
**Southern Cross Electrical Engineering Limited**

ABN 92 009 307 046

# Notice of Meeting and Explanatory Statement and Proxy Form

**Date of Meeting:** Wednesday, 26 November 2008
**Time of Meeting:** 10:00am WST
**Place of Meeting:** The Langley Room
Novotel Langley Hotel
221 Adelaide Terrace
Perth Western Australia 6000

**This Notice of Meeting and Explanatory Statement should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.**

# Notice of **Annual General Meeting**

Notice is hereby given that the Annual General Meeting of Shareholders of Southern Cross Electrical Engineering Limited ABN 92 009 307 046 ("Company") will be held at 10:00am (WST) on Wednesday, 26 November 2008 at The Langley Room, Novotel Langley Hotel, 221 Adelaide Terrace, Perth, Western Australia 6000.

The Explanatory Statement that accompanies and forms part of this Notice of Meeting describes the various matters to be considered at the Annual General Meeting. Shareholders should read the Explanatory Memorandum before deciding how to vote.

## Agenda

**Financial Reports**

To receive and consider the Annual Financial Statements and the Annual Report of the Company for the year ended 30 June 2008, together with the reports of the Directors and Auditor in accordance with the Corporations Act.

**Resolution 1: To Adopt the Remuneration Report**

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

*"That, pursuant to and in accordance with section 250R(2) of the Corporations Act, the Directors' Remuneration Report for the financial year ended 30 June 2008 as contained within the Director's Report be adopted."*

Note: Section 250R(3) of the Corporations Act provides that the vote on this Resolution is advisory only and does not bind the Directors

**Resolution 2: To Re-elect Brian Carman as a Director**

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

*"That, Mr Brian Carman who retires by rotation in accordance with the paragraph 5.1 of the Constitution of the Company and who, being eligible, offers himself for re-election, be re-elected as a Director of the Company."*

**Resolution 3: To Appoint a New Auditor**

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

*"That KPMG, having consented to do so under section 328A of the Corporations Act, be appointed as auditors of the Company, subject to the Australia Securities and Investments Commission granting its consent to the resignation of Grant Thornton (WA) Financial Services Pty Ltd as auditors of the Company"*

**Resolution 4: Approval of Issue of Options to Director - Mr Stephen Pearce**

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

*"That for the purposes of Listing Rules 7.1 and 10.11 of ASX Limited and Chapter 2E of the Corporations Act and for all other purposes, approval is given for the Company to allot and issue to Mr Stephen Thomas Pearce or his nominee,1,500,000 Options to acquire ordinary fully paid shares in the capital of the Company on the terms and conditions set out in the Explanatory Memorandum which accompanies and forms part of this Notice of Meeting."*

Voting Exclusion Statement

The Company will disregard any votes cast on this resolution by

- Mr Stephen Pearce or his nominee; and

**Resolution 4: Approval of Issue of Options to Director - Mr Stephen Pearce** (continued)

- any of his associates or any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities.

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 5: Approval of Increase in Aggregate Amount of Directors' Renumeration**

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

*"That, pursuant to Listing Rule 10.17.1, paragraph 42.1 of the Constitution of the Company and for all other purposes, Shareholders approve an increase in the fixed sum available to be paid to Directors by $200,000, to a new fixed sum of $600,000, to be paid in accordance with the terms and conditions set out in the Explanatory Memorandum."*

Voting Exclusion Statement

The Company will disregard any votes cast on this resolution by

- A Director of the Company and
- any of his/her associates or any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities.

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.

**Other Business**

To transact any other business which may be properly brought before the meeting in accordance with the Company's Constitution and the Corporations Act.

**Required Majorities**

Resolutions 1, 2, 3, 4 and 5 are ordinary resolutions and will be passed only if supported by a majority of the votes cast by Shareholders entitled to vote on the resolutions

Dated: 15 October 2008

**By Order Of The Board**

**Stephen Fewster**
Company Secretary

# Notice of **AGM** (continued)

## Proxy and **Voting Entitlement Instructions**

In accordance with section 249L(d) of the Corporations Act, Shareholders are advised that:

- each Shareholder who is entitled to attend and vote at the Annual General Meeting has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company;
- a Shareholder who is entitled to cast two or more votes at the Annual General Meeting may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one half of the votes.

A Shareholder who appoints a proxy may specify the way in which the proxy is to vote on each resolution or may allow the proxy to vote at his or her discretion.

