the Options are:

- Each Option entitles the holder, on exercise, to one Share.
- Each Option is exercisable at \$0.001
- Each Option will expire 3 years from the date of issue.
- All Shares issued on the exercise of the Options will rank equally in all respects with the Company's existing issued Shares.
- The Company will not apply to ASX for official quotation of the Options.
- The Company will apply for quotation by ASX of all Shares issued upon the exercise of the Options.
- Options may be escrowed for up to 1 year from the date of issue.
- Subject to any restrictions or escrow arrangements imposed pursuant to the ASX Listing Rules or the *Corporations Act 2001* (Cth), the Options (or Shares issued upon exercise of Options) are transferrable.
- An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.
- In the event of any reconstruction of the issued capital of the Company prior to the expiry date, all rights of the Option holder will be varied in accordance with the ASX Listing Rules.
- If the Company makes a bonus issue of Shares or other securities to existing Shareholders:
  - the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the Option before the record date for the bonus issue; and
  - no change will be made to the exercise price of the Options.

Adjustment for pro rata issue:

If the Company makes a pro rata issue of Shares or other securities to existing Shareholders (other than a bonus issue) the exercise price of an Option will be adjusted according to the following formula:

$$\text{New exercise price} = \frac{O - E [P - (S + D)]}{N + 1}$$

O = the old Exercise Price of the Option.

E = the number of underlying Shares into which one Option is exercisable.

P = average market price per Share (weighted by reference to volume) of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one new Share.

### **The intended use of funds raised**

No funds will be raised from the issue of Options. Up to approximately \$154,000 will be raised if the Options are exercised and Shares are subscribed for during the exercise periods. It is anticipated that any funds raised from the exercise of Options will be used for working capital purposes. There is no guarantee that the Options will be exercised at all.

### **Voting exclusion statement**

A voting exclusion statement is included in the Notice of Meeting.

### **Resolution 8 – Approval of additional capacity to issue Shares under ASX Listing Rule 7.1A**

#### **ASX Listing Rule 7.1A**

In August 2012, the ASX introduced ASX Listing Rule 7.1A which enables certain 'eligible entities' to issue equity securities of up to 10% of their issued share capital through placements over a 12 month period commencing after the annual general meeting (Additional Placement Capacity). ASX Listing Rules require that Shareholders approve

the Additional Placement Capacity by special resolution, at an annual general meeting before any equity securities are issued under the Additional Placement Capacity.

For the purposes of ASX Listing Rule 7.1A an 'eligible entity' is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an 'eligible entity'. The Additional Placement Capacity is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1. Therefore, if the Additional Placement Capacity is approved, the Directors will be allowed to issue equity securities of up to 10% of the Company's issued share capital pursuant to ASX Listing Rule 7.1A and up to 15% pursuant to ASX Listing Rule 7.1. If the Additional Placement Capacity is not approved, the Directors will still be allowed to issue equity securities of up to 15% of the Company's issued capital pursuant to ASX Listing Rule 7.1.

The Company seeks Shareholder approval by way of a special resolution to have the ability to issue equity securities under the Additional Placement Capacity should the need arise.

#### **Formula for calculating 10% Placement Facility**

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of equity securities calculated in accordance with the following formula:

#### **(A x D) – E**

**A** is the number of shares on issue 12 months before the date of issue or agreement:

- a) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- b) plus the number of partly paid shares that became fully paid in the 12 months;
- c) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- d) less the number of fully paid shares cancelled in the 12 months.
- e) Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

**D** is 10%

**E** is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

### **ASX Listing Rule 7.3A**

In accordance with ASX Listing Rule 7.3A the Company provides the following information.

Any securities issued under the Additional Placement Capacity will be in the same class as existing quoted securities of the Company.

The issue price for each security issued under the Additional Placement Capacity will not be less than 75% of the volume weighted average price for securities in that class over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price at which the securities are to be issued is agreed; or
- if the securities are not issued within 5 trading days of the date above, the date on which the securities are issued.

The issue of equity securities under the Additional Placement Capacity may result in voting dilution of existing ordinary shareholders (as shown in Table 1). There is also the risk that:

- the market price for equity securities in that class may be significantly lower on the issue date than on the date of the Meeting; and
- the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.

Equity securities under the Additional Placement Capacity may be issued until the earlier of:

- 6 December 2013; and
- the date of approval by ordinary shareholders of a significant change to the Company's activities under ASX Listing Rule 11.1.2 or the date of approval by ordinary shareholders of a disposal of a major asset under ASX Listing Rule 11.2.

Any approval of the Additional Placement Capacity at this Meeting will cease to be valid in the event that ordinary shareholders approve a transaction under ASX Listing Rule 11.1.2 or 11.2.

The Company may issue equity securities under the Additional Placement Capacity for the following purposes:

- non-cash consideration: for the acquisition of new assets and investments (in such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rules); or
- cash consideration: to raise funds for working capital, to fund due diligence on potential acquisitions within the mining or other industries and/or to fund cash consideration for acquisitions.

The Company's allocation policy for issues under the Additional Placement Capacity is dependent on prevailing market conditions at the time of any proposed issue.

The identity of the allottees of the equity securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- the methods of raising funds that are available to the Company, including rights issues or other issues in which existing shareholders may participate;
- the effect of the issue of the equity securities on the control of the Company;
- the financial position of the Company; and
- advice from the Company's advisors.

The allottees under the Additional Placement Capacity have not yet been determined but allottees may include existing shareholders, existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

ASX Listing Rule 7.1A was introduced in August 2012 and as such, the Company has not previously obtained approval for the Additional Placement Capacity.

