

NOTICE OF EXTRAORDINARY GENERAL MEETING

Dear Shareholder,

IQNovate Limited is pleased to attach a Notice of Extraordinary General Meeting for a meeting of shareholders to be held on Friday 15th June 2012 at Level 4, Shangri-La Hotel, 176 Cumberland Street, Sydney, NSW commencing at 10.00am (Sydney time).

The purpose of the meeting is to consider and if thought fit pass a resolution to approve minor changes to the constitution of the Company to ensure that the Company constitution meets the requirements of the ASX as well as the NSX. This is done in contemplation of the move from the official list of the NSX to the official list of the ASX.

By order of the Board



Spiro Sakiris
Company Secretary
IQN Limited
Ph: + 61 2 9266 2203
Email: sakis@economos.com.au

IQNovate Limited
ABN: 26 149 731 644
Date: Friday 15th June 2012, 10:00 am
Place: Level 4, Shangri-La Hotel, 176 Cumberland Street, Sydney

The Explanatory Statement to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Statement, Notes and Proxy Form each form part of this Notice.

Terms and abbreviations used in this Notice, the Explanatory Statement, the Notes and the Proxy Form are defined in the Glossary.

AGENDA

1. The Members Resolution considered at the meeting is as follows:

"That the Company amend its Constitution as follows:-

1. By adding to clause 1.1 the following definition
 "ASX" means ASX Limited ABN 98 008 624 691
2. By deleting the existing definition in clause 1.1 of ~~%Listing Rules+~~ and replacing it with the following definition:-

"Listing Rules" means the Listing Rules of the NSX in the event that the Company is listed on the NSX and the Listing Rules of the ASX in the event that the Company is listed on the ASX and any other rules of the NSX (if the Company is listed on the NSX) or the ASX (if the Company is listed on the ASX) which apply while the Company is admitted to the Official List, each rule as amended or replaced from time to time, except to the extent of any express written waiver by the NSX (if the Company is listed on the NSX) or the ASX (if the Company is listed on the ASX);

3. That clause 8.4(c) be deleted and replaced with the following replacement clause 8.4(c)
 registration of the transfer may break an Australian law and the NSX (if the Company is listed on the NSX) or the ASX (if the Company is listed on the ASX) has agreed in writing to the application of a holding lock (which must not breach a ASTC Business Rule) or that the Company may refuse to register a transfer;
4. That the words, ~~%or the NSX+~~ be deleted from clause 12(a)
5. That the words, ~~%or the NSX+~~ be deleted from clause 12(b)
6. That the existing clause 13.9(b) is deleted and replaced with the following clause:-
 (b) serve on the NSX (if the Company is listed on the NSX) or the ASX if the Company is listed on the ASX),
7. That the definition of ~~%Authorised Price+~~ in clause 14.1 be deleted and replaced with the following definition:-

"Authorised Price" means the price per Share equal to the average of the last sale price of the Shares of the Company quoted on the NSX (if the Company is listed on the NSX) or the ASX (if the Company is listed on the ASX) for each of the 10 trading days immediately preceding the date of any offer to purchase Unmarketable Parcels accepted by the Company pursuant to this clause;

8. That the words, ~~%and NSX(if applicable)+~~ be deleted from clause 33.3

9. That the existing clause 34.4 be deleted and replaced with the following clause:-
- 34.4.1 The Register, including any subregisters kept pursuant to the Listing Rules or ASTC Business Rules, and any branch register of Members of the Company must be audited at least once every 12 Months or whenever the NSX (if the Company is Listed on the NSX) or the ASX (if the Company is listed on the ASX) otherwise asks.

Dated 14 May 2012

By order of the Board
Spiro Sakiris
Company Secretary

NOTES

These Notes form part of the Notice and should be read in conjunction with the Notice, the Explanatory Statement and the Proxy Form.

Right to Vote

The Directors have determined that, for the purpose of voting at the Meeting, Shares will be taken to be held by those persons who are registered as holders of the Shares at 7.00 pm on Wednesday, 13th June 2012.

Share transfers registered after that time will be disregarded in determining an entitlement to attend and vote at the Meeting.

How to Vote

Shareholders entitled to vote at the Meeting may vote by attending the Meeting in person, by attorney or proxy or, in the case of corporate shareholders, by a corporate representative.

