



**Comdek Limited**  
ABN 91 059 950 337

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Western Australia 6005  
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P.O. Box 445  
West Perth 6872

28 October 2005

**The Manager Announcements  
Company Announcements Office  
Australian Stock Exchange Limited  
20 Bridge Street,  
Sydney NSW 2000**

**By E-Lodgement**

**Notice of Annual General Meeting**

Please find attached a copy of the Company's Notice of Meeting for the Annual General Meeting to be held on the 30<sup>th</sup> November 2005 at 10.00AM (WST) at 673 Murray Street, West Perth, Western Australia.

Yours faithfully.  
**Comdek Ltd**

A handwritten signature in blue ink, appearing to read "Haydn Collins".

**Haydn Collins**  
Managing Director

**COMDEK LIMITED**  
**ABN 91 059 950 337**

**NOTICE OF ANNUAL GENERAL MEETING  
AND  
EXPLANATORY STATEMENT**

**For the Annual General Meeting to be held on  
30 November 2005 (10.00am Western Standard Time)  
at 673 Murray Street,  
West Perth, Western Australia**

*This is an important document. Please read it carefully and in its entirety.  
If you do not understand it please consult your professional advisers.*

*If you are unable to attend the Meeting, please complete the form of proxy enclosed and return  
it in accordance with the instructions set out on that form.*

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## **TIME AND PLACE OF ANNUAL GENERAL MEETING AND HOW TO VOTE**

This Annual General Meeting of the Shareholders of Comdek Limited will be held at:

**673 Murray Street  
West Perth, Western Australia, 6005**

**Commencing  
at 10.00am (Western Standard Time)  
on 30 November 2005**

### **How to Vote**

You may vote by attending the meeting in person, by proxy or authorised representative.

### **Voting in Person**

To vote in person you need to attend the meeting on the date and at the place set out above. The meeting will commence at 10.00am (Western Standard Time).

### **Voting by Proxy**

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of Annual General Meeting as soon as possible and either:

- return the proxy form (by post or delivery) to the Company's office at 673 Murray Street, West Perth, Western Australia, or
- send the proxy by facsimile to facsimile number (08) 9214 5201

so that it is received not later than 10.00am (Western Standard Time) on 28 November 2005.

Your proxy form is enclosed.

**COMDEK LIMITED**  
**ABN 91 059 950 337**

**NOTICE OF ANNUAL GENERAL MEETING**

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Notice is hereby given that the Annual General Meeting of the Shareholders of Comdek Limited will be held at 673 Murray Street, West Perth, Western Australia on 30 November 2005 at 10.00am (Western Standard Time) for the purpose of transacting the following business.

The Explanatory Statement is to be read in conjunction with this Notice.

**AGENDA**

**GENERAL BUSINESS**

**Accounts and Reports**

To receive and consider the financial reports of the Company and the consolidated entity for the financial year ended 30 June 2005 and the reports of the Directors and Auditors thereon.

**Resolution 1 – Adoption of Remuneration Report**

To consider and, if thought fit, to pass with or without amendment, the following in accordance with section 250R(2) of the Corporations Act:

*"That the Remuneration Report in the 2005 Annual Report of the Company be adopted."*

**Short Explanation:** The Remuneration Report is in the Directors Report section of the Company's Annual Report. Listed companies are required to put the Remuneration Report to the vote for adoption at the Company's Annual General Meeting. The resolution will be determined as an ordinary resolution but is advisory only and does not bind the Directors or the Company.

**Resolution 2 - Re-Election of Director – Mr Hendy Cowan**

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

*"That Hendy Cowan, who retires by rotation in accordance with clause 11.1.3 of the Constitution of the Company, and being eligible, offers himself for re-election, is hereby re-elected as a Director of the Company."*

**Short Explanation:** Mr Hendy Cowan is presented for re-election in accordance with the rotation requirements of the Company's Constitution.

### **Resolution 3 - Re-Election of Director – Mr Jeffrey Garrett**

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

*"That Jeffrey Garrett, who retires by rotation in accordance with clause 11.1.3 of the Constitution of the Company, and being eligible, offers himself for re-election, is hereby re-elected as a Director of the Company."*

**Short Explanation:** Mr Jeffrey Garrett is presented for re-election in accordance with the rotation requirements of the Company's Constitution.

