



# **CITYVIEW CORPORATION LIMITED**

ACN 009 235 634

## **NOTICE OF EXTRAORDINARY GENERAL MEETING AND EXPLANATORY STATEMENT**

For the Extraordinary General Meeting to be held on  
30 January 2009 at 11 am (WDST)  
In the Seminar Room, Ground Floor  
BGC Centre, 28 The Esplanade  
Perth, Western Australia

This is an important document. Please read the whole document carefully.

If you are in doubt about how you should vote, you should seek advice from your professional advisers prior to the meeting. If you have any questions about the contents of this Notice, please contact the Company Secretary on +61 8 9226 4788.

If you are unable to attend the Meeting, please complete the Proxy Form enclosed and return it in accordance with the instructions set out on that form.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that an Extraordinary General Meeting of the Shareholders of CityView Corporation Limited ACN 009 235 634 (the "Company") will be held 30 January 2009, 11 am in the Seminar Room, Ground Floor, BGC Centre, 28 The Esplanade, Perth, Western Australia for the purpose of transacting the following business.

### BUSINESS

#### 1. Resolution 1: Approval of Share issue

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

*That, for the purposes of Listing Rule 7.1 and all other purposes, Shareholders approve the proposed issue of up to 10 million Shares for the purposes of and on the terms set out in the Explanatory Statement.*

#### Voting exclusion statement

For the purposes of Listing Rule 7.3, the Company will disregard any votes cast on resolution 1 by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a security holder, if the resolution is passed, and any of their associates, unless 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
- 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 . Resolution 2: Approval of issue of Options to David Wilson

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

*That, for the purposes of Listing Rule 7.1 and for all other purposes, the Shareholders approve the issue of 1,000,000 Options to David Wilson (or his nominees), for the purposes and on the terms set out in the Explanatory Statement.*

#### Voting exclusion statement

For the purposes of Listing Rule 7.3, the Company will disregard any votes cast on resolution 2 by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a security holder, if the resolution is passed, and any of their associates, unless 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
- 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).

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### Shareholders Group Resolutions

**The following resolutions 3-12 have been received from a Shareholder group.**

**The Board does not consider their action to be in the best interests of the Company.**

**Please note that the Board recommends that Shareholders vote AGAINST ALL the following resolutions for the reasons set out in the Explanatory Statement.**

#### **Resolution 3: Removal of Director**

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

That Mr Peter Mark Smyth be removed from his position as director, effective immediately, but that Mr Peter Mark Smyth be retained in his position as Chief Executive Officer of the Company.

#### **Resolution 4**

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

- a) That the company submit a current status position and six (6) month forward Strategy Plan, for the following concession areas:  
Cachoeiras de Binga, Benguela, Zenza/Dondo, Benguela South West, Bentiabe, Longonjo (copper, gold, rare earth and diamonds), Catabola, Ucuá, Chipindo, Nhefo (alluvial and Kimberlitic) and Luachisse (alluvial and Kimberlitic); and
- b) That the Strategy Plan requested under paragraph (a) is to include details regarding legal status of each title, any expiry dates and conditions for renewal, money spent to date, summary of work done to date, issues preventing progress, milestone actions planned for the next 6 months and cash required for each milestone action; and
- c) That the Strategy Plan requested under paragraph (a) should be made available on the company website no later than 21 days after the passing of this resolution and its availability announced via the ASX.

#### **Resolution 5**

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

- a) That, subject to Resolution 4 being passed, the Company submit a forward Strategy Plan for the period immediately after the six months detailed in Resolution 4 and up to bankable feasibility stage for the following areas,  
Cachoeiras de Binga, Benguela, Zenza/Dondo, Benguela South West, Bentiabe, Longonjo (copper, gold, rare earths and diamonds), Catabola, Ucuá, Chipindo, Nhefo (alluvial and Kimberlitic) and Luachisse (alluvial and Kimberlitic); and
- b) That the Strategy Plan requested in paragraph (a) is to include details confirming milestone actions planned up to and including bankable feasibility study and cash required for each milestone action; and

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- c) That the Strategy Plan requested in paragraph (a) should be made available on the company website no later than 2 calendar months after the passing of this resolution and its availability announced via the ASX.

