

MEDIA TECHNOLOGY GROUP LIMITED

Notice of Special Meeting

**To be held at 17 – 19 Maidstone Street, Ponsonby, Auckland
on Thursday 15 May 2008, commencing at 10:00am.**

IMPORTANT INFORMATION

Notice is hereby given that the Special Meeting of the shareholders of Media Technology Group Limited (**MTG**) will be held at 17 – 19 Maidstone Street, Ponsonby, Auckland on Thursday 15 May 2008, commencing at 10:00am.

The business to be considered at the Special Meeting is to seek shareholder approval for the acquisition of the business assets of Geerling Offset Printing Limited together with the issue of further capital to assist the Company with the funding of the acquisition and the Company's working capital requirements which proposals have been negotiated and endorsed by the Board of MTG, subject to shareholder approval.

The prospective acquisition of the business assets of Geerlings Offset Printing Limited ("the Vendor") and associated capital raising comprises the following component parts:

- The purchase by Media Technology Limited ("MTL"), a wholly owned subsidiary of MTG, of the business assets of the Vendor, together with the assumption of certain financial obligations associated with the business for a purchase price of \$1,101,497.70, which shall be satisfied by:
 - The payment of \$100,000 in cash on the date of settlement of the acquisition;
 - The issue of not more than 6,666,667 ordinary fully paid shares in MTG to the Vendor in partial satisfaction of the payment of the purchase price, at an issue price of 3 cents per share.
 - The settlement by MTL of not more than \$531,497.70 of financial obligations owed by the Vendor; and
 - The payment of \$270,000 in cash by 18 monthly payments of \$15,000 each;
- The ratification of the previous issue of 7,500,000 ordinary shares in MTG.

The Explanatory Notes which accompany this Notice of Meeting set out the details of the transactions which are the subject of the resolutions and the approval required for each resolution by the shareholders of MTG pursuant to the NZAX Listing Rules, the Companies Act 1993 and the constitution of MTG.

PROXY FORM

Accompanying this document is a proxy form, to enable shareholders to vote on the resolutions either by:

- attending the Special Meeting; or
- appointing a proxy to vote on their behalf at the Special Meeting.

Shareholders are urged to complete and return the proxy form as soon as possible if they do not plan to attend the Special Meeting. A shareholder wishing to appoint a proxy should complete the enclosed proxy form and send it to the office of the Share Registrar, Computershare Investor Services Limited, Private Bag 92119, Auckland. The completed proxy form must be received no later than 48 hours before the meeting is due to begin, in accordance with the instructions in the notes to the proxy form accompanying this Notice.

A shareholder may, if he/she/it wishes, appoint the Chairman of the Special Meeting as proxy, as described further in the procedural notes to the resolutions.

BUSINESS OF THE SPECIAL MEETING

1. Ordinary Resolution - Acquisition of Business Assets of Geerlings Offset Printing Limited

To consider and, if thought fit, pass the following resolution as an Ordinary Resolution of the Company:

"The agreement dated 3 April 2008 made between Media Technology Limited, a wholly owned subsidiary of the Company, and Geerlings Offset Printing Limited ("the Vendor") described in this Notice of Meeting ("the Agreement"), under which the Company has agreed to acquire all of the business assets and certain financial obligations of the offset printing business owned by the Vendor ("Business Assets") for the consideration of NZ\$1,101,497.70 to be satisfied by:

- (a) The payment of \$100,000 in cash on the date of settlement of the acquisition;*
- (b) The issue of 6,666,667 ordinary fully paid shares in MTG at an issue price of 3 cents per share;*
- (c) The settlement by MTL of not more than \$531,497.70 of financial obligations owed by the Vendor; and*
- (d) The payment of \$270,000 in cash by 18 monthly payments of \$15,000 each,*

and the transactions described in the Agreement are approved and that the Directors be authorised to take all action, do all things and execute all documents and agreements necessary or considered by them to be expedient to give effect to such transactions."

Further information concerning this resolution is provided in the Explanatory Notes to this Notice of Meeting.

2. Ordinary Resolution – Issue of 6,666,667 Shares

Subject to Resolution 1 being passed, to consider, and if thought fit, pass the following resolution as an Ordinary Resolution of the Company:

"The Directors of the Company are authorised to:

- (a) issue 6,666,667 fully paid ordinary shares to the Vendor for a consideration of 3 cents per share in partial satisfaction of the purchase price under the Agreement; and*
- (b) take all action, do all things and execute all documents and agreements necessary or considered by them to be expedient to issue the shares mentioned in sub-paragraph (a) above.*

Such shares when issued, shall rank pari passu with all existing ordinary shares of the Company."

Further information concerning this resolution is provided in the Explanatory Notes to this Notice of Meeting.