### **SPECIAL BUSINESS**

#### **Resolution 4 - Ratification of previous issue of ordinary 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 Listing Rule 7.4 of the Listing Rules of the Australian Stock Exchange Limited and for all other purposes, the Company ratifies the allotment and issue on or about 25 July 2005 of 5,000,000 fully paid ordinary shares in the capital of the Company at 12 cents per share and otherwise on the terms and conditions described in the Explanatory Statement accompanying this Notice."*

#### **Short Explanation:**

ASX Listing Rule 7.1 allows the Company to issue up to 15% of its ordinary share capital in any 12 month rolling period without shareholder approval. By obtaining ratification of shareholders under ASX Listing Rule 7.4 to the issue of shares on or about 25 July 2005, the Company will obtain relevant approval for the purposes of ASX Listing Rule 7.1 and thereby refresh the Company's capacity to make future issues of securities up to the 15% threshold.

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

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

## **Resolution 5 - Allot and Issue 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 Listing Rule 7.1 of the Listing Rules of the Australian Stock Exchange Limited and for all other purposes, approval is given for the Company to allot and issue up to 100,000,000 fully paid ordinary shares in the capital of the Company at a minimum issue price of 5 cents and otherwise on the terms and conditions described in the Explanatory Statement accompanying this Notice."*

### **Short Explanation:**

Under ASX Listing Rule 7.1, the Company may issue up to 15% of its ordinary share capital in any 12 month rolling period without Shareholder approval. By obtaining the prior approval of shareholders for the issue of shares proposed under this resolution, the Company retains the flexibility to make future issues of shares up to that threshold. Please refer to the Explanatory Statement for details.

The Company will disregard any votes cast on this Resolution 5 by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a security holder, if this Resolution 5 is passed, and any associate of those persons. However, the Company will not disregard a vote cast on this Resolution 5:

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

## **Resolution 6 – Approval of the Issue of Convertible Notes to Bardev Pty Ltd**

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

*"That, for the purposes of Listing Rule 7.1 of the Listing Rules of the Australian Stock Exchange Limited and for all other purposes, the Company be authorised to allot and issue up to 700,000 Convertible Notes in the capital of the Company to Bardev Pty Ltd or its nominees on the terms and conditions set out in the Explanatory Statement accompanying this Notice."*

**Short Explanation:** Under ASX Listing Rule 7.1, the Company may issue up to 15% of its ordinary share capital in any 12 month period without shareholder approval. By obtaining the prior approval of shareholders for the issue of securities proposed under this resolution, the

Company retains the flexibility to make future issues of securities up to that threshold. Please refer to Explanatory Statement for details.

The Company will disregard any votes cast on this Resolution 6 by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a security holder, if this Resolution 6 is passed, and any associate of those persons. However, the Company will not disregard a vote cast on this Resolution 6:

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

### **Resolution 7 – Grant of Options to Bardev Pty Ltd**

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

*"That for the purpose of Listing Rule 7.1 of the Listing Rules of the Australian Stock Exchange Limited and for all other purposes, approval is given for the Company to grant to Bardev Pty Ltd or its nominees up to 28,000,000 options to acquire fully paid ordinary shares in the capital of the Company, to be issued on the terms and set out in the Explanatory Statement accompanying this Notice."*

**Short Explanation:** Under ASX Listing Rule 7.1, the Company may issue up to 15% of its ordinary share capital in any 12 month period without shareholder approval. By obtaining the prior approval of shareholders for the issue of securities proposed under this Resolution, the Company retains the flexibility to make future issues of securities up to that threshold. Please refer to the Explanatory Statement for details.

The Company will disregard any votes cast on this Resolution 7 by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a security holder, if this Resolution 7 is passed, and any associate of those persons. However, the Company will not disregard a vote cast on this Resolution 7:

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

## **VOTING AND PROXIES**

1. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by the person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
3. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a date to determine the identity of those entitled to attend and vote at the Meeting. The date is 28 November 2005 at 10.00am (Western Standard Time).
4. A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office in accordance with the instructions on that form.