### **Resolution 6**

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

- a) That no more Fortitude Mineral Shares are to be purchased, or acquired via any form of transaction, until such time as:
  - A. A new independent valuation of Fortitude Minerals assets, which reflects current market conditions has been completed and accepted by the Board; and
  - B. Fortitude Minerals has demonstrated that it has legal title to the concessions named in Resolution 4(a) (Luachisse and Nhefo excepted); and
- b) That Aurum exploration services or companies and personnel associated with Aurum exploration services, including Dr. Michael H. Smith, are not to be used for any audits or valuations requested in paragraph (a); and
- c) That the Board must approve the selection of company and senior personnel that have been nominated by the CEO for the audits and valuations requested in paragraph (a); and
- d) That Mr Tony Caplin and any company or personnel associated with Mr. Caplin be excluded from providing the services requested under paragraph (a).

### **Resolution 7**

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

- a) That the Company provide to Shareholders full audited evidence of monies received from all Share Placements during the past 18 months within 21 days of the date of this resolution being passed; and
- b) That the Company at the same time as providing the information requested under paragraph (a) is to provide to Shareholders full audited details of how the monies have been spent or utilised; and
- c) That the information requested under paragraph (a) and (b) should be made available on the company website no later than 2 calendar months after the passing of this resolution and its availability announced via the ASX if required by the ASX Listing Rules.

### **Resolution 8: Election of Steven Patrick Coughlan and Susan Elizabeth Turner as non executive Directors**

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

- a) That Mr Steven Patrick Coughlan being eligible, be elected as a non-executive Director.
- b) That, subject to Resolution 8(a) being passed, Mrs Susan Elizabeth Turner, being eligible, be elected as a non-executive director.

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### **Resolution 9: Election of Timothy Michael Jones as non-executive Director**

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

That Mr Timothy Michael Jones, being eligible, be elected as a non-executive Director.

### **Resolution 10: Election of Alan John Paxton as a non-executive Director**

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

That Mr Alan John Paxton, being eligible, be elected as a non-executive Director.

### **Resolution 11: Remuneration of newly elected Directors**

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

That, subject to Resolutions 8, 9 or 10 being passed, for the purposes of ASX Listing Rule 7.10 and for all other purposes, each Director successfully elected by Resolutions 8, 9 and 10 be awarded a maximum aggregate remuneration package of \$12,000 per financial year

#### **Voting exclusion statement**

For the purposes of Listing Rule 10.17.1, the Company will disregard any votes cast on this resolution by a Director elected by Resolutions 8, 9 or 10 or their associates unless 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
- 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).

### **Resolution 12: Amendment to constitution**

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

That, in accordance with s 136 of the Corporations Act, the constitution of the company be modified, with immediate effect, as follows:

that section 32.4 (a) which reads:

*"(a) A board meeting may be convened using any technology consented to by all Directors. The consent may be a standing one. A Director may withdraw consent to the use of a particular technology within a reasonable time period before a Board meeting."*

be amended to read:

*"(a) A board meeting may be convened using any technology consented to by all Directors. The consent may be a standing one. A Director may withdraw consent to the use of a particular technology within a reasonable time period before a Board meeting. That time being a period where each director could reasonably be expected to make arrangements to travel to location of the meeting."*

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### EXPLANATORY STATEMENT

The accompanying Explanatory Statement forms part of this Notice of Meeting and should be read in conjunction with it.

Shareholders are specifically referred to the Glossary in the Explanatory Statement which contains definitions of capitalised terms used in this Notice of Meeting and the Explanatory Statement.

### VOTING AND PROXIES

Please note that:

1. a Shareholder entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy.
2. a proxy need not be a member of the Company;
3. a Shareholder may appoint a body corporate or an individual as its proxy;
4. a body corporate appointed as a Shareholder proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder proxy; and
5. Shareholders 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, but where the Shareholder does not specify this proportion, each proxy may exercise half of the votes.

