



2009 NOTICE OF ANNUAL GENERAL MEETING

MOBILEACTIVE LIMITED ABN 24 089 805 416

Notice is hereby given that the Annual General Meeting of MobileActive Limited (the "Company") will be held at:

The Bayview Boulevard Sydney
Stanley Room,
Level 2, 90 William Street
Sydney NSW 2011
On Friday, 27 November 2009
At 10.30am (Sydney time).

For personal use only

AGENDA

ORDINARY BUSINESS

Item 1 – Statements and Reports

To receive and consider the Income Statement and Balance Sheet of the Company and consolidated financial statements of the Company and the entities it controlled for the financial period ended 30 June 2009, together with the reports and statements of the Directors and of the Auditor attached to the financial statements.

Item 2 – Remuneration Report

To adopt for the purposes of Section 250R(2) of the Corporations Act 2001, the Remuneration Report of the Company for the financial year ended 30 June 2009. *Note - the vote on this item is advisory only and does not bind the Directors or the Company.*

Item 3 – Re-election of Director

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

That Gavin Whyte, a Director retiring in accordance with Rule 6.4 of the Company's constitution, being eligible is re-elected as a Director of MobileActive Limited.

Item 4 – Approve Grant of Options to Executive Director

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

That, under and for the purposes of ASX Listing Rule 10.14 and for all other purposes, the grant to CEO and Executive Director of the Company, Christopher Thorpe, of 10,000,000 Options on the terms and conditions summarized in the Explanatory Notes to this Notice of Meeting and otherwise in accordance with the MobileActive Employee Option Plan, be approved.

VOTING ON ITEM 4 – votes to be excluded: MobileActive will disregard any votes cast on Item 4 by a director of MobileActive or any associate of a director, except a director who is ineligible to participate in the MobileActive Employee Option Plan. However MobileActive 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 a 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.

SPECIAL BUSINESS

Item 5 – Ratification of Options Issue

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

That for the purposes of ASX Listing Rule 7.4 and all other purposes, shareholders ratify the allotment and issue of the options in the capital of the Company to the parties, for the purposes and on the terms summarised in the Explanatory Notes accompanying and forming part of this Notice of Meeting.

VOTING ON ITEM 5 – votes to be excluded: MobileActive will disregard any votes cast on Item 5 by any person who participated in the issue or by any associate. However MobileActive 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 a 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.

Item 6 – Approve New Issue of Ordinary Shares

To consider, and if thought fit, pass, with or without amendment, the following resolution as an ordinary resolution:

That approval be given under and for the purposes of ASX Listing Rule 7.1 and all other purposes that the Company and the Directors are hereby authorised to undertake, the issue of up to a total of 37,000,000 fully paid ordinary shares in the capital of the Company at an issue price of not less than 85% of the average market price of the shares over the last five days on which sales in the shares are recorded before the day on which the shares are issued, to such persons as constitute a professional or sophisticated investor (as defined in the Corporations Act 2001) and in accordance with the terms summarised in the Explanatory Notes accompanying and forming part of this Notice of Meeting.

VOTING ON ITEM 6 – votes to be excluded: MobileActive will disregard any votes cast on Item 6 by any person who may participate in the issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of shares if the resolution is passed, or by any associates. However MobileActive 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 a 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.

Item 7 – Approval of the MobileActive Employee Option Plan

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

That, for the purposes of Listing Rule 7.2, exception 9(b) and for all other purposes, the directors are authorised to implement and maintain the MobileActive Employee Option Plan to issue options under the MobileActive Employee Option Plan from time to time upon the terms and conditions summarised in the Explanatory Notes accompanying and forming part of this Notice of Meeting, as an exception to Listing Rule 7.1 for a period of 3 years after the date of this meeting.

VOTING ON ITEM 7 – votes to be excluded: MobileActive will disregard any votes cast on Item 7 by a director of MobileActive or any associate of a director, except a director who is ineligible to participate in the MobileActive Employee Option Plan. However MobileActive 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 a 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.

