

Our reference: 1271A/016/09

26 October 2009

Dear Shareholder,

It is my pleasure to invite you to the 2009 Annual General Meeting of LongReach Group Limited on Monday, 30th November 2009, to be held at C4i, 31 Market Street, South Melbourne, Victoria, starting at 11:30am.

Shareholder registration will commence at 11am before the meeting.

I enclose your notice of meeting setting out the items of business for the meeting, together with the following:

- A set of Explanatory Notes giving further information on the proposed resolutions; and
- A personalised proxy form

If you are unable to attend the meeting, please remember to complete and return the proxy form enclosed with this notice.

I look forward to welcoming you to the meeting.

Yours sincerely,



Larry Case
Chairman

This document should be read in its entirety. If you are in doubt as to how to vote, you should seek advice from your accountant, solicitor or other professional advisor prior to voting.

The Annual General Meeting of the Shareholders of LongReach Group will be held at C4i, 31 Market Street, South Melbourne, Victoria 3205, on Monday, 30th November 2009 at 11:30am EST.

Further information on the resolutions set out below is contained in the Explanatory Notes which accompany and form part of this Notice of Meeting.

ORDINARY BUSINESS

CHAIRMAN'S PRESENTATION

1 FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2009

To receive and consider the Company's financial statements and the reports of the Directors and of the Auditor for the year ended 30 June 2009.

2 REMUNERATION REPORT

Adoption of the Company's Remuneration Report (non-binding vote).

Resolution 1 - To consider and, if thought fit, to pass the following as an ordinary resolution:

"That the Remuneration Report for the financial year ended 30 June 2009, as presented in the Company's Annual Report 2009, be adopted."

Note: Under S300A of the Corporations Act 2001, the annual Directors' Report now includes a separate identified remuneration report. Listed companies are further required to put the remuneration reports up for adoption by resolution at the Company's Annual General Meeting. However, the vote on the resolution is advisory only and does not bind the Directors of the Company.

3 ELECTION OF DIRECTOR

In accordance with the Company's Constitution Mr Peter Harrison retires and is seeking re-election.

Resolution 2 - Elect a Director (Peter Harrison)

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

"That Peter Harrison, a Director appointed by the Board on 28 November 2009, who retires in accordance with the Company's Constitution, be re-elected a Director of the Company"

4 RE-ELECTION OF DIRECTOR

In accordance with the Company's Constitution Mr Larry Case retires and is seeking re-election.

Resolution 3 - Re-Elect a Director (Larry Case)

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

"That Larry Case, who retires in accordance with the Company's Constitution, be re-elected a Director of the Company."

5 APPROVAL OF LONGREACH GROUP LIMITED EMPLOYEE LOAN PLAN FOR ALL PURPOSES INCLUDING SECTIONS 259B AND 260C(4) OF THE CORPORATIONS ACT.

Resolution 4 - To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That the LongReach Group Limited Employee Loan Plan described in the Explanatory Memorandum to this notice of meeting is approved for all purposes including:

- a) for the purposes of section 259B of the Corporations Act to permit the Company to take security over shares in the Company under the Plan; and
- b) for the purposes of section 260C(4) of the Corporations Act to permit the Company to provide financial assistance to persons for the purposes of acquiring shares in the Company."

6 APPROVAL OF LONGREACH GROUP LIMITED EMPLOYEE LOAN PLAN FOR THE PURPOSES OF RULE 7.1 OF THE LISTING RULES OF AUSTRALIAN STOCK EXCHANGE LIMITED

Resolution 5 - To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"Subject to the members approving Resolution 4, that approval is given (so as to qualify as an exception to Rule 7.1 of the Listing Rules of Australian Stock Exchange Limited) for the issue of shares in accordance with the terms of the LongReach Group Limited Employee Loan Plan as described in the Explanatory Memorandum to this notice of meeting. This approval is sought for the purposes of listing rule 7.2 exception 9."

7 RATIFICATION OF PARTICIPATION IN THE LONGREACH GROUP LIMITED EMPLOYEE LOAN PLAN BY MR PETER HARRISON

Resolution 6 - To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, subject to members approving Resolution 4 and Resolution 5, approval is given for the purposes of Rule 10.14 of the Listing Rules of Australian Stock Exchange Limited for Mr Peter Harrison, Executive Director, to acquire shares in the Company under the terms of the LongReach Group Limited Employee Loan Plan described in the Explanatory Memorandum to this notice of meeting."

