

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting (“AGM”) of the members of Razor Risk Technologies Limited ACN 088 299 512 (“**Razor**” or “**Company**”) will be held at **Press Room 1 & 2, Radisson Plaza Hotel, 27 O’Connell Street, Sydney NSW 2000** at **3.00 pm** on **27 October 2009**.

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### **BUSINESS**

#### **General Business**

#### **1 FINANCIAL REPORT**

- 1.1 To consider and receive the annual Financial Statements, the Directors’ Report and Audit Report of the Company.
- 1.2 To consider and, if thought fit, to pass the following ordinary resolution:

*“That the Remuneration Report contained in the Directors’ Report be adopted.”*

#### **Short explanation**

The above documents are contained in the Annual Report. Shareholders who have elected to receive an electronic copy of the Annual Report can download a copy at “<http://www.razor-risk.com/investors/annual-reports.html>”. Shareholders who have elected to receive a hard copy of the Annual Report will receive one with this Notice of Meeting.

The Corporations Act 2001 requires listed companies to put to Shareholders at the AGM a non-binding resolution concerning the Remuneration Report which is contained in the Directors’ Report section of the Annual Report.

Shareholders will be given an opportunity to ask questions concerning the Remuneration Report at the AGM.

As stated, the resolution is non-binding.

## 2 RETIREMENT OF DIRECTORS BY ROTATION AND BY OPERATION OF CONSTITUTION

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

2.1 *“That having retired pursuant to the Constitution, Simon Yencken be re-elected as a director.”*

2.2 *“That having retired pursuant to the Constitution, Jane Yuile be re-elected as a director.”*

### Short explanation

The Company’s Constitution requires one third of the directors (other than the Managing Director or directors appointed during the year) to retire at each AGM, being the directors longest in office without having retired at an AGM. Directors retiring are eligible for re-election.

This year Simon Yencken and Jane Yuile have retired under this rule and seek re-election.

Details of Simon Yencken and Jane Yuile are set out in the Annual Report.

To be appointed, any of the above directors must receive more votes in favour of the resolution appointing them than against.

### Special Business

## 3 APPROVAL TO ISSUE SECURITIES PURSUANT TO ESOP AND ESAP

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

*“That pursuant to Exception 9 of ASX Listing Rule 7.2 (“**Exception 9**”) shareholders approve the issue of options under the Company’s Employee Share Option Plan (“**ESOP**”) and shares under the Company’s Employee Share Acquisition Plan (“**ESAP**”) totalling the amount, and on the terms and conditions, as set out in the Explanatory Memorandum, as an exception to ASX Listing Rule 7.1.”*

### Short explanation

ASX Listing Rule 7.1 requires approval from shareholders for issues of securities in excess of 15% of the issued capital. There are a number of exceptions to this set out in ASX Listing Rule 7.2, including Exception 9, which allows the issue of securities to an employee incentive plan such as the ESOP and ESAP, provided, in the case of Razor’s ESOP and ESAP, that shareholders have approved the issue of securities within the last three years.

On 29 November 2006 shareholders approved the issue of up to 15% of the issued capital of Razor pursuant to the ESOP and ESAP. That approval lasts for 3 years, and is about to expire,

and Razor now seeks approval to issue securities under the ESOP and ESAP as an exception to Listing Rule 7.1 for the next three years, but at a lesser limit of 10%.

Exception 9 requires that the Notice of Meeting includes certain information. This information and a further explanation of this resolution are included in the attached Explanatory Memorandum.

**Voting Exclusion Statement**

The Company will disregard votes cast in respect of resolution 3 by:

- (a) Any director of the Company eligible to participate in the ESOP or ESAP; and
- (b) Any associate of those persons.

However, 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.

By order of the Board:



