



## ASX Announcement Notice of Annual General Meeting and Proxy Form

27<sup>th</sup> September 2007

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The Annual General Meeting for Sirius Telecommunications Limited (ASX:SIU) will be held in Melbourne at 11.00am Tuesday 30<sup>th</sup> October 2007.

The following documents will be despatched by mail tomorrow to shareholders:

- Notice of Annual General Meeting
- Explanatory Memorandum
- Proxy Form

The Annual Report for 2006/07 will be mailed under separate cover by the 9<sup>th</sup> of October 2007.

*For further information, please contact:*

Roger Mason, Chairman (03) 9520 7800

Frank Licciardello, Managing Director (03) 9520 7941 0411 708 933

### **About Sirius Telecommunications Ltd**

Sirius is a long established software and services company that underwent a change in focus in 2006/07. Its focus is on providing software and services to large enterprises. The company operates via a federated or hub-and-spoke model which involves Sirius acting as a holding company (hub) for a number of software and service companies. The company is pursuing an acquisition-led growth strategy which envisages strong growth and profitability over the next few years. [www.sirius.com.au](http://www.sirius.com.au)

# SIRIUS TELECOMMUNICATIONS LIMITED

(ABN 94 050 240 330)

## NOTICE OF ANNUAL GENERAL MEETING OF MEMBERS

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Notice is hereby given that the 2007 Annual General Meeting of the members of Sirius Telecommunications Limited (**Company** or **Sirius**) will be held on **Tuesday 30 October 2007** at **11:00 am** in **Club Room 1** at the **Albert Park Sebel, 65 Queens Road, Melbourne**, Victoria.

Shareholders are referred to the Explanatory Memorandum accompanying and forming part of this notice of meeting.

### AGENDA ITEMS

#### ORDINARY BUSINESS

##### 1. ACCOUNTS AND REPORTS

To receive and consider the financial statements of the Company and its controlled entities for the year ended 30 June 2007 together with the Directors' Report and Auditor's Report.

##### 2. ADOPTION OF REMUNERATION REPORT

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

*"To adopt the Remuneration Report for the financial year ended 30 June 2007".*

Please note that section 250R(3) of the *Corporations Act 2001 (Cth)* provides that the vote on this resolution is advisory only and does not bind the directors or the Company.

##### 3. ELECTION OF DIRECTORS

To consider and, if thought fit, to pass the following resolutions as **ordinary resolutions**:

###### 3.1 Election of Mr Trevor Moyle as a Director of the Company

*"That Mr Trevor Moyle, being a Director of the Company, who was appointed by the directors on 16 August 2007 and who retires in accordance with rule 7.1 of the Company's Constitution, and being eligible, is re-elected as a director of the Company".*

###### 3.2 Election of Mr Keith Goss as a Director of the Company

*"That Mr Keith Goss, being a Director of the Company, who was appointed by the directors on 16 August 2007 and who retires in accordance with rule 7.1 of the Company's Constitution, and being eligible, is re-elected as a director of the Company".*

###### 3.3 Election of Mr Arthur Lagos as a Director of the Company

*"That Mr Arthur Lagos, being a Director of the Company, who retires by rotation in accordance with rule 7.1 of the Company's Constitution, and being eligible, is re-elected as a director of the Company".*

#### SPECIAL BUSINESS

##### 4. APPROVAL OF PREVIOUS SHARE ISSUES

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

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the previous issue of 4,870,000 ordinary shares by the Company as described in the accompanying Explanatory Memorandum, is approved and ratified".*

##### 5. ISSUE OF SHARES TO MR. FRANK LICCIARDELLO

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

*"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 400,000 Ordinary Shares to Mr Frank Licciardello in the manner and on the terms detailed in the accompanying Explanatory Memorandum".*

## 6. RESOLUTION - EMPLOYEE OPTION PLAN

To consider and, if thought fit, to pass the following resolutions as **ordinary resolutions**:

### 6.1 Approval of Issue of Options to Mr Frank Licciardello Under Employee Option Plan

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 1,000,000 options at an exercise price of \$0.10 each to Mr Frank Licciardello pursuant to the Sirius Telecommunications Limited Employee Option Plan in the manner and on the terms summarised in the accompanying Explanatory Memorandum."*

### 6.2 Approval of Issue of Options to Mr Roger Mason Under Employee Option Plan

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 500,000 options at an exercise price of \$0.10 each to Mr Roger Mason pursuant to the Sirius Telecommunications Limited Employee Option Plan in the manner and on the terms summarised in the accompanying Explanatory Memorandum ."*

### 6.3 Approval of Issue of Options to Mr Arthur Lagos Under Employee Option Plan

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 250,000 options at an exercise price of \$0.10 each to Mr Arthur Lagos pursuant to the Sirius Telecommunications Limited Employee Option Plan in the manner and on the terms summarised in the accompanying Explanatory Memorandum ."*

### 6.4 Approval of Issue of Options to Mr Trevor Moyle Under Employee Option Plan

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 250,000 options at an exercise price of \$0.10 each to Mr Trevor Moyle pursuant to the Sirius Telecommunications Limited Employee Option Plan in the manner and on the terms summarised in the accompanying Explanatory Memorandum."*

### 6.5 Approval of Issue of Options to Mr Keith Goss Under Employee Option Plan

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 250,000 options at an exercise price of \$0.10 each to Mr Keith Goss pursuant to the Sirius Telecommunications Limited Employee Option Plan in the manner and on the terms summarised in the accompanying Explanatory Memorandum."*

## 7. CHANGE OF COMPANY NAME

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

*"That, for the purposes of section 157(1) of the Corporations Act and for all other purposes, the name of the Company is changed from Sirius Telecommunications Limited to "Sirius Corporation Limited".*

## 8. FINANCIAL ASSISTANCE BY IFMA PTY LTD

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

*"That the Company, in accordance with section 260B(2) of the Corporations Act, approves the giving of financial assistance by IFMA Pty Ltd ACN 003 557 506 (IFMA) in respect of the acquisition by the Company of all the issued ordinary shares in the capital of IFMA, as detailed in the accompanying Explanatory Memorandum."*

**BY ORDER** of the Board:



**Roger Mason**  
Executive Chairman  
28 September 2007

### 1. ENTITLEMENT TO VOTE

Pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001 (Cth)*, the holders of the Company's shares for the purposes of the meeting, will be those registered holders at 7:00 pm (A.E.S.T) on Friday 26 October 2007 (**Effective Time**). Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

### 2. INFORMATION FOR SHAREHOLDERS AND ON PROXIES

- (a) All holders of Ordinary Shares in the Company as at the Effective Time are entitled to attend the Meeting and vote at the Meeting.
- (b) A member entitled to attend and vote at the Meeting is entitled to appoint not more than 2 proxies.
- (c) Where more than 1 proxy is appointed, neither proxy may vote on a show of hands.
- (d) Where more than 1 proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. If the member appoints more than 1 proxy and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise one half of the member's votes.
- (e) Where more than 1 proxy is appointed and a poll is demanded, each proxy may only exercise the voting rights for the portion of the votes the person holds.
- (f) A proxy need not be a member of the Company.
- (g) A member may direct their proxy how to vote by placing a mark in one of the boxes opposite each item of business on the proxy form. All the member's shares will be voted in accordance with that direction. If a member marks more than one box on an item, their vote on that item will be invalid.
- (h) Unless a member specifically directs the proxy how to vote, the proxy may vote as he or she thinks fit or abstain from voting.
- (i) To vote by proxy, please complete and sign the Proxy Form attached to this Notice of Annual General Meeting in accordance with the instructions set out in the Proxy Form so that it is received at the Company's Share Registry, Link Market Services Limited, Locked Bag A14, Sydney South, NSW 1235 or faxed to the Share Registry on facsimile number (02) 9287 0309 not later than 10.00am (Eastern Standard Time) on Sunday 28 October 2007. Any revocations of proxies must be received prior to the commencement of the meeting.
- (j) The Executive Chairman will be chairing the meeting and intends to vote all undirected proxies in favour of all the resolutions. If you wish to appoint the Executive Chairman or another director as your proxy and you do not wish to direct them how to vote, please tick the appropriate box on the proxy form.
- (k) If a corporate member wishes to appoint a person to act as its representative at the meeting that person should be provided with a letter or certificate authorising him or her as the company's representative. The appointment must comply with the requirements of section 250D of the Corporations Act and the representative should bring to the meeting evidence of their appointment, including any authority under which such appointment is signed.