Where a voting exclusion applies, the Company need not disregard a vote if it is cast by the 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.

A proxy form is **attached** to this notice of Meeting, which provides further details on appointing proxies and lodging proxy forms. If a proxy is required, the proxy form should be completed, signed and returned to the Company's registered office in accordance with the instructions on the proxy form.

### VOTING ENTITLEMENTS

In accordance with Regulation 7.11.37 and 7.11.38 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the register of Shareholders as at 10:00am on 28 January 2009. Accordingly, transactions registered after that time will be disregarded in determining Shareholders' entitlement to attend and vote at the Meeting.

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### **CORPORATE REPRESENTATIVE**

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative. An Appointment of Corporate Representative form is available from the Company.

### **By Order of the Board**

Paul Williams

Company Secretary

19 December 2008

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# Explanatory Statement

This Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote on the resolutions to be proposed at the Extraordinary General Meeting, they should seek advice from their accountant, solicitor or other professional adviser.

This Explanatory Statement has been prepared for the information of Shareholders of CityView Corporation Limited in connection with the business to be conducted at the Extraordinary General Meeting to be held 30 January 2009, at 11am in the Seminar Room, Ground Floor, BGC Centre, 28 The Esplanade, Perth, Western Australia and should be read in conjunction with the Notice of Extraordinary General Meeting.

This Explanatory Statement contains all information known to the Company which is material to a decision on how to vote on the resolutions in the accompanying Notice of Meeting. Amongst other things, this Explanatory Memorandum provides Shareholders with the information required to be provided under the Corporations Act and the ASX Listing Rules.

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## 1. Resolution 1: Approval of Share issue

The Company proposes to issue Shares to a number of persons in consideration for the transfer by each person of their shareholding in European Oil Limited to a wholly owned subsidiary of the Company, CityView Asia Pty Ltd. As such, no funds will be raised by the issue.

The persons are:	Number of shares
a) Robert Kennedy;	903,000
b) Andrew Lindsay;	1,204,000
c) Neil Maclachlan	1,017,000
d) Hancock Investments Limited;	1,017,000
e) John Gillan;	977,000
f) Peter Temperton; and	2,034,000
g) Pacific Mining Investments Ltd.	2,848,000

The Company proposes to issue the Shares to these persons within one month of the date that this resolution is passed, whereupon European Oil Limited will be wholly owned by the Company.

The Shares issued to these persons will rank equally in all respects with the existing ordinary shares issued by the Company. A summary of the terms of the Shares is set out in **Annexure A**. The Company will apply to ASX for official quotation of the Shares within twelve months after allotment.

### Listing Rule 7.1

Listing Rule 7.1 imposes a limit on the number of equity securities (ie Shares or Options) which a company can issue without Shareholder approval. In general terms, the limit is that a company may not, without Shareholder approval, issue in any 12 month period, equity securities which are more than 15% of:

- the number of fully paid ordinary shares on issue 12 months before the issue; plus
- the number of fully paid ordinary shares issued in that 12 months under an exception contained in Listing Rule 7.2 or with Shareholder approval.

Equity securities which are issued under an exception contained in Listing Rule 7.2 or with Shareholder approval do not reduce the number of equity securities that may be issued by the Company under Listing Rule 7.1.

This Resolution seeks Shareholder approval of the issue of Shares so that it does not reduce the number of equity securities that the Company may issue without further Shareholder approval.

The Shares will be allotted and issued as soon as possible but, in any case, not later than one month after the date of Shareholder approval.

### Board recommendation

The Board believes that the proposed issue is beneficial for the Company and recommends Shareholders vote in favour of the resolution. It will allow the Company to retain the flexibility to issue the maximum number of equity securities permitted under Listing Rule 7.1 without Shareholder approval during the next 12 months.

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## 2. **Resolution 2: Approval of issue of Options to David Wilson**

The Company proposes to issue up to 1,000,000 Options for no consideration with an exercise price of 15 cents per Option to David Wilson in consideration for various services rendered to the Company by Mr Wilson. Mr Wilson is not a related party of the Company.

