

**OROPA LIMITED**

**ABN 77 009 241 374**

**NOTICE OF ANNUAL GENERAL MEETING**

**PROXY FORM**

**AND**

**EXPLANATORY MEMORANDUM**

**DATE OF MEETING**

30 November 2006

**TIME OF MEETING**

11:00am

**PLACE OF MEETING**

Broadwater Pagoda Hotel

112 Melville Parade

COMO WA 6152

**OROPA LIMITED**  
**ABN 77 009 241 374**

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the shareholders of Oropa Limited ("**Company**") will be held at the Broadwater Pagoda Hotel, 112 Melville Parade, Como on Thursday 30<sup>th</sup> November 2006 at 11:00am for the purpose of transacting the following business.

An Explanatory Memorandum containing information in relation to each of the following Resolutions accompanies this Notice of Annual General Meeting.

**AGENDA**

**BUSINESS**

**Annual Accounts**

To receive and consider the Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2006.

**Resolution 1 – Adoption of Remuneration Report**

To consider, and if thought fit, to pass the following resolution as a **non-binding 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 2006 as set out in the Director's Report in the Company's 2006 Annual Report be adopted"*

Note: The vote on this resolution is advisory only and does not bind the directors of the Company.

**Resolution 2 – Re-election of Mr Bruce Tomich**

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

*"That Mr Bruce Tomich being a Director of the Company retiring by rotation in accordance with rule 13.2 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company".*

**Resolution 3 – Adoption of Oropa Limited Employee Option Plan**

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

*"That pursuant to ASX Listing Rule 7.2 exception 9, approval be given for the issue of securities under the Oropa Limited Employee Option Plan, a summary of the terms of which accompanies the notice of this meeting".*

The Company will disregard any votes cast on Resolution 3 by any person entitled to receive securities under the Oropa Limited Employee Option Plan including their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed by a person who is entitled to vote in writing that specifies how the proxy is to vote on the proposed resolution; 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 4 - Approve Previous Issue of 500,000 Unlisted Options**

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

*That, for the purpose of Listing Rule 7.4 of the Listing Rules of Australian Stock Exchange Limited, the Company approves the allotment and issue of 500,000 unlisted options, each having an exercise price of \$0.12 and an expiry date of 20 October 2008 to Jeremy Slater.*

The Company will disregard any votes cast on Resolution 4 by Jeremy Slater and any associate of Jeremy Slater. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed by a person who is entitled to vote in writing that specifies how the proxy is to vote on the proposed resolution; 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

By order of the Board



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Mr Dean Calder  
Company Secretary  
Dated: 20 October 2006

## **PROXIES**

A shareholder entitled to attend and vote at the above Annual General Meeting of shareholders may 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 two proxies are appointed and the appointment does not specify the proportion or number of votes that the proxy may exercise, each party may exercise half the votes. A proxy may, but need not be, a shareholder of the Company. Proxy forms must reach the Registered Office of the Company at least 48 hours prior to the Annual General Meeting.

## **ENTITLEMENT TO VOTE**

For the purposes of regulation 7.11.37 of the Corporations Regulations, the Company determines that members holding ordinary shares at the close of business on Tuesday 28 November 2006 will be entitled to attend and vote at the general meeting.

**OROPA LIMITED  
ABN 77 009 241 374  
PROXY FORM**

The Company Secretary  
Oropa Limited  
Address: 25 Charles Street  
SOUTH PERTH WA 6151  
Facsimile: (08) 9368 4522

I/We (name of shareholder) .....  
of (address) .....  
being a member/members of Oropa Limited HEREBY APPOINT  
(name) .....  
of (address) .....  
and/or failing him (name) .....  
of (address) .....  
or failing that person then the Chairman of the Annual General Meeting as my/our proxy to vote for me/us and  
on my/our behalf at the Annual General Meeting of the Company to be held on  
30 November 2006 at 11:00am at the Broadwater Pagoda Hotel, 112 Melville Parade, Como, Western Australia  
6152 and at any adjournment of the meeting.

*Should you so desire to direct the Proxy how to vote, you should place a cross in the appropriate box(es) below:*

I/We direct my/our Proxy to vote in the following manner:

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report (Non-binding)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Bruce Tomich	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Adoption of Employee Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of Previous Issue of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*If you do not wish to direct your proxy how to vote on the resolutions 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 these resolutions and votes cast by him other than as proxy holder will be  
disregarded because of that interest. The Chairman intends to vote in favour of the resolutions.*

If no directions are given, my proxy may vote as the proxy thinks fit or may abstain.

Dated: 2006.

