

AGM 04

Notice of **Annual General Meeting** and **Explanatory Statement**

For the Annual General Meeting to be held on 26 November 2004 at 12.00 noon (WST) at the Sheraton Hotel, 207 Adelaide Terrace, Perth, WA.



iiNet Limited
ACN 068 628 937
ABN 48 068 628 937

■ Time and place of meeting and how to vote

Venue

The Annual General Meeting of the shareholders of iiNet Limited will be held at:

Sheraton Hotel, 207 Adelaide Terrace, Perth WA 6000. Commencing at: 12.00 noon (WST) on 26 November 2004

How to Vote

You may vote by attending the meeting in person, by proxy or authorised corporate representative.

Voting in Person

To vote in person, attend the meeting on the date and at the place set out above. The meeting will commence at 12.00 noon.

Voting by Corporate Representative

A corporation may elect to appoint a representative, to attend and vote at the meeting, in accordance with the Corporations Act in which case the Company will require a Certificate of Appointment of Corporate Representative executed in accordance with the Corporations Act. The Certificate is to be lodged with the Company before the meeting or at the registration desk on the day of the meeting.

Voting by Proxy

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of Annual General Meeting as soon as possible and either:

- return the proxy form by post to iiNet Limited, Locked Bag 16 Cloister's Square, Perth WA 6850; or
- return the proxy form by post to iiNet Limited, Level 6, 263 Adelaide Terrace, Perth WA 6000; or
- send the proxy by facsimile to the Company on facsimile number (08) 9221 8473 (International: + (61 8) 9221 8473); or

so that it is received not later than 12.00 noon (WST) on 24 November 2004.

Your proxy form is enclosed.

■ ■ Notice of Annual General Meeting

Notice is given that the Annual General Meeting of shareholders of iiNet Limited will be held on Friday 26 November 2004 at 12.00 noon (WST) at the Sheraton Hotel, 207 Adelaide Terrace, Perth, Western Australia.

The attached Explanatory Statement is provided to supply shareholders with information to enable them to make an informed decision regarding the resolutions set out in this Notice. The Explanatory Statement is intended to be read in conjunction with and forms part of this Notice.

■ ■ Agenda

General Business

Financial Reports

To receive and consider the financial statements and the reports of the directors and auditors for the year ended 30 June 2004.

Election of Directors

Resolution 1 – Election of Mr Andrew Milner

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

“That, Mr Andrew Lloyd Milner being a non-executive director of the Company, retires by rotation pursuant to Rule 3.6 of the Constitution of the Company, and having offered himself for re-election and being eligible, is hereby elected as director of the Company”.

Voting and Proxies

Voting Entitlements

The Company has determined, in accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), that Shares quoted on Australian Stock Exchange Limited at the end of day on 24 November 2004 shall be taken, for the purposes of the Annual General Meeting, to be held by the persons who held them at that time. Accordingly, those persons are entitled to attend and vote (if not excluded) at the Meeting.

Proxy Information

A member who is entitled to vote at the meeting may appoint:

- (a) one proxy if the member is only entitled to one vote; or
- (b) one or two proxies if the member is entitled to more than one vote.

Where the member appoints two proxies, the appointment may specify the proportion or number of votes that each proxy may exercise.

If the appointment does not specify a proportion or number, each proxy may exercise one-half of the votes, in which case any fraction of votes will be disregarded.

A proxy need not be a member of the Company.

If you require an additional proxy form, the Company will supply it on request.

The proxy form and the power of attorney or other authority (if any) under which it is signed (or a certified copy) must be received by the Company no later than 48 hours before the commencement of the meeting, at:

- (a) iiNet's registered office, Level 6, 263 Adelaide Terrace Perth, Western Australia; or
- (b) a fax number at iiNet's registered office (08) 9221 8473 or +(61 8) 9221 8473

Proxies must be received by the Company on or prior to 12 noon WST on 24 November 2004. Any proxy form received after that time will not be valid for the scheduled meeting.

