



## **EXPLANATORY MEMORANDUM AND PROXY FORM**

### **For an EXTRAORDINARY GENERAL MEETING**

**MOBILEACTIVE LIMITED ABN 24 089 805 416**

To be held at:

The Bayview Boulevard Sydney  
Stanley Room,  
Level 2, 90 William Street  
Sydney NSW 2011  
On Thursday, 30 June 2011  
At 9.00am (Sydney time).

This Notice of Meeting, Explanatory Statement and Proxy Form should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisor prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please contact the Company Secretary, Paul Jeronimo on +61 2 9360 3385.



MOBILEACTIVE LIMITED  
ABN 24 089 805 416

## Letter From The Chairman

30 May 2011

Dear Shareholder

Attached is a Notice of Extraordinary General Meeting for MobileActive Limited to be held at the Bayview Boulevard Sydney, Stanley Room, Level 2, 90 William Street, Sydney NSW 2011 on Thursday, 30 June 2011 at 9.00am. An Explanatory Memorandum attached to the Notice of Meeting provides information to shareholders in relation to the resolutions to change the Company's name from MobileActive Limited to Mobile Embrace Limited and a capital raising of up to \$1.5 million.

The name change to Mobile Embrace Limited is proposed to better reflect the Company's core focus on its Mobile Interactive Services and Technology business and adopt its branding accordingly. If the name change is approved by shareholders, application will be made to the Australian Securities Exchange to change the Company's listing code to "MBE".

As previously noted in the Company's 31 December 2010 half year financial report, additional funding is required to commercialise the Mobile Interactive Services and Technology business. Funds will be used for working capital and repayment of debt. Shareholders are being asked to approve the issue of new ordinary shares to raise up to \$1.5 million of additional capital, at a price of not less than 80% of the average market price for ordinary shares calculated over the last five days on which sales of shares are recorded before the issue date.

Your directors believe that the resolutions to be considered by shareholders at the EGM are in the best interests of the Company and its shareholders. I would encourage you to attend the meeting in person, and if not, please send in your proxy form so you have your vote counted in this very important step forward for the Company.

Thank you for your continued support.

Yours sincerely

A handwritten signature in black ink, appearing to read "D Haines", written over a light blue horizontal line.

David Haines  
Chairman  
MobileActive Limited

## **Notice of Extraordinary General Meeting**

Notice is given that an Extraordinary General Meeting of the members of MobileActive Limited will be held at 9.00am on Thursday, 30 June 2011 at the Bayview Boulevard Sydney, Stanley Room, Level 2, 90 William Street, Sydney NSW 2011.

### **Business**

#### ***Resolution 1: Change the Company Name to Mobile Embrace Limited***

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

“That for the purposes of s.157 of the Corporations Act, the name of the Company be changed to Mobile Embrace Limited.”

Further information in relation to this proposed Resolution 1 is set out in the Explanatory Memorandum accompanying this Notice of Extraordinary General Meeting.

#### ***Resolution 2: Approval of issue of shares***

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

“That for the purposes of Listing Rule 7.1 of the Listing Rules of the Australian Securities Exchange Limited and for all other purposes, approval is given for the Company to issue fully paid ordinary shares at a price no less 80% of the average market price for ordinary shares calculated over the last five days on which sales of shares are recorded before the issue date to raise up to \$1.5 million and otherwise on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”

### **Voting At The Meeting:**

#### ***Required Majority***

In accordance with the Corporations Act 2001 and the Company’s Constitution:

- I Each special resolution must be passed at a meeting which not less than 28 days written notice specifying the intention to propose the resolutions has been given (unless consent to short notice has been received – s.249HA of the Corporations Act);
- II Each special resolution must be passed by 75% or more of the total votes cast by shareholders entitled to vote on the resolution (whether in person or by proxy, attorney or representative); and
- III Each ordinary resolution must be passed by a simple majority of the total votes cast by shareholders entitled to vote on the resolution (whether in person or by proxy, attorney or representative).

## **Entitlement To Vote**

Pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) the Directors have determined that the shareholders eligible to attend and vote at the meeting are those persons who are registered shareholders of the Company at 7:00pm EST on Tuesday 28 June 2011.

## **Proxies**

If you are a shareholder entitled to attend and vote, you are entitled to appoint one or two proxies. Where two proxies are appointed, you may specify the number or proportion of votes that each may exercise, failing which each may exercise half of the votes. A proxy need not be a shareholder of the Company.

If you want to appoint one proxy, you can use the form provided. If you want to appoint two proxies, please follow the instructions on the proxy form.

The Company's constitution provides that, on a show of hands, every person present and qualified to vote shall have one vote. If you appoint one proxy, that proxy may vote on a show of hands, but if you appoint two proxies neither proxy may vote on a show of hands.

If you appoint a proxy who is also a shareholder or is also a proxy for another shareholder, your directions may not be effective on a show of hands. Your directions will be effective if a poll is required and your proxy votes.

A body corporate may elect to appoint an individual to act as its representative in accordance with section 250D of the *Corporations Act 2001* (Cth), in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company or the Company's share registry, before the Extraordinary General Meeting or at the registration desk on the day of the meeting before registration.

If you wish to appoint the Chairman of the Extraordinary General Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Extraordinary General Meeting, the name of the person should be inserted on the Proxy Form where indicated. If you leave the section blank, or your named proxy does not attend the meeting, the Chairman of the Extraordinary General Meeting will be your proxy.