In accordance with section 250BA of the Corporations Act, the Company specifies the following information for the purpose of receipt of proxy appointments:

Address: Computershare Investor Services Pty Limited.
GPO Box 242, Melbourne, Victoria 3001, Australia.

Facsimile number within Australia: 1800 783 447

Facsimile number outside Australia: +61 3 9473 2555

The instrument appointing the proxy must be received by the Company at the address specified above at least 48 hours before the time notified for the Annual General Meeting (proxy forms can be lodged by facsimile).

In accordance with regulation 7.11.38 of the Corporations Regulations, the Company determines that ordinary shares held as at 7.00pm (EST) on Monday 24 November 2008 will be taken, for the purposes of the Annual General Meeting, to be held by the persons who held them at that time.

Notes:

1. If a proxy form is signed or authenticated by an appointer's attorney, the power of attorney or a certified copy thereof (if any) under which it is signed must accompany the proxy form and be received by Computershare Investor Services Pty Limited GPO Box 242, Melbourne, Victoria 3001, Australia, facsimile number within Australia: 1800 783 447, facsimile number outside Australia: +61 3 9473 2555, not later than 48 hours before the appointed time of the Annual General Meeting.
2. Proxy forms executed by a corporation must be in accordance with the requirements of the Corporations Act 2001 or under the hand of its attorney. In the case of a sole director/secretary company, please indicate "sole director" in the space provided.
3. Should you desire to direct your proxy on how to vote, place a cross in the appropriate box for each item, otherwise your proxy may vote as your proxy thinks fit or abstain from voting.
4. If two proxies are appointed, you may delete "all" and insert the relevant number or proportion of shares in respect of which each such appointment is made. A separate proxy must be completed for each proxy.
5. If you need any further information about this form or attendance at the Annual General Meeting please contact Mr Stephen Fewster, Company Secretary on +61 8 9410 1833.

# Explanatory Memorandum to **Shareholders**

**Introduction**

This Explanatory Memorandum has been prepared for the information of shareholders of Southern Cross Electrical Engineering Limited ("Company") in connection with the business to be transacted at the annual general meeting of the Company to be held on Wednesday, 26 November 2008 ("Annual General Meeting").

At the Annual General Meeting, Shareholders will be asked to pass resolutions:

(a) authorising the adoption of the Remuneration Report;

(b) authorising the re-election of Mr Brian Carman as a Director of the Company;

(c) authorising the appointment of KPMG as the Company's auditor;

(d) authorising the issue of options to Mr Stephen Thomas Pearce or his nominee; and

(e) authorising the increase of the Directors' fees payable in aggregate to the Directors, from $400,000 to $600,000 per annum, being the maximum amount that may be paid to the Directors as a whole.

The purpose of this Explanatory Memorandum is to provide information that the Board believes to be material to Shareholders in deciding whether or not to pass these resolutions. It explains the resolutions and identifies the Board's reasons for putting them to Shareholders. The Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting.

**Resolution 1: To Adopt the Remuneration Report**

Section 298 of the Corporations Act requires the annual Directors' Report to contain a Remuneration Report prepared in accordance with section 300A of the Corporations Act.

The Remuneration Report of the Company for the financial year ended 30 June 2008 is set out in the Directors' Report contained in the 2008 Annual Report to Shareholders ("Remuneration Report").

The Remuneration Report sets out the Company's remuneration arrangements for the Executive and Non-Executive Directors. A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting. In addition, the Corporations Act requires that Resolution 1, to adopt the Remuneration Report, be put to the vote. However, the vote on this Resolution is only advisory and does not bind the Company or its Directors.

The Board unanimously recommends that Shareholders vote in favour of adopting the Remuneration Report.

**Resolution 2: To Re-elect Brian Carman as a Director**

Mr Brian Carman was elected as a Director of the Company on 27 June 1988 and is required to resign pursuant to the rotation of directors rule in the Company's Constitution. Mr Carman, being eligible, has offered himself for re-election as a Director of the Company.

**Resolution 3: To Appoint a New Auditor**

Grant Thornton (WA) Financial Services Pty Ltd, the Company's existing auditors, have resigned their appointment as auditors of the Company effective from the date of this Annual General Meeting. Pursuant to section 329(5) of the Corporations Act, Grant Thornton (WA) Financial Services Pty Ltd has applied for the Australian Securities and Investment Commission's consent to resign as auditor with effect from the date of the Annual General Meeting.

