



Our Ref: CO2 ASX Announce 2012 Annual General Meeting Notice (374)

11 January 2013

ANNOUNCEMENT 374

Market Announcements Office
Australian Securities Exchange
Level 6
20 Bridge Street
SYDNEY NSW 2000

By ASX Online
Number of pages: 15
(including this page)

Dear Sir

Re: Notice of 2012 Annual General Meeting & Proxy

Enclosed are the following CO2 Group Limited documents which will be sent to shareholders today:

- Notice of Annual General Meeting with supporting Explanatory Memorandum; and
- Pro forma Proxy Form.

The Annual Report for the period ended 30 September 2012 which will be sent to those shareholders who have requested a copy was released to the market on 7 December 2012. The Report is available on our web site www.co2australia.com.au.

The Company's Annual General Meeting will be held in Melbourne, on Thursday 14 February 2013 at 12.00 noon EDST.

Yours faithfully
CO2 Group Limited

A handwritten signature in black ink, appearing to read 'Harley Whitcombe'.

Harley Whitcombe
Company Secretary

ENC

CO2 Group Limited

Level 11, 225 St Georges Terrace Perth WA 6000 Tel. 08 9321 4111 ABN 50 009 317 846
PO Box 7312 Cloisters Square Perth WA 6850 Fax. 08 9321 4411 www.co2australia.com.au
CO2 Group Limited is a corporate authorised representative ("CAR") (Number 420079) of Valuestream Investment Management Limited (ACN 094 107 034 AFSL 246621). The Group's licence numbers are: CO2 Group Limited (CAR # 420079); Carbon Banc Limited (CAR # 420080); CO2 Australia Limited (CAR # 420081).



CO2 GROUP LIMITED

ABN 50 009 317 846

NOTICE OF ANNUAL GENERAL MEETING

A PROXY FORM IS ENCLOSED



Please read the Notice and Explanatory Memorandum carefully.
If you are unable to attend the Annual General Meeting, please
complete and return the enclosed Proxy Form in accordance
with the specified directions.

NOTICE OF ANNUAL GENERAL MEETING

CO2 Group Limited (ABN 50 009 317 846)

Time: 12.00pm (EDST)
Date: Thursday, 14 February 2013
Place: Baker & McKenzie
Sydney Room
Level 19, CBW
181 William Street
Melbourne Victoria 3000

Notice of the annual general meeting (**Annual General Meeting or Meeting**) of CO2 Group Limited (**Company or CO2 Group**) for the year ended 30 September 2012, is given to shareholders of the Company (**Shareholders**). This Notice of Meeting is issued by CO2 Group of Level 11, 225 St George's Terrace, Perth, Western Australia.

BUSINESS

The business of the meeting will consist of the following:

ORDINARY BUSINESS

1 FINANCIAL REPORT

To receive and consider the financial report, the directors' report and the auditor's report of the Company for the financial year ended 30 September 2012.

2 REMUNERATION REPORT – RESOLUTION 1

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

"That, for the purposes of section 250R(2) of the Corporations Act, the Company adopt the Remuneration Report as set out in the Annual Report for the financial year ended 30 September 2012."

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

3 RE-ELECTION OF DIRECTOR – RESOLUTION 2

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

"That Mr Paul Favretto retires pursuant to Rule 7.1(d) of the Company's constitution, and being eligible, is re-elected as a director of the Company."

4 RE-ELECTION OF DIRECTOR – RESOLUTION 3

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

"That Dr Malcolm Hemmerling retires pursuant to Rule 7.1(d) of the Company's constitution, and being eligible, is re-elected as a director of the Company."

5 APPROVE ADDITIONAL 10% SHARE ISSUE CAPACITY - RESOLUTION 4

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

"That for the purpose of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the Company having the additional capacity to issue equity securities up to 10% of the issued capital of the Company, calculated in accordance with the formula set out in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting."

VOTING PROHIBITIONS AND VOTING EXCLUSION STATEMENTS

RESOLUTION 1

Voting Prohibition

In accordance with the Corporations Act, a vote on Resolution 1 (Remuneration Report) must not be cast by or on behalf of any of the following persons:

- a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- b) a closely related party of such a member.

Key Management Personnel are the directors of the Company and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Key Management Personnel for the financial year ended 30 September 2012. Their closely related parties are defined in the Corporations Act, and include certain family members, dependants and companies they control.