### 3. VOTING EXCLUSION STATEMENT

#### Item 4

The Company will disregard any votes cast on Resolution 4 by:

- (a) any person who participated in the issue of shares; and
- (b) any associates of those persons who participated in the issue of shares.

#### Item 5

The Company will disregard any votes cast on Resolution 5 by:

- (a) Mr Frank Licciardello; and
- (b) any associates of Mr Frank Licciardello.

#### Item 6

The Company will disregard any votes cast on the resolutions in Items 6 by:

- (a) any Director of the Company; and
- (b) an associate of a Director of the Company.

However, in each case, the Company need not disregard a vote if:

- (a) 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 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.

# SIRIUS TELECOMMUNICATIONS LIMITED

(ABN 94 050 240 330)

## EXPLANATORY MEMORANDUM

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### INTRODUCTION

This Explanatory Memorandum has been prepared to assist shareholders to understand the business to be put to shareholders at the Annual General Meeting of the Company to be held on **Tuesday 30 October 2007 at 11:00 am** in **Club Room 1** at the **Albert Park Sebel, 65 Queens Road, Melbourne, Victoria**.

Members should read this Explanatory Memorandum in full and in conjunction with the Notice before making any decision in relation to the proposed Resolutions.

### 1. ACCOUNTS AND REPORTS

Section 317 of the Corporations Act requires the Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2007 to be laid before the Company's Annual General Meeting. There is no requirement either in the Corporations Act or in the Company's Constitution for shareholders to approve these reports (other than the Remuneration Report forming part of the Directors' Report).

Shareholders should note that the Financial Statements and Reports will be received in the form presented. It is not the purpose of the meeting that the Financial Statements and Reports be accepted, rejected or modified in any way and accordingly there will be no formal resolution put to the meeting.

However, the Chairman will allow a reasonable opportunity for shareholders to ask questions or make comments about those reports and the management of the Company. Shareholders will also be given a reasonable opportunity to ask the auditor questions about the conduct of the audit and the preparation and content of the auditor's report.

### 2. ADOPTION OF REMUNERATION REPORT

Shareholders are asked to adopt the Company's Remuneration Report.

The Remuneration Report, which explains the Board's policies in relation to the nature and level of remuneration paid to Directors and Executives of the Company and which sets out remuneration details for each Director and Executive, forms part of the Directors' Report included in the Annual Report (see pages 23 to 27) for the year ended 30 June 2007 which has been sent to shareholders with this Notice and Explanatory Notes.

Shareholders should note that, as specified by section 250R of the Corporations Act, the vote on Resolution 2 is advisory only and is not binding on the Board or the Company. Shareholders will be given the opportunity to ask questions about or make comments on the Remuneration Report.

### 3. ELECTION OF DIRECTORS

#### 3.1 Election of Mr Trevor Moyle and Mr Keith Goss as Directors

Mr Trevor Moyle was appointed by the directors as an addition to the Board of the Company on 16 August 2007. Mr Trevor Moyle is a Non-Executive Director, and a member of the Audit Committee.

Mr Keith Goss was appointed by the directors as an addition to the Board of the Company on 16 August 2007. Mr Keith Goss is a Non-Executive Director, and a member of the Remuneration and Nomination Committee.

Pursuant to Rule 7.1(f) of the Company's Constitution Messrs Moyle and Goss offer themselves for re-election at the Annual General Meeting.

Profiles of Mr Moyle and Mr Goss are to be found at page 13 of the Annual Report.