GENERAL BUSINESS

To transact any other business which may lawfully be brought forward.

VOTING ENTITLEMENT

Pursuant to Regulation 7.11.37 of the Corporations Regulation 2001, the persons eligible to vote at the 2009 Annual General Meeting are those who are registered as shareholders of the Company at least 48 hours prior to the time of the meeting.

PROXIES

Any member entitled to attend and vote as the meeting is entitled to appoint a proxy. The proxy need not be a member of the Company, and may be a corporation. 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.

Proxies should reach the Company no later than 11:30am EST on 26th November 2009 and can be returned to the Company by the following methods;

To the Company's Share Registry:	or	Direct to the Company:
By mail:	By fax:	By fax:
PO Box 1156	(08) 9389 7871	(03) 9696 1411
Nedlands, WA, 6909		

By order of the Board

VOTING EXCLUSIONS

The Company will disregard any votes cast on Resolution 4, Resolution 5 and Resolution 6 by the Executive Director and any associates of the Executive Director.

However, the Company need not disregard such 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.

For personal use only

EXPLANATORY NOTES

These explanatory Notes accompany and form part of the Notice of Annual General Meeting of LongReach Group Limited (“the Company” or “LongReach”).

1 ADOPTION OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2009

Section 317 of the Corporations Act 2001 required each of the financial report (including the Financial Statements and Directors’ Declaration) the Directors’ Report and the Auditor’s Report for the last financial year be laid before the meeting.

There is no requirement for the Financial Statements and Reports, which have been made available to shareholders in the Annual Report, to be formally approved by Shareholders.

Shareholders will be given a reasonable opportunity at the meeting to ask questions and to make comments on those reports and on the business, operations and management of the Company. The Company’s external Auditor, Lawler Partners, will be in attendance to respond to questions in relation to the conduct of the Audit and the preparation and content of the Audit Report.

2 REMUNERATION REPORT

Resolution 1 – Adoption of the Company’s Remuneration Report (non-binding vote)

Consistent with section 250R of the Corporations Act 2001, the Company submits to shareholders for consideration and adoption by way of a non-binding resolution its Remuneration Report for the year ended 30 June 2009.

During this item of business, shareholders at the meeting can comment on and ask questions about the Remuneration Report which commences on page 7 of the Company’s Annual Report.

The Corporations Act 2001, provides that the vote on this resolution is advisory only and will not bind the Directors of the Company. However, the Directors will take the outcome of the vote into consideration when reviewing remuneration practices and policies.

The Directors unanimously recommend shareholders vote in favour of the resolution. The Chairman intends to vote undirected proxies in favour of the resolution.

3 ELECTION OF DIRECTOR

Resolution 2 – Election of Peter Harrison as a Director

Peter Harrison was appointed as a director since the last general meeting and in accordance with clause 3.3 of the Company’s Constitution he retires from the Board and, being eligible, offers himself for re-election. Information relating to the experience and qualifications of Mr. Harrison is detailed in the 2009 Annual Report.

4 RE-ELECTION OF DIRECTOR

Resolution 3 – Re-Election of Larry Case as a Director

The ASX Listing Rules and the Constitution of the Company require each Director to be re-elected every three years and also that an election of Directors be held each year.

Larry Case is the current Non Executive Chairman of the Company who is retiring and being eligible, seeks re-election in accordance with the Company’s constitution. Information relating to the experience and qualifications of Mr. Case is detailed in the 2009 Annual Report.

5 EMPLOYEE SHARE PLAN

Resolution 4 and Resolution 5 – Approval of Longreach Group Limited Employee Loan Plan

The Board has introduced a new employee share plan called the LongReach Group Limited Employee Loan Plan (Loan Plan). The Board seeks the approval of shareholders for the introduction of this Loan Plan.

The Board believes the introduction of the Loan Plan is in the best interests of the Company. The purpose of the Loan Plan is to better align the interests of shareholders and the employees of LongReach Group Limited (Employees) by linking the potential economic wealth of Employees to the long-term success of the Company. The Loan Plan will thus potentially benefit Employees beyond their normal employment remuneration.