A voting inclusion statement is included in this Notice. In accordance with ASX Listing Rule 14.11.1 and the relevant Note under that rule concerning Rule 7.1A, as at the date of this Notice of Meeting it is not known who may participate in the proposed issue (if any). On that basis, no security holders are currently excluded.

Table 1 below shows the dilution of Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2).

The table also shows:

- I. two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- II. two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

**Table 1**

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.001 50% decrease in Issue Price	\$0.002 Issue Price	\$0.004 100% increase in Issue Price
<b>Variable A - 599,541,047 Shares</b>	10% Voting Dilution	59,954,105 Shares	59,954,105 Shares	59,954,105 Shares
	Funds Raised	\$59,954	\$119,908	\$239,816
<b>50% increase in Variable A - 899,311,571 Shares</b>	10% Voting Dilution	89,931,157 Shares	89,931,157 Shares	89,931,157 Shares
	Funds Raised	\$89,931	\$179,862	\$359,724
<b>100% increase in Variable A - 1,199,082,094 Shares</b>	10% Voting Dilution	119,908,209 Shares	119,908,209 Shares	119,908,209 Shares
	Funds Raised	\$119,908	\$239,816	\$479,633

Table 1 has been prepared based on the following assumptions:

- Variable A is based on the number of Shares on issue at 19 October 2012

- The Company issues the maximum number of equity securities available under the Additional Placement Capacity.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- The table shows only the issue of equity securities under the Additional Placement Capacity and not under ASX Listing Rule 7.1.
- The issue of equity securities under the additional placement capacity includes only shares.
- The issue price of \$0.002 was the closing price of Shares as traded on ASX as at 19 October 2012. This price may fluctuate between the time of preparing this Notice and the date of the Meeting.

Justyn Stedwell  
*Company Secretary*  
On behalf of the Board of Directors  
**Motopia Limited**  
ABN 67 099 084 143  
Level 10, 446 Collins Street  
Melbourne VIC 3000  
Phone: +61 3 8678 1746  
Fax: +61 3 8678 1747

## **GLOSSARY**

In the Notice of Meeting and Explanatory Statement the following terms have the following meanings:

**AEDT** means Australian Eastern Daylight Saving Time.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited.

**ASX Listing Rules** means the listing rules of ASX.

**Board** means the board of directors of the Company.

**Company or Motopia** means Motopia Limited ABN 67 099 084 143.

**Constitution** means the constitution of the Company

**Corporations Act** means Corporations Act 2001 (Cth).

**Director** means a current director of the Company.

**Explanatory Statement** means the explanatory statement to this notice of general meeting.

**Meeting** means the 2012 Annual General Meeting of the Shareholders of the Company to be held on 6 December 2012, to which the Notice of Meeting and Explanatory Statement relate.

**Notice** or **Notice of Meeting** means this notice of Annual General Meeting of the Company dated 31 October 2012.

**Option** means an option to subscribe for a Share in the Company

**Resolution** means a resolution referred to in the Notice.

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

**Shareholder** means a holder of Shares.

Words importing the singular include the plural and vice versa.

All references to currency are in Australian dollars

**Motopia Limited**

**ACN 099 084 143**

**Appointment of Proxy Form – 2012 Annual General Meeting**

I/We:
Of:

being a member/shareholder of Motopia Limited entitled to attend and vote at the Annual General Meeting, hereby appoint:

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 of the Company to be held at 10:30 am (AEDT) on Thursday, 6 December 2012, at the Hotel Charsfield, 478 St Kilda Road, Melbourne, VIC, 3004 and at any adjournment thereof. If no directions are given, the Chair will vote in favour of all the Resolutions.

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 8 please place a mark in this box:

By ticking the above box, I/we expressly authorise the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on Resolutions 1 to 8 (except where I/we have indicated a different voting intention below) and acknowledge that the Chairman of the Meeting may exercise my proxy even though Resolution 1 is connected directly with the remuneration of members of key management personnel and/or even if the Chairman of the Meeting has an interest in the outcome of these items and that votes cast by the Chairman, other than as proxy holder, would 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 8 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 1 to 8. Alternatively, you can complete the table below:

RESOLUTIONS (TICK IN THE BOX)	FOR	AGAINST	ABSTAIN
<b>Resolution 1 – Adoption of Remuneration Report</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 2 – Election of Director – Gernot Abl</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 3 – Election of Director – Mike Green</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 4 – Election of Director – Raelene Webb</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 5 – Approve the previous issue of 38,500,000 Shares</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 6 – Approve the issue of 141,427,140 Options</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 7 – Approve the issue of 154,000,000 Options</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 8 – Approve Additional Placement Capacity</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** 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.

Signature of Member(s): ..... Date: .....

Individual or Member 1

**Sole Director/Company Secretary**

Member 2

**Director**

Member 3

**Director/Company Secretary**

Contact Name: .....Contact Ph (daytime): .....

**PROXY INSTRUCTIONS:** A member entitled to attend and vote at a meeting is entitled to appoint not more than 2 proxies. Where more than 1 proxy is appointed, each proxy may be appointed to represent a specific portion of the member’s voting rights. A proxy need not be a member of the Company. A proxy form must be signed by the member or his or her attorney. Proxies given by corporations must either be signed under seal or under the hand of a duly authorised officer of attorney. To be valid, the form appointing the proxy and the Power of Attorney or other authority (if any) under which it is signed (or a certified copy) must be lodged with **Motopia Limited, The Company Secretary, PO BOX 627 Collins St West VIC 8007, or by facsimile on +61 3 8678 1747. By no later than 10:30 a.m. AEDT on 4 Decmber 2012. Proxy forms received later than this time will be invalid.**