

Notice of 2008 Annual General Meeting

NOTICE OF 2008 ANNUAL GENERAL MEETING

EXPLANATORY MEMORANDUM

PROXY FORM (*SEPARATE*)

Date of Meeting

Friday 28 November 2008

Time of Meeting

10:30 am Sydney time

Place of Meeting

Pinaroo 2 Function Room

Grace Hotel

77 York Street

SYDNEY, NEW SOUTH WALES

Notice of 2008 Annual General Meeting

NOTICE IS HEREBY GIVEN that the 2008 Annual General Meeting of Entellect Solutions Limited will be held at 10:30 am on Friday 28 November 2008 in the Pinaroo 2 function room, Grace Hotel, 77 York Street Sydney NSW 2000.

The business to be considered at the meeting is set out below. This Notice of Meeting should be read in conjunction with the accompanying Explanatory Memorandum, which contains information in relation to each of the following resolutions. A Proxy Form also accompanies this Notice of Meeting.

If you are unable to attend the Annual General Meeting of Shareholders please complete and return the proxy form in accordance with the specified directions.

ORDINARY BUSINESS

RECEIPT OF FINANCIAL STATEMENTS AND REPORTS

1. Financial Statement and Report

To receive the reports of the Directors and the Auditors, and the Financial Statements for the year ended 30 June 2008.

A copy of the Company's 2008 Annual Report (including the Reports of the Directors and Auditors, and the Financial Report for the year ended 30 June 2008) has not been mailed to all shareholders with this notice of meeting.

Shareholders may access these documents electronically at the following website: www.entellecsolutions.com.

ADOPTION OF THE REMUNERATION REPORT

2. Adoption of the Remuneration Report

To adopt the Remuneration Report for the financial year ended 30 June 2008.

ELECTION OF DIRECTORS

3. Re-election of Mr Conrad Walter Crisafulli as a Director

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

Mr Conrad Walter Crisafulli retires as a Director in accordance with the Company's Constitution and, being eligible, offers himself for re-election.

4. Re-election of Mr Paul Anthony Devine as a Director

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

Mr Paul Anthony Devine retires as a Director in accordance with the Company's Constitution and, being eligible, offers himself for re-election.

5. Re-election of Mr Paul Bernard Lowry as a Director

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

Mr Paul Bernard Lowry retires as a Director in accordance with the Company's Constitution and, being eligible, offers himself for re-election.

APPROVAL OF ISSUED SECURITIES

6. Ratification of placement

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

That for the purpose of ASX Listing Rule 7.4 and for all other purposes approves the issue by the Company of 22,947,885 fully paid ordinary shares at \$0.01 per share which raised \$229,479 by way of a placement which took place on the 4th July 2008 to the persons and on the terms set out in the Explanatory Notes.

7. Ratification of placement

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

That for the purpose of ASX Listing Rule 7.4 and for all other purposes approves the issue by the Company of 60,000,000 fully paid ordinary shares at \$0.01 per share which raised \$600,000 by way of a placement which took place on the 8th August 2008 to the persons and on the terms set out in the Explanatory Notes.

8. Grant of options issue

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

That for the purpose of ASX Listing Rule 10.13 and for all other purposes approves the issue by the Company of 5,000,000 options at an exercise price of \$0.01 and expiry date of 31 December 2011 to Jeffrey Hixon Bennett, a director of Entellect Solutions Limited, on the terms set out in the Explanatory Notes.

9. Grant of options issue

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

That for the purpose of ASX Listing Rule 10.13 and for all other purposes approves the issue by the Company of 5,000,000 options at an exercise price of \$0.01 and expiry date of 31 December 2011 to Paul Anthony Devine, a director of Entellect Solutions Limited, on the terms set out in the Explanatory Notes.

10. Grant of options issue

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

That for the purpose of ASX Listing Rule 10.13 and for all other purposes approves the issue by the Company of 5,000,000 options at an exercise price of \$0.01 and expiry date of 31 December 2011 to Conrad Walter Crisafulli, a director of Entellect Solutions Limited, on the terms set out in the Explanatory Notes.

11. Grant of options issue

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

That for the purpose of ASX Listing Rule 10.13 and for all other purposes approves the issue by the Company of 5,000,000 options at an exercise price of \$0.01 and expiry date of 31 December 2011 to Paul Bernard Lowry, a director of Entellect Solutions Limited, on the terms set out in the Explanatory Notes.