*This Proxy is appointed to represent \_\_\_\_\_% of my voting right, or if 2 proxies are appointed Proxy 1  
represents \_\_\_\_\_% and Proxy 2 represents \_\_\_\_\_% of my total votes  
My total voting right is \_\_\_\_\_ shares*

*If the shareholder is an individual:*

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

*If the shareholder is a company:*

Affix common seal (if required by Constitution)

\_\_\_\_\_  
Director/Sole Director and Secretary

\_\_\_\_\_  
Director/Secretary

## INSTRUCTIONS FOR APPOINTMENT OF PROXY

1. A shareholder entitled to attend and vote is entitled to appoint no more than two proxies to attend and vote at this Annual General Meeting as the shareholder's proxy. A proxy need not be a shareholder of the Company.
2. Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.
3. The proxy form must be signed personally by the shareholder or his attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed under either the common seal of the corporation or under the hand of an officer of the company or its duly authorised attorney. In the case of joint shareholders, this proxy must be signed by at least one of the joint shareholders, personally or by a duly authorised attorney.
4. If a proxy is executed by an attorney of a shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the company, must accompany the proxy form.
5. To be effective, forms to appoint proxies must be received by the Company no later than 48 hours before the time appointed for the holding of this Annual General Meeting **that is by 11.00am WST on 28 November 2006** by post or facsimile to the respective addresses stipulated in this proxy form.
6. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:
  - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
  - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
  - (c) if the proxy is Chairperson, the proxy must vote on a poll and must vote that way, and
  - (d) if the proxy is not the Chairperson, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.

If a proxy is also a shareholder, the proxy can cast any votes the proxy holds as a shareholder in any way that the proxy sees fit.

**OROPA LIMITED**  
**ABN 77 009 241 374**

**EXPLANATORY MEMORANDUM**

This Explanatory Memorandum is intended to provide shareholders in Oropa Limited ("**Company**") with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of the Company.

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

The following information should be noted in respect of the various matters contained in the accompanying Notice of Annual General Meeting:

**Annual Accounts**

Appropriate time will be devoted to the consideration of the Financial Statements and Reports of the Company for the year ended 30 June 2006.

**Resolution 1 – Adoption of the Remuneration Report**

Pursuant to the Corporations Act the Annual General Meeting of a listed company must propose a resolution that the remuneration report be adopted. The vote on this resolution is advisory only and does not bind either the directors or the Company.

The report:

- Explains the board's policies in relation to the nature and level of remuneration paid to executive and non-executive directors of Oropa Limited; and
- Sets out the remuneration details for each executive and non-executive director of Oropa Limited.

The remuneration report is included in the Annual Report distributed to shareholders and the Financial Statements to be laid before the meeting. Shareholders will be given the opportunity to ask questions about or make comments on the Remuneration Report at the meeting.

**Resolution 2 – Re-election of Mr Bruce Tomich**

Mr Tomich was appointed as a director of the Company on 3<sup>rd</sup> June 2003. Pursuant to rule 13.2 of the Company's Constitution he retires by way of rotation and, being eligible, offers himself for re-election.

**Resolution 3 – Oropa Limited Employee Option Plan**

1.1 Employee Option Plan

Shareholder approval is being sought to the issue of securities under the Oropa Limited Employee Option Plan ("Plan"). The Plan complies with the ASIC Policy Statement 49 in relation to employee share schemes. This Policy Statement gives disclosure relief from the need to prepare a prospectus for offers of shares and options under compliant schemes. Persons eligible to participate in the Plan are employees of Oropa Limited or of associated bodies corporate.

## 1.2 Reasons for Plan

Success for the Company and its Shareholders depends greatly on the people engaged by the Company. To maintain and improve performance the Company has an ongoing need both to motivate and retain an excellent and dedicated team, and to attract new and high quality people.

The Board believes that the Plan will provide an effective means to achieve these ends, in that the implementation of the Plan will:

- encourage our people to focus on creating Shareholder value;
- link reward with the achievement of the long term performance of the Company;
- encourage our people to remain with the Company by giving them the opportunity to participate in the creation of a valuable personal asset – ie a financial stake in the Company; and
- enable the Company to attract higher calibre individuals.

### Description of the Plan

This section gives a brief outline of the Rules of the Plan.

#### (a) Participation

Persons eligible to participate in the Plan are employees of Oropa Limited or of associated bodies corporate (“Eligible Person”). The Board may from time to time determine that any Eligible Person is entitled to participate in the Plan and the extent of that participation. In making that determination the Directors must consider, where appropriate, matters including employment performance and level of responsibility.

#### (b) Offer of Options

Each offer made by the Board must specify:-

- the number and the exercise price of the Options;
- that the Eligible Person may accept the whole or any lesser number of Options offered;
- the period within which the offer may be accepted.

The offer document must also include a copy of the plan. The offer document must also be provided to ASIC within 7 days after provision of this material to an Eligible Person.

#### (c) Price

Options issued under the Plan are issued free of consideration. The exercise price of the options will be determined by the Board with regard to the market value of the shares when the Board resolves to offer the options.

#### (d) Acceptance

An Eligible Person must, within the period specified in the offer either:-

- accept the whole or any lesser number of Options offered by notice in writing; or
- nominate a nominee in whose favour the Eligible Person wishes to renounce the offer by notice in writing.



