



**RIMCapital Limited** (ACN 064 874 620)

Suite 603, Currency House, 23 Hunter Street, Sydney NSW 2000  
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Website: [www.rimcapital.com.au](http://www.rimcapital.com.au)

**Dear Shareholder**

Enclosed is a Notice of General Meeting to be held at Conference Suite 2, Intercontinental Sydney, 117 Macquarie Street, Sydney NSW 2000 on Wednesday 11 July 2007 at 10.00 am. Also enclosed is a related Shareholder Explanatory Memorandum and proxy form.

The business to be dealt with is the approval of the Employee and Executive Share Option Plan and the Managing Director and Chief Executive Officer Share Option Plan and the allocation of an option package in the Company to the Managing Director and Chief Executive Officer, Mr Michael Bogue (or his nominee) as outlined in the Company Update released to the Australian Securities Exchange on 22 May 2007.

Yours faithfully

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**R M Willcocks**  
Chairman

7 June 2007

**RIMCAPITAL LIMITED  
ACN 064 874 620**

**NOTICE OF GENERAL MEETING**

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Notice is hereby given that a General Meeting of members of RIMCapital Limited will be held at Conference Suite 2, Intercontinental Sydney, 117 Macquarie Street, Sydney NSW 2000, Australia at 10.00 am on Wednesday 11 July 2007.

The business to be considered at the General Meeting is set out below. The Notice of Meeting should be read in conjunction with the accompanying Explanatory Memorandum, which contains information in relation to each of the following resolutions.

**SPECIAL BUSINESS**

**1. Ordinary Resolution – Employee and Executive Share Option Plan**

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

*“THAT the Employee and Executive Share Option Plan, a summary of the Rules of which is set out in the Explanatory Memorandum, and the issue of options in accordance with the Employee and Executive Share Option Plan be approved for the purposes of ASX Listing Rule 7.2, exception 9 and for all other purposes.”*

**Voting Exclusions**

The Company will, in accordance with Listing Rule 7.2 Exception 9 of the Listing Rules of the Australian Securities Exchange, disregard any votes cast on Resolution 1 by a director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) or any associate of that director. However, the Company need not disregard a vote if:

- 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
- 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.

**2. Ordinary Resolution – Managing Director and Chief Executive Officer Share Option Plan**

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

*“THAT the Managing Director and Chief Executive Officer Share Option Plan, a summary of the Rules of which is set out in the Explanatory Memorandum, and the issue of options in accordance with the Managing Director and Chief Executive Officer Share Option Plan be approved for the purposes of ASX Listing Rule 7.2, exception 9 and for all other purposes.”*

**Voting Exclusions**

The Company will, in accordance with Listing Rule 7.2 Exception 9 of the Listing Rules of the Australian Securities Exchange, disregard any votes cast on Resolution 2 by a director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) or any associate of that director. However, the Company need not disregard a vote if:

- 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

- 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.

**3. Ordinary Resolution – Grant of Options to Michael Bogue, Managing Director and Chief Executive Officer**

Subject to Resolution 2 being approved, to consider and, if thought fit, pass the following as an **ordinary resolution**:

*“THAT, under and for the purposes of ASX Listing Rule 10.14 and for all other purposes, the shareholders of the Company approve the issue of up to 13,195,172 options under the Managing Director and Chief Executive Officer Share Option Plan over the next three years to Michael Bogue or his appointed nominee. The terms of issue of the options are set out in the Explanatory Memorandum.”*

**Voting Exclusions**

The Company will, in accordance with Listing Rule 10.15A.6 of the Listing Rules of the Australian Securities Exchange, disregard any votes cast on Resolution 3 by a director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) or any associate of that director. However, the Company need not disregard a vote if:

- 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
- 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



**I D Haigh**  
Company Secretary

7 June 2007

**RIMCAPITAL LIMITED  
ACN 064 874 620**

**SHAREHOLDERS'  
EXPLANATORY MEMORANDUM**

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This Explanatory Memorandum has been prepared for the information of shareholders of RIMCapital Limited CAN 064 874 620 ("Company") in connection with the special business to be transacted as the General Meeting of shareholders of the Company to be held at Conference Suite 2, Intercontinental Sydney, 117 Macquarie Street, Sydney NSW 2000, Australia at 10.00 am on Wednesday 11 July 2007.