A person described in paragraphs a) or b) may cast a vote on Resolution 1 if:

- c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 1; and
- d) the vote is not cast on behalf of a person described in paragraphs a) or b) above.

The Chairman, if acting as proxy (by appointment or by default), is authorised to vote all undirected proxies in favour of Resolution 1 in the proxy form.

RESOLUTION 4

Voting Exclusion

As required by ASX Listing Rule 7.3A, the Company will disregard any votes cast by or on behalf of:

- a) a person who may participate in the proposed issue;
- b) a person who might obtain a benefit, except a benefit solely in their capacity as a holder of shares in the Company (**Shares**),

if the resolution is passed and any associates of those persons.

However, the Company need not disregard a vote cast if:

- c) 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
- d) it is cast by the Chairman of 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.

In accordance with Listing Rule 14.11.1, the persons eligible to participate in a proposed issue (if any) under Listing Rule 7.1A were not known by the Company at the date of the Notice of Meeting. Accordingly, no Shareholders are currently excluded from voting on Resolution 4.

HOW TO VOTE

Voting procedure

As ordinary resolutions, Resolutions 1, 2 and 3 will be approved if at least 50% of the votes cast by Shareholders entitled to vote on the Resolutions at the Meeting are voted in favour of the Resolutions.

As a special resolution, Resolution 4 will be approved if at least 75% of the votes cast by Shareholders entitled to vote on the Resolution at the Meeting are voted in favour of the Resolutions.

Under the terms of the Company constitution, a poll will be conducted as directed by the Chairman of the meeting.

How do you exercise your right to vote?

The Directors have determined that, for the purpose of voting at the Meeting, Shareholders eligible to:

- a) receive the Notice of Meeting are those persons who are the registered holders of Shares (**Registered Shareholders**) on Tuesday, 8 January 2013 (**Notice Record Date**); and
- b) vote at the Meeting are the Registered Shareholders at 12.00pm (EDST) on Tuesday, 12 February 2013 (**Voting Record Date**).

Shareholders who become Registered Shareholders by acquiring Shares between the Notice Record Date and the Voting Record Date and wish to vote at the Meeting by proxy should contact Computershare Investor Services for further information and to request a Proxy Form.

Shareholders who become beneficial Shareholders (**Beneficial Shareholders**) of Shares by acquiring Shares between the Notice Record Date and the Voting Record Date and wish to vote at the Meeting by proxy should contact their broker or intermediary for instructions on how to do so.

How to Vote

You may vote by attending the Meeting in person, by proxy or by a corporate representative.

Voting in Person

To vote in person, attend the Meeting on the date and at the place set out above. Shareholders are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that the Company may check their shareholdings against the Company's share register and note attendances.

Jointly held shares

If your shares are jointly held, only one of the joint holders is entitled to vote. If more than one holder votes in respect of jointly held shares, only the vote of the holder whose name appears first on the register will be counted. You need not exercise all of your votes in the same way, nor need you cast all of your votes.

Voting by proxy

If you cannot attend the Meeting, you may appoint a proxy to attend and vote for you. A proxy does not have to be a Shareholder. To ensure that all Shareholders can exercise their right to vote on each resolution, a Shareholder proxy form is enclosed with this Notice of Meeting together with a reply paid envelope.

A Shareholder entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes.

A Shareholder can direct its proxy to vote for, against or to abstain from voting on each resolution by marking the appropriate box in the Items of Business section of the proxy form. If a proxy holder votes, they must cast all votes as directed. Any directed proxies that are not voted will automatically default to the Chairman, who must vote the proxies as directed.

The Chairman will vote all undirected proxies in favour of Resolutions 1 to 4.

If the Chairman is to act as your proxy (whether by appointment or by default) and you have not given directions on how to vote by completing the appropriate box in the Items of Business section for Resolution 1 (Adoption of Remuneration Report), the proxy form expressly directs and authorises the Chairman to cast your votes "for" the relevant resolution. This express authorisation is included because without it the Chairman would be precluded from casting your votes as these resolutions are connected with the remuneration of Key Management Personnel.

If you are in any doubt as to how to vote, you should consult your professional adviser.

