



*Sirius Telecommunications Ltd
Level 8 616 St Kilda Rd Melbourne VIC 3004
Tel: (03) 9520 7800 Fax: (03) 9520 7950
Website: www.sirius.com.au
ABN 94 050 240 330*

21 October 2005

Dear Shareholder,

I have pleasure in inviting you to attend our Annual General Meeting and have enclosed the Notice of Meeting which sets out the items of business and an Explanatory Memorandum. The meeting will be held at the Carlton Crest Hotel, 65 Queens Road, Melbourne on **Tuesday 22 November 2005 at 11:00 am**. Please use the Lorne Street entrance which is next to the Hotel's off street parking entry.

Registration will commence at 10:30 am and if you are attending the meeting, please bring this letter with you to facilitate registration.

If you are unable to attend the meeting, you are encouraged to complete the enclosed proxy form. The proxy form should be returned in the envelope provided, or faxed to our share registry on (03) 9287 0309, so that it is received no later than Sunday 20 November 2005.

Corporate shareholders will be required to complete a "Certificate of Appointment of Representative" to enable a person to attend on their behalf. A form of this certificate may be obtained from the Company's share registry, ASX Perpetual Registrar Limited, on telephone 1300 554 474.

At the conclusion of the formal meeting, you will have the opportunity to talk to the Directors and senior management over a cup of tea or coffee.

We hope you can make it to the meeting and look forward to seeing you there.

Yours sincerely,

David Abraham
Chairman

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS GIVEN that the Annual General Meeting of the members of Sirius Telecommunications Limited (“**the Company**”) will be held at the Private Dining Room (Lorne Street entrance), Carlton Crest Hotel, 65 Queens Road, Melbourne Victoria 3004 on **Tuesday 22 November 2005**, commencing at **11:00 am**.

For the purpose of the meeting, securities will be taken to be held by persons who are registered holders as at 7:00 pm (A.E.S.T) on Sunday 20 November 2005 (“**Effective Time**”).

BUSINESS OF THE MEETING

The business of the meeting is for the members to receive and consider the Accounts and Reports referred to in Item 1, to adopt the Report referred to in item 2 and to consider, and if thought fit, pass the resolutions of the Company set out in Items 3 and 4.

1. ACCOUNTS AND REPORTS

To receive and consider the financial statements of the Company and its controlled entities for the year ended 30 June, 2005 and the related Directors’ Report, Directors’ Declaration and Auditor’s Report.

2. ADOPTION OF REMUNERATION REPORT

To consider, and vote on the following resolution:

Adoption of Remuneration Report

“To adopt the Remuneration Report for the financial year ended 30 June 2005”.
(Note that the vote on this item is advisory only and does not bind the Directors of the Company).

3. RE-ELECTION OF DIRECTOR

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

Re-election of Mr Roger Mason as a Director of the Company

“To re-elect Mr Roger Mason as a Director of the Company, who retires in accordance with the Company’s Constitution and, being eligible, offers himself for re-election”.

4. EMPLOYEE OPTION PLAN

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

Approval of Amendment to Employee Option Plan

“That the Company amend the Employee Option Plan of the Sirius Telecommunications Group, (as approved by shareholders at the Company’s annual general meeting held on Thursday, 21 October 2004) by inserting the following words at the end of sub-rule 7.1:

“together with such number of Options which are offered in such a way that does not require disclosure because of section 708 of the Corporations Act”.”

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast on the resolution in item 4 by:

- (a) all the Directors of the Company who are excluded from voting: and
- (b) any associates of the Directors of the Company who are also excluded from voting.

However, the Company need not disregard a vote if:

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- (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; and
- (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.

Note: The meaning of "Associate" for the purposes of voting exclusion is as given in section 11 and sections 13 to 17 of the Corporations Act 2001 ("**Corporations Act**"). Section 13 is to be applied as if it was not confined to associate references occurring in Chapter 7 of the Corporations Act.

BY ORDER of the Board:



Jane E Vaughan
Company Secretary
21 October 2005

1. PURPOSE OF THE MEETING

- (a) This Meeting is required to be held in order to satisfy various requirements of the Corporations Act and the Australian Stock Exchange Listing Rules.
- (b) The items set out in this Notice are discussed in more detail in the Explanatory Memorandum which accompanies this Notice.

2. MATERIAL ACCOMPANYING THIS NOTICE

- (a) Explanatory Memorandum setting out details relevant to the Items set out in this Notice. Terms used in the resolutions and the Notice have, unless otherwise defined, the same meanings set out in the Explanatory Memorandum; and
- (b) Proxy Form.

3. VOTING AND REQUIRED MAJORITY

In accordance with Section 249HA of the Corporations Act 2001 for each of these resolutions to be effective each resolution must be passed at a meeting of which not less than 28 days written notice specifying the intention to propose the resolution has been given.