Resolution 2 seeks shareholder approval for the grant of up to 1,000,000 options to Mr Wilson (or his nominee).

Listing Rule 7.1 imposes a limit on the number of equity securities (ie Shares or Options) which a company can issue without Shareholder approval. In general terms, the limit is that a company may not, without Shareholder approval issue, in any 12 month period, equity securities which are more than 15% of:

- the number of fully paid ordinary shares on issue 12 months before the issue; plus
- the number of fully paid ordinary shares issued in that 12 months under an exception contained in Listing Rule 7.2 or with Shareholder approval.

Equity securities which are issued under an exception contained in Listing Rule 7.2 or with Shareholder approval do not reduce the number of equity securities that may be issued by the Company under Listing Rule 7.1.

Resolution 2 seeks Shareholder approval of the issue of Options so that it does not reduce the number of equity securities that the Company may issue without further Shareholder approval.

The Options will be allotted and issued as soon as possible but, in any case, not later than 3 months after the date of Shareholder approval. The exact dates of allotment are unknown at this stage.

The Options will be issued on terms and conditions set out in **Annexure B**. Any funds raised from the exercise of the Options will be used for the Company's working capital.

### **Board recommendation**

The Board believes that the proposed issue is beneficial for the Company and recommends Shareholders vote in favour of Resolution 2. It will allow the Company to retain the flexibility to issue the maximum number of equity securities permitted under Listing Rule 7.1 without Shareholder approval.

## Shareholder Group Resolutions

### **Background**

#### **Meeting Request**

Clause 20.4 of the Constitution requires the Board to convene a general meeting at the request of Shareholders if required to do so in accordance with the Corporations Act. A general meeting requested by the Shareholders must be held no later than two calendar months after the request is received.

Section 249D of the Corporations Act requires the directors to call and arrange to hold a general meeting on the request of:

- members with **at least 5% of the votes that may be cast** at a general meeting; or
- **at least 100 members** who are entitled to vote at the general meeting.

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The request must detail:

- any resolution to be proposed at the meeting,
- the names of the members requesting the meeting; and
- be signed by all of the members and in the case of joint holders of any Security all joint holders making the request.

On 1 December 2008, the Company received the Meeting Request from the Shareholders Group, which contained a number of resolutions to be proposed at the general meeting to be called by the directors.

### **Shareholders Group Resolutions**

The Shareholders Group Resolutions are Resolution 3 through to Resolution 12 as set out in the Notice of Meeting. Where necessary, the Company has made minor amendments to the resolutions proposed by the Shareholder Group in their Meeting Request so that they comply with the Constitution, ASX Listing Rules and the Corporations Act and can be validly passed at the Meeting.

### **Member's Statement**

Section 249P of the Corporations Act requires the Company to distribute a Members Statement given with a valid request at the same time (or as soon as practicable afterwards) it gives notice of a general meeting.

A Members Statement relating to the Shareholder Group Resolutions was validly provided with the Shareholder Group Request. The Members Statement is **attached at Annexure C** to this Meeting Notice.

Please note that there may be some discrepancy between the resolutions referred to in the Members Statement and the resolutions contained in this Notice of Meeting. This is due to the modification of some of the proposed Shareholder Resolutions to ensure only valid resolutions are considered by Shareholders.

### **3. Resolution 3: Removal of Director**

This Shareholder Resolution seeks the removal of Mr Peter Mark Smyth as a director of the Company. Under article 26.4 of the Constitution, a Director may be removed by resolution at a general meeting.

#### **Board Recommendation**

*The Board recommends that Shareholders vote AGAINST this resolution.*

### **4. Resolutions 4, 5, 6 and 7: Advisory resolutions**

#### **Advisory Resolutions**

Resolutions 4, 5, 6 and 7 are advisory only resolutions. This means that they are not binding on the Board. The division of power between shareholders and directors means that any power exclusively vested in the directors under the constitution cannot be exercised by shareholders. The power to manage the Company is vested in the Directors under the Constitution. Resolutions 4, 5, 6 and 7 relate to matters which fall within the general management of the Company and its projects, such as development of strategy plans, feasibility studies, acquisition of

projects and share placements. The power to make decisions about the Company's operations and business strategy is vested in the Board.