The Board believes the Loan Plan will:

- create a stronger link between the shareholders, the Employees and the Company's overall financial performance as reflected in the performance of the Company's shares; and
- increase productivity through increased participation in the Company by the Employees as shareholders.

A summary of the terms of the Loan Plan are set out below.

5.1 Eligibility

The Board may from time to time invite Employees to participate in the Loan Plan and acquire shares in the Company. Employees will acquire no shares under the Loan Plan unless the requirements of the ASX Listing Rules have been complied with.

5.2 Maximum number of shares that can be issued

The maximum number of shares subject to the Loan Plan rules shall not exceed 20% of the issued capital of the Company.

5.3 Manner of acquisition

The Employees will be invited to subscribe for a new issue of the Company's shares. Generally, shares will be issued to the Employees at an issue price set by the Board at no discount to the market price at the date of the allocation, being the weighted average price at which those shares were traded on the ASX over the one week period before the date of allocation and, if there were no transactions on the ASX during that one week period, the last price at which an offer was made on the ASX in that period to buy such a share. A Company provided loan as outlined below would fund the acquisition cost of the shares. The shares will be registered in the name of the Employees, but will remain subject to restrictions on dealing as specified by the Board (which may include applying a holding lock to the shares) until the Employees become entitled to withdraw the shares from the Loan Plan (see below).

Whilst it is expected that the acquisition of shares under this plan will be made by way of new share issue, the Board reserves the right to purchase existing shares on market. Such a purchase would not require member approval.

5.4 Performance hurdles

The Board will specify the performance hurdles that will generally need to be satisfied before the Employees may withdraw their shares from the Loan Plan. Performance hurdles may include minimum tenure periods (Vesting Scale) and performance criteria specified by the Board at the time of the invitation. Generally, provided any loans outstanding have been repaid, the Employees may withdraw their shares from the Loan Plan once the applicable performance hurdles have been satisfied.

In certain special circumstances (including if an Employee dies, becomes totally and permanently disabled (in the opinion of the Board) or if the Board determines that a change of control of the Company has occurred or is likely to occur (for example, because the Company is subject to a takeover bid, proposes to enter into a scheme of arrangement or is to be wound up)) the rules permit the Employee (or his/her legal personal representative (as the case may be)) to repay any loan and withdraw from the Loan Plan all of the Employee's shares that remain subject to the performance hurdles.

5.5 Loan and security

The Company may extend a loan to enable the Employees to acquire shares under the Loan Plan as determined by the Board. Generally speaking, the loan is repayable within 5 years unless one of the following events occurs first in which case the loan will become repayable:

- a) the dismissal of the Employee;
- b) the acceptance of the resignation of the Employee by the Company or any subsidiary of the Company;
- c) failure to satisfy the performance hurdles (as specified by the Board at the time of the invitation);
- d) death of the Employee;
- e) termination of the employment of the Employee otherwise than by way of dismissal or resignation.

Loans under the Loan Plan are limited recourse in nature, which means that if at the date that the loan becomes repayable the Employee's shares are worth less than the outstanding balance of the loan, the Company cannot recover the difference from the Employee. If at the date that the loan becomes repayable the proceeds of sale of the shares exceed the total amount of the loan owing to the Company by the Employee, then subject to satisfaction of any performance hurdles, the surplus proceeds shall be paid by the Company to the Employee.

Loans under the Loan Plan are interest free therefore interest will not be payable on the outstanding balance of the loan.

As security for the loan, the Employee will pledge the shares acquired under the Loan Plan to the Company at the time the financial assistance is provided and will grant a charge over any future benefits attributable to those shares, including bonus shares, rights, and dividends.

Loans or other financial assistance will only be extended to the Employees as permitted by the Corporations Act.

Dividends on the shares the subject of the Loan Plan will be paid to the Employees' nominated bank accounts.

5.6 Forfeiture and buy-back

If the performance hurdles specified by the Board are not satisfied or should the Employees not elect to take up their shares, the Employees will generally forfeit their shares. In these circumstances, the Employee must redeliver the shares to the Company. Shares re-acquired by the Company will be cancelled.