Proxy forms must be deposited at the Company's share registry, Computershare Investor Services Pty Ltd using the enclosed reply paid envelope or by posting, delivery or facsimile to:

CO2 Group Limited share registry

Computershare Investor Services Pty Limited

Mail: GPO Box 242
Melbourne Victoria 3001
Australia

Delivery: Level 2, Reserve Bank Building,
45 St George's Terrace, Perth,
Western Australia, 6000

Facsimile: 1800 783 447 (within Australia)
+61 3 9473 2555 (outside Australia)

Enquires: 1300 798 306 (within Australia)
+61 3 9415 4830 (outside Australia)

Proxy forms must be received not less than 48 hours before the time of the Meeting, that is, by 12.00pm (EDST) on Tuesday, 12 February 2013.

The proxy form provides further information on what you need to do to appoint a proxy to attend and vote for you.

Voting by corporate representative

Any corporate Shareholder wishing to appoint a person to act as its representative at the Meeting may do so by providing that person with:

- a) a letter or certificate executed in accordance with the Corporations Act authorising that person to act as the corporate Shareholder's representative at the Meeting; or
- b) a copy of the resolution appointing that person as the corporate Shareholder's representative at the Meeting, certified by a secretary or director of the corporate Shareholder.

The appointment of a corporate representative must be received by the Company or the Company's share registrar, Computershare Investor Services Pty Ltd, before the Meeting or at the registration desk on the day of the Meeting. Certificates of appointment are available at www.computershare.com or on request by calling Computershare Investor Services on +61 1300 557 010.

Beneficial Shareholders

If you are a Beneficial Shareholder and have received these materials through your broker or through another intermediary, please complete and return the proxy form in accordance with the instructions provided to you by your broker or other intermediary.

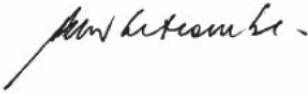
Key Dates

Event	Date
Determination of voting eligibility	12.00pm (EDST) on Tuesday, 12 February 2013
Deadline for lodgement of proxy forms	12.00pm (EDST) on Tuesday, 12 February 2013
Annual General Meeting	12.00pm (EDST) on Thursday, 14 February 2013

Enquiries

Shareholders are invited to contact the Company Secretary by telephone on +61 8 9321 4111 if they have any queries in respect of the matters set out in these documents.

**By Order of the Board
CO2 Group Limited**



**Harley Whitcombe
Company Secretary**

Dated: 10 January 2013

CO2 GROUP LIMITED
ABN 50 009 317 846

EXPLANATORY MEMORANDUM TO SHAREHOLDERS

INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be transacted at the Annual General Meeting of the Company to be held at 12.00pm (EDST) on Thursday, 14 February 2013.

At that meeting, Shareholders will be asked to pass resolutions to:

- adopt the Remuneration Report for the financial year ended 30 September 2012;
- re-elect Mr Paul Favretto and Dr Malcolm Hemmerling; and
- approve an additional 10% Share issue capacity.

The purpose of this Explanatory Memorandum is to provide information that the Board believes to be material to Shareholders in deciding whether or not to pass those resolutions. This Explanatory Memorandum and all attachments are important documents and should be read carefully.

If you have any questions regarding the matters set out in this Explanatory Memorandum or the preceding Notice of Meeting, please contact the Company Secretary on +61 8 9321 4111, or consult your stockbroker or other professional adviser.

ORDINARY BUSINESS

CONSIDERATION OF FINANCIAL REPORTS

The Corporations Act requires the Financial Report, Directors' Report and the Auditor's Report of the Company (collectively the **Annual Financial Statements**) to be received and considered at the Annual General Meeting.

The Annual Financial Statements for the year ended 30 September 2012 are included in the Company's 2012 Annual Report, a copy of which can be accessed online at:

- the Company's website: www.co2australia.com.au; and
- the ASX website: www.asx.com.au.

Whilst the Corporations Act does not require Shareholders to approve these reports, Shareholders will have the opportunity to ask questions about the Annual Financial Statements at the meeting. As a Shareholder, you are entitled to submit a written question to the Company's auditor, Deloitte Touche Tohmatsu (**Auditor**) prior to the meeting provided that the question relates to:

- the contents of the Auditor's Report; or
- the conduct of the audit in relation to the Financial Report.

All written questions must be received by the Company by 5.00pm, Thursday 7 February 2013. All questions must be sent to the Company and may not be sent directly to the Auditor. The Company will forward all questions to the Auditor, as soon as practicable after they are received.