Therefore, as Shareholders do not have power under the Constitution to pass a binding resolution which will control or interfere with the power to manage the company, Resolutions 4, 5, 6 and 7 cannot validly be passed as binding resolutions.

The Board has power, where invalid resolutions are proposed in a meeting request, to omit them from the notice of meeting in their entirety. However, the Board values the opinions of the Shareholders and wishes to ensure the Meeting Request from the Shareholder Group is acted upon as far as practicable. Therefore, the Board has decided to give Shareholder the opportunity to propose Resolutions 4, 5, 6 and 7 as advisory resolutions, rather than to remove them from the Notice of Meeting entirely.

If passed, the Board will treat Resolutions 4, 5, 6 and 7 as advisory only.

***The Board recommends that Shareholders vote AGAINST Resolutions 4, 5, 6 and 7.***

## **5. Resolutions 8, 9 and 10: Election of additional directors**

Article 26.2 of the Constitution provides that the Company may appoint a natural person as a Director by passing a resolution at a general meeting. The appointment of a person as a Director will not be effective until the person provides a signed consent to act as a Director to the Company.

The maximum number of Directors which can be appointed under the Constitution is ten. Resolutions 8, 9 and 10 seek to appoint four new non-executive Directors to the Company. If all nominees are appointed, there will be nine Directors of the Company.

The Members Statement does not provide details regarding the nominees experience and capabilities which are required to fulfil the role as a Director of the Company.

### **Board Recommendation**

The appointment of four new Directors is unnecessary and no evidence has been provided of any of the nominees' ability to fulfil the role as a Director of the Company.

***The Board recommends that Shareholders vote AGAINST Resolutions 8, 9 and 10.***

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## 6. **Resolution 11: Remuneration of directors elected under Resolutions 8, 9 and 10**

Article 31.1(a) of the Constitution provides that non-executive directors will be remunerated for their services as Directors by:

- an amount or value of remuneration each year (if any) as the Company in general meeting determines; or
- an aggregate amount or value of remuneration (if any) not exceeding the maximum amount or value as the Company in general meeting determines, to be divided among them in such proportion and manner as they agree or if they do not agree, equally.

The remuneration for non-executive directors must be a fixed amount or value and not a commission on or percentage of profits or operating revenue. At the 2008 Annual General Meeting of the Company, Shareholders approved a maximum limit of \$240,000 for Directors' fees in any financial year.

Resolution 11 seeks approval from Shareholders to determine the amount of remuneration to be paid to the non-executive directors elected under Resolutions 8, 9 and 10, which is to be \$12,000 each per financial year of the Company.

***This resolution will not be considered if Resolutions 8, 9 and 10 are not passed at the EGM.***

## 7. **Resolution 12: Amendment to Constitution**

Section 136 of the Corporations Act requires any modification to a company's constitution to be approved by a special resolution of shareholders.

A special resolution must be passed by at least 75% of the votes cast by members entitled to vote on the resolution.

Resolution 12 proposes to introduce an additional clarification to the phrase 'reasonable time period' in clause 32.4(a) by adding the sentence 'That time being a period where each director could reasonably be expected to make arrangements to travel to location of the meeting'.

This additional sentence is not necessary to correct any error in the constitution, is not in line with market practice and creates unnecessary uncertainty. An amendment to the governing documents of the Company should not be made lightly and unless absolutely necessary as it creates uncertainty and instability, particularly where the amendment serves no useful purpose.

The apparent effect of the change under consideration is that a Director could object to the meetings held by telephone or video conference and therefore effectively prevent such a meeting happening by making an objection, but that objection can only be made in a period during which "directors could reasonably be expected to make arrangements to travel to a meeting".