#### Recommendation

The directors (Mr Trevor Moyle and Mr Keith Goss not participating) unanimously support the re-election of Mr Moyle and Mr Goss as directors.

#### 3.3 Election of Mr Arthur Lagos as a Director

Under Rule 7.1(f) of the Company's Constitution one third of the Directors must retire from office each year. In determining the number of Directors to retire, no account is to be taken of Directors

appointed to fill casual vacancies (Rule 7.1(g)). Although Mr Lagos was re-elected at the 2006 AGM, he is now required to retire at the 2007 AGM and offers himself for re-election in accordance with clause 7.1 of the Company's Constitution.

### **Recommendation**

The directors (Mr Arthur Lagos not participating) unanimously support the re-election of Mr Lagos as a director.

## **SPECIAL BUSINESS**

### **4. APPROVAL OF PREVIOUS SHARE ISSUES**

ASX Listing Rule 7.1 limits the number of equity securities which a listed company may issue in any 12 month period without member approval (subject to certain exceptions). The maximum limit is 15% of the total number of fully paid ordinary shares on issue at the beginning of any 12 month period plus the number of fully paid ordinary shares issued with approval of members (or under one of the express exceptions to Listing Rule 7.1) during the previous 12 months.

ASX Listing Rule 7.4 provides that an issue of securities which is made without member approval under Listing Rule 7.1 is treated as having been made with approval for the purposes of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the holders of ordinary securities subsequently approve it.

The Company seeks shareholder approval and ratification for the issue of 2,000,000 Ordinary Shares on 21 August 2007 and 2,870,000 Ordinary Shares on 10 September 2007.

In seeking the approval of members Listing Rule 7.5 requires certain information to be provided to members to enable them to consider the resolution. Details of the shares issued, the identity of the allottees and the issue price of those shares are as follows:

- 2,000,000 ordinary shares at an implied issue price of 5 cents a share to Jonathan Harris

Note: these shares were issued to the vendor of IFMA Pty Ltd as part payment of the purchase price for the shares in IFMA Pty Ltd

- 880,000 ordinary shares at an issue price of 5 cents a share to Local Nominees Proprietary Limited
- 1,000,000 ordinary shares at an issue price of 5 cents a share to Lyfam Pty Ltd as Trustee for the Lyons Superannuation Fund
- 330,000 ordinary shares at an issue price of 5 cents a share to Teralbay Pty Ltd
- 400,000 ordinary shares at an issue price of 5 cents a share to Beta Value Homes Pty Ltd
- 200,000 ordinary shares at an issue price of 5 cents a share to the trustees of the A&G Licciardello Super Fund; and
- 60,000 ordinary shares at an issue price of 5 cents a share to Nicole Butler & David Hughes

The ordinary shares rank equally with all existing shares in the capital of the Company.

The funds received by the Company in respect of the above share issues were used to pay expenses associated with the Company's acquisition of IFMA Pty Ltd ACN 003 557 506 (**IFMA**).

The Board believes that it is in the best interests of the Company that it maintains its ability to issue up to a full 15% of the issued capital of the Company in accordance with listing Rule 7.1.

### **Voting Exclusion Statement**

In accordance with the ASX Listing Rules the Company will disregard any votes cast on this resolution by any person who participated in the issue of the shares and any associates of those persons who participated in the issue of shares. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or if 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.

### **5. ISSUE OF SHARES TO MANAGING DIRECTOR**

Shareholder approval is sought for the issue of 400,000 Ordinary Shares to Mr Frank Licciardello.

Mr Frank Licciardello, the Managing Director of the Company, has elected to receive ordinary shares in the capital of the Company in lieu of the amount of \$20,000 which is payable to him under incentive arrangements provided for under his employment agreement with the Company.

The Remuneration and Nomination Committee unanimously support this share allotment as part of the Managing Directors reasonable remuneration package.