The Auditor or their representative will be present at the meeting and Shareholders will have the opportunity to ask the auditor questions in relation to:

- the conduct of the audit;
- the preparation and content of the Auditor's Report;
- the accounting policies adopted by the Company in preparing its Financial Report; and
- the independence of the auditor in relation to the conduct of the audit.

RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT FOR THE FINANCIAL YEAR ENDING 30 SEPTEMBER 2012

The Annual Report for the financial year ended 30 September 2012 contains a Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for Directors and specified Executives.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their shareholders that the Remuneration Report be adopted. However, the vote on Resolution 1 is advisory only and is not binding on the Directors or the Company.

At the Meeting, Shareholders will be given a reasonable opportunity to ask questions about and make comments on the Remuneration Report.

Under the Corporations Act, if 25% or more votes are cast against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a “spill resolution”) that another meeting be held within 90 days at which all of the Directors (other than a managing director) who were in office at the date of the approval of the applicable Directors’ Report must stand for re-election.

Directors Recommendation

The Directors unanimously recommend that Shareholders vote in favour of this resolution.

RESOLUTION 2 - RE-ELECTION OF DIRECTOR

Mr Paul Favretto LL.B

Mr Favretto was previously Managing Director of Avatar Industries Limited. Before that Mr Favretto worked for 20 Years in the financial services industry holding senior management positions with Citibank Limited (1976 to 1985) and Bankers Trust Australia Limited (1986 to 1994).

Mr Favretto retires pursuant to Rule 7.1(d) of the Constitution and being eligible, seeks re-election.

Directors Recommendation

The Directors (other than Mr Favretto who has an interest in the resolution) believe that the election of Mr Favretto is in the best interests of the Company and unanimously recommend all Shareholders to vote in favour of Resolution 2.

RESOLUTION 3 - RE-ELECTION OF DIRECTOR

Dr Malcolm Hemmerling PhD, BSc (Hons), Dip T (Sec), FAICD

Dr Hemmerling is currently a non-executive director of the South Australian Housing Trust Board, non-executive director of the South Australian Affordable Housing Board, Chairman of the Playford Alive Steering Committee and General Manager for Playford Council. Dr Hemmerling was previously a consultant to government and the private sector, Dr Hemmerling has extensive experience in leadership and management positions, having been Commissioner for Consumer and Business Affairs in Adelaide, Chief Executive Officer of the Adelaide City Council, Chairman of the National Basketball League, Chief Executive Officer for the Sydney Organising Committee for the Olympic Games, Chief Executive Officer of the Australian Formula One Grand Prix in South Australia and Chief Executive Officer of Bob Janes T-Marts, and the head of the Premier’s Cabinet Office in South Australia.

Dr Hemmerling retires pursuant to Rule 7.1(d) of the Constitution and being eligible, seeks re-election.

Directors Recommendation

The Directors (other than Dr Hemmerling who has an interest in the resolution) believe that the election of Dr Hemmerling is in the best interests of the Company and unanimously recommend all Shareholders to vote in favour of Resolution 3.

RESOLUTION 4 – APPROVAL OF ADDITIONAL 10% SHARE ISSUE CAPACITY

Listing Rule 7.1

ASX Listing Rule 7.1 allows the Company to issue equity securities up to 15% of its issued Share capital, in any 12 month period, without obtaining Shareholder approval by special resolution (**15% Share Issue Capacity**).

Listing Rule 7.1A

In accordance with new Listing Rule 7.1A, eligible entities may seek shareholder approval at an annual general meeting to issue a further 10% of their issued share capital in addition to the 15% Share Issue Capacity (**10% Share Issue Capacity**).

For the purposes of Listing Rule 7.1A, the Company is an eligible entity.

Any issue of securities under ASX Listing Rule 7.1A must be:

- in the same class as an existing quoted class of the Company's equity securities;
- issued at a maximum discount of 25% to the current market price; and
- calculated in accordance with the formula prescribed by ASX Listing Rule 7.1A.2.

Effect of Resolution 4

In Resolution 4, the Company seeks Shareholder approval to have the ability to issue securities under the 10% Share Issue Capacity.