5.7 Voting

The Employees may exercise their right to vote in accordance with voting rights attached to their shares acquired under the Loan Plan at meetings of shareholders of the Company.

5.8 Expenses of the Plan

The Company will meet the ongoing administration expenses of the Loan Plan. The Employees will meet all outgoings and expenses in selling or otherwise dealing with their shares.

5.9 Previous share issue

With the exception of the offer the subject of Resolution 6, no offers have been made under the Loan Plan.

5.10 Other provisions

The Loan Plan rules also contain various provisions relating to administration of the Loan Plan, variation of the Loan Plan rules and termination of the Loan Plan.

Resolution 4 in this notice of meeting is proposed for:

- a) the purpose of permitting the Company to take security over shares in the Company under the Loan Plan; and
- b) the purpose of permitting the Company to provide financial assistance to persons for the purpose of acquiring shares in the Company under the Loan Plan.

Resolution 5 is proposed to exempt an issue of shares under the Loan Plan from the requirements of ASX Listing Rule 7.1. If the resolution is passed, issues of shares under the Loan Plan will be treated as having been made with the approval of shareholders for the purposes of Listing Rule 7.1. As a result, the directors will be entitled to exercise, in appropriate circumstances, the power to issue further securities numbering in aggregate up to 20% of the shares on issue without offering them pro rata to shareholders or obtaining prior approval of existing shareholders. The exemption to Listing Rule 7.1 operates for a period of 3 years.

The Directors (with Mr Peter Harrison absent and not voting) recommend you vote in favour of Resolution 4 and Resolution 5, following extensive consultation with the Company's remuneration consultants, Owen Thomas & Associates Pty Limited, which has recommended that the Loan Plan will provide an incentive beyond the normal remuneration of Employees.

6 EMPLOYEE SHARE PLAN

Resolution 6 – Approval of issue of securities under the LongReach Group Limited Employee Loan Plan

Under ASX Listing Rule 10.14, a director of the Company may not acquire securities under the Plan without shareholder approval.

Due to market forces and as an incentive to future outperformance, the Board, in anticipation of and subject to shareholder approval, has offered Peter Harrison shares in the Loan Plan, as outlined below. The Board seeks approval from shareholders for the provision of this benefit to the Executive Director.

Subject to shareholders approving resolution Resolution 4 and Resolution 5, the Board (with Mr Peter Harrison absent and not voting) believes it is appropriate that Mr Peter Harrison, Executive Director, be entitled to acquire shares under the Loan Plan. The Board believes that the Loan Plan will complete the Company's remuneration strategy for the Executive Director, which involves base remuneration (fixed remuneration, superannuation and other benefits), a short-term incentive and a long term incentive (Loan Plan).

The following additional information is provided to shareholders:

- a) Subject to shareholders approving resolution Resolution 4 and Resolution 5, it is proposed that shareholders ratify the Board's decision to provide Mr Peter Harrison a maximum of 10,000,000 shares under the Loan Plan as part of his overall remuneration as Executive Director of the Company, and that this part of his remuneration will provide an incentive to participate in the future outperformance of the Company to be generated by the activities of the Executive Director. Following approval, the shares will be issued at \$0.0225 no later than 12 months after the date of the annual general meeting.
- b) Subject to the Plan rules, shares will not generally be able to be sold or otherwise dealt with by Mr Peter Harrison until the loan has been settled and the following performance hurdles have been satisfied:

6.2 Minimum Employment Period (Vesting Scale) and Performance Criterion

Except in the case of Special Circumstances or if the Board terminates the Plan, Mr Peter Harrison must continue to be employed as Executive Director of the Company as per the following Vesting Scale. If this is not satisfied, the Executive Director will forfeit 100% of the shares associated with each Vesting Point. In addition, to gain access to the Plan Shares associated with the Vesting Point the associated earnings before interest and taxation (EBIT) Performance Criterion will also require satisfaction. In practise, the Plan Shares will vest at the Vesting Point and then access to the shares will be subject to the satisfaction of the Performance Criterion as per the following table:

Months of Service from Allocation to Vesting Point	Number of Shares Vesting	Performance Criterion
12 months	40%	C4i Pty Limited EBIT > \$1,000,000 as at 30 June 2010
24 months	20%	C4i Pty Limited EBIT > \$2,700,000 as at 30 June 2011
36 months	20%	C4i Pty Limited EBIT > \$3,100,000 as at 30 June 2012
48 months	20%	C4i Pty Limited EBIT > \$3,300,000 as at 30 June 2013

Please note:

- a) Prior to this invitation, no shares have been issued to the Executive Director under the Plan.
 - b) The Board (with Mr Peter Harrison absent and not voting) has determined that the Company will lend Mr Peter Harrison sufficient funds to enable him to acquire the shares under the Loan Plan at \$0.0225 (the 10,000,000 shares required a loan from the Company of \$225,000). Details of the terms applicable to the loan are set out above.
 - c) The Vesting Point, Vesting Scale and Performance Criterion are at the discretion of the Board
- Mr Peter Harrison is the only director eligible to participate in the Employee Loan Plan, all other non-executive directors are not eligible to participate.

The Directors (with Mr Peter Harrison absent and not voting) recommend you vote in favour of this Resolution 6 which will complete the Company's remuneration strategy for the Executive Director as described above.

7 VOTING ENTITLEMENT

Pursuant to Regulation 7.11.37 of the Corporations Regulations 2001, the persons eligible to vote at the 2009 Annual General Meeting are those who are registered as shareholders of the Company at least 48 hours prior to the time of the meeting.

8 PROXIES

Includes with the Notice of Meeting accompanying these Explanatory Notes is a Proxy Form for use by Shareholders. All shareholders are invited and encouraged to attend the meeting of, if they are unable to attend in person and are eligible to vote, to complete, sign and return the Proxy Form. Lodgement of a Proxy Form will not preclude a shareholder from attending and voting at the meeting in person. To be valid, Proxy Forms must be received by the Company by not later than 11:30am EST on 26th November 2009.

The Proxy Form can also be sent by facsimile to the Company's share register on (08) 9389 7871.

9 QUESTIONS

If you have any questions about this notice or the accompanying documents, please contact:

LongReach Group Share Registry: Advanced Share Registry Services
 110 Stirling Hwy (PO Box 1156)
 Nedlands WA 6009
 Ph: +61 8 9389 8033
 Fx: + 61 8 9389 7871

By order of the Board

For personal use only

The Secretary
LongReach Group Limited
C/- Advanced Share Registry Services
PO Box 1156
Nedlands WA 6909
Fax: + 61 8 9389 7871

I/We _____
Of _____
Being a member(s) of LongReach Group Limited (the "Company")
hereby appoint _____
of _____

or failing him/her the Chairman as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at C4i, 31 Market Street, South Melbourne, Victoria on Monday, 30th November 2009 at 11:30am EST, and at any adjournment thereof.

The Chairman intends voting in favour of each resolution in relation to undirected proxies where he is acting as proxy.

RESOLUTION *please insert (x) in relevant box	FOR*	AGAINST*	ABSTAIN*
1. Adoption of the Company's Remuneration Report (non-binding vote)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Election of Peter Harrison as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Re-Election of Larry Case as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Approval of LongReach Group Limited Employee Loan Plan for all purposes including sections 259b and 260c(4) of the Corporations Act	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Approval of LongReach Group Limited Employee Loan Plan for the purposes of rule 7.1 of the Listing Rules of Australian stock exchange limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Approval of participation in the LongReach Group Limited employee loan plan by Mr Peter Harrison	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SIGNATURE OF SHAREHOLDER – THIS MUST BE COMPLETED

Shareholder 1 (individual)	Joint shareholder 2 (individual)	Joint shareholder 3 (individual)
<input type="text"/>	<input type="text"/>	<input type="text"/>
Director/Company Secretary	Sole Director/Sole Secretary	

This form should be signed by the shareholder. If a joint holding, all shareholders should sign. If this Proxy Form is signed under Power of Attorney, the original Power of Attorney of a certified copy must be forwarded with this Proxy Form. If executed by a company, this form must be executed in accordance with the shareholder's constitution and The Corporations Act 2001. In the case of a Sole Director and Sole Secretary company, please indicate such.

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