In seeking the approval of members Listing Rule 10.13 requires certain information to be provided to members to enable them to consider the resolution For the purposes of Listing Rule 10.13:

- the shares will be issued to Mr Frank Licciardello;
- Mr Frank Licciardello will receive a total of 400,000 ordinary shares;
- it is proposed that the shares will be issued to Mr Frank Licciardello as soon as practicable after the conclusion of the 2007 AGM and in any event no later than 30 November 2007; and
- the shares have an implied issue price of 5 cents each, however as the shares are being issued to Mr Licciardello in satisfaction of the Company's obligation to pay Mr Licciardello a bonus of \$20,000 no payment will be made to the Company for the issue of the shares .

#### **Voting Exclusion Statement**

In accordance with the ASX Listing Rules the Company will disregard any votes cast on this resolution by Mr Frank Licciardello and any associate of Mr Frank Licciardello. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or if 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.

## **6. APPROVAL OF ISSUE OF OPTIONS UNDER EMPLOYEE OPTION PLAN**

### **Background**

The Company proposes to issue 2,250,000 options to the directors of the Company under the Employee Option Plan of the Sirius Telecommunications Group, (which was approved at the 2004 AGM).

For the purposes of Listing Rules 10.15 the options are proposed to be issued as follows:

- Frank Licciardello, Managing Director, to receive 1,000,000 options to acquire up to a maximum of 1,000,000 ordinary shares in the capital of the Company;
- Roger Mason, Executive Chairman, to receive 500,000 options to acquire up to a maximum of 500,000 ordinary shares in the capital of the Company,
- Arthur Lagos, Non-Executive Director, to receive 250,000 options to acquire up to a maximum of 250,000 ordinary shares in the capital of the Company,
- Trevor Moyle, Non-Executive Director, to receive 250,000 options to acquire up to a maximum of 250,000 ordinary shares in the capital of the Company,
- Keith Goss, Non-Executive Director, to receive 250,000 options to acquire up to a maximum of 250,000 ordinary shares in the capital of the Company,

### **Type of options**

The relevant options are options to subscribe for fully paid ordinary shares in the capital of the Company, pursuant to the Employees Option Plan of the Sirius Telecommunications Group (**Plan**). Issued shares will rank *pari passu* with all other ordinary shares quoted on the ASX.

### **Exercise price**

There is no amount payable for the issue of the options but the Exercise Price under each option is 10 cents per share.

The exercise price was set at a premium of 100% over the average sale price on the ASX for Sirius Telecommunications Limited shares of approximately 5 cents for the months of July and August 2007. Share trades took place ranging from 4.4 cents to 5.8 cents per share during the period as well as a significant non-renounceable rights issue to all shareholders at 5 cents per share

### **Vesting date**

Subject to achievement of the performance hurdles set out below, the Vesting Date for the options is 30 September 2008.

### **Expiry date**

The expiry date of the options is 31 December 2010.

**Exercise period**

The exercise period commences on the vesting date and continues until the expiry date.

**Performance hurdles**

Pursuant to the terms of the Plan, the Company has determined that the options are incentive based and vest only upon the performance hurdle set out below being achieved. This is to enhance the returns received by shareholders.

Specifically, the options will not vest with each of the persons listed above unless the EBIT for the 2007-2008 financial year as recorded in the Company's audited financial accounts equals or exceeds \$1 million (exclusive of any asset sales or extra-ordinary items as based on the adoption of international financial reporting standards) (**Performance Hurdle**).

If the Performance Hurdle is not achieved the options will not vest and will automatically expire on 30 September 2008.

If the Performance Hurdle is achieved the options will vest on the vesting date and the recipient will have until 31 December 2010 in which to exercise their entitlement. All vested options remaining unexercised after 31 December 2010 will lapse.

**Rationale for issue of options**

The objective of the proposed issue of options under the Plan is to encourage the existing Executive and Directors to improve the profitability of the Company whilst continuing the Company's aggressive growth plan.

The Board has determined the issue of options to individual executives as part of their remuneration packages.

The issue of options to Non Executive Directors has been recommended to supplement the payment of relatively low directors fees, when compared to similar listed companies. The use of options is beneficial to shareholders given that the value to the recipient is linked to the improved financial performance of the Company.