To record a valid vote members will need complete and lodge the Proxy Form (and the power of attorney or other authority (if any) under which it is signed, or a certified copy of it) at: the share registry of the Company, Computershare Investor Services Pty Limited, located at GPO Box 242, Melbourne VIC 3001, Australia or by facsimile on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia), no later than **9.00am Sydney time on Tuesday 28 June 2011**. Proxy Forms received later than this time will be invalid.

Shareholders may arrange to receive shareholder information electronically, or obtain a replacement or second proxy form, by contacting Computershare on 1300 556 161 within Australia or +61 3 9415 4000 outside Australia or go to [www.computershare.com.au](http://www.computershare.com.au) Investor Centre.

Custodian voting - For Intermediary Online subscribers only please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions.

## **Voting Exclusion Statement**

### Resolution 1:

No exclusions.

### Resolution 2:

The Company will disregard any votes cast on this resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit in the capacity of a holder of ordinary securities if the resolution is passed, and any associates of those persons.

However, the Company need not disregard a vote if:

1. 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
2. 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.

## **Incorporation of Explanatory Memorandum**

The Explanatory Memorandum to Shareholders attached to this Notice of Extraordinary General Meeting is hereby incorporated into and forms part of the Notice of Extraordinary Meeting.

By order of the Board, dated this 30<sup>th</sup> day of May 2011



Paul Jeronimo  
Company Secretary

## **Explanatory Memorandum**

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Extraordinary General Meeting to be held at 9.00am on Thursday, 30 June 2011 at the Bayview Boulevard Sydney, Stanley Room, Level 2, 90 William Street, Sydney NSW 2011.

The purpose of this Explanatory Statement is to provide information that the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

### **Resolution 1: Change the Company name the Mobile Embrace Limited**

If Resolution 1 is passed, the Company will also apply the Australian Securities Exchange to change its listing code to "MBE".

Rationale for the proposed change:

As previously disclosed to the ASX, the Company launched Mobile Embrace which provides business-to-business mobile interactive services and technology. The business is well positioned with best of breed technology that provides services including: mobile web publishing, advertising, mobile marketing, application development, messaging and commerce giving it full end-to-end capability.

The Company has since the beginning of the financial year been establishing the new Mobile Embrace services and technology platforms and with it a premium billing messaging gateway scheduled to be fully functional and live by 30 June 2011.

Few people associate Mobile Embrace with MobileActive Limited. The Company is not therefore positioned in the market place to take full advantage of the strong brand that is being developed in the mobile interactive services and technology industry. The directors believe re-naming the Company as Mobile Embrace will increase its profile and that the change in name is symbolic of the Company's increased focus in the business-to-business mobile interactive services and technology industry.

If Resolution 1 is passed as a Special Resolution, the Company must lodge a copy of the resolution with ASIC within 14 days and the name will officially change when ASIC issues the Certificate of Incorporation on Change of Name, which is expected to be within a few days after lodgment. The name "Mobile Embrace" has been reserved at ASIC and its use has been approved.

On receipt of the new name certificate, the Company will notify the ASX of the change and trading under the new name will commence within a few days of the notification. The ASX code "MBE" has been reserved as the new code of the Company. Shortly after the name change the Company's share registry Computershare, will issue new holding statements to shareholders.

The Directors recommend that the shareholders vote in favour of Resolution 1.

### ***Resolution 2: Approval of issue of shares***

The Company is seeking shareholder approval pursuant to Resolution 2 to raise an additional \$1.5 million. These funds will be primarily used to fund the commercialisation of the business-to-business division.

Listing Rule 7.1 provides that a listed company may not issue equity securities in any 12 month period where the total number of equity securities to be issued exceeds 15% of the total number of fully paid ordinary securities on issue 12 months before the date of issue, except where an exception applies or with the prior approval of members of the company in a general meeting of the terms and conditions of the proposed issue.

For the purposes of Listing Rule 7.3, the following information is provided in relation to Resolution 2:

- a. the Company may issue a maximum number of ordinary Shares that equals \$1.5 million divided by the issue price calculated in accordance with paragraph ( c ) below;
- b. the allottees of the securities will be sophisticated investors (as defined in the Corporations Act) and / or strategic investors;
- c. the issue price of the Shares will not be less than 80% of the average market price for ordinary shares in the Company. The average market price is calculated over the last five days on which sales in the securities were recorded before the day on which the issue was made;
- d. the securities will be issued no later than three months after the date of the Meeting (or such later date as determined by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated that allotment will occur on one date;
- e. the Shares will be ordinary Shares in the Company and they will rank equally with the existing ordinary Shares on issue; and
- f. the funds raised from the issue of Shares will be applied in the following proportions:
  1. \$400,000 to retire debt; and
  2. \$1,100,000 to fund working capital requirements.

The Directors recommend that the shareholders vote in favour of Resolution 2.

### ***3. Enquiries***

Shareholders are invited to contact Paul Jeronimo (Company Secretary) on +61 (0)2 9360 3385 if they have any query in respect of the matters set out in these documents.

**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 556 161  
(outside Australia) +61 3 9415 4000

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

## Proxy Form

**For your vote to be effective it must be received by 9:00am (Sydney time) Tuesday 28 June 2011**

### 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. Delete titles as applicable.

### 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.investorcentre.com](http://www.investorcentre.com) under the information tab, "Downloadable Forms".

**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 MobileActive 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 Extraordinary General Meeting of MobileActive Limited to be held at The Bayview Boulevard Sydney, Stanley Room, Level 2, 90 William Street, Sydney NSW 2011 on Thursday, 30 June 2011 at 9:00am (Sydney time) 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.

### Business

	For	Against	Abstain
1. Change the Company Name to Mobile Embrace Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Approval of issue of shares	<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 \_\_\_\_/\_\_\_\_/\_\_\_\_