This change seems misconceived both as a matter of policy and technical drafting. The present Constitution is designed to allow Directors to consent to meet by electronic means to facilitate urgent decision making without incurring additional costs to Shareholders. The present draft allows a Director to remove their consent to such an arrangement by giving reasonable notice; this could occur if any single Director considers a decision is sufficiently important that it must be determined by a face to face meeting.

Under the amendment the period during which the Director can raise an objection is limited to the time during which the Director could be expected to make arrangements to travel to the location of a meeting. We see no reason to restrict the ability of a Director to object to an electronic meeting in this manner. This is a right that should be preserved for the Director provided reasonable notice is given. The suggested criteria is impossibly subjective; on what basis are Directors to determine what is reasonable time to travel to a location and therefore that the withdrawal of a consent is valid or invalid? Moreover the issue will only arise when Directors determine that a meeting is to be held by technology. Meetings held on that basis have no location in the normal sense and therefore the concept of travelling to the location is meaningless.

### **Board's Recommendation**

The Board does not consider that this amendment is necessary and is not in line with usual market practice. The Company adopted a new constitution at the 2007 Annual General Meeting which was prepared on the basis of best market practice by the Company's solicitors, Corrs Chambers Westgarth.

***The Board recommends that Shareholders vote AGAINST this resolution.***

# Glossary

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

<b>Annexure</b>	annexure to this Explanatory Statement.
<b>ASIC</b>	Australian Securities and Investments Commission.
<b>ASX</b>	Australian Securities Exchange.
<b>Board</b>	board of Directors.
<b>Chair</b>	the Chair of the Meeting.
<b>Company</b>	CityView Corporation Limited ACN 009 235 634.
<b>Constitution</b>	the constitution of the Company.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Corporations Regulations</b>	<i>Corporations Regulations 2001</i> (Cth).
<b>Director</b>	director of the Company.
<b>Meeting</b>	Extraordinary General Meeting to be held on 30 January 2009.
<b>Meeting Request</b>	The valid request to hold a general meeting in accordance with s 249D of the Corporations Act made by the Shareholder Group to the Company on 1 December 2008
<b>Option</b>	listed option to subscribe for a Share.
<b>Share</b>	fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	shareholder of the Company.
<b>Shareholder Group</b>	Shareholders which made the Meeting Request
<b>Shareholder Group Resolutions</b>	The resolutions proposed by the Shareholder Group for consideration at the Meeting, as amended by the Company.

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# Annexure A

## Terms of Shares

### Share Capital

All issued ordinary Shares rank equally in all respects.

### Voting Rights

At a general meeting of the Company, every holder of Shares present in person, by an attorney, representative or proxy has one vote on a show of hands and on a poll, one vote for every fully paid Share held, and for every contributing Share held, a fraction of a vote equal to the proportion which the amount paid up bears to the total issue price of the contributing Share.

### Dividend Rights

Subject to the rights of holders of Shares issued with any special or preferential rights (at present there are none), the profits of the Company which the Directors may from time to time determine to distribute by way of dividend are divisible among the Shareholders in proportion to the Shares held by them respectively, according to the amount paid up or credited as paid up on the Shares.

### Rights on Winding-Up

Subject to the rights of holders with Shares with special rights in a winding-up (at present there are none), on a winding-up of the Company all assets which may be legally distributed amongst the members will be distributed in proportion to the Shares held by them respectively, according to the amount paid up or credited as paid up on the Share.

### Transfer of Shares

Shares in the Company may be transferred by instrument in any form which complies with the Constitution, the Corporations Act, Listing Rules, ASX Market Rules, ACH Clearing Rules and ASTC Settlement Rules.

Shares may be transferred by such means in accordance with Listing Rules, ASX Market Rules, ACH Clearing Rules and the ASTC Settlement Rules. The Directors may refuse to register a transfer of Shares only in those circumstances permitted by Listing Rules, ASX Market Rules, ACH Clearing Rules and ASTC Settlement Rules.

### Calls on Shares

Shares issued as fully paid are not subject to any calls for payment by the Company and will not therefore become liable for forfeiture.