It should be noted that on a fully diluted basis the total number of options previously issued or proposed to be issued to Executives and Non Executive Directors is 4.6% of the Issued Capital of the Company.

The industry in which the Company operates is highly competitive for high performance Executives such as the Managing Director, and it is vital to the Company's performance to be in a position to attract, reward and retain the most effective and productive employees whilst also ensuring correlation between reward and shareholder value.

All of the Directors (other than Roger Moore) consider that they have an interest in the outcome of the resolution under item 6 and therefore make no recommendation in relation to those resolutions.

Other persons entitled but not issued with Options – Roger Moore who retires on 31<sup>st</sup> October 2007.

The options will be issued within the next twelve months.

Other than the 1,200,000 options approved at the last AGM, no other options have been issued since.

**Voting Exclusion Statement**

In accordance with the ASX Listing Rules the Company will disregard any votes cast on this resolution by a Director of the Company and an associate of a Director of the Company. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or if 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.

**7. CHANGE OF COMPANY NAME**

It is proposed that the Company change its name from Sirius Telecommunications Limited to Sirius Corporation Limited because the name "Telecommunications" no longer accurately describes the activities of the Company.

**8. FINANCIAL ASSISTANCE****Background**

As announced by the Company on 21 August 2007, Sirius has completed its acquisition of all of the issued shares in the capital of IFMA Pty Ltd ACN 003 557 506 (**IFMA**) (**Acquisition**).

Sirius has varied its existing facilities and obtained additional loan facilities (**Sirius Facilities**) from the Australian and New Zealand Banking Group Limited ACN 005 357 522 (**ANZ**) to finance the Acquisition.

In addition, IFMA must, as soon as practicable following completion of the Acquisition and no later than 15 November 2007, provide a cross corporate guarantee and indemnity (**IFMA Security**) over its assets and undertakings in favour of ANZ to further secure the Sirius Facilities. By 15 November 2007, UMG Pty Ltd must also become a party to the cross corporate guarantee and indemnity in favour of ANZ to further secure the Facilities.

The Directors consider that the entry into the IFMA Security by IFMA (in favour of Sirius) following completion of the Acquisition to further secure the Sirius Facilities to enable Sirius to acquire shares in IFMA may constitute the giving of financial assistance by IFMA to Sirius to acquire shares in IFMA for the purposes of section 260A of the Corporations Act.

This will require the prior approval of the shareholders of Sirius under section 260B(2) of the Corporations Act.

### **Effect on Sirius and its subsidiaries**

In the course of their deliberations and consideration of issues related to the Facilities, the Directors of Sirius acknowledge that:

- (a) the entry into and performance of its obligations under the Facilities will not materially adversely affect the financial position of Sirius or its subsidiaries;
- (b) having regard to all of the circumstances, the acquisition of IFMA is in the best interest and for the benefit of Sirius and its subsidiaries;
- (c) the acquisition of IFMA will not materially prejudice the interests of Sirius or its subsidiaries or shareholders of Sirius; and
- (d) the acquisition of IFMA will not materially prejudice the ability of Sirius or its subsidiaries to pay its creditors.

### **Effect on IFMA**

By entering into the cross guarantee and indemnity in favour of ANZ, IFMA will be securing the debts of all other parties to the cross guarantee and indemnity, including securing the debts of Sirius, which may adversely impact on its financial position.

However, following the completion of the Acquisition, IFMA is now 100% owned by Sirius. In this context, IFMA providing security in relation to the financial obligations of its ultimate parent is not unusual.

It is the considered opinion of the Directors of Sirius that the giving of financial assistance by IFMA will not materially prejudice the ability of IFMA to pay its creditors.

### **Other information**

It is a condition of the Sirius Facilities that IFMA provide the IFMA Security. If shareholders do not approve the giving of financial assistance by IFMA to Sirius then Sirius will be in default under the Sirius Facilities and the ANZ may exercise its rights to require immediate repayment of the Sirius Facilities. As Sirius would not have sufficient cash reserves to immediately repay those facilities, such action would be expected to have a material adverse effect on Sirius' financial position.