## **BY ORDER OF THE BOARD**

Mr Haydn Collins  
Company Secretary

Dated: 2005

**COMDEK LIMITED**  
**ABN 91 059 950 337**

**EXPLANATORY STATEMENT**

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

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

**1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

The Remuneration Report is in the Directors Report section of the Company's Annual Report.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out remuneration details for each Director and each of the Company's executives named in the Remuneration Report for the financial year ended 30 June 2005.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. The vote on this resolution is advisory only, however, and does not bind the Board or the Company.

The Chairman will give Shareholders a reasonable opportunity to ask questions about or to make comments on the Remuneration Report.

The Directors recommend that Shareholders vote in favour of Resolution 1.

**2. RESOLUTIONS 2 AND 3 – RE-ELECTION OF MR HENDY COWAN AND MR JEFFREY GARRETT AS DIRECTORS**

By clause 11.1.3 of the Company's Constitution, one third of the current Directors (excluding the managing director) must retire from office by rotation at each annual general meeting.

In accordance with clause 11.1.3 of the Company's Constitution, Mr Hendy Cowan is presented for re-election by Resolution 2.

In accordance with clause 11.1.3 of the Company's Constitution, Mr Jeffrey Garrett is presented for re-election by Resolution 3.

Details of the qualifications and experience of Mr Hendy Cowan and Mr Jeffrey Garrett are set out in the 2005 Annual Report for the Company.

### **3. RESOLUTION 4 – RATIFICATION OF PREVIOUS ISSUE OF ORDINARY SHARES**

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

Under ASX Listing Rule 7.1, the Company is permitted to issue up to 15% of its securities within a 12 month period without the requirement to obtain Shareholder approval.

Whilst shareholder approval for the issue of the Shares was not required at the time of the issue, the effect of the issue is to reduce the Company's capacity to issue additional securities in the future without shareholder approval.

#### **3.2 ASX Listing Rule 7.4**

ASX Listing Rule 7.4 allows an issue made by the Company without shareholder approval under ASX Listing Rule 7.1, to be treated as having been made with approval for the purposes of ASX Listing Rule 7.1 if it is subsequently approved by shareholders and did not breach ASX Listing Rule 7.1 at the time of issue.

The Company wishes to seek approval for the purposes of ASX Listing Rule 7.4 by ratification in order to renew the Company's capacity to issue up to 15% of the securities of the Company on issue in a 12 month period.

The Company is requesting shareholders to ratify the allotment and issue of 5,000,000 Shares at an issue price of 12 cents each to raise \$600,000 on or about 25 July 2005.

#### **3.3 ASX Listing Rule 7.5**

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

- (a) the number of Shares allotted was 5,000,000;
- (b) the allotted shares were issued at a price of 12 cents per Share;
- (c) the Shares rank equally with the Company's existing issued Shares;

- (d) the Shares were issued by way of a placement to Doherty Group Pty Ltd under section 708 of the Corporations Act; and
- (e) the funds raised from the issue of the Shares of \$600,000 (before expenses) were used to complete the acquisition of Vianet AIP Pty Ltd, a corporate internet service provider, web design and development business.

The Board recommends that shareholders vote in favour of this Resolution 4 as it allows the Company to retain the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 months.

#### **4. RESOLUTION 5 – ALLOTMENT AND ISSUE OF SHARES**

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

ASX Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue during any 12 month period any equity securities or other securities with rights of conversion to equity if the number of those securities exceeds 15% of the total ordinary securities on issue at the commencement of that 12 month period.

One circumstance where an issue is not taken into account in the calculation of this 15% threshold is where the issue has the prior approval of shareholders in a general meeting.

The Company is seeking approval under ASX Listing Rule 7.1 for the offer of up to 100,000,000 Shares to allow this number of securities not to be included in the calculation under ASX Listing Rule 7.1. This will enable the Company to have the flexibility to issue equity securities in the future up to the 15% threshold without the requirement to obtain Shareholder approval.