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

**1. Resolutions 1 and 2 – Employee and Executive Share Option Plan and Managing Director and Chief Executive Officer Share Option Plan**

**1.1 Background**

Resolutions 1 and 2 propose the introduction of two separate and distinct employee incentive plans, an Employee and Executive Share Option Plan ("**EESOP**") and the Managing Director and Chief Executive Officer Share Option Plan ("**MDSOP**"). These plans are designed to retain and increase the motivation of key staff ("**Eligible Executives**") and the Managing Director and Chief Executive Officer, Michael Bogue and also to create a stronger link between increasing shareholder value and employee reward.

The reasons for the new plans and a summary of the rules of the EESOP and MDSOP follow.

The Company wishes to exempt issues of securities under the EESOP and MDSOP from counting towards the rolling annual limit of 15% of issued ordinary shares prescribed by Listing Rule 7.1. This limit otherwise applies to all new issues of equity securities made without shareholder approval. Shareholder approval of each of the EESOP and MDSOP are therefore separately sought in resolutions 1 and 2 under Listing Rule 7.2, Exception 9, whereby the shareholders may approve in advance the issue of securities made under the EESOP and MDSOP as exceptions to the limit under Listing Rule 7.1.

As the EESOP and MDSOP are new incentive plans, no securities have been issued under either the EESOP and MDSOP and neither the EESOP nor the MDSOP have been previously approved.

**1.2 Reasons for the new EESOP and MDSOP**

To achieve its corporate objectives, the Company needs to attract and retain its key staff with the requisite skills, experience and qualifications.

Your board of directors believes that grants made to selected Eligible Executives and the Managing Director under the proposed EESOP and MDSOP will provide a powerful tool to underpin the Company's employment strategy, and that the implementation of the EESOP and MDSOP will:

- enable the Company to recruit and retain the talented people needed to achieve the Company's business objectives;

- link the reward of key staff with the achievement of strategic goals and the long-term performance of the Company;
- align the financial interests of EESOP and MDSOP participants with those of the shareholders; and
- provide incentives to EESOP and MDSOP participants to focus on superior performance that creates shareholder value.

### 1.3 Summary of the rules of the EESOP and MDSOP

The EESOP and MDSOP are separate and distinct from each other. However, their rules are broadly the same with minor differences primarily relating to the fact that the MDSOP applies only to the Managing Director and Chief Executive Officer. Accordingly, a combined summary of the EESOP and MDSOP rules is set out below, with the material differences noted. A full copy of each set of the EESOP rules and MDSOP rules are available on the Company's website. The specific terms of a particular grant will be contained in the offer and associated documentation sent to the Eligible Executive and Managing Director and Chief Executive Officer.

- Eligibility – under the EESOP the board of directors have discretion as to who is an Eligible Executive, under the MDSOP the Managing Director and Chief Executive Officer (or his appointed nominee) is the only eligible participant.
- Offers – under the EESOP the board of directors may offer options to Eligible Executives, under the MDSOP only the Managing Director and Chief Executive Officer (or his appointed nominee) may be offered options.
- Terms – each option on exercise converts to one fully paid ordinary share.
- Vesting – options vest three years after they are granted or on such other date(s) as determined by the Board.
- Exercise Price – the exercise price of an option will be the market value of a fully paid ordinary share of the Company (calculated in accordance with section 139FA of the *Income Tax Assessment Act 1936* (Cth)) at the time of the date of grant, or such other date as determined by the board of directors.
- Exercise of options – options will not be exercisable until those options have satisfied all performance conditions (if any) established by the board of directors unless otherwise determined by the Board.
- Expiry date – the options will have a specified life terminating 5 years after the date of grant or such other date as determined by the Board.
- Non-transferable – an option granted to an Eligible Executive or the Managing Director and Chief Executive Officer is not transferable and may not otherwise be dealt with, except by operation of law on death or legal incapacity.
- Lapse of unvested options – under the EESOP, unvested options lapse on termination of employment unless otherwise determined by the board of directors in certain situations. Under the MDSOP, subject to certain exceptions, unvested options lapse on termination of employment.
- Lapse of vested options – vested options lapse on the earlier of:
  - 5 years after the date of grant;
  - the date on which the participant is terminated for cause; or