### Further Increases in Capital

The allotment and issue of any new Shares is under the control of the Directors and, subject to any restrictions on the allotment of Shares imposed by the Constitution, Listing Rules or the Corporations Act, the Directors may allot, issue or grant Options over or otherwise dispose of those Shares to such persons, with such rights or restrictions as they may from time to time determine.

### Variation of Rights Attaching to Shares

Where Shares of different classes are issued, the rights attaching to the Shares of a class can thereafter only be varied by a special resolution passed at a separate general meeting of the holders of those Shares of that class, or with the written consent of the holders of at least three quarters of the issued Shares of that class.

### General Meetings

Each Shareholder will be entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive notices, accounts and other documents required to be furnished to Shareholders under the Constitution, the Corporations Act and Listing Rules

# Annexure B

## Terms of Options

### **General**

The Options will be issued free of charge and each option holder will have the right to subscribe for one Share in the capital of the Company. The Shares issued upon exercise of the Options will rank equally in all respects with the Company's existing issued Shares.

### **Exercise Price**

The exercise price of the option will be 15 cents per Option.

### **Lapse of Options**

Any options which are not exercised within the exercise period will lapse. The exercise period will be from the grant date until 30 November 2009.

The option will also lapse if the Board considers that the option holder has acted fraudulently or dishonestly or in breach of his or her obligations to the Company.

### **Participation in New Issues**

There are no participating rights or entitlements inherent in the Options. Option holders will not be entitled to participate in offers of new issues of Shares during the currency of the Options.

However, the Company will ensure that, for the purpose of determining entitlement to participate in a new issue, the record date is at least 10 business days after the issue is announced. This is to give option holders the opportunity to exercise their Options prior to the date from determining entitlements to participate in the new issue.

If there is a pro-rata issue (except a bonus issue) of Shares to Shareholders during the Option exercise period, the exercise price may be reduced according to the formula set out in the rules of the Company's Incentive Option Scheme, subject to the requirements of the ASX Listing Rules.

### **Bonus Issues**

If a pro-rata bonus issue of shares (other than an issue in lieu of dividends) is made to shareholders before the expiry of any Option, the number of shares issued on the exercise of each option will include the number of bonus shares that would have been issued if the option had been exercised before the record date of the bonus issue.

### **Reconstructions of Capital**

Adjustments may be made to the number of Options, the exercise price or both if there is a reconstruction of the issued capital of the Company during the currency of the options, subject to the ASX Listing Rules.

# Annexure C

## Members Statement



### Members Statement: Notes to be Attached with EGM Voting Documents

This EGM has been called by a substantial sized group, or "collective", of concerned shareholders that have pledged overwhelming voter rights support for the EGM action expressed herein.

We now seek your support.

One component of the EGM action is an objection to the recently announced non-renounceable rights issue. It is clear to us that this rights issue will not be taken up in any significant numbers. The anticipated net effect of this rights issue is likely to be that almost 50% of Cityview shares will end up in the hands of the underwriters, Pinnacle Capital Management Limited.

We are very concerned about the recent influence and involvement of directors / shareholders involved in Pinnacle Capital Management, and the adverse impact they have had on the company's share performance to date.

You will see from the table below that there is a tight and undeniable relationship between 3 companies, namely, Pinnacle, Global and Saphi, including the fact that they ALL share the same address.

PRINCE CONSORT HOUSE  
ALBERT EMBANKMENT  
LONDON  
SE1 7TJ

Clearly, the three can be interpreted as one.

### Global Investment Strategy

Shareholder(s)

John William Gunn 97,500 shares

Ian Hugh Van Stratum 32,500 shares

Director(s)

John William Gunn

Ian Hugh Van Stratum

Monica Encarnacion

### Saphi Asset Management

Shareholder(s)

Ian Hugh Van Stratum

Directors(s)

Ian Hugh Van Stratum

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Pinnacle Capital Management

Shareholder(s)

John William Gunn

Director(s)

John William Gunn

Numerous private placements of Cityview shares have been made through Global and Saphi since November 2007. In fact nearly 100 Million shares have been placed by these companies, the result of which, without fail, is that these newly placed shares have been steadily sold on market. Much of this sell down was done through a company (Easyoffice) in which the director was also a Canzar director

Whilst the global financial crisis can in part be blamed for the steady fall in Cityview's share price it must be acknowledged that this constant sale of shares has played a significant role.