Company secretary  
20 September 2009

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## NOTES

1. A member entitled to attend and vote at the General Meeting is entitled to appoint not more than two proxies to vote instead of the member. A proxy may be a person or a company. A proxy need not be a member of the Company.
2. A member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two proxies 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.
4. The proxy form must be signed by the member or the member's attorney. Proxies given by corporations must be executed under seal or signed under the hand of a duly authorised officer or attorney.
5. To be valid, the enclosed proxy form and the power of attorney or other authority (if any) under which it is signed (or a certified copy of it) must be lodged at the registered office of the Company or with the share registry of the Company:
  - a) at the offices of Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford VIC 3067, or on fax number (03) 9473 2555 or relevant custodians may lodge their proxy form online by visiting [www.intermediaryonline.com](http://www.intermediaryonline.com); or
  - b) at the registered office of the Company, Level 9, 115 Pitt Street, Sydney NSW 2000 or on fax number (02) 9235 3055,not later than 48 hours before the time for commencement of the meeting.
6. A person may attend the meeting under an appointment of corporate representative pursuant to section 250D of the Corporations Act (including as representative of a corporate proxy) or Power of Attorney only if a copy of that appointment or Power of Attorney is provided to the share registrars of the Company before the meeting. Documents can be provided by post, facsimile or online as follows:
  - a) at the offices of Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford VIC 3067;
  - b) by faxing it to the offices of Computershare Registry Services Pty Ltd on fax number (03) 9473 2555; or
  - c) relevant custodians may lodge their proxy form online by visiting [www.intermediaryonline.com](http://www.intermediaryonline.com)
7. The Directors have determined that, for the purpose of voting at the meeting, Shares will be taken to be held by the registered holders at 7.00pm on **25 October 2009**.

## EXPLANATORY MEMORANDUM

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### 1. INTRODUCTION

The following information provides a detailed explanation on resolution 3 as set out in the Notice of AGM.

### 2. RESOLUTION 3 - APPROVAL TO ISSUE SECURITIES PURSUANT TO ESOP AND ESAP

#### 2.1 Introduction

The Company established an ESOP in 2000 and an ESAP in 2003, the salient terms of which are as follows:

#### ESOP

*Eligible persons* – eligible persons are all full and part time employees of Razor, except for directors. Directors are only eligible if shareholder approval has first been obtained. The Board has the discretion to determine which of the eligible employees participate, and to what extent.

*Terms of issue* – the terms of issue of options, such as issue price, exercise price, exercise period and any other criteria such as performance of option holder, are at the discretion of the Board.

*No substantial issue to single employee* – the Board may not allot options to a particular employee if, as a result of the exercise of those options, that employee would hold more than 5% of the issued shares of the Company.

Directors are eligible to participate in the ESOP if shareholder approval is obtained.

#### ESAP

The ESAP enables all employees of the Company to invest in the equity of the Company as part of their remuneration. The terms of the ESAP Rules have been drafted to satisfy the requirements of current tax deferral concessions, however those concessions are in the process of being amended.

The ESAP Rules provide for the Company to appoint a Plan Trustee. The Plan Trustee will be responsible for acquiring ordinary shares in the Company in the ordinary course of trading on the ASX.

Under the ESAP Rules directors may offer participant employees remuneration in the form of shares as part of the employee's incentive arrangements. The

determination of eligible employees and the terms and conditions of the offer to such employees will be determined by the directors from time to time, having regard to the needs of the Company.

The costs to the Company of implementing and maintaining the ESAP are cash neutral since the cost of the acquisition of shares by participant employees is funded from what would otherwise form part of those employees' base salary and incentives as approved in the Company's annual remuneration budgets.

The key terms and conditions of the ESAP Rules are:

- shares will be acquired by and registered in the name of the Plan Trustee and will be held on trust by the Plan Trustee for participants pending satisfaction by a participant of any performance, vesting or other applicable condition or criteria. Once these conditions and criteria have been fulfilled a participant must make an application to withdraw its shares to the Plan Trustee.
- variation or modification of the ESAP Rules at the Board's discretion;
- termination or suspension of the ESAP at the Board's discretion; and
- administration of the ESAP by the Plan Trustee and the Board.

Any ongoing administration expenses relating to the ESAP will be met by the Company however each participating employee will bear the cost of all outgoings, expenses and taxes (including stamp duty) incurred by the Plan Trustee in buying, selling and otherwise dealing with shares on behalf of that participating employee.

## **2.2 Listing Rule 7.1**

Listing Rule 7.1 requires a company to obtain the approval of shareholders if it proposes to issue equity securities representing more than 15% of its share capital within a 12 month period. Listing Rule 7.2 contains a number of exceptions to Listing Rule 7.1, allowing certain issues of securities to be excluded from the calculation of the number of securities issued in the previous 12 months.

Shareholder approval is sought in accordance with Listing Rule 7.2 Exception 9, which would enable options and shares issued under the ESOP and ESAP over the next three years to be excluded from any such calculations.

The Company seeks shareholder approval to issue up to 10% of its issued share capital to the ESOP or ESAP. Approval has previously been given in 2000, 2003 and 2006 to issue up to 15%, however the Board is of the view that 10% is adequate to meet the needs of the ESOP and ESAP over the next three years.

