



26 August 2006

Dear Shareholder,

I have pleasure in inviting you to attend the first Annual General Meeting of Saferoads Holdings Limited, to be held at the RACV City Club, 501 Bourke Street, Melbourne on Tuesday 3 October 2006, commencing at 10.30am. While formal proceedings will commence at that time, the venue will be opened at 9.45am to allow time for registration.

There is ample parking under the RACV City Club building. This can be accessed from New Chancery Lane which runs between Bourke Street and Little Collins Street. 501 Bourke Street is between Queen Street and William Street (Melway ref page 1A, G 5-6).

I hope you will take advantage of this opportunity to meet the Directors, and to hear from the Chairman and the Managing Director about the progress made this year by your company and to hear something of the plans ahead.

The Notice of Meeting (overleaf) details the business to be dealt with on the day. An Appointment of Proxy form is also enclosed.

If you are unable to attend, I encourage you to complete and return the proxy form in the reply paid envelope enclosed.

I look forward to seeing you at the meeting.

Yours sincerely

A handwritten signature in black ink, appearing to read "G Bertuch".

Gary Bertuch
Chairman.

SAFEROADS HOLDINGS LIMITED

ABN 81 116 668 538

NOTICE OF ANNUAL GENERAL MEETING

Saferoads Holdings Limited.

ABN 81 116 668 538

The first Annual General Meetings of Saferoads Holdings Limited will be held as follows:

Date: 3 October 2006
Time: 10.30am
Venue: RACV City Club
501 Burke St, Melbourne

Business

1 Presentations

The Chairman's address and Presentation from the Managing Director.

2 Financial Statements and Reports

To receive and consider the Financial Statements and the Report of the Directors and the Auditor for the financial year ended 30 June 2006.

The Corporations Act 2001 does not require shareholders to vote on the reports. However, in accordance with the Corporations Act, an opportunity will be given to the shareholders at the meeting to ask questions about or to make comment on Company matters including the Auditor's Report and the conduct of the audit.

3 Election of Directors

The Company's constitution, clause 59.1, provides that at the close of each annual general meeting one-third of the Directors or, if their number is not a multiple of three, then the number nearest to but not more than one-third of the Directors, must retire. The constitution also provides that the Managing Director is not subject to retirement by rotation.

Accordingly, Mr Duncan Smith retires, and being eligible, offers himself for re-election.

4 Remuneration Report

To adopt the Remuneration Report for the financial year ended 30 June 2006. The vote on this item is advisory only.

By order of the Board



Bill Cruickshank

Company Secretary
26 August 2006

VOTING INFORMATION

Proxies

- 1 A shareholder who is entitled to attend and vote at the meeting has a right to appoint a proxy to attend and vote instead of the shareholder. An Appointment of Proxy form is enclosed with this Notice of Meeting. A proxy is entitled to vote on a poll, and subject to no more than one proxy being appointed, on a show of hands.
- 2 A proxy need not be a shareholder.
- 3 You cannot appoint yourself as your own proxy.
- 4 A shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- 5 If you do not specify the proportion or number of votes each proxy may exercise, then each proxy may exercise up to half of the shareholder's votes.
- 6 If you appoint more than one proxy, neither proxy is entitled to vote on a show of hands.
- 7 If you require an additional Appointment of Proxy form, please contact **Registries Limited** on phone 02 9290 9600
- 8 To be effective, an Appointment of Proxy form, and if applicable the original or certified copy of the power of attorney or any other instrument under which it is signed, must be received at the Company's share registry, **Registries Limited** by 10.00am Melbourne/Sydney time on Sunday 1 October 2006 as follows:
 - In person - 28 Margaret Street, Sydney NSW 2000
 - By mail - PO Box R67, Royal Exchange NSW 1223
 - By facsimile – 02 9279 0664

Voting entitlements

For the purposes of the meeting, shares will be taken to be held by the persons who are the registered holders at 10.00am Melbourne/Sydney time on 1 October 2006. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

This means that any shareholder registered at 10.00am Melbourne/Sydney time on Sunday 1 October 2006 is entitled to attend and vote at the Annual General Meeting.

EXPLANATORY NOTES TO SHAREHOLDERS

Item 3 – Election of Directors.

Resolution 1: To re-elect Mr Duncan Smith as a Director.

Duncan was a founding Director and shareholder of Saferoads Pty Ltd. He is the senior partner in Smith McCarthy Wilson, accountants and advisors.

Duncan has been in public practice as an accountant since 1977 and a partner or principal in accounting firms since 1981, advising small to medium enterprises in a diverse range of industries, in management, taxation and financial matters. A financial planner since 1996, he is an authorised representative of Lonsdale Financial Group Limited.

Duncan is a current trustee of the Andrews Foundation (a charitable group). He is also a member of the Board of Management and the treasurer of the West Gippsland Health Care Group. He is a Director of a number of private companies.

Item 4 – Remuneration Report.

Resolution 2: To adopt the Remuneration Report.

Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report forms part of the Directors' report in the 2006 Annual General Report and is also available on the Company's website (www.saferoads.com.au).

The Remuneration Report:

- describes the policies behind, and the structure of, the remuneration arrangements of the Company and the link between remuneration of executives and the Company's performance;
- sets out the remuneration arrangements in place for each Director and for those members of senior management with greatest authority within the Saferoads Group; and
- explains the difference between the basis for remunerating non-executive directors and Senior Managers including the Managing Director.

The vote on this item is advisory only and does not bind the Directors. Nevertheless the Remuneration Committee will take into account the discussion on this item and the outcome of the vote when considering the future remuneration policies and practices of the Company.