In addition, each resolution must be passed by not less than a majority of all the votes cast by shareholders entitled to vote on the resolutions (whether in person or by proxy, attorney or representative). Please note the Voting Exclusion Statement set out on the first page of this Notice.

The Company has determined that for the purpose of voting at the meeting, shares will be taken to be held by those who hold them at 7:00 p.m (A.E.S.T) on 20 November 2005.

4. 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.
- (e) Where more than 1 proxy is appointed and a poll, 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) Unless a member specifically directs the proxy how to vote, the proxy may vote as he or she thinks fit or abstain from voting.
- (h) If a representative of the corporation or body corporate is to attend the meeting the appropriate Letter of Representation should be produced prior to admission.

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EXPLANATORY NOTES

INTRODUCTION

These Explanatory Notes are to be read in conjunction with the Notice of Annual General Meeting for Sirius Telecommunications Limited ABN 94 050 240 330 (the “**Company**”) which accompanies these Explanatory Notes.

1. ACCOUNTS AND REPORTS

The Financial Statements, Directors’ Report and Auditor’s Report for the year ended 30 June 2005 will be laid before the meeting. There is no requirement for shareholders to approve those reports. 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.

In addition to taking questions at the meeting, written questions to the Chairman about the management of the Company, or to the Company’s auditor about:

- The preparation and content of the auditor’s report;
- The conduct of the audit;
- Accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- The independence of the auditor in relation to the conduct of the audit,

may be submitted not later than Tuesday, 15 November 2005 to:

The Company Secretary
Sirius Telecommunications Ltd
Level 8
616 St Kilda Road Melbourne Victoria 3004
Facsimile (03) 9520 7950

2. ADOPTION OF REMUNERATION REPORT

The Remuneration Report is set out on pages 21 to 25 of the 2005 Annual Report. The Remuneration Report sets out the Company’s remuneration arrangements for the Executives and Directors.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting. In addition, the Corporations Act requires that a resolution 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.

3. RE-ELECTION OF MR ROGER MASON AS A DIRECTOR

Mr Roger Mason is a founder of the Company and over a period of 15 years guided the Company as its Managing Director.

Mr Mason stepped down from his position of Managing Director of the Company on 22 March 2005 and remains an Executive Director and Deputy Chairman of the Company.

Pursuant to Rule 7.1(f) of the Company’s Constitution he will retire at the Annual General Meeting and offers himself for re-election.

A profile of Mr Mason is to be found at page 13 of the Annual Report.

Recommendation

The non-candidate Directors unanimously support the re-election of Mr Mason as a Director.

4. APPROVAL OF AMENDMENT TO EMPLOYEE OPTION PLAN

The Company's Chief Executive Officer, Mr Ziggy Frankenfeld, has provided the following supporting note in favour of the resolution:

"The objective of the proposed change to the Employee Option Plan is to enable the company to more easily offer options to key employees and to align their interests with those of the shareholders. This has become necessary as the attraction and retention of top performers is problematic in a full employment market and highly competitive industry. Any options issued will remain under the control of the Remuneration and Nomination Committee who have and will continue to set suitable performance hurdles. The Chairman of the Remuneration and Nomination Committee is a Non-executive Director and a majority of members of the Committee are Non-executive Directors."

At the Company's Annual General Meeting on 21 October 2004 the Company adopted the Employee Option Plan of the Sirius Telecommunications Group by shareholder approval (the "Plan").

The Plan contains a restriction on the number of options that can be on issue at any time pursuant to the Plan to 5% of the total number of shares on issue. The Plan contains the following Rule 7.1:

- 7.1 "At any particular point in time the total of:
- (a) the number of Shares the subject of Options which are both unexercised and unexpired; and
 - (b) the number of Shares issued as a result of the exercise of Options,
- must not exceed 5% of the number of Shares on issue at that time."

However, that restriction is more limited than the maximum permitted by the Australian Securities and Investments Commission under its Class Order 03/184 in relation to Employee Option and Share Plans. ASIC also allows options to be issued under a plan where such options have not required disclosure under the Corporations Act prospectus provisions.

Accordingly, it is proposed to expand the company's ability to issue options under the Plan to the extent permitted by ASIC. In particular, offers of options to "senior managers" of the company fall within section 708 of the Corporations Act and hence, under the amendment proposed to the Plan rules, would not count towards the 5% limit. The term "senior manager" means a person who makes or participates in making decisions that affect the whole or a substantial part of the Company's business or has the capacity to affect significantly its financial standing.

The company is a small listed entity and has options on issue to employees close to the 5% limit. The proposed amendment will have the effect of reducing the percentage of options restricted by the 5% limit to 0%, thus freeing up the 5% limit for further issues of options to employees who are not senior managers as well as enabling further issue of options to senior managers.

Recommendation

The Non-executive Directors recommend that shareholders vote in favour of the resolution as it is in the best interests of shareholders to have a competitively-structured and reasonable long-term incentive scheme for executives and staff to ensure key staff retention and that staff interests are aligned with those of shareholders.