Item 8 – Approval of the MobileActive Deferred Employee Share Plan

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

That, for the purposes of Listing Rule 7.2, exception 9(b) and for all other purposes, the directors are authorised to implement and maintain the MobileActive Deferred Employee Share Plan to acquire shares under the MobileActive Deferred Employee Share Plan from time to time upon the terms and conditions summarised in the Explanatory Notes accompanying and forming part of this Notice of Meeting, as an exception to Listing Rule 7.1 for a period of 3 years after the date of this meeting.

VOTING ON ITEM 8 – votes to be excluded: MobileActive will disregard any votes cast on Item 8 by a director of MobileActive or any associate of a director, except a director who is ineligible to participate in the MobileActive Deferred Employee Share Plan. However MobileActive 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 a 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.

NOTES:

Determination of entitlement to attend and vote

For the purposes of the meeting, shares will be taken to be held by the persons who are registered as shareholders as at 7.00pm Sydney time on Wednesday 25 November 2009.

Proxies

If you are a shareholder entitled to attend and vote, you are entitled to appoint one or two proxies. Where two proxies are appointed, you may specify the number or proportion of votes that each may exercise, failing which each may exercise half of the votes. A proxy need not be a shareholder of the Company.

If you want to appoint one proxy, you can use the form provided. If you want to appoint two proxies, please follow the instructions on the proxy form.

The Company's constitution provides that, on a show of hands, every person present and qualified to vote shall have one vote. If you appoint one proxy, that proxy may vote on a show of hands, but if you appoint two proxies neither proxy may vote on a show of hands.

If you appoint a proxy who is also a shareholder or is also a proxy for another shareholder, your directions may not be effective on a show of hands. Your directions will be effective if a poll is required and your proxy votes.

To record a valid vote members will need complete and lodge the Proxy Form (and the power of attorney or other authority (if any) under which it is signed, or a certified copy of it) at: the share registry of the Company, Computershare Investor Services Pty Limited, located at GPO Box 242, Melbourne VIC 3001, Australia or by facsimile on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia), no later than 10.00am Sydney time on Wednesday 25 November 2009.

Shareholders may arrange to receive shareholder information electronically, or obtain a replacement or second proxy form, by contacting Computershare on 1300 556 161 within Australia or +61 3 9415 4000 outside Australia or go to www.computershare.com Investor Centre.

Custodian voting - For Intermediary Online subscribers only please visit www.intermediaryonline.com to submit your voting intentions.

Admission to meeting

Shareholders who will attend the MobileActive Annual General Meeting and who will not appoint a proxy are asked to bring the proxy form (if they have one) to the meeting to help speed admission. Shareholders who do not plan to attend the meeting are encouraged to complete and return a proxy form for their holdings of MobileActive Limited shares.

Joint holders

In the case of shares held by joint holders, one of the joint holders may vote and if more than one joint holder is present and voting at the meeting, only the vote of the joint holder whose name appears first in the register may be counted.

Quorum

The Company constitution provides that five members or members present in person representing at least 10% of the voting shares constitutes a quorum.

Questions and comments by shareholders at the meeting

In accordance with the Corporations Act 2001, a reasonable opportunity will be given to shareholders at the meeting to ask questions about, or make comments on, the management of the Company. Similarly, a reasonable opportunity will also be given to shareholders at the meeting – as a whole – to ask MNSA, MobileActive's auditor, or their representative, questions relevant to the conduct of the audit, the preparation and content of the auditors report, the accounting policies adopted by the Company in relation to the preparation of the financial

statements, and the independence of the auditor in relation to the conduct of the audit.

Written questions for MNSA relevant to the conduct of the audit and the preparation and content of the auditors report must be received no later than 5.00pm Sydney time on Tuesday 24 November 2009 at Computershare (at the address or fax number for lodgment of proxy) or be sent to the Company Secretary of MobileActive at Level 10, 100 William Street, East Sydney, NSW, 2011 or by email to paul.jeronimo@mobileactive.com. A list of written questions to the auditor will be available at the meeting.