12. Other Business

To transact any other business which may be brought forward at the Annual General Meeting in accordance with the Company's Constitution.

Voting Exclusions:

In respect of Resolutions 8 – 10, the Company will disregard any votes cast on this resolution by the persons, or associates of those persons who participated in the issue.

ADMISSION TO MEETING

Corporate representatives are required to bring appropriate evidence of appointment as a representative in accordance with the constitution of the Company. Attorneys are requested to bring the original or certified copy of the power of attorney pursuant to which they were appointed. Proof of identity will also be required for corporate representatives and attorneys.

PROXIES

In accordance with Section 249L of the Corporations Act 2001 (Cwlth), shareholders are advised that:

- each shareholder has a right to appoint one or two proxies;
- a proxy need not be a shareholder of the Company;
- where a shareholder is entitled to cast two or more votes, the member may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise;
- if a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes; AND
- if a shareholder appoints two proxies, neither proxy may vote on a show of hands.

Detailed explanations of the background and reasons for the proposed resolutions are set out in the attached Explanatory Notes.

In accordance with Section 250BA of the Corporations Act 2001 (Cwlth), the Company specifies the following information for the purposes of receipt of proxy appointments:

Mail to:

Entellect Solutions Share Registry
Registries Limited
Level 7, 207 Kent Street
Sydney NSW 2000

Postal Address:

GPO Box 3993
Sydney NSW 2001

Facsimile Number: (02) 9279 0664

A proxy is not entitled to vote unless the instrument appointing the proxy and the power of attorney or other authority (if any) under which it is signed is either deposited at the registered office of the Company or sent by facsimile to that office to be received not less than 48 hours prior to the time of the meeting.

If a shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution.

ENTELLECT SOLUTIONS LIMITED

ABN 41 009 221 783

DATE FOR DETERMINING HOLDERS OF SHARES

For the purposes of Regulation 7.11.37 of the Corporations Act 2001 (Cwlth), the Directors have set the close of business (5pm Sydney time) on 25th November 2008 as the date to determine who is the holder of shares in the Company for the purposes of the Annual General Meeting.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'David Michel', with a horizontal line underneath it.

David Michel
Company Secretary

EXPLANATORY NOTES

RECEIPT OF FINANCIAL STATEMENTS AND REPORTS

Resolution 1

This item of business relates to the receipt and adoption of the Company's financial statements and reports for the year ended 30 June 2008. These documents were released to the ASX on 30 September 2008 as part the Company's 2008 Annual Report. As a result of the legislative changes, the 2008 Annual Report has not been automatically mailed to all members.

The 2008 Annual Report can be accessed in notices lodged on 30 September 2008 on the Australian Stock Exchange website under the Company Code ESN or on the Company's website at www.entellecsolutions.com.

ADOPTION OF THE REMUNERATION REPORT

Resolution 2

The Corporations Act 2001 (Cwlth) requires that a resolution be put to members to adopt the Remuneration Report as disclosed in the Directors' Report (which together form part of the Company's 2008 Annual Report). Members' vote on this resolution is advisory and non binding. The resolution gives members the opportunity to ask questions or make comments regarding the Remuneration Report during the meeting.

ELECTION OF DIRECTORS

Resolution 3 – Re-election of Mr Conrad Crisafulli as a Director

Mr Conrad Crisafulli was appointed to the Board on 6 August 2008 which was subsequent to the last Extraordinary General Meeting.

Mr Crisafulli has extensive experience in all aspects of technology commercialisation. He is currently Director for IP Commercialisation at Curtin University of Technology and managing director of TechStart Australia and its investee companies. He is the former chairman of ASX listed companies Meditech Research Ltd and Cool Energy Ltd and holds a number of IT&T company directorships. His skills and expertise will provide the Company with an exceptional depth of knowledge and experience in achieving its goals.

Mr Crisafulli is required by the Company's Constitution to retire at the 2008 Annual General Meeting and having done so, is eligible to and seeks re-election to the Board. The Board (with Mr Crisafulli abstaining) strongly recommend that members approve his re-election.

