

Innovance Ltd
82 Fullarton Road, NORWOOD SA 5067
Tel *61 8 8130 2000 Fax: *61 8 8363 1980

24 October 2008

Dear Shareholder

ANNUAL GENERAL MEETING

I am pleased to invite you to attend the Annual General Meeting of Innovance Limited to be held at the offices of HLB Mann Judd (SA) Pty Ltd 82 Fullarton Road, Norwood South Australia 5067 on Tuesday 25 November 2008 at 9.30am.

If you are unable to attend the meeting in person, I encourage you to return the enclosed Proxy Form. The Proxy Form should be returned by post or faxed to the Company's Office or Share Registry so that it may be received by 9.30 am on Sunday 23 November 2008.

Yours sincerely,



DAVID BROOKES
CHAIRMAN

Encl.

Innovance Ltd
82 Fullarton Road, NORWOOD SA 5067
Tel: *61 8 8130 2000 Fax: *61 8 8363 1980

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Innovance Limited will be held at the offices of HLB Mann Judd (SA) Pty Ltd, 82 Fullarton Road, Norwood South Australia 5067 on Tuesday 25 November 2008 at 9.30am.

Ordinary Business

To receive and consider the Financial Statements for the year ended 30 June 2008 and accompanying reports of the Directors and Auditor.

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

- 1] **Adoption of the remuneration report**
"That the Company adopt the Remuneration Report for the year ended 30 June 2008 as set out in the Company's Annual Report."
- 2] **To consider the re-election of Mr Stephens Evans as a Director of the Company**
"That Stephen Evans, having retired automatically as a Director in accordance with clause 5.1 of the Company's Constitution, being eligible, and having offered himself for election, is elected as a Director with effect immediately following the conclusion of the meeting."

Explanatory Notes

The Explanatory Notes accompanying this Notice of Annual General Meeting are incorporated in and comprise part of this Notice of Annual General Meeting, and should be read in conjunction with this Notice.

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

Proxies

Please note that:

- (a) a member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company 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 proportion or number is not specified, each proxy may exercise half of the votes.

“Snap-shot” Time

The Company may specify a time, not more than 48 hours before the meeting, at which a “snap-shot” of shareholders will be taken for the purposes of determining shareholder entitlements to vote at the meeting. The Company’s directors have determined that all Shares of the Company that are quoted on NSX as at 9.30am on 23 November 2008 shall, for the purposes of determining voting entitlements at the Annual General Meeting, be taken to be held by the persons registered as holding the Shares at that time.

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 and/or registry in advance of the meeting or handed in at the meeting when registering as a corporate representative.

Dated 24 October 2008

**BY ORDER OF THE BOARD
INNOVANCE LIMITED**

A handwritten signature in cursive script, reading "Donald Stephens".

**DONALD STEPHENS
COMPANY SECRETARY**

Voting

A Proxy Form is enclosed with this Notice.

EXPLANATORY NOTES

Introduction

These Explanatory Notes set out information in connection with the business to be considered at the Annual General Meeting of shareholders to be held at the offices of HLB Mann Judd (SA) Pty Ltd 82 Fullarton Road Norwood South Australia 5067 on Tuesday 25 November 2008 at 9.30am.

These Explanatory Notes should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in these Explanatory Notes are either defined in the Glossary or elsewhere in these Explanatory Notes.

Resolution 1 : Adoption of Remuneration Report

The Annual Report for the year ended 30 June 2008 contains a Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive Director, specified Executives and non-executive Directors. The report is set out in the Directors' Report section of the Annual Report.

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report be put to the vote of the Company. Shareholders should note that the vote on Resolution 1 is advisory only and will not bind the Company or the Directors. However, the Board has determined that it will take the outcome of the vote into consideration when reviewing the Company's remuneration policy.

Resolution 2 : Re-election of Director

In accordance with clause 6.1 of the Company's Constitution at every Annual General Meeting, one third of the Directors for the time being (excluding those who retire under clause 9.2 of the Constitution) must retire from office and are eligible for re-election. Accordingly Mr Stephen Evans will retire in accordance with clause 6.1 of the Constitution and is eligible for, and offer himself for, re-election.

Resume of the candidate for election to the office of Director are as follows:-

Stephen Evans BA(Acc),AU FAICD Non Executive Director

Stephen Evans is the Managing Partner of a leading Adelaide based accounting firm, "RJC Evans & Co" which was established in 1920. Stephen has over 25 years experience in advising small, medium and large corporations in relation to tax, accounting, financial and business related matters. He is a member of the Taxation Institute of Australia, National Institute of Accountants and a Fellow of the Institute of Company Directors. He brings to the Board a wealth of experience in the accounting, financial and taxation fields. Stephen is a non-executive director of WCP Resources Limited, Newport Mining Ltd and Panax Geothermal Limited (formerly Uranoz Limited) and the non-executive chairman of Chesser Resources Limited.

Interpretation

Terms defined in the Notice of Meeting have the same meaning in the Explanatory Notes

Glossary

“Board” means the board of directors of the Company;

“Company” means Innovance Limited ACN 117 330 757;

“Constitution” means the constitution of the Company;

“Corporations Act” means *Corporations Act 2001* (Cth);

“Director” means a director of the Company;

“Meeting” means the meeting of shareholders convened by the Notice;

“Notice” means the notice of Annual General Meeting to which these Explanatory Notes are attached;

“NSX” means National Stock Exchange Limited ABN 11 000 902 063;

“NSX Listing Rules” means the official listing rules of NSX; and

“Shares” means fully paid ordinary shares in the capital of the Company.

Innovance Limited

ACN 117 330 757

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

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 all enquiries call:

(within Australia) 1300 658 562
(outside Australia) +61 3 9415 4232

Proxy Form



For your vote to be effective it must be received by 9.30am (Adelaide time) Sunday 23 November 2008

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.computershare.com.

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: I9999999999



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

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 Innovance Ltd 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 Innovance Ltd to be held at the offices of HLB Mann Judd (SA) Pty Ltd, 82 Fullarton Road, Norwood, South Australia 5067 on Tuesday, 25 November 2008 at 9.30am 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.

| | For | Against | Abstain |
|--|--------------------------|--------------------------|--------------------------|
| 1 Adoption of the remuneration report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 Re-election of Mr Stephen Evans as a Director of the Company | <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 ____/____/____