##### **4.2 ASX Listing Rule 7.3**

ASX Listing Rule 7.3 requires that the following information be provided to Shareholders when seeking an approval for the purposes of ASX Listing Rule 7.1:

- (a) the maximum number of securities to be issued is 100,000,000 Shares;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (c) the Shares will be issued at a minimum issue price of 5 cents;
- (d) the allottees of the Shares to be allotted and the basis of allotment is not known as at the date of this Notice;
- (e) the Shares issued will rank equally with the Company's current issued Shares;

- (f) assuming the maximum number of 100,000,000 Shares is issued at the minimum price of 5 cents, then the \$5,000,000 raised will indicatively be applied to retire debt of approximately \$700,000 (in the event it is not retired by other means), pay transaction costs or approximately \$200,000, meet ongoing corporate overheads of approximately \$200,000 and to apply the balance to expand the Company's operations and provide general working capital; and
- (g) it is intended that the Shares will be allotted on one date.

## **5. BACKGROUND TO RESOLUTIONS 6 AND 7**

The Company in order to ensure the satisfaction of moneys owed to various creditors entered into the Bardev Loan Agreement.

By the Bardev Loan Agreement, Bardev as the lender provides a revolving loan facility to the Company as the borrower up to a maximum of \$700,000. As at the date of this Notice, the Company has drawn down the sum of approximately \$500,000. Interest is payable on the sums loaned at 10% per annum and is payable monthly on the first business day of each calendar month.

In order to secure the moneys loaned each of the Company and Vianet AIP Pty Ltd (a wholly owned subsidiary of the Company) issued a fixed and floating charge in favour of Bardev as the lender and further, Vianet AIP Pty Ltd has provided a deed of guarantee in favour of Bardev for any debts owed by the Company to Bardev including under the Bardev Loan Agreement.

The Bardev Loan Agreement provides that, subject to Shareholder approval, the Company must issue that number of Convertible Notes that upon conversion at the rate of 2.5 cents each will convert to 28,000,000 Shares. Thereby, Shareholder approval is sought for the issue of up to 700,000 Convertible Notes at an issue value of \$1 each.

The material terms of the Convertible Notes and information as to Resolution 6 are set out in section 6 below.

A further term of the Bardev Loan Agreement is that, subject to Shareholder approval, Bardev will have issued to it 28,000,000 Options exercisable at 2.5 cents each. The number of Options that may be exercised at any time before the expiry date on 1 August 2006 is 28,000,000 less the number of Shares that have been issued or may be issued upon conversion under the Convertible Notes.

By this restriction the maximum number of Shares that may be issued to Bardev by a combination of resolutions 6 and 7 is 28,000,000 Shares.

Information as to Resolution 7 is set out in section 7 below.

Under the Bardev Loan Agreement if each of Resolutions 6 and 7 are not passed by Shareholders, then the Company must pay an establishment fee of \$70,000 and the expiry

date of the loan instead of being 1 August 2006 will be the earlier date of 7 December 2005.

The establishment fee of \$70,000 will be waived by the lender if each of Shareholder approval is received to Resolutions 6 and 7 and Bardev receives 28,000,000 Shares in total under Resolutions 6 and 7 by reason of Bardev's elections under the respective Convertible Notes and Options.

## **6. RESOLUTION 6 – ISSUE OF CONVERTIBLE NOTES**

### **6.1 General**

Resolution 6 seeks Shareholder approval for the issue of up to 700,000 Convertible Notes to Bardev.

The ASX Listing Rules set out a number of regulatory requirements that must be satisfied in relation to this Resolution. These requirements are set out below.

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

ASX Listing Rule 7.1 requires that a listed company obtain shareholder approval prior to the issue of shares, or securities convertible into shares (such as a Convertible Note), representing more than 15% of the issued capital of the Company in any 12 month period.

### **6.3 ASX Listing Rule 7.3**

Listing Rule 7.3 requires the following information be provided to Shareholders when seeking an approval for the purposes of ASX Listing Rule 7.1:

- (a) up to 700,000 Convertible Notes will be issued to Bardev or its nominees;
- (b) the Convertible Notes will be issued no later than 3 months after the date of this meeting (or such later date as permitted by an ASX waiver or modification of the ASX Listing Rules);
- (c) the Convertible Notes are issued at a face value of \$1 each, the consideration for which has been satisfied by the availability of the loan by Bardev to the Company;
- (d) the allottee of the Convertible Notes is Bardev or its nominees, neither of which is a related party of the Company;
- (e) the terms of the Convertible Notes are set out below. All Shares allotted and issued upon conversion of a Convertible Note will rank equally with the existing Shares on issue;
- (f) there will be no funds raised from the issue of the Convertible Notes; and
- (g) it is intended that the Convertible Notes will be allotted on one date.