The effect of Resolution 4 will be to:

- allow the Company to issue up to 25% of its issued Share capital during the 12 month period commencing from the date of the Annual General Meeting; and
- provide the Company with greater flexibility to issue securities above the 15% Share Issue Capacity, without obtaining Shareholder approval.

Technical information required by ASX Listing Rule 7.3A

In accordance with ASX Listing Rule 7.3A, the Company provides the following information for the purpose of obtaining Shareholder approval under Resolution 4.

1. Minimum price at which equity securities may be issued	<p>The minimum price at which shares may be issued under the 10% Share Issue Capacity is 75% of the volume weighted average price of equity securities in the same class calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:</p> <p>(a) the date on which the price of the securities to be issued is agreed; or</p> <p>(b) if they are not issued within 5 ASX trading days of the date in paragraph (a), the date on which the securities are issued.</p>
2. Date on which Company may issue equity securities	<p>(a) If Shareholder approval of Resolution 4 is obtained, Shares may be issued under the 10% Share Issue Capacity during the period commencing on the date of the Annual General Meeting and ending on the first to occur of the following:</p> <p>(i) 12 months after the date of the Annual General Meeting; and</p> <p>(ii) the date of Shareholder approval for any transaction under ASX Listing Rules 11.1.2 (significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (Material Change Resolution).</p> <p>(b) Any approval under Listing Rule 7.1A will cease to be valid in the event that Shareholders pass a Material Change Resolution.</p>

3. Purposes for which equity securities may be issued, including whether the Company may issue them for non-cash consideration	<p>(a) Shares may be issued under the 10% Share Issue Capacity for the following purposes:</p> <ul style="list-style-type: none"> (i) non-cash consideration for the development of the Company's carbon, environmental and aquacultural businesses. If this occurs, the Company will provide a valuation of the non-cash consideration in accordance with ASX Listing Rule 7.1A.3; or (ii) cash consideration. If this occurs, the Company intends to use the funds raised to develop the Company's carbon, environmental and aquacultural businesses, to acquire new assets or investments or for working capital purposes. <p>(b) The Company will comply with its disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A in relation to any issue of securities under the 10% Share Issue Capacity.</p> <p>(c) The Company does not currently have specific projects in mind for the use of the 10% Share Issue Capacity.</p>
4. Details of the Company's allocation policy for issues under approval	<p>(a) The Company's allocation policy will depend on the prevailing market conditions at the time of any proposed issue under the 10% Share Issue Capacity.</p> <p>(b) The identity of allottees under the 10% Share Issue Capacity will be determined on a case-by-case basis having regard to factors which may include:</p> <ul style="list-style-type: none"> (i) the methods of raising funds which are available to the Company, including the time and market exposure associated with the various methods of raising capital applicable at the time of the raising; (ii) the effect of any such issue on the control of the Company; (iii) the financial situation of the Company; and (iv) advice from corporate, financial and broking advisers. <p>(c) As at the date of this Notice, the allottees under the 10% Share Issue Capacity have not been determined. They may, however, include substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.</p>
5. Previous approvals under Listing Rule 7.1A	<p>The Company has not previously sought or obtained Shareholder approval under ASX Listing Rule 7.1A.</p>

6. Risk of economic and voting dilution

If Resolution 4 is approved by Shareholders and securities are issued under the 10% Share Issue Capacity:

- (a) the voting power of Shareholders who do not receive securities under the 10% Share Issue Capacity as a proportion of the voting power of all Shareholders will be diluted. The extent of that dilution will depend on the number of Shares issued. For example, if the full capacity under the 10% Share Issue Capacity is issued, the percentage voting power in the company of Shareholders who do not participate in that issue will be diluted by approximately 9.1% as a result of the issue.
- (b) the value of the interests of Shareholders who do not receive securities under the 10% Share Issue Capacity may be diluted if Shares are issued at a price which represents a discount to their value before the issue is made. However, there are a range of other factors which may impact value of Shares including, for instance, the impact of any capital raising on the Company and purpose for which the funds are used. Some of the more important factors which may impact the extent of any dilution in the value include the price at which the securities are issued and the number of securities issued.
- (c) Shareholders should note that there is a risk that:
 - (i) the market price for the Shares at the time they are issued under the 10% Share Issue Capacity may be materially higher or lower than on the date of the Annual General Meeting; and
 - (ii) Shares may be issued under the 10% Share Issue Capacity at a price that is at a discount to the market price for those Shares on the date of their issue.
- (d) As required by the ASX listing rules, the tables below show the potential dilution of Shareholders of the Company, in various hypothetical scenarios.