Exception 9 requires certain information to be included in the Notice of Meeting, as follows:

- A summary of the terms of the plan;
- The number of securities issued under the plan since the last approval; and
- A voting exclusion statement.

If approval is not given, directors may still issue options under the ESOP or ESAP, but any issue will count towards the 15% limit.

### **2.3 Operation of the ESOP and ESAP to date**

#### **ESOP**

Since approval was last given for the issue of securities under the ESOP on 29 November 2006, the following options have been issued under the ESOP without seeking additional shareholder approval (such as additional approval for an issue of options to a director):

<i>Total unexpired options issued prior to 29.11.2006</i>	21,765,750
<i>Total ESOP options issued 29.11.2006 to 10.09.2009</i>	4,802,545
<i>Total options issued outside of ESOP</i>	2,116,705
<i>Total options lapsed/cancelled</i>	20,471,000
<i>Total options currently on issue</i>	8,214,000

While there is much debate concerning the utility of options as a performance enhancing method of remuneration, the directors are of the view that a properly structured ESOP is an important tool in attracting and retaining key staff. Options allow some flexibility in tax planning for employees, while incentivising performance if appropriate performance hurdles are imposed.

#### **ESAP**

Since approval was last given for the issue of securities under the ESAP on 29 November 2006, 7,622,174 shares have been issued to the Razor ESAP Trustee.

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

## Lodge your vote:



### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

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

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

### For all enquiries call:

(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

## Proxy Form

For your vote to be effective it must be received by 3.00 pm on 25 October 2009.

### How to Vote on Items of Business

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

#### Appointment of Proxy

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

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

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

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

### Signing Instructions

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

### Attending the Meeting

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

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

**Turn over to complete the form** →



View your securityholder information, 24 hours a day, 7 days a week:

**[www.investorcentre.com](http://www.investorcentre.com)**

- Review your securityholding
- Update your securityholding

**Your secure access information is:**

**SRN/HIN: I999999999**

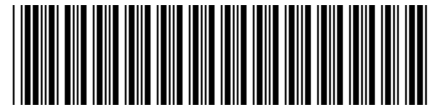


**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.



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

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



I 9999999999

I ND

# Proxy Form

Please mark  to indicate your directions

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

XX

I/We being a member/s of Razor Risk Technologies Limited hereby appoint

the Chairman of the meeting OR

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Razor Risk Technologies Limited to be held at Press Room 1 & 2, Radisson Plaza Hotel, 27 O'Connell Street, Sydney NSW 2000 at 3.00 pm on 27 October 2009 and at any adjournment of that meeting.

## STEP 2 Items of Business

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

		For	Against	Abstain
Item 1.2	To adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2.1	To re-elect Simon Yencken as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2.2	To re-elect Jane Yuile as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	To approve the issue of options under the Company's Employee Share Option Plan ("ESOP") and shares under the Company's Employee Share Acquisition Plan ("ESAP")	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name \_\_\_\_\_

Contact Daytime Telephone \_\_\_\_\_

Date \_\_\_\_/\_\_\_\_/\_\_\_\_

**All correspondence to:**

Computershare Investor Services Pty Limited  
GPO Box 2975 Melbourne  
Victoria 3001 Australia  
Enquiries (within Australia) 1300 850 505  
(outside Australia) 61 3 9415 4000  
Facsimile 61 3 9473 2500  
web.queries@computershare.com.au  
www.computershare.com

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

Dear Securityholder,

We have been trying to contact you in connection with matters arising from your securityholding in Razor Risk Technologies Limited. Unfortunately, our correspondence has been returned to us marked "Unknown at the current address". For security reasons we have flagged this against your securityholding which will exclude you from future mailings, other than notice of meeting.

We value you as a securityholder and request that you supply your current address so that we can keep you informed about Razor Risk Technologies Limited. Where the correspondence has been returned to us in error we request that you advise us of this so that we may correct our records.

You are requested to include the following;

- > Security Reference Number (SRN)\*;
- > ASX trading code;
- > Name of company in which security is held;
- > Old address; and
- > New address.

Please ensure that the notification is signed by all holders and forwarded to our Share Registry at:

Computershare Investor Services Pty Limited  
GPO Box 2975  
Melbourne Victoria 3001  
Australia

\*Note: If your holding is sponsored within the CHESS environment you need to advise your sponsoring participant (in most cases this would be your broker) of your change of address so that your records with CHESS are also updated.

Yours sincerely

**Oliver Carton**  
Company Secretary