EXPLANATORY NOTES

1. TO RECEIVE AND CONSIDER THE REPORTS FOR THE YEAR ENDED 30 JUNE 2009.

As required by section 317 of the Corporations Act 2001 (Cth) ("Corporations Act") the financial report, Directors' Report, and Auditors' Report of MobileActive Limited (the "Company") for the financial year ended 30 June 2009 will be laid before the meeting. There is no requirement for a formal resolution on this item, and accordingly, this item is excluded from the proxy form. Shareholders will be given a reasonable opportunity at the meeting to ask questions and make comments on these reports.

2. TO ADOPT THE REMUNERATION REPORT FOR THE YEAR ENDED 30 JUNE 2009.

As required by section 300A of the Corporations Act, the Directors' report includes a section entitled "Remuneration Report". A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting. The Corporations Act requires listed companies to put the Remuneration Report for each financial year to a resolution of members at their annual general meeting.

Under the Corporations Act, the vote is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing remuneration practices and policies.

In summary, the Remuneration Report:

- explains the Board's policies in relation to the nature and level of remuneration paid to Directors and key management personnel of the Company;
- discusses the link between the Board's policies and the Company's performance; and
- sets out remuneration details for each director and for each member of MobileActive's senior executive management team.

The Board unanimously recommends that shareholders vote in favour of adopting the Remuneration Report.

3. RE-ELECTION OF DIRECTOR

Rule 6.4 of the Company constitution requires that one-third of the non-Executive Directors in office, must retire from office. A retiring Director is eligible for re-election.

Being eligible, Mr Gavin Whyte offers himself for re-election to the Board at the meeting.

A director of the company since December 2005, Mr Whyte brings a wealth of global experience in the mobile entertainment media industry to the company.

Mr Whyte is currently the Chief Operating Officer of Netplay TV plc, a UK based interactive gaming services provider. Prior to this, he was MD of Rubberduck Media Lab Ltd, a pioneer in enabling TV broadcasters and content owners to stream live TV and on demand content to 2.5G and 3G mobile handsets.

Mr Whyte is a member of the remuneration committee.

The Board (other than Mr Whyte) unanimously recommends that shareholders vote in favour of Mr Whyte's re-election.

4. APPROVAL OF GRANT OF OPTIONS TO EXECUTIVE DIRECTOR

Shareholder approval is sought for the grant of 10,000,000 options under the MobileActive Employee Option Plan to Mr Christopher Thorpe, Chief Executive Officer and Executive Director of the Company. Mr Thorpe is the only director eligible to participate in the MobileActive Employee Option Plan.

The issue will be governed by the MobileActive Employee Option Plan and as per ASX Listing Rule 10.14 requires shareholder approval.

ASX Listing Rule 10.15 requires this Notice of Meeting to include the following in relation to the options which may be granted to Mr Thorpe.

Within one month of the passing of Resolution 4 at the 2009 Annual General Meeting, the Board proposes to grant the options on the following conditions:

Tranche Details

Tranche No.	Exercise Price	First Exercise Date	Last Exercise Date	Number
1	\$0.0345	1 year from date of grant	4 years from date of grant	1,666,667
2	\$0.0460	1 year from date of grant	4 years from date of grant	1,666,667
3	\$0.0345	2 years from date of grant	4 years from date of grant	1,666,667
4	\$0.0460	2 years from date of grant	4 years from date of grant	1,666,667
5	\$0.0345	3 years from date of grant	4 years from date of grant	1,666,666
6	\$0.0460	3 years from date of grant	4 years from date of grant	1,666,666
Total				10,000,000

Each option entitles the holder, when exercised, to one fully paid ordinary share in the Company. The options will not be listed on the ASX, and the Company will seek quotation of the shares issued on exercise of the options. The issue price of the options will be nil and the exercise price to convert the options into ordinary shares will be set at a 50% premium to the 5-day volume weighted average price as at 22 October 2009 (Tranches 1, 3 and 5) and a 100% premium to the 5-day volume weighted average price as at 22 October 2009 (Tranches 2, 4 and 6). No loans will be provided by the Company in relation to the exercise of such securities.