Appointment of Proxies

Each Shareholder entitled to vote at the Meeting may appoint a proxy to attend and vote at the Meeting. A proxy need not be a Shareholder and can be an individual or a body corporate. A body corporate appointed as a Shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the Meeting. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

A Shareholder 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 in accordance with the instructions on the Proxy Form. If a Shareholder appoints 2 proxies and the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half the Shareholder's votes.

Lodgment of Proxy Documents

For an appointment of a proxy for the Meeting to be effective:

“ the proxy's appointment; and

“ if the appointment is signed by the appointer's attorney, the authority under which the appointment was signed (e.g. a power of attorney) or a certified copy of it, must be received by the Company **by no later than 10.00 am Sydney time on 13th June 2012**, using one of the following methods:

By hand or post: Level 3, 222 Clarence Street, SYDNEY NSW 2000

By fax: + 61 2 8362 9322

By email: sakis@economos.com.au

Bodies Corporate

A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of a company's members. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

EXPLANATORY STATEMENT

The information in this Explanatory Statement forms part of the Notice and has been prepared for the information of Shareholders in connection with the Meeting to be held on Friday, 15th June 2012, at 10.00 am Sydney time at Level 4, Shangri-La Hotel, 176 Cumberland Street, Sydney, NSW

This Explanatory Statement should be read in conjunction with the Notice, the Notes and the Proxy Form. Terms and abbreviations used in this Explanatory Statement are defined in the Glossary.

RESOLUTIONS

1. Modification to constitution

The Company's constitution currently does not include the relevant clauses to comply with the listing requirements required by the Australian Stock Exchange (ASX Limited). The minor amendments to the constitution will ensure that the constitution complies with the listing rules of the ASX. The amendments are proposed in contemplation of the move of IQNovate Limited from the official list of the National Stock Exchange (NSX) to the official list of the ASX.

GLOSSARY

Board means the Board of Directors of the Company.

Company means IQNovate Limited ABN 26 149 731 644

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Explanatory Statement means this explanatory statement.

Meeting has the meaning given in the introductory paragraph of the Notice and includes, for the avoidance of doubt, any meeting arising from the adjournment or postponement of the Meeting.

Notes means the notes included in this Notice.

Notice means the notice of extraordinary general meeting in respect of the Meeting and includes the Explanatory Statement, Notes and Proxy Form accompanying the Notice.

Proxy Form means the proxy appointment form enclosed with the Notice.

Resolution means a resolution contained in the Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

FOR ALL ENQUIRIES CALL:
(within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

FACSIMILE
+61 2 9290 9655

ALL CORRESPONDENCE TO:
Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001
Australia

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Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an 'X' and make the correction on the form. Securityholders sponsored by a broker should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

YOUR VOTE IS IMPORTANT

FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 10 am WEDNESDAY 13th JUNE 2012

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 Appointment of Proxy

Indicate here who you want to appoint as your Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chairman of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 Voting Directions to your Proxy

You can tell your Proxy how to vote

To direct your proxy how to vote, place a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

STEP 3 Sign the Form

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders must sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the meeting at **10 am on Friday, 15th June 2012**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

BY MAIL - Level 3
222 Clarence Street
Sydney NSW 2000 Australia

BY FAX - +61 2 8362 9322

IN PERSON - Level 3
222 Clarence Street
Sydney NSW 2000 Australia

BY E-MAIL - sakis@economos.com.au

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

STEP 1 - Appointment of Proxy

I/We being a member/s of IQnovate Limited and entitled to attend and vote hereby appoint

<input type="checkbox"/>	the Chairman of the Meeting (mark with an 'X')	OR	<input type="text"/>
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If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

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 at the **Extraordinary General Meeting of IQnovate Limited to be held at Level 4, Shangri-La Hotel, 176 Cumberland Street Sydney, NSW 2000 on Friday the 15th of June 2012 at 10 am** and at any adjournment of that meeting, to act 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.

STEP 2 - Voting directions to your Proxy – please mark ☒ to indicate your directions

Ordinary Business

Resolution 1 Modification of constitution

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

In addition to the intentions advised above, the Chairman of the Meeting intends to vote undirected proxies in favour of each of the items of business.

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

STEP 3 - PLEASE SIGN HERE This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone Date / / 2012