Hypothetical example:

By way of example only, the theoretical impact of issuing the full amount of the 10% Share Issue Capacity at a range of prices is demonstrated below.

The number of new Shares issued under this example if the full 10% capacity is used is 44,827,871.

% of capital issued	Premium/discount to market value	Issue price	Amount raised	% dilution in voting power	% (dilution) /accretion in economic value
10%	10% premium	\$0.132	\$5,917,279.02	9.09%	0.909%
10%	no premium/ discount	\$0.120	\$5,379,344.56	9.09%	No change
10%	10% discount	\$0.108	\$4,841,410.11	9.09%	(0.909)%

This table assumes that:

- the issued capital prior to the issue under the 10% Share Issue Capacity is the current issued capital – 448,278,714 Shares;
- the market value of a Share on the date of issue is the same as the closing ASX price on 3 January 2013 of \$0.12;
- that Shares are issued for cash and there is no other impact of the fundraising other than to increase cash reserves; and
- no other securities are issued prior to the issue under the 10% Share Issue Capacity.

For example a Shareholder holding a 20% interest in the Company who does not participate in an issue of 10% of the capital at a 10% discount, will:

- have its voting power diluted by 9.09% which equates to a reduction of voting power of 1.82% resulting in a post issue voting power of 18.18%; and
- have the value of the shareholding reduced by 0.909%. On the assumption that market value of a Share before the issue was \$0.12, this equates to a reduction in value of \$0.00109 per Share or \$97,796.48 for the holders entire holding, assuming that the there are no other effects of the capital raising on the value of the company.

Effect of change in capital structure and market price

The 10% Share Issue Capacity is calculated at the time of issue of securities and so may be effected by any changes in capital structure prior to the new issue occurring.

By way of example, the impact of changes in the capital structure on the amount which can be raised and the number of Shares which may be issued under 10% Share Issue Capacity is shown below.

% Increase in Share Capital prior to issue	Increased Share capital prior to new issue	Hypothetical market value	Amount raised if raised at market value	No. of Shares under 10% Share Issue Capacity
50% increase	672,418,071	\$0.12	\$8,069,016.85	67,241,807
50% increase	672,418,071	\$0.06	\$4,034,508.42	67,241,807
100% increase	896,557,428	\$0.12	\$10,758,689.13	89,655,742
100% increase	896,557,428	\$0.06	\$5,379,344.56	89,655,742

Note that the percentage dilution of voting power and economic interest as a result of the issue of additional Shares under the 10% Share Issue Capacity is dependent on the number of Shares issued and the issue price for the issue of those Shares under the 10% Share Issue Capacity. This is demonstrated in the hypothetical example above.

Voting Exclusion statement

A voting exclusion statement for Resolution 4 is included in the Notice of Meeting.

At the date of the Notice of Meeting:

- the Company had not approached any existing Shareholder or class of security holders in relation to the proposed 10% Share Issue; and
- in accordance with Listing Rule 14.11.1, the persons eligible to participate in a proposed issue (if any) under Listing Rule 7.1A were not known by the Company.

Accordingly, no Shareholders are currently excluded from voting on Resolution 4.

Directors' Recommendation

The Board recommends that Shareholders vote in favour of Resolution 4.

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

For all enquiries call:

(within Australia) 1300 798 306
(outside Australia) +61 3 9415 4830

┌ 000001 000 COZ
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 12:00pm (AEDT) Tuesday 12 February 2013**

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 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 the annual report 24 hours a day, 7 days a week:

<http://www.co2australia.com.au>

View or update your securityholding:

www.investorcentre.com

Your secure access information is:

SRN/HIN: I9999999999



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.



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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 CO2 Group 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, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of CO2 Group Limited to be held at Baker & McKenzie, Sydney Room, Level 19, CBW, 181 William Street, Melbourne, Victoria on Thursday, 14 February 2013 at 12:00pm (AEDT) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions:

Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Item 1 (except where I/we have indicated a different voting intention below) even though Item 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Item 1 by marking the appropriate box in step 2 below.

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
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director, Mr Paul Favretto	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Director, Dr Malcolm Hemmerling	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approve Additional 10% Share Issue Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all available 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 / /