## 6.4 Terms of Convertible Notes

The material terms of the Convertible Notes are as follows:

- (a) **Issue Price** – Up to 700,000 Convertible Notes will be issued at a face value of \$1 each, the consideration for which has been satisfied by the availability of the loan by Bardev to the Company;
- (b) **Conversion Price** – The noteholder may convert each Convertible Note (with a face value of \$1 each) into Shares at the rate of 2.5 cents each, so that each Convertible Note may be converted into 40 Shares. This is subject to the noteholder only being able at any time to convert that number of Convertible Notes that represent the amount of the loan outstanding by the Company to Bardev. Thereby, if \$400,000 is outstanding, the noteholder may only convert 400,000 Convertible Notes.
- (c) **Maturity Date** – The Convertible Notes will mature on 1 August 2006.
- (d) **Interest** – Until the Convertible Notes are converted into Shares the Convertible Notes will earn a fixed rate of interest of 10% per annum. Interest accrues monthly and is payable on the first business day of each calendar month;
- (e) **Conversion** – The noteholder may convert any of the Convertible Notes at any time prior to the maturity date of 1 August 2006;
- (f) **Ranking on Conversion** – Each Share issued on conversion will rank equally with all existing Shares then on issue, except that they will not be entitled to any dividend that has been declared or determined but not paid as at the conversion date.
- (g) **Redemption Date** – Any Convertible Notes not converted prior to the maturity date of 1 August 2006 will be automatically redeemed at that date.
- (h) **Early Redemption Rights** – The Company may redeem any Convertible Notes at any time by repayment of the outstanding loan.
- (i) **Participation Rights** – Prior to conversion, the noteholder is not entitled to participate in any rights issue, any return of capital, bonus issue or capital reconstruction. However, the Company will ensure that the record date for determining entitlements to such issues will be at least 7 business days after the issued is announced to allow the noteholder to convert the Convertible Notes into Shares prior to the record date. Additionally, the conversion price of the Convertible Notes will be adjusted in the event of a reconstruction of the issued capital of the Notice in accordance with the ASX Listing Rules.
- (j) **Voting Rights** – Noteholders are not entitled to vote at general meeting.

- (k) **Security** – The Convertible Notes will not be secured over the Company's assets as part of their issue.
- (l) **Transferability** - The Convertible Notes are not transferable except with the prior approval of the Board.

## **7. RESOLUTION 7 - GRANT OF OPTIONS TO BARDEV**

### **7.1 General**

Resolution 7 seeks Shareholder approval for the grant of up to 28,000,000 Options to Bardev or its nominees.

The ASX Listing Rules set out a number of regulatory requirements that must be satisfied in relation to this Resolution. These requirements are set out below.

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

ASX Listing Rule 7.1 requires that a listed company obtain shareholder approval prior to the issue of shares, or other securities including options representing more than 15% of the issued capital of the Company in any 12 month period.

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

Listing Rule 7.3 requires the following information be provided to Shareholders when seeking an approval for the purposes of ASX Listing Rule 7.1:

- (a) the maximum number of Options to be issued is 28,000,000;
- (b) all the Options will be issued no later than 3 months after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (c) the Options will be granted for nil consideration;
- (d) the allottee of the Options is Bardev or its nominees, neither of which is a related party of the Company;
- (e) the terms and conditions of the Options are set out in Annexure A;
- (f) there will be no funds raised from the issue of the Options; and
- (g) it is intended the Options will be allotted on one date.