3. Ordinary Resolution – Ratification of Private Placement

To consider and, if thought fit, pass the following resolution as an Ordinary Resolution of the Company:

"The previous allotment of 7,500,000 ordinary shares in the Company issued on 13 December 2007 pursuant to Listing Rule 7.3.5 is hereby ratified and approved"

Further information concerning this resolution is provided in the Explanatory Notes to this Notice of Meeting.

Procedural Notes

1. The resolutions include only ordinary resolutions. An ordinary resolution is required to be passed by a majority of 50% or more of the votes of those shareholders entitled to vote and voting on that resolution.
2. The persons who will be entitled to vote on the resolutions at the Special Meeting are those persons who will be shareholders at 5.00 pm on 30 April 2008 (New Zealand time), subject only to the following restrictions, and only the shares registered in those shareholders' names may be voted at the Special Meeting, subject to the restrictions on voting set out below.
3. Those persons who may have participated in the issue of shares referred to in Resolution 3 (and their associates) are restricted from voting on resolution 3.
4. The accompanying proxy form should be used to appoint a proxy to vote if a shareholder cannot attend the Special Meeting in person. Shareholders can participate by proxy or by casting their vote in person at the Annual Meeting.
5. Any shareholder who is entitled to attend and vote at the Special Meeting may appoint a proxy to attend and vote in his / her / its place. A shareholder wishing to appoint a proxy should complete the enclosed proxy form and send it to the office of the MTG Share Registrar, **Computershare Investor Services Limited, Private Bag 92119, Auckland**. The completed proxy form must be received no later than 48 hours before the meeting is due to begin, in accordance with the instructions in the notes to the proxy form accompanying this Notice. The form allows shareholders to determine whether the proxy votes at the proxy's discretion or votes in accordance with the shareholder's wishes. If the form is returned without a direction as to how the proxy shall vote on any particular resolution, then the proxy will exercise his or her discretion as to whether to vote and if so, how.
6. A proxy does not have to be a shareholder in MTG. A shareholder may appoint the Chairman of the Special Meeting to act as his / her / its proxy, or another person. The Chairman has advised that it is his intention to vote undirected proxies received by him in favour of the resolutions set out above.
7. All joint shareholders must sign the proxy form. If the person appointing a proxy is a corporation, the proxy must be signed for and on behalf of that corporation by two directors or otherwise in accordance with the constitution of that corporation. If the proxy form is signed by an attorney, the attorney must have been authorised in writing.
8. This Notice of Annual Meeting has been approved by the NZX in accordance with NZAX Listing Rule 6.1.1.

By Order of the Board

Auckland
24 April 2008

EXPLANATORY NOTES

A summary of, and the reasons for, the resolutions are set out at the front of this Notice under the heading "Important Information". These Explanatory Notes give more detail in relation to each resolution to be voted on by shareholders at the Annual Meeting.

Listing Rules, Takeovers Code, Companies Act and Constitution

MTG is listed on the New Zealand Alternative Market and must comply with the NZAX Listing Rules. In addition, various provisions of the NZAX Listing Rules are included in the constitution of MTG. The Companies Act, the constitution of MTG and the NZAX Listing Rules contain specific requirements which are relevant to the resolutions comprised in this Notice. The implications of the NZAX Listing Rules, the Companies Act and the constitution, insofar as they relate to each resolution, are addressed in these Explanatory Notes.

Resolution 1 – Ordinary Resolution: Acquisition of the Business Assets of Geerlings Offset Printing Limited ("the Vendor")

General

Media Technology Limited ("MTL"), a wholly owned subsidiary of MTG has entered into a conditional agreement ("Agreement") to acquire the business assets of the Offset Printing Business of Geerlings Offset Printing Limited ("Assets") for a purchase price of \$1,101,497.70 ("the Transaction"). The Directors are comfortable that the purchase price is fair and reasonable in the circumstances. In determining the purchase price the Directors had regard to valuations of the business effects being acquired commissioned by the Directors. The independent valuations suggested a value range of between \$1.1 million to \$1.6million on the printing assets of the business being acquired. The purchase price for the business is at the lower end of that range. The Directors determined the purchase price having regard to the value of the business assets being purchased on an asset value basis as opposed to an earning based valuation methodology.

The Agreement provides that the consideration for the purchase of the Assets will be satisfied by:

- (a) The payment of \$100,000 in cash on the date of settlement of the acquisition;
- (b) The issue of 6,666,667 ordinary fully paid shares in MTG to the Vendor, Geerlings Offset Printing Limited, at an issue price of 3 cents per share, in partial satisfaction of the payment of the purchase price, ("Consideration Shares");
- (c) The settlement by MTL of not more than \$531,497.70 of financial obligations owed by the Vendor; and
- (d) The payment of \$270,000 in cash by 18 monthly payments of \$15,000 each, comprising interest free vendor finance, payable from MTL's cash flow generated from the operations.