Service Vesting Conditions

The options will vest in tranches on the First Exercise Dates set out in the table above provided that Mr Thorpe remains as Chief Executive Officer of the Company on that date.

Performance Vesting Conditions

There are no performance conditions attached to this grant.

Capital Events

If any reconstruction of the issued capital of the Company takes place (including consolidation or division of shares or reduction or return of capital), the number of options and the exercise price of the options will be reconstructed in accordance with the ASX Listing Rules so as to reflect the reconstruction of the ordinary share capital of the Company, but so that no additional benefits are conferred to the option holder.

Assessed Value of the Benefit

The value of the options has been assessed by an independent consultant applying a Binomial Approximation Option Pricing Model.

The values attributable are based on variables determined at the date of valuation and are indicative only. The Company will prepare and report a valuation based on actual variables at the date of issue, if approved and offered.

The input variables applied in the model for the purposes of the indicative value are as follows:

Input variables:

Indicative date	22 October 2009
Share price	\$0.023
Exercise Price	\$0.0345 (Tranches 1,3 and 5)
Exercise Price	\$0.0460 (Tranches 2,4 and 6)
Risk free rate	5.53%
Expected dividend yield	0%
Standard deviation	50.00%
Number of days	1,416
Assessed value per Option	\$0.006591 (average)
Number of Options	10,000,000
Estimated annualised value	\$16,478

Potential value of the benefit

Depending on the future value of MBA shares, the estimated value of the benefit under a number of scenarios is as follows:

Future MBA share price	Potential Value of the benefit (\$)	MBA market capitalisation if potential benefit achieved (\$)* ^
\$0.0230	Nil	\$4.30
\$0.0345	Nil	\$6.44
\$0.0460	\$57,500	\$8.59
\$0.1000	\$195,000	\$18.68

* Assumes service condition and other vesting conditions met.

^ Assumes constant issued capital.

The Board (other than Mr Thorpe) unanimously recommends that shareholders vote in favour of approving the grant of options to Mr Thorpe.

5. RATIFICATION OF EMPLOYEE SHARE BASED PAYMENTS AND REFRESH OF 15% APPROVAL

During the year ended 30 June 2009, the Company announced the issue of:

- 16,032,258 ordinary shares to executives under the MobileActive Deferred Employee Share Plan. and;
- 7,150,000 options to employees and executives under the MobileActive Employee Option Plan.

Item 5 seeks shareholder approval for the purposes of ASX Listing Rule 7.4 in respect of the issue of securities.

Listing Rule 7.1 restricts the Company from issuing equity securities, such as shares and options, which in any 12 month period amount to more than 15% of the Company's total shares on issue 12 months before the date of the proposed issue.

Listing Rule 7.4 allows shareholders to approve an issue of shares and options, so that those shares and options will not be counted towards the 15% limit when considering future issues of equity securities. Accordingly, the Company seeks ratification of the issue of the 16,032,258 ordinary shares and 7,150,000 employee options in order to reinstate the Company's capacity to issue up to 15% of its issued capital, if required, in the next 12 months, without shareholder approval.

Pursuant to and in accordance with Listing Rule 7.4, the following information is provided regarding the issue of:

- 16,032,258 ordinary shares
 - (a) Shares were awarded as part of the Company's reward strategy for the retention of key executives.
 - (b) Mr Neil Wiles was awarded 12,000,000 ordinary shares and Mr Allan Robertson was awarded 4,032,258 ordinary shares.
 - (c) no funds were raised from the issue of the Employee options as they were issued pursuant to the MobileActive Deferred Employee Share Plan;
 - (d) Share price at issue date 30 June 2009 was 2.48 cents per share.
 - (e) The shares are fully paid ordinary shares in the capital of the Company.

