



Seeing Machines Limited

ABN 34 093 877 331

Notice of General Meeting

Notice is hereby given that the Annual General Meeting of the shareholders of Seeing Machines Limited ("the Company") will be held at Mantra on Northbourne, 84 Northbourne Ave , Canberra ACT 2612, on **Tuesday 30th of November at 6pm (Australian Eastern Daylight Saving Time)** to conduct the following business-

Agenda

Ordinary Business

Item 1. Financial Reports

To receive and consider the financial report of the Company and the reports of the directors and auditors for the year ended 30 June 2010.

Item 2. Re-election of Mr William Mobbs as a director

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

"That Mr William Mobbs who having retired from his office as a director of the Company by rotation in accordance with Rule 6.4 of the Company's constitution, and being eligible, having offered himself for re-election, be re-elected as a director of the Company."

Item 3. Re-election of Mr David John Gaul as a director

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

"That Mr David John Gaul who having retired from his office as a director of the Company by rotation in accordance with Rule 6.4 of the Company's constitution, and being eligible, having offered himself for re-election, be re-elected as a director of the Company."

Item 4. Executive Share Plan

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

"That for the purposes of rule 2.1(b) and rule 2.1(c)(x) of the Constitution of the Company and for all other purposes, the issue of securities under the terms of the Seeing Machines Executive Share Plan (Plan) and the terms of the Plan, a summary of which is contained in the Explanatory Statement, be approved."

Any other business

To consider any other business that may be brought before the meeting in accordance with the *Corporations Act 2001* or the Company's constitution.

Explanatory Notes

Item 1. Financial Reports

The financial report, directors' report and auditor's report of the company for the year ended 30 June 2010 are contained in the Annual Report 2009-2010. These reports were lodged with the Australian Securities & Investments Commission in accordance with statutory requirements on 18 October 2010. The reports will be tabled at the Annual General Meeting to be received and considered by the Shareholders.

Item 2. Re-election of Mr William Mobbs as a director

Rule 6.4 of the Company's constitution requires that one-third, or the number closest to one-third of the directors of the Company, being the longest serving directors, retire from office at every Annual General Meeting but are eligible for re-election at the meeting. Mr William Mobbs has been a director of the Company since 2006 and Chairman since November 2009 and as he is one of the longest serving directors, he is required to retire. Mr Mobbs is offering himself for re-election.

Mr Mobbs, aged 51, is currently the Executive Chairman and a co-founder of ITL Limited, an ASX listed company. Mr Mobbs has founded businesses, worked with numerous start-ups and been involved with company growth and commercialisation of R&D from inception to public listings and beyond. Mr Mobbs is also the Chairman of Admin Bandit Pty Ltd (IT Services Company) and a Director of the National Health Services Centre Limited.

Item 3. Re-election of Mr David John Gaul as a director

Rule 6.4 of the Company's constitution requires that one-third, or the number closest to one-third of the directors of the Company, being the longest serving directors, retire from office at every Annual General Meeting but are eligible for re-election at the meeting. Mr Gaul has been a director of the company since 2004 and as he is one of the longest serving directors of the Company, he is required to retire at this Annual General Meeting but is eligible for re-election. Mr Gaul is offering himself for re-election.

Mr Gaul, aged 64, is a Director, Co-Founder and Former President of CEA Technologies a highly successful technology company that designs and develops radar and communications technology. Mr Gaul was awarded the Australian Technology Entrepreneur of the Year in 2003 and named an Australian Export Hero for 2009/2010.

Item 4. Executive Share Plan

The Company proposes to adopt the **Seeing Machines Executive Share Plan (Plan)** allowing the Company to issue fully paid ordinary shares in the capital of the Company (**Shares**) to employees or officers (including directors) of the Company and each Related Body Corporate (within the meaning of section 50 of the *Corporations Act 2001*) of the Company who is determined by the Board to be an eligible employee for the purposes of the Plan (**Eligible Employees**).

The purpose of the Plan is to provide Eligible Employees with an opportunity to share in the growth in the value of the Shares and to encourage them to contribute to the performance of the Group and the returns to the shareholders of the Company.

The Shares will be issued in accordance with the rules of the Plan.

A summary of the Plan rules is set out at Annexure A to these Explanatory Notes.

In general, rule 2.1(b) of the Constitution prohibits the Company from issuing or agreeing to issue more shares or other securities with rights of conversion to more shares than 15% of the issued capital of the Company in any twelve month period without shareholder approval (**15% Rule**). Rule 2.1(c)(x) of the Constitution contains an exception to the 15% Rule in respect of an issue made under an employee incentive scheme if, within three years before the date of the issue, the Company in general meeting has approved the issue of securities under the scheme.

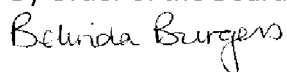
The Plan is an employee incentive scheme for the purposes of rule 2.1(c)(x) of the Constitution. Accordingly, shareholder approval is sought for the issue of the Shares under the Plan for the purposes of rule 2.1(b) and the exception to rule 2.1(b) contained in rule 2.1(c)(x) of the Constitution. If approval is given, the Shares issued under the Plan will be exempt from counting towards the 15% of the issued capital of the Company that can be issued in any 12 month period without shareholder approval under rule 2.1(b) of the Constitution.

The effect of the approval sought will be that for the next three years, the issue of shares under the Plan will not reduce the number of shares or other securities (with rights of conversion to more shares) that may be issued by the Company without shareholder approval under the 15% Rule. Any issue of shares under the Plan will add to the number to which the calculation of the 15% Rule is applied which will increase the number of shares and other securities that the Company may issue under the 15% Rule.

No Shares have yet been issued by the Company under the Plan.

A copy of the Plan rules is available to members on request to the Company Secretary.

By Order of the Board



Belinda Burgess
Company Secretary

October 28, 2010

Annexure A

Summary of Seeing Machines Executive Share Plan

The Shares will have the following terms:

- 1 **Invitation to participate:** The Board may from time to time, in its absolute discretion, invite any Eligible Employee selected by it to participate in the Plan by inviting applications for the Shares on the terms set out in the Plan and on such other terms and conditions as the Board determines.
- 2 **Ranking:** Shares acquired under the Plan rank equally in all respects with all other shares in the Company from the date of issue or acquisition (as applicable).
- 3 **AIM quotation:** Where Shares acquired under the Plan are not yet quoted on AIM, the Company must procure that the Company apply for quotation of those Shares on AIM as soon as practicable after the allotment and issue or acquisition (as applicable) of those Shares, so long as Shares are quoted on AIM at that time.
- 4 **Restriction:** The Board may, at any time, in its discretion, impose restrictions on the disposal of Shares by a participant.
- 5 **Change in control:** The Board may, in its absolute discretion, determine whether to release any Shares allocated under the Plan from any disposal restrictions or waive the restrictions if a 'change of control event' occurs or if there is an impending 'change of control event', including a takeover, merger or other event whereby control of the Company changes.
- 6 **Reconstructions:** In the event of any reconstruction (including consolidation, subdivision, reduction, capital return, buy back or cancellation) of the issued share capital of the Company, the Company must procure that the number of Shares to which each participant is entitled and/or the consideration (if any) payable by the participant for the Shares must be reconstructed accordingly, in a manner that does not result in any additional benefits being conferred on participants that are not conferred on shareholders of the Company and otherwise complies with the AIM Rules.