- the expiry of 90 days after the participant is made redundant, is terminated (other than for cause), dies or becomes totally and permanently disabled or the participant ceases service as a result of a takeover or change of control or is not re-elected to office by shareholders (where applicable) or in such other circumstances as determined by the board.
- Takeover or change of control – if either of these events occurs in relation to the Company involving more than 25% of the issued shares, then the participant will be entitled to exercise granted options.
- Performance condition – the board of directors may determine that, in respect of any grant, options will be exercisable under the EESOP or MDSOP only where a performance condition has been met.
- Source of shares – shares required for the purposes of the EESOP and MDSOP are to be sourced by issuing new shares.
- Payment for shares – any costs associated with shares issued for the purposes of the EESOP and MDSOP will be paid by the Company. Any exercise price payable on the exercise of an option will be paid by the participant.
- Reconstructions, Bonus and Rights issues – the exercise price of an option will be adjusted in the manner contemplated by the ASX Listing Rules from time to time to take account of rights issues, capital reconstructions and bonus issues.
- Issued capital not to exceed 5% in both the EESOP and MDSOP – subject to certain exceptions, the number of shares that may be issued under all of the Company's employee share plans (assuming all options and rights to acquire shares are fully exercised), must not exceed 5% of the issued capital of the Company at anytime. The particular exception to the 5% limit on which the MDSOP will rely on, is the exception that the Managing Director and Chief Executive Officer is a senior manager and therefore shares issued to him will not count when calculating the 5% limit. This limit is applied in accordance with the requirements of the ASIC Class Order 03/184 concerning employee share schemes. In accordance with the Class Order, securities issued to senior managers (which includes directors and senior executives) of the Company are excluded when calculating the 5% limit. This exception will therefore also apply to shares issued to senior managers who participate in the EESOP.
- Amendments to the EESOP and MDSOP rules – subject to the provisions of the EESOP, the MDSOP and the Listing Rules, the board of directors may amend the EESOP rules and MDSOP rules. However, the EESOP rules and MDSOP rules may not be amended if, broadly, in the board of directors' opinion the amendment would materially reduce the rights of a participant in respect of options already granted.

A copy of the EESOP rules and MDSOP rules are available to any shareholder of the Company at no cost on request to the Company Secretary.

**2. Resolution 3 – Grant of Options to Michael Bogue, Managing Director and Chief Executive Officer**

Shareholder approval is sought for the grant of up to 13,195,172 options, to Michael Bogue, the Managing Director and Chief Executive Officer of the Company, pursuant to the MDSOP as described in Resolution 2. Shareholder approval is required under ASX Listing Rule 10.14 because Michael Bogue is a director of the Company.

Michael Bogue was appointed as a director on 4 September 2006. Michael Bogue faces considerable ongoing responsibilities and challenges in his role within the Company as its Managing Director and Chief Executive Officer. The grant of these options will provide a long-term incentive for outstanding performance and promote his opportunity for share ownership in the Company.

The proposed grant of 13,195,172 options are comprised of three tranches:

- Tranche 1 – 4,195,172 options at an exercise price of A\$0.065, exercisable after 12 months from the date of issue. Shares issued on conversion of Tranche 1 options cannot be sold within the 12 month period after the Tranche 1 options are exercisable;
- Tranche 2 – 4,500,000 options at an exercise price of A\$0.09, exercisable after 24 months from the date of issue; and
- Tranche 3 – 4,500,000 options at an exercise price of A\$0.12, exercisable after 36 months from the date of issue.

The purpose of granting the Tranche 1 options is as a sign-on arrangement with the Managing Director and Chief Executive Officer. Tranches 2 and 3 are being granted to retain and incentivize the Managing Director and Chief Executive Officer.

The non-executive director is of the view that the overall remuneration for Michael Bogue, including the proposed grant of options, is reasonable having regard to the circumstances of the Company, the duties and responsibilities of Michael Bogue and market levels of remuneration for people in his position in similar sized companies.

Listing Rule 10.15A requires this Notice of Meeting to include the following information in relation to the options which may be granted to Michael Bogue pursuant to the MDSOP.

- The maximum number of options which may be acquired, pursuant to this approval, by Michael Bogue under the MDSOP over the three-year period commencing on the date of this meeting is 13,195,172 options.
- The options are to be issued at a nil issue price and pursuant to the terms of the MDSOP.
- The 13,195,172 options to be granted are comprised of the following tranches and terms:
  - Tranche 1 – 4,195,172 options at an exercise price of A\$0.065, exercisable after 12 months from the date of issue. Shares issued on conversion of Tranche 1 options cannot be sold within the 12 month period after the Tranche 1 options are exercisable;
  - Tranche 2 – 4,500,000 options at an exercise price of A\$0.09, exercisable after 24 months from the date of issue; and