Proxies given by corporate shareholders must be executed in accordance with their constitutions, or signed by a duly authorised attorney.

A proxy may decide whether to vote on any motion, except where the proxy is required by law or the Company's constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed how to vote on an item of business, the proxy may vote on that item only in accordance with that direction. If a proxy is not directed how to vote on an item of business, a proxy may vote as he or she thinks fit. If a shareholder appoints the chairperson of the meeting as the shareholder's proxy and does not specify how the chairperson is to vote on an item of business, the chairperson will vote, as proxy for that shareholder, in favour of the item on a poll.

By order of the Board



Clayton W. Hollingsworth
Company Secretary
21 October 2004

■ Explanatory Statement

This Explanatory Statement has been prepared for the shareholders of the Company in connection with the Annual General Meeting of the Company to be held on 26 November 2004.

1. The Resolutions

1.1 Election of Directors

Clause 3.6 of the Company's Constitution requires that one third of the Directors (excluding the Managing Director and Directors appointed and retiring in accordance with clause 3.3 of the Constitution) must retire from office at each annual general meeting, and being eligible, may seek re-election.

Mr Angus Lindsay Fergusson, a non-executive director appointed by the board on 27 November 2003 will automatically retire from office at this annual general meeting of the Company in accordance with clause 3.3 of the Company's Constitution but will not be seeking re-election.

The Board extends its appreciation to Lindsay for the contribution he has made since his appointment.

1.1.1 Resolution 1 – Election of Andrew Milner B.Bus (IT) Age 33, Non-Executive Director

Andrew has been a director of iiNet Limited since the Company's listing in September 1999 subsequent to the acquisition of WA based Wantree Internet, a company in which Andrew was the founder, Managing Director and principal shareholder.

Andrew originally occupied the role of Executive Director and General Manager of Chime Communications, iiNet's wholly-owned telecommunications subsidiary, until being appointed a non-executive director of iiNet Limited on July 4 2003. Andrew is a member of both the Audit and Remuneration Committees.

Andrew has extensive experience in the Telecommunications industry and was successful in developing and marketing a PC based communication software package, which achieved world-wide distribution and provided a solid foundation for the launch of Wantree Internet at the end of 1994.

Andrew is considered to have the relevant qualifications and experience required to ensure the Board maintains an appropriate mix of expertise, experience and performance.

Andrew retires by rotation and offers himself for re-election. Accordingly, resolution 1 seeks to re-elect Mr Andrew Milner to the Board.

The Board unanimously recommends that shareholders vote in favour of this resolution.

2. Enquiries

Shareholders are invited to contact the Company Secretary, Clayton Hollingsworth on 1300 722 545 if they have any queries in respect of the matters set out in these documents.

Instructions for Completing 'Appointment of Proxy' Form

A member entitled to attend and vote at a Meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. 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.

A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.

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 witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

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.

Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.

APPOINTMENT OF PROXY FORM

ANNUAL GENERAL MEETING

I/We

being a Member of iiNet Limited entitled to attend and vote at the Meeting, hereby

Appoint

Name of proxy

or failing the person so named or, if no person is named, the Chairman of the Meeting or the Chairman's nominee, 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 to be held at the Sheraton Hotel, 207 Adelaide Terrace, Perth, Western Australia, on 26 November 2004 at 12.00 noon (WST) and at any adjournment thereof. If no directions are given, the Chairman will vote in favour of all of the resolutions.

Voting on Business of the General Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Election of Director – Andrew Milner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

OR

If you do not wish to direct your proxy how to vote, please place a mark in this box

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of the interest. The Chairman will vote in favour of all of the resolutions if no directions are given.

Tear along dotted line

You must either mark the boxes directing your proxy how to vote or mark the box indicating that you do not wish to direct your proxy how to vote, otherwise this appointment of proxy form will be disregarded.

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____ %

Signed this _____ day of _____ 2004

By:

Individuals and joint holders Companies (affix common seal if appropriate)

Signature

Director

Signature

Director/Company Secretary

Signature

Sole Director and Sole Company Secretary

Tear along dotted line