- 7,150,000 employee options
 - (a) The options were allotted and issued during the year ended 30 June 2009;
 - (b) The issue price of the options was nil and the exercise price to convert the options into ordinary shares is set at 3.75 cents per share, being set at a 50% premium to the 5-day volume weighted average price at the grant date;
 - (c) no funds were raised from the issue of the employee options as they were issued pursuant to the MobileActive Employee Option Plan;
 - (d) Each option entitles the holder, when exercised, to one fully paid ordinary share in the Company;
 - (e) Vesting occurs in 3 tranches with one-third vesting after twelve, 24 and 36 months respectively after the grant date;
 - (f) Options have an expiry of three years after the grant date. An option not exercised before the expiry date will lapse;
 - (g) The options will not be listed on the ASX. The Company will seek quotation of the shares issued on exercise of the options;
 - (h) If any reconstruction of the issued capital of the Company takes place (including any consolidation or division of shares or reduction or return of capital), the number of options and the exercise price of the options will be reconstructed in accordance with the ASX Listing Rules so as to reflect the reconstruction of the issued ordinary share capital of the Company, but so that no additional benefits are conferred on the option holder;
 - (i) An employee option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the employee option can be exercised.

The directors unanimously recommend that shareholders vote in favour of this item of special business.

6. APPROVAL OF NEW ISSUE

A summary of ASX Listing Rule 7.1 is contained in Section 5 of the Explanatory Notes.

Item 6 seeks authorisation pursuant to ASX Listing Rule 7.1 for the Board to issue up to 37,000,000 shares at an issue price of not less than 85% of the average market price of the shares over the last five days on which sales in the shares are recorded before the day on which the shares are issued, within three months from the date of the meeting or such later date permitted by an ASX waiver or modification.

The Company continues to look to acquire complementary intellectual property and or businesses both locally and internationally operating in the mobile content and entertainment sector.

The effect of item 6 will be to allow the Directors to issue the shares during the period of three months after the AGM (or a longer period if allowed by the ASX), without using the Company's annual 15% placement capacity, should an appropriate opportunity arise.

The issue of new shares may be directly to vendors in consideration of the acquired businesses or issued to investors for cash to raise funds to meet a cash consideration. Any issue to vendors will not result in such persons holding greater than 19.9% of the total issued capital of the Company.

Shareholder approval is sought for the issue of up to 37,000,000 fully paid shares (approximately 19.9% of the issued ordinary shares of the Company, assuming the Employee and Non-Employee share options are not exercised) to be used in consideration for complementary business acquisitions. The Directors anticipate that business acquisition opportunities may arise in the near future and that in such circumstances the issue of new shares will be required. If shareholder approval is provided at the AGM, the Directors will not incur the additional costs of seeking shareholder approval for the issue of the shares in consideration for an acquisition at a subsequent date.

ASX Listing Rule 7.3 requires that the information below be provided to Shareholders when seeking approval for the purposes of ASX Listing Rule 7.1:

- (a) the maximum number of securities that will be issued is 37,000,000 shares;
- (b) the shares will be issued at an issue price of not less than 85% of the average market price of the shares over the last five days on which sales in the shares are recorded before the day on which shares are issued;
- (c) the Company proposes to issue the shares to vendors of an acquisition or to professional and sophisticated investors (if the Company is required to raise funds to meet a cash purchase price for the acquisition) none of whom will be related parties of the Company;
- (d) the shares will be issued within three months of the AGM, or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules and it is expected that the shares will be allotted on the same date;
- (e) the shares will rank equally with the Company's other issued fully paid shares. The Company will apply to the ASX for quotation of the shares on the ASX; and
- (f) the funds raised by the issue of shares will be applied in the following manner;
 - to fund acquisitions;
 - to cover the costs of issue; and
 - to provide working capital.

The Board unanimously recommends that Shareholders vote in favour of this item of special business.

7. APPROVAL OF MOBILEACTIVE EMPLOYEE OPTION PLAN

Under Listing Rule 7.1, the Company may issue equity securities equivalent to 15% of the total issued equity securities in the Company without obtaining a further shareholder approval.

Listing Rule 7.2 Exception 9 contains an exception to the 15% limit where shareholders have approved the issue of securities under an employee incentive scheme within 3 years before the date of issue of securities or the scheme was established before the entity was listed.

It is common for companies to obtain approvals of the issue of securities pursuant to an employee incentive scheme every 3 years, so that Listing Rule 7.2 Exception 9 continues to apply to the employee incentive scheme.