The Board is not aware of any other information which is relevant to the consideration by Members of the proposed Resolution which are detailed in the Notice. Prior to making any decision, Members may wish to seek advice from their own independent financial adviser or stockbroker as to the effect of the proposed Resolution.

### **Director's approvals and recommendations**

The Directors recommend that Shareholders vote in favour of the proposed Resolution. It is the intention of the Chairman of the Meeting to vote all undirected proxies granted to him in favour of the Resolution.



**Roger Mason**  
**Executive Chairman**  
**28 September 2007**



APPOINTMENT OF PROXY

If you would like to attend and vote at the Annual General Meeting, please bring this form with you. This will assist in registering your attendance.



X99999999999

I/We being a member(s) of Sirius Telecommunications Limited and entitled to attend and vote hereby appoint

A the Chairman of the Meeting (mark box) [ ] OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy [ ]

or failing the person/body corporate named, or if no person/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 instructions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of the Company to be held at 11:00am on Tuesday, 30 October 2007, at the Club Room, at the Albert Park Sebel, 65 Queens Road, Melbourne, Victoria and at any adjournment of that meeting.

Where more than one proxy is to be appointed or where voting intentions cannot be adequately expressed using this form an additional form of proxy is available on request from the share registry. Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting. The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.

B To direct your proxy how to vote on any resolution please insert [X] in the appropriate box below.

Table with columns: Resolutions, For, Against, Abstain\*, Ordinary Resolution, For, Against, Abstain\*. Rows include: 1 Receive and Consider the Financial Statements and Auditors Report, 2 Adoption of Remuneration Report, 3 Election of Directors, 4 Approval of Previous Share Issue, 5 Issue of Shares to Mr. Frank Licciardello, 6 Issue of Options - Under the Employee Option Plan, 6.1 Approval of Issue of Options to Mr. Frank Licciardello, 6.2 Approval of Issue of Options to Mr. Roger Mason, 6.3 Approval of Issue of Options to Mr. Arthur Lagos, 6.4 Approval of Issue of Options to Mr. Trevor Moyle, 6.5 Approval of Issue of Options to Mr. Keith Goss, 7 Change of Company Name, 8 Financial Assistance by IFMA Pty Ltd.

IMPORTANT: FOR ITEM 6.2 ABOVE

C [ ] If the Chairman of the 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 Item 6.2 above, please place a mark in this box. By marking this box, you acknowledge that the Chairman of the Meeting may exercise your proxy even though he/she has an interest in the outcome of that Item and that votes cast by him/her for that Item, other than as proxyholder, 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 Chairman of the Meeting will not cast your votes on Item 6.2 and your votes will not be counted in calculating the required majority if a poll is called on this Item. The Chairman of the Meeting intends to vote undirected proxies in favour of Item 6.2.

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

D SIGNATURE OF SECURITYHOLDERS - THIS MUST BE COMPLETED

Securityholder 1 (Individual) [ ] Joint Securityholder 2 (Individual) [ ] Joint Securityholder 3 (Individual) [ ]
Sole Director and Sole Company Secretary Director/Company Secretary (Delete one) Director

This form should be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the securityholder's constitution and the Corporations Act 2001 (Cwlth).



## How to complete this Proxy Form

### 1 Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### 2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in section A. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in section A. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

### 3 Votes on Items of Business

You should direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### 4 Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together.

### 5 Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either securityholder may sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry.

### Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by 11:00am on Sunday, 28 October 2007, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the reply paid envelope or:

- by posting, delivery or facsimile to Sirius Telecommunications Limited's share registry as follows:  
Sirius Telecommunications Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Facsimile: (02) 9287 0309
- delivering it to Level 12, 680 George Street, Sydney NSW 2000.

Link Market Services Limited advises that Chapter 2C of the *Corporations Act 2001* requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. Information is collected to administer your securityholding and if some or all of the information is not collected then it might not be possible to administer your securityholding. Your personal information may be disclosed to the entity in which you hold securities. You can obtain access to your personal information by contacting us at the address or telephone number shown on this form. Our privacy policy is available on our website ([www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)).