It would appear that those connected to Global and Saphi will now be offered another opportunity to "manage" several hundred million more CVI shares, at about 1/20th of its price six months ago, this time through an underwriting proposal with Pinnacle Management. It is our opinion that we cannot trust Pinnacle management with this opportunity, and it is absolutely unknown to us why CVI would allow them to "participate" given the historic performance of Global and Saphi.

We would like to stress the importance of this EGM action to your shareholding. Our primary aim is to restore accountability and transparency to our company so it can move forward successfully.

To that end we have proposed several more resolutions that will work towards the stated objectives of company transparency and accountability and have an ultimate objective to see the company prosper into the future.

They include:

That we restructure the Board of directors and make the CEO more accountable to the board and to his/her shareholders, and modify the relationship between the board and its CEO. We aim to reduce the company risk that is apparent when one key person has so much influence and control over the company.

Knowledge is power, and that applies for shareholders as well.

Shareholders need to be better informed. If the resolutions are passed each of us will get a clearer picture of what is happening to OUR assets. Resolutions 3,4,5,6 and 7 insist on the sharing and release of critical information previously denied.

We seek fairness for option holders that have seen the value of their options decimated by careless share dilution that appears to have provided nothing in return.

Resolution No. 8 aims to bring back some value to the options.

To achieve the above, some minor changes are needed to the Cityview constitution and to place new people into the company. These new people are not corporate high fliers, they are decent committed people just like you, who have said enough is enough. They do not intend to take over your company but will work with the existing directors to represent you and steer the company away from its current state of stealth to one that is open and accountable.

As mentioned before, we need your support to help get Cityview back on track. Please vote in favour of each resolution to make your mark in protecting and enforcing shareholder rights and best interests for future success.

We thank you and urge you to return your voting papers promptly with your crucial positive vote for this new future, enabling restored shareholder value and confidence for future success.

Future unambiguous reporting via ASX announcements will also assist shareholders to make better informed decisions on their investments.

There is a great deal more to this story but the corporations act only permits us to include 1000 words in this explanatory statement.

We urge you to visit: **[www.cvi-shareholders.org](http://www.cvi-shareholders.org)** where a summary of the situation and also some detailed research and explanations have been made available, along with information on all the Director nominees.

If you would like to place your votes in the hands of a proxy so that any last minute developments can be accounted for by that proxy on your behalf please see the above website for further details on how this can be done and what options you have for setting conditions on how your vote will be cast.

**VOTE YES FOR TRANSPARENCY, HONESTY AND TO HELP REBUILD CITYVIEW'S DAMAGED REPUTATION.**

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## Instructions for Completing Proxy Form for EGM

1. A member of the Company who is entitled to attend and cast two or more votes at a general meeting of shareholders is entitled to appoint up to two proxies. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.
3. Corporate shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
  - 2 directors of the company;
  - a director and a company secretary of the company; or
  - for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who signs the document or witnesses the affixing of the common seal as the sole director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a Proxy Form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Meeting.
5. Where a Proxy Form is executed under power of attorney, the power of attorney or a certified copy of it must be lodged at the same time and in the same manner as the Proxy Form.
6. To vote by proxy, please complete and sign this Proxy Form and return the Proxy Form and power of attorney (if applicable) by post, hand delivery or fax to the Company Secretary at:

Registered Office:      Level 9, 28 The Esplanade  
Perth, Western Australia 6000

Facsimile Number:      (08) 9226 4799

Postal Address:          PO Box 5643, St. Georges Terrace  
Perth WA 6831

by no later than 28 January 2009.

7. The Directors have determined that, pursuant to Regulation 7.11.37 of the Corporations Regulations 2001, the persons eligible to vote at the EGM are those who are registered shareholders of the Company as at 28 January 2009.

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