It is proposed by Item 7 to approve the issue of securities under the EOP under ASX Listing Rule 7.2, exception 9. If passed, the approval will remain current for three years from the date of the Annual General Meeting.

Summary

The EOP was established on 26 June 2009 and complied with the then current Division 13A (ITAA 1936). If the EOP is approved by shareholders, it is intended to amend the EOP Plan Rules to comply with the proposed Division 83A (ITAA 1997), Taxation Administration Act 1953 (TAA 1953) and Division 392 (TAA 1953) once this legislation has been enacted.

The Board may offer options to acquire shares to invited executives having regard to their actual and potential contribution to the Company. The exercise price will be determined by reference to the weighted average market price of MobileActive shares up to and including the date of grant of the option or such other date or period as the Board determines. For senior executives, larger volumes of options are generally offered, exercisable in tranches at future dates and at increasing prices.

Options cannot be transferred. Options will not be quoted on ASX. Shares issued under EOP on the exercise of the options will rank equally with other ordinary shares of the Company and will be listed.

An option may only be exercised by a date determined by the Board (First Exercise Date) and will lapse, if not exercised, at date determined by the Board (Last Exercise Date) not exceeding 10 years, subject to applicable performance hurdles and other restrictions set in the offer letter. An unexpired option will also lapse on a date six months after a participating executive dies, retires, is made redundant or becomes disabled, or the date one month after the participating executive ceases to be employed by MobileActive for any other reason.

Lapse of options

Failure to satisfy the conditions of offer or where the Board is of the opinion that a participant has been dismissed with cause or has committed any act of fraud, defalcation or gross misconduct in relation to the Company, any options allocated to a participant are lapsed unless the Board resolves otherwise.

Limitation on Issues

The number of options that may be issued or acquired under the EOP when aggregated with the number of shares issued or acquired during the previous 5 years from share issues under all employee share schemes established by the Company (including shares issued as a result of exercise of options granted during the previous 5 years under any such employee share scheme) must not exceed 20 percent of the total number of shares on issue.

A copy of the EOP Rules may be requested from the Company Secretary, by telephoning (02) 9360 3385.

If shareholders do not approve Item 7, the Company may still issue options under the EOP, but any such options will count towards the 15% limit on the issue of equity securities in any 12 month period imposed by Listing Rule 7.1. Regardless of whether or not shareholders approve Item 7, any issue of options under the EOP to a director of the Company will require shareholder approval under ASX Listing Rule 10.14.

The Board unanimously recommends that Shareholders vote in favour of this item of special business.

S. APPROVAL OF MOBILEACTIVE DEFERRED SHARE PLAN

Under Listing Rule 7.1, the Company may issue equity securities equivalent to 15% of the total issued equity securities in the Company without obtaining a further shareholder approval.

Listing Rule 7.2 Exception 9 contains an exception to the 15% limit where shareholders have approved the issue of securities under an employee incentive scheme within 3 years before the date of issue of securities or the scheme was established before the entity was listed.

It is common for companies to obtain approvals of the issue of securities pursuant to an employee incentive scheme every 3 years, so that Listing Rule 7.2 Exception 9 continues to apply to the employee incentive scheme.

It is proposed by this Item 8 to approve the issue of securities under the DESP under ASX Listing Rule 7.2, exception 9. If passed, the approval will remain current for three years from the date of the Annual General Meeting.

The operation of the DESP involves financial assistance in connection with the acquisition of shares in the Company. Accordingly, shareholder approval is also sought pursuant to section 260C of the Corporations Act 2001.

Section 260A of the Corporations Act 2001 sets out certain requirements with which a company must comply in order to be able to financially assist a person to acquire shares in the company. Section 260C (4) provides that the provision of financial assistance under an employee shares scheme that is approved by a resolution passed at a general meeting of the company will be exempted from the requirements of section 260A.

Summary

The DESP was established on 26 June 2009 and complied with the then current Division 13A (ITAA 1936). If the DESP is approved by shareholders, it is intended to amend the DESP Trust Deed to comply with the proposed Division 83A (ITAA 1997), Taxation Administration Act 1953 (TAA 1953) and Division 392 (TAA 1953) once this legislation has been enacted.