MTL has obtained additional asset finance of \$700,000 secured against the assets being acquired, to meet the settlement of the \$532,497 vendor's existing financial obligations as well as the \$100,000 cash on settlement. This finance is repayable over 5 years at an interest rate of 11.75%, requiring monthly payments from cash flow of approximately \$15,000 per month. Accordingly, the transaction does not require MTL to access any of its existing cash reserves or facilities. The shares to be issued to the Vendors will rank in all respects pari passu with the existing shares in the Company.

The Vendor and its principal have agreed to:

- (a) being restricted from dealing with the Consideration Shares to be issued to them for a period of 12 months from the date of completion of the Transaction; and
- (b) comply with certain restraint of trade obligations imposed upon them under the Agreement;
- (c) provide certain consultancy services to MTL for a period of time;

(d) provide certain extensive warranties in respect of the Assets in favour of MTL.

Settlement of the Transaction is conditional upon, amongst other things, MTG obtaining shareholder approval to the transaction and the issue of the Consideration Shares;

The Agreement will become unconditional immediately upon shareholder approval of both resolution one and resolution two. Settlement of the Transaction, including the issue of shares in MTG as part of the consideration, is expected to take place two business days after the date of the Special Meeting or such other date as the parties may agree.

The Transaction will not proceed if Resolution 2 is also not approved as MTL will not be able to satisfy its obligation to issue the Consideration Shares to the Vendor as required under the Agreement.

Background to the Business being acquired

Geerlings Offset Printing has been in business for over 25 years as an offset Printer providing a range of clients with quality printing products and services in the Auckland area. As an owner operator Peter Geerling has focused on the Audio and Corporate markets. The business's unique service proposition has been built upon Geerlings ability to deliver products within extremely tight timeframes – enabled by a latest generation Heidelberg Printing solution including in-house CTP, Speedmaster Press and folding/stitching unit.

Specific printing assets being acquired include primarily:

Machine	Year	Serial Number	Notes
HEIDELBERG SPEEDMASTER SM52-4+	2006	206258	Approximately 26.5 million impressions
POLAR 92EMC Guillotine	1982	52 11017	
HEIDELBERG T 10 X 15 Platen	1971	T171677	With foil attachment
HEIDELBERG PROSETTER CtP	2006	054120521	Including Rapto Pro processor, HP DesignJet 130NR proofer
HEIDELBERG STITCHMASTER 100 Gatherer Stitcher	2006	000114ULM100	Four auto feeders, one cover feeder
HEIDELBERG/STAHL T152 642 Folder	2006	000949	
ULTRAFOLD 714XE Folder	Age Unknown	Unknown	

An independent valuation obtained from APM (New Zealand) Limited on 5 February 2008 provides a net valuation of \$1,050,500 on the basis of the equipment being sold on the second hand market as is.

Peter Geerlings and his trained assistant (of 15 years) have agreed to join MTL and run the printing operation. Geerlings Offset printing has traded profitably over the last three years from revenue of around \$1 million for the year ended 31 March 2008. Immediately upon integration MTL is able to realise significant cost savings improved margin by MTL substituting its \$1 million current level of print business, previously outsourced, to the internal integrated printing operation, as well as growing print revenue for MTL from external customers. Early indications from long term existing customers for MTL are that they will purchase print from MTL. The transaction is expected to improve MTL's earnings before interest tax depreciation and amortisation by at least \$400,000 per annum.

Requirement for Resolution

The purchase of the Assets must be approved by shareholders. These are the reasons why the approval is required:

Value of Transaction

This transaction involves the acquisition of assets, namely the Assets, in respect of which the gross value of the assets is in excess of 50% of the Average Market Capitalisation of the Company (which at the date of this Notice was \$1,713,240 (as that term is defined in the NZAX Listing Rules). Therefore, Listing Rule 9.1.1(b) requires the proposal to be approved by shareholders.

Resolution 2 - Ordinary Resolution: Issue of 6,666,667 Shares

General

The purchase price of NZ\$1,101,497.70 for the acquisition of the Assets pursuant to the Agreement will in part be satisfied by the issue of 6,666,667 fully paid ordinary shares in the Company ("Consideration Shares") at an issue price of 3 cents per share to the Vendor, Geerlings Offset Printing Limited. The shares will be issued to the Vendor on the date of the settlement of the Transaction.

The Board believes that the issue price of 3 cents for each of the Consideration Shares represents fair value to the Company. In terms of the share pricing, the volume weighted average price (VWAP) of MTG shares in the 30 days before the date of this Notice was NZ2.5 cents per share. The issue price of NZ 3c per share represents a premium of 20% over the weighted average price of MTG shares over that period. This issue price was negotiated between MTL and the Vendor. Given the 