# Notice of **AGM** (continued)

**Resolution 3: To Appoint a New Auditor** (continued)

The Company wishes to appoint auditors who have offices in the countries where the Company has operations. The Board has identified KPMG as auditors who meet this criteria. KPMG has consented to act as auditors to the Company if this Resolution 3 is passed. Pursuant to section 328(1) of the Corporations Act, a Shareholder, Gianfranco Tomasi, has nominated KPMG as auditor of the Company. A copy of this letter of nomination is set out in Annexure "B" to this Explanatory Memorandum.

The change in auditor will be subject to the Australian Securities and Investment Commission granting its consent for Grant Thornton (WA) Financial Services Pty Ltd to resign as the auditors of the Company, which the Company expects to receive prior to the Annual General Meeting.

The Board recommends that Shareholders vote in favour of the appointment of KPMG as auditors of the Company.

**Resolution 4: Approval of Issue of Options to Director – Mr Stephen Thomas Pearce**

Resolution 4 seeks Shareholder approval for the Company to grant 1,500,000 Options to Mr Stephen Pearce, a Director of the Company, or his nominee.

Shareholder approval for the grant of the Options the subject of Resolution 4 is sought for the purposes of:

- Division 3 of Part 2E.1 of the Corporations Act, which governs the giving of financial benefits to "related parties", for example directors of a company;
- Listing Rule 7.1, which generally prohibits a company from issuing more than 15% of its capital within a 12 month period without shareholder approval; and
- Listing Rule 10.11, which requires the grant of securities to a director of a company to be approved by shareholders.

In order to secure the services of Mr Pearce and to provide Mr Pearce with an incentive for his efforts on behalf of the Company, he was offered 1,500,000 Options pursuant to the terms and conditions of the employment agreement between the Company and Stephen Pearce. This allocation of this number of options was disclosed in section 9.4 of the Company's prospectus dated 30 October 2007.

The Options are being granted for no consideration. Consequently no funds will be raised as a result of the grant of the Options. A total of $1,725,000 in additional Share capital would be raised if the Options were exercised in full.

Subject to Shareholder approval, the Options will be granted on the terms and conditions set out in Annexure "A" to this Explanatory Memorandum.

Part 2E.1 of the Corporations Act prohibits the Company from giving a financial benefit to a related party (such as a director) unless either:

- the giving of the financial benefit falls within one of the nominated exceptions to the relevant provisions of the Corporations Act; or
- Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed grant of Options to Mr Pearce or his nominee involves the provision of a financial benefit to a related party of the Company, and therefore, requires Shareholder approval.

In accordance with the requirements of Part 2E of the Corporations Act, and in particular sections 219 and 221, the following information is provided to Shareholders to allow them to assess the proposed grant of Options:

(a) being a Director, Mr Pearce is a related party of the Company to whom the financial benefit would be given by virtue of section 228(2) of the Corporations Act;

(b) the nature of the financial benefit to be given is the grant of Options on the terms set out in Annexure "A" to this Explanatory Memorandum;

**Resolution 4: Approval of Issue of Options to Director – Mr Stephen Thomas Pearce** (continued)

(c) those Directors who have no interest in the outcome of Resolution 4 (being all Directors other than Mr Pearce) recommend that the Shareholders vote in favour of Resolution 4 on the basis that the Options to be granted provide Mr Pearce with an appropriate incentive in recognition of his extensive knowledge, experience and capabilities;

(d) Mr Pearce makes no recommendation in relation to Resolution 4 on the basis that he has an interest in the outcome of the resolution;

(e) the Options will be issued free of charge. Any funds raised from the exercise of the Options will be used for the Company's general working capital requirements;

(f) the exercise price and exercise date for the Options are set out in Annexure "A" to this Explanatory Memorandum;

(g) Based on the Black & Scholes valuation methodology, the Company estimates that each Option the subject of Resolution 4 has an average value of $0.3548 detailed in the table below;

| | |
|---|---|
| Value of each option | $0.3548 |
| This estimate is based on the following assumptions | |
| Exercise Price | $1.15 |
| Market value of underlying Shares at time of setting exercise price | $1.10 |
| Time to expiration of Option | 4 years after vesting |
| Volatility | 43.00% |
| Risk free interest rate | 6.16% |
| Annualised dividend yield | 0 |
| The aggregate value of the Options is $532,266 | |

(h) since initial quotation on the ASX on 28 November 2007 to the date of this Notice of Meeting, the lowest recorded price of Shares in SEATS trading on ASX was $1.05 on 10 July 2008 and the highest was $1.835 on 28 December 2007. At the close of trading on 10 October 2008 the Share price was $1.00;

(i) following the passing of Resolution 4, Mr Pearce will hold an interest in zero Shares and 1,500,000 Options;

(j) Mr Pearce receives a current base remuneration of $500,000 per annum;

(k) the Company has 120,000,000 Shares and 1,000,000 Options on issue. Assuming that Mr Pearce exercises all of the Options to be granted to him pursuant to Resolution 4, Mr Pearce's interest including all the Shares and Options currently held will represent approximately 1.2% of the Company's diluted capital; and

(l) neither the Directors nor the Company are aware of any other information that would be reasonably required by the Shareholders to make a decision whether it is in the best interests of the Company to pass Resolution 4.