The DESP allows invited eligible employees, including Directors, to receive MobileActive shares as a bonus/incentive or as a remuneration sacrifice and, subject to certain conditions, not pay tax for up to 7 years on the benefit.

In respect of remuneration sacrifice offers, all permanent employees at the time of offer are invited to subscribe for a maximum of \$5,000.00 per annum. Participating employees acquire the shares by way of remuneration sacrifice – agreeing to forego future income for share benefits. The Board may also approve a Company contribution to participating employees to further encourage their participation. In addition, the Company meets the cost of Plan administration.

Operation of the DESP

The DESP operates under a Trust. The participant's ownership of the shares, and his or her right to deal with them, are governed by the rules set out in the Trust Deed. The shares are held by the Trustee until the shares have vested with the particular participant subsequent to satisfaction of any performance and/or criteria and an application for withdrawal has been accepted by the Company.

Entitlement to Shares

Prior to satisfaction of any performance and/or service criteria a participant will only have a conditional entitlement to the shares. The conditional entitlement to the shares will lapse if any performance and/or service criteria are not met prior to the time of the vesting of the shares. However participants may at any time submit a notice of withdrawal of shares held by them in the event of Special Circumstances. Special Circumstances is defined as retirement, redundancy, death or permanent disablement of a participant, or such other circumstances determined by the Board from time to time.

Forfeiture of shares

Failure to satisfy the conditions of offer or where the Board is of the opinion that a participant has been dismissed with cause or has committed any act of fraud, defalcation or gross misconduct in relation to the Company, any shares allocated to a participant are forfeited unless the Board resolves otherwise.

Shareholding Rights

Shares issued under the DESP carry full shareholder rights such as in relation to rights and bonus issues, voting and dividends but will not participate in any dividend reinvestment plan.

Change of control

The Board will notify participants to enable them to withdraw shares from the DESP where there is publicly announced any proposal in relation to the Company which the Board reasonably believes may lead to a change in control of the Company as that term is defined in the DESP.

Limitation on Issues

The number of shares that may be issued or acquired under the DESP when aggregated with the number of shares issued or acquired during the previous 5 years from share issues under all employee share schemes established by the Company (including as shares issued as a result of the exercise of options granted during the previous 5 years under any such employee share scheme) must not exceed 20 percent of the total number of shares on issue.

A copy of DESP Trust Deed may be requested from the Company Secretary, by telephoning (02) 9360 3385.

If shareholders do not approve Item 8, the Company may still issue shares under the DESP, but any such shares will count towards the 15% limit on the issue of equity securities in any 12 month period imposed by Listing Rule 7.1. Regardless of whether or not shareholders approve Item 8, any issue of shares under the DESP to a director of the Company will require shareholder approval under ASX Listing Rule 10.14.

The Board unanimously recommends that Shareholders vote in favour of this item of special business.

By order of the Board.

Paul Jeronimo
Company Secretary
29 October 2009

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 556 161
(outside Australia) +61 3 9415 4000

000001 000 MBA
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

For your vote to be effective it must be received by 10.30am (Sydney time) on Wednesday, 25 November 2009

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form ➔



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN: I999999999

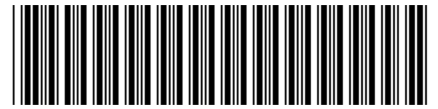


PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

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MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Mobileactive Limited hereby appoint

the Chairman of the meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of MobileActive Limited to be held at The Bayview Boulevard Sydney, Stanley Room, Level 2 90 William Street, NSW 2011 on Friday, 27 November 2009 at 10.30am and at any adjournment of that meeting.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

For Against Abstain

2.	To adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	To re-elect Mr Gavin Whyte as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SPECIAL BUSINESS

4.	Approval of Options Issue to Executive Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	Ratification of Options Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	Approve New Issue of Ordinary Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	Approve the MobileActive Employee Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.	Approve the MobileActive Deferred Employee Share Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date ____/____/____