(e) Restrictions

Unless the Board determines otherwise, if an Eligible Person ceases to be an Eligible Person after the earliest date for exercise of their options, for any reason other than a “Specified Reason” (being retirement at age 60 or over, permanent disability, redundancy or death) the options held by them will automatically lapse.

If an Eligible Person ceases to be an Eligible Person after the earliest date for exercise of their options because of a Specified Reason such as Eligible Person is entitled to exercise any such option at any time prior to its expiry date.

Notwithstanding the terms of the options, the options may be exercised in the event of specified occurrences including a change of control allowing replacement of all or a majority of the Board or during the period of a takeover bid for the Company.

The options are not transferable other than to the legal personal representative of a deceased option holder.

(f) Administration

The Board in its absolute discretion will administer the Plan in accordance with terms and conditions set out in the Plan rules.

The total number of Shares the subject of options issued under the Plan, when aggregated with:

- the number of Shares which would be issued were each outstanding offer or option, being an offer made or option acquired pursuant to the Plan or any employee share scheme, exercised; and
- the number of Shares issued during the previous 5 years pursuant to the Plan or any other employee share scheme,

but disregarding any offer made, option acquired or Share issued by way of or as a result of an offer under the Plan to a person situated outside Australia; or an offer under the Plan that did not need disclosure to investors because of section 708 of the Corporations Act; or an offer made under a disclosure document, must not exceed 5% of the Company’s issued Shares.

(g) Number of Options issued under the Plan

As at the date of this Notice no Options have been issued under the terms of the Plan.

**Resolution 4 – Ratification of Previous Issue of 500,000 Unlisted Options**

***Listing Rule 7.4***

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval, provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The effect of such ratification is to restore a company's maximum discretionary power to issue further shares up to 15% of the issued capital of the company without requiring shareholder approval.

***Listing Rule 7.1***

Listing Rule 7.1 broadly provides, subject to certain exceptions, that shareholder approval is required for any issue of securities where the securities proposed to be issued represent more than 15% of the

Company's fully paid ordinary shares then on issue. Listing Rule 7.1 approval is sought so that the 15% threshold is maintained and available for use by the Company in the future should the circumstances require it.

Resolution 4 has been included so that shareholders may approve pursuant to Listing Rule 7.4 the previous issue, on or about 20 October 2006 of 500,000 unlisted options, each having an exercise price of \$0.12 and an expiry date of 20 October 2008, to Jeremy Slater in satisfaction of equity raising consultancy work.

The Company seeks approval for this issue pursuant to Listing Rule 7.4, in order to allow the Company to have the right to place up to a further 15% of its issued capital at any time during the next 12 months. The information required to be given to shareholders pursuant to Listing Rule 7.5 is contained in both this Explanatory Memorandum and the notes to Resolution 4 as set out in the Notice.

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

- (a) the number of Options issued was 500,000;
- (b) the Options were issued as consideration for consultancy services provided by Jeremy Slater in relation to a previous equity raising by the Company;
- (c) the Options are issued under the terms set out in Annexure A; and
- (d) as noted above, all of the Options were issued to Jeremy Slater.

## GLOSSARY

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

"**Directors**" mean the directors of the Company;

"**Company**" means Oropa Limited ABN 77 009 241 374;

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

"**Listing Rules**" means the Listing Rules of ASX;

"**Notice**" means the notice of meeting which accompanies this Explanatory Memorandum; and

"**Shares**" means fully paid ordinary shares in the Company.

## ANNEXURE A

### TERMS AND CONDITIONS OF OPTIONS

The terms and conditions of the Options are as follows:

- (a) The Options shall expire on 20 October 2008 ("**Expiry Date**").
- (b) Each Option shall confer the right to subscribe for one fully paid ordinary share, ranking pari passu with existing issued fully paid ordinary shares, in the capital of the Company.
- (c) The Options shall be exercisable by notice in writing to the Company received at any time on or before the Expiry Date, however the fully paid ordinary shares will be allotted not more than fifteen days after (but not including) the exercise date.
- (d) The Options may be exercised in whole or in part. If the Options are exercised in part each notice of exercise must be for not less than 1,000 shares and in multiples of 1,000 shares.
- (e) The exercise price for each Option shall be \$0.12.
- (f) The Options may be transferred at any time in whole or part.
- (g) A certificate will be issued for the Options. On the reverse side of the certificate there will be endorsed a statement of the rights of the optionholder and a notice that is to be completed when exercising the Options. If there is more than one Option comprised in this certificate and prior to the Expiry Date those Options are exercised in part, the Company will issue another certificate for the balance of the Options held and not yet exercised.
- (h) The optionholder will not be permitted to participate in any new pro rata entitlement issues of securities of the Company.
- (i) In the event of a reorganisation of the issued capital of the Company, the Options will be reorganised in accordance with the Listing Rules of the Australian Stock Exchange Limited.
- (j) The Options will not give any right to participate in dividends until shares are allotted pursuant to the exercise of the relevant Options.