The following information is provided for the purposes of Listing Rules 7.1 and 10.11:

(a) the name of the person who will be issued Options is Mr Stephen Thomas Pearce or his nominee;

(b) Mr Pearce or his nominee will be issued 1,500,000 Options;

(c) the Options will be issued within one month of Shareholder approval;

(d) the Options are being issued for no consideration and therefore no funds will be raised pursuant to the issue of Options; and

(e) the terms of the Options are set out in Annexure "A" to this Explanatory Memorandum.

# Notice of **AGM** (continued)

**Resolution 5: Approval of Increase in Aggregate Amount of Non-executive Directors' Renumeration**

Listing Rule 10.17 and clause 42.1 of the Constitution provide that the Company may pay to the non-executive Directors a maximum total amount of directors' fees (excluding salaries and other employee benefits) determined by the Company in general meeting.

Resolution 5 seeks shareholder approval to increase the total aggregate fixed sum per annum to be paid to non-executive Directors by $200,000, to $600,000 to be apportioned between them as determined by resolution of the Board.

The Board has resolved that the Directors fees payable to each of the non-executive Directors as outlined at paragraph 9.8 of the Company's prospectus dated 30 October 2007 shall remain unchanged for the year ending 30 June 2009. That is, each non-executive Director shall be paid $55,000 for the provision of their services. Due to the recent shift in Mr Gianfranco Tomasi's role from executive Director to non-executive Director, an increase in the total aggregate fixed sum of the Directors fee is required to address the current shortfall. Such an increase shall also provide the Company with the flexibility to appoint additional Directors should the need arise.

The total amount of Directors fees has been determined by comparison against similar sized companies in the industry and the Directors fees are considered to be in line with industry benchmarks.

**Action to be taken by Shareholders**

Shareholders should read this Explanatory Memorandum carefully before deciding how to vote on the resolutions set out in the Notice of Meeting.

Attached to the Notice of Meeting is a proxy form for use by Shareholders. All Shareholders are invited and encouraged to attend the Annual General Meeting or, if they are unable to attend in person, to complete, sign and return the proxy form to the Company in accordance with the instructions contained in the proxy form and the Notice of Meeting. Lodgement of a proxy form will not preclude a Shareholder from attending and voting at the Annual General Meeting in person.

**Glossary**

The following terms and abbreviations used in this Explanatory Memorandum have the following meaning:

| | |
|---|---|
| Annual General Meeting: | Is defined in section 1 of this Explanatory Memorandum. |
| ASX: | ASX Limited (ACN 008 624 691). |
| Board: | The board of directors of the Company. |
| Company: | Southern Cross Electrical Engineering Limited (ABN 92 009 307 046). |
| Corporations Act: | Corporations Act 2001 (Cth). |
| Corporations Regulations: | Corporations Regulations 2001 (Cth). |
| Director: | A member of the Board. |
| WST: | Western Standard Time, being the time in Perth, Western Australia. |
| Listing Rules: | The Official Listing Rules of the ASX, as amended from time to time. |
| Notice of Meeting: | The notice convening the Annual General meeting which accompanies this Explanatory Memorandum. |
| Options: | Options to subscribe for Shares. |
| Shareholders: | Holders of Shares. |
| Shares: | Fully paid ordinary shares in the capital of the Company. |

# Annexure **A**

**Terms and Conditions of Grant of Options**

1. The Options will be issued at no cost.

2. Each Option will be issued over one (1) unissued Share.

3. Subject to any adjustment under the Senior Management Long Term Incentive Plan Rules ("Rules"), the exercise price of each Option is $1.15.

4. The Options will vest and only become exercisable in accordance with the following tranches:

   (a) on the first anniversary of the date of their issue, one third of the Options will vest subject to the operation of the Threshold TSR Performance Hurdles;

   (b) on the second anniversary of the date of their issue, one third of the Options will vest subject to the operation of the Threshold TSR Performance Hurdles; and

   (c) on the third anniversary of the date of their issue, one third of the Options will vest subject to the operation of the Threshold TSR Performance Hurdles.

The Threshold TSR Performance Hurdles (and thus the level of vesting) for each of the three tranches will be measured separately at each of the above vesting dates. Therefore the level of vesting for any one tranche is independent of the other two tranches.

For the purposes of this paragraph 4:

(a) **"TSR"** means the Total Shareholder Return for a particular company for a 12 month period which is calculated as follows:

*(closing share price of the applicable company's shares on the ASX on the last day of the 12 month period minus opening share price of that company's shares on the ASX on the first day of the 12 month period plus any dividends declared per share during the 12 month period) divided by (the opening share price of the applicable company's shares on the ASX on the first day of the 12 month period).*

(b) **"Comparative TSR"** means the TSR of the following companies provided that any of the following companies whose shares are not quoted on the ASX for the relevant 12 month period will not be included:

| | | |
|---|---|---|
| Ausenco Ltd | Lycopodium Ltd | Cardno Ltd |
| Worley Parsons Ltd | Sedgmen Ltd | Clough Ltd |
| Monadelphous Ltd | Fleetwood Ltd | Coote Industrial Ltd |
| Campbell Brothers Ltd | Ammtec Ltd | Nomad Ltd |
| GRD Ltd | Mermaid Marine Ltd | VDM Group Ltd |
| Mac Services Ltd | Coffey Ltd | |

(c) **"Threshold TSR Performance Hurdles"** means as follows:

(i) No Options will vest unless the percentile ranking of the Company's TSR for the relevant 12 month period as against the Comparative TSRs for the relevant 12 month period is at or above the 50th percentile;

(ii) If the Company's TSR for the relevant 12 month period as against Comparative TSRs is:

i. at the 50th percentile, then 50% of the Options will vest;

ii. between the 51st and 74th percentile then for each percentile over the 50th, an additional 2% of the Options will vest;

iii. at or above the 75th percentile then 100% of the Options will vest.

# Notice of **AGM** (continued)

5. Any Options that do not vest and become exercisable in accordance with the vesting conditions in paragraph 4 (above) will automatically lapse.

6. Subject to any variation under the Rules, the exercise period in respect of each Option commences on the date that the Options vest in accordance with paragraph 4 (above), and ends on the fourth anniversary of the commencement of the exercise period in respect of that Option ("Exercise Period").

7. Any Option that is not exercised before the end of the Exercise Period will automatically lapse.

8. A Share acquired as a result of the exercise of an Option must not be sold, transferred or otherwise dealt with if doing so would result in a breach of the Listing Rules, the ASTC Settlement Rules or the terms of any restriction agreement with the Company.

9. All Shares allotted on exercise of Options will rank pari passu in all respects with other fully paid ordinary shares in the Company then on issue.

10. Generally, as set out in the Rules (which are available upon request).

# Annexure **B**

**Nomination of Auditor**

The Company Secretary

Southern Cross Electrical Engineering Limited

Unit 8, 41 Macedonia Street
Naval Base
Western Australia 6165

10 October 2008

Dear Sir

Notice of nomination of proposed auditor

Pursuant to Section 328B(1) of the Corporations Act 2001, I Gianfranco Tomasi, being a member of Southern Cross Electrical Engineering Limited, hereby nominate KPMG of 152 – 158 St George's Terrace Perth, for appointment as auditor of Southern Cross Electrical Engineering Limited at the annual general meeting of the Company convened for 10.00am (WST) at the Langley Room, Novotel Langley Hotel, 221 Adelaide Terrace, Perth WA 6000 on 26 November 2008.

Yours faithfully

**Gianfranco Tomasi**

**Southern Cross Electrical Engineering Limited**
ABN 92 009 307 046
EC 001681

41 Macedonia Street, Naval Base WA 6165

**Phone:** +618 9410 1833
**Facsimile:** +618 9410 2504

Southern Cross Electrical Engineering Limited
ABN 92 009 307 046

## Lodge your vote:

**By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

## For all enquiries call:

(within Australia) 1300 307 262
(outside Australia) +61 3 9415 4671

000001 000 SXE
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

# Proxy Form

**For your vote to be effective it must be received by 10.00am (WST) Monday 24 November 2008**

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

## Signing Instructions

**Individual:** Where the holding is in one name, the securityholder must sign.
**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.
**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

## Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.computershare.com.

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

***Turn over to complete the form*** →

View your securityholder information, 24 hours a day, 7 days a week:
**www.investorcentre.com.au**

☑ **Review your securityholding**
☑ **Update your securityholding**

***Your secure access information is:***

**SRN/HIN: I9999999999**

**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with '**X**') should advise your broker of any changes.

I 9999999999 I ND

# Proxy Form

**Please mark ☒ to indicate your directions**

## STEP 1 Appoint a Proxy to Vote on Your Behalf

**XX**

**I/We being a member/s of Southern Electrical Engineering Limited hereby appoint**

☐ **the Chairman of the Meeting** **OR** ____________________

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and 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 Southern Cross Electrical Engineering Limited to be held at The Langley Room, Novotel Langley Hotel, 221 Adelaide Terrace, Perth, Western Australia 6000, on Wednesday, 26 November 2008 at 10.00am (WST) and at any adjournment of that meeting.

**Important for Items 4-5:** If the Chairman of the Meeting is your proxy and you have not directed him/her how to vote on Items 4-5 below, please mark the box in this section. If you do not mark this box and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Items 4-5 and your votes will not be counted in computing the required majority if a poll is called on these Items. The Chairman of the Meeting intends to vote undirected proxies in favour of items 4-5 of business.

☐ I/We acknowledge that the Chairman of the Meeting may exercise my proxy even if he/she has an interest in the outcome of that Item and that votes cast by him/her, other than as proxy holder, would be disregarded because of that interest.

## STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

| | | For | Against | Abstain |
|---|---|---|---|---|
| Item 1 | To Adopt the Remuneration Report | ☐ | ☐ | ☐ |
| Item 2 | To Re-elect Brian Carman as a Director | ☐ | ☐ | ☐ |
| Item 3 | To Appoint a new Auditor | ☐ | ☐ | ☐ |
| Item 4 | Approval of Issue of Options to Director - Mr Stephen Pearce | ☐ | ☐ | ☐ |
| Item 5 | Approval of Increase in Aggregate Amount of Directors' Remuneration | ☐ | ☐ | ☐ |

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

## SIGN Signature of Securityholder(s) *This section must be completed.*

| Individual or Securityholder 1 | Securityholder 2 | Securityholder 3 |
|---|---|---|
| | | |
| **Sole Director and Sole Company Secretary** | **Director** | **Director/Company Secretary** |

**Contact Name** ____________________ **Contact Daytime Telephone** ____________________ **Date** ___/___/___



computershare

Southern Cross Electrical Engineering Limited
ABN 92 009 307 046

**INVESTOR CENTRE**
www.investorcentre.com/au

**FOR ALL ENQUIRIES CALL:**
(within Australia) 1300 307 262
(outside Australia) +61 3 9415 4671

**ALL CORRESPONDENCE TO:**
Computershare Investor Services Pty Limited
GPO Box 2975 Melbourne
Victoria 3001 Australia
Facsimile +61 3 9473 2500

000001 000 SXE
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

# IMPORTANT NOTICE

The default option for receiving your annual report has changed from a printed copy to be via our website.
You have the choice of receiving notification about accessing your annual report online
or continuing to receive a printed annual report.

**MAKE YOUR SELECTION ON THE BACK OF THIS FORM**

YOUR ANNUAL REPORT

**YOUR CHOICE**

Dear valued securityholder

## LEGISLATION CHANGE - WHAT THIS MEANS FOR YOU

The Australian Government recently introduced legislation allowing the default option for receiving annual reports to be via a company's website. You will now receive timely, cost effective and greener online annual reports unless you request a printed copy. You can choose to be notified by email when the annual report becomes available on our website at www.scee.com.au - otherwise this information will be provided in your AGM mail pack. All other securityholder communications will continue to be sent to you by post.

## WHAT ARE YOUR OPTIONS?

- Elect to continue receiving, free of charge, a printed copy of the annual report.
- If you take no action, information on accessing your online annual report will be provided in your AGM mail pack.

If you have any questions about this form please contact an investor services representative on 1300 307 262.

Yours sincerely

**Stephen Fewster**
Company Secretary

# YOUR ANNUAL REPORT OPTIONS

**Elect to continue receiving a printed copy of the annual report**

To receive a printed copy of the annual report please mark the annual report box below and send this letter back to us in the enclosed reply paid envelope.

☐ **ANNUAL REPORT**
Our annual report with detailed financial, remuneration and governance information.

**If you take no action, information on accessing your annual report online will be provided in your AGM mail pack.**

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FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Computershare

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