**COMDEK LIMITED**  
**ABN 91 059 950 337**

**GLOSSARY**

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In this Explanatory Statement, the following expressions have the following meanings:

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

"**ASX Listing Rules**" or "**Listing Rules**" means the listing rules of the ASX;

"**Bardev**" means Bardev Pty Ltd (ACN 113 061 439);

"**Bardev Loan Agreement**" means the loan agreement between Bardev (as lender) and Comdek (as borrower) dated 28 July 2005;

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

"**Chairman**" means the chairman of the Company;

"**Company**" or "**Comdek**" means Comdek Limited (ABN 91 059 950 337);

"**Constitution**" means the Constitution of the Company;

"**Convertible Note**" means a Convertible Note proposed to be issued by the Company on the terms set out in the Explanatory Statement;

"**Corporations Act**" means the Corporations Act 2001 (Cth);

"**Directors**" means the directors of the Company from time to time;

"**Explanatory Statement**" means this explanatory statement;

"**Meeting**" means the meeting convened by this Notice;

"**Notice**" means the notice of meeting that accompanies this Explanatory Statement;

"**Option**" means an option to subscribe for a Share;

"**Resolution**" means a resolution contained in the Notice;

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

"**Shareholder**" means a registered holder of Shares in the Company; and

"**WST**" means Western Standard Time, Perth, Western Australia.

## ANNEXURE "A"

### TERM AND CONDITIONS OF OPTIONS

The material terms and conditions of the Options will be in terms of the following:

- (a) Each Option entitles the holder to one Share.
- (b) Subject to paragraph (c), the Options are exercisable at any time prior to 5pm Western Standard Time on 1 August 2006 (the Expiry Date).
- (c) The number of Options that may be exercised at any point in time is 28,000,000 less the number of Shares that both have been issued or may be issued upon conversion under the Convertible Notes.
- (d) The exercise price of the Options is \$0.025 (2.5 cents) per Option.
- (e) The Options are not transferable except with the prior approval of the Board.
- (f) The Company will provide to each Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). The Options may be exercised wholly or in part by completing the Note of Exercise and delivering it together with payment to the Company's Share Registry to be received by it any time prior to the Expiry Date.
- (g) Upon the exercise of an Option and receipt of all relevant documents and payment, the holder will be allotted and issued a Share ranking pari passu with the then issued Shares.
- (h) There will be no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues of capital which may be offered to Shareholders during the currency of the Options (other than a bonus issue). However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Option holders the opportunity (where available) to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (i) If there is a bonus issue (Bonus Issue) to Shareholders, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the Option had been exercised before the record date for the Bonus Issue (Bonus Shares). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue will rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.
- (j) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the expiry date, all rights of an Option holder are to be changed in a manner consistent with the Listing Rules.

- (k) In the event that the Company makes a pro rata issue of securities, the exercise price of the Options will be adjusted in accordance with the formula set out in Listing Rule 6.22.2.

**COMDEK LIMITED**  
**(ABN 91 059 950 337)**

**PROXY FORM**

**ANNUAL GENERAL MEETING OF SHAREHOLDERS**

I/We (name and address)

being a Member of Comdek Limited entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of proxy

or failing the person so named or, if no person is named, the Chairman of the Meeting or the Chairman's nominee, to vote in accordance with the following directions or, if no directions have been given, as the proxy sees fit at the Shareholder Meeting to be held at 673 Murray Street, West Perth, Western Australia on 30 November 2005 at 10.00am (Western Standard Time) and at any adjournment thereof. **If no directions are given on how to vote, the Chairman will vote in favour of all of the Resolutions.**

**Voting on Business of the Annual General Meeting**

		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Hendy Cowan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Jeffrey Garrett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Allotment and issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of Convertible Notes to Bardev Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Grant of Options to Bardev Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**OR**

If you do **not** wish to direct your proxy how to vote, please place a mark in this box

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the Resolution and votes cast by him other than as proxy holder will be disregarded because of the interest. The Chairman will vote in favour of all of the Resolutions if no directions are given.

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your Shares are 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 \_\_\_\_\_ %

Please return this Proxy Form to the Company Secretary, Comdek Limited, 673 Murray Street, West Perth, Western Australia or fax to (08) 9214 5201 by 10.00am (Western Standard Time) on 28 November 2005.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2005

**By:**

**Individuals and joint holders**

Signature
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Signature
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Signature
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**Companies (affix common seal if appropriate)**

Director
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Director/Company Secretary
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Sole Director and Sole Company Secretary
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**COMDEK LIMITED**  
**(ABN 91 059 950 337)**

**Instructions for Completing Proxy Form**

1. A member of the Company who is entitled to attend and cast two or more votes at a general meeting of shareholders is entitled to appoint two proxies. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.
3. Corporate shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 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.

4. Completion of a Proxy Form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Meeting.
5. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.