Resolution 4 – Re-election of Mr Paul Anthony Devine as a Director

Mr Paul Anthony Devine was appointed to the Board on 1 May 2008 which was subsequent to the last Annual General Meeting.

Mr Devine brings valuable skills through his experience in both the conceptualisation and management of a number of businesses over a long period. His skill set ideally

complements the commercialisation phase the Company is currently undertaking. He has been the CEO and / or Director of several national private companies prior to moving into consultancy work and private investment.

Mr Devine has specialised in assisting companies, through his business illuminate Capital Pty Limited, with business mentoring, business planning, market access, market augmentation, strategic relationships and private equity capital raising. His knowledge and experience in the IT industry will assist the Company in achieving its short and long term goals.

Mr Devine is required by the Company's Constitution to retire at the 2008 Annual General Meeting and having done so, is eligible to and seeks re-election to the Board. The Board (with Mr Devine abstaining) strongly recommend that members approve his re-election.

Resolution 5 – Re-election of Mr Paul Lowry as a Director

Mr Paul Lowry was appointed to the Board on 14 October 2008 which was subsequent to last Extraordinary General Meeting.

Mr Lowry has nearly thirty years of broad local and international experience in engineering, marketing and general management. He has applied his business and organisational experience to business planning, financial analysis, change management, restructuring, and strategic planning in a variety of CEO and consulting roles including the strategic review conducted by Entellect Solutions in May and June 2008.

He has extensive management experience in high velocity growth through acquisition, local and overseas market penetration and technology and market partnering arrangements and brings experience to Entellect Solutions that will assist in its current growth phase.

Mr Lowry is required by the Company's Constitution to retire at the 2008 Annual General Meeting and having done so, is eligible to and seeks re-election to the Board. The Board (with Mr Lowry abstaining) strongly recommend that members approve his re-election.

APPROVAL OF ISSUED SECURITIES

Under ASX Listing Rule 7.1, the Company is limited to issuing up to 15% of their respective issued capital in any 12 month period, without member approval. However, under ASX Listing Rule 7.4, the Company may seek subsequent member approval of specified issues of securities within the previous 12 months, and if that approval is granted, such issues do not count towards the 15% limit.

ENTELLECT SOLUTIONS LIMITED

ABN 41 009 221 783

ENTELLECT SOLUTIONS is seeking share holder approval of the issued securities / securities to be issued set out in the table below:

| Names of allottees | No. of securities | Issue price | Terms |
|---|--|-------------|--|
| Resolution 6 The allottees were Entellect Solutions Limited staff, suppliers and contractors – Staff in lieu of remuneration Suppliers in lieu of costs Contractors in lieu of fees Total | 11,697,885 3,000,000 <u>8,250,000</u> <u>22,947,885</u> | \$0.01 | Fully paid ordinary shares ranking equally with all ordinary shares |
| Resolution 7 The allottees were sophisticated investors who were clients of Australian Stockbroking & Advisory Services Limited. | 60,000,000 | \$0.01 | Fully paid ordinary shares ranking equally with all ordinary shares |
| Resolution 8 Jeffrey Hixon Bennett, the chairman and non-executive director of Entellect Solutions. | 5,000,000 | \$0.01 | Unquoted options issued at no cost Exercisable at 1 cent Expiry date 31 December 2011 Options will be issued within one month of the date of this meeting |
| Resolution 9 Paul Anthony Devine, a non-executive director of Entellect Solutions Limited. | 5,000,000 | \$0.01 | Unquoted options issued at no cost Exercisable at 1 cent Expiry date 31 December 2011 Options will be issued within one month of the date of this meeting |
| Resolution 10 Conrad Walter Crisafulli, a non-executive director of Entellect Solutions Limited. | 5,000,000 | \$0.01 | Unquoted options issued at no cost Exercisable at 1 cent Expiry date 31 December 2011 Options will be issued within one month of the date of this meeting |
| Resolution 11 Paul Bernard Lowry, a non-executive director of Entellect Solutions Limited. | 5,000,000 | \$0.01 | Unquoted options issued at no cost Exercisable at 1 cent Expiry date 31 December 2011 Options will be issued within one month of the date of this meeting |

The funds raised through the placements in Resolutions 6 and 7 have been used as working capital for business operating costs.

The funds raised through the option placements in Resolutions 8 - 11 will be used as working capital for business operating costs.