- Tranche 3 – 4,500,000 options at an exercise price of A\$0.12, exercisable after 36 months from the date of issue.
- The MDSOP is a new plan in which the Managing Director and Chief Executive Officer will participate for the first time upon approval by shareholders. Accordingly, there are no directors nor associates of directors who have previously received options under the MDSOP.
- Pursuant to the terms of the MDSOP only Michael Bogue, as the Managing Director and Chief Executive Officer, is eligible to participate in the Plan.
- There is no loan scheme in relation to the MDSOP.
- Details of any options issued under the MDSOP will be published in each annual report of the Company relating to the period in which options have been issued together with a statement that approval for the issue of shares was obtained under Listing Rule 10.14. Any additional persons referred to in Listing Rule 10.14 (including directors and their associates) who become entitled to participate in the Plan after shareholders have approved Resolution 3 and who are not named in this Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14.
- The options will be issued no later than three years after the date of this meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) unless further shareholder approval is obtained.

## RIMCAPITAL LIMITED

### INSTRUCTIONS – APPOINTMENT OF PROXIES

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- A member entitled to attend and vote is entitled to appoint not more than two proxies to attend and vote instead of the member.
- A proxy need not be a member of the Company.
- Where two proxies are appointed, each must be appointed to represent a specific portion or number of the member's voting rights. If such apportionment is not made, each proxy may exercise half of the member's voting rights. Neither proxy is entitled to vote on a show of hands.
- The proxy form must be signed personally by the shareholder or his/her attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed under the common seal of the corporation or its authorised attorney. In the case of joint shareholders, this proxy must be signed by at least one of the joint shareholders personally or by an authorised attorney.
- If a proxy is executed by an attorney of a shareholder, the original of the relevant power of attorney or a certified copy of the power of attorney, if it has not already been noted by the Company, must accompany the proxy form.
- To be effective, proxies must be received by the Company at its registered office at Suite 603, Currency House, 23 Hunter Street, Sydney NSW 2000 at least 48 hours before the time appointed for the meeting.
- A proxy may be sent by fax to 02 9232 0233 to be received by the time specified above.

**PROXY FORM  
RIMCAPITAL LIMITED  
ACN 064 874 620**

Registered address: Suite 603, Currency House, 23 Hunter Street, Sydney NSW 2000

In respect of the **General Meeting to be held at Conference Suite 2, Intercontinental Sydney, 117 Macquarie Street Sydney NSW 2000 Australia at 10.00 am on Wednesday 11 July 2007** or any adjournment thereof, or poll

I/We ..... (full name)

of .....

being a member/members, holding ..... fully paid ordinary shares in RIMCapital Limited, hereby appoint:-

.....

of .....

and (in the case of a second proxy)

.....

of .....

or in default, or if no person is named, the Chairman of the Meeting, as my/our proxy to attend and vote for me/us and on my/our behalf at the said General Meeting or at any adjournment thereof or poll in respect of:

\* all of my/our shares                      \* or (this number) ..... shares – (proxy one)

..... shares – (proxy two)

total shares                      .....

(Should you desire to direct your proxy how to vote, please complete the following section of this form by inserting "X" or a tick in the appropriate boxes. If you do not direct your proxy on any item, your proxy may vote on it as the proxy thinks fit or may abstain from voting.)

I/We instruct my/our proxy to vote as indicated below in respect of the item of business referred to:

<b>Item of Business</b>	<b>For</b>	<b>Against</b>	<b>Abstain</b>
1. Employee and Executive Share Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Managing Director and Chief Executive Officer Share Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Grant of options to Michael Bogue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**NOTE:**

If a shareholder appoints a Chairman of the meeting as a shareholder's proxy and does not specify how the Chairman is to vote on an item of business, subject to requirements of the Corporations Act, it is the intention of the Chairman to vote on a poll as proxy for the shareholder in favour of each resolution.

If you do not wish to direct your proxy how to vote, please mark the box

By marking this box you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.

Dated this ..... day of ..... 2007

Signature of Member(s) .....

\* Please delete one; if no deletion is made and the proportion or number of shares is not inserted and only one proxy is appointed, it will be assumed that the proxy is for all shares registered in the name of the member(s); if no deletion is made and two proxies are appointed, each proxy may exercise half of the member's voting rights. Neither proxy is entitled to vote on a show of hands.

**PLEASE REFER TO REVERSE SIDE FOR INSTRUCTIONS ABOUT THE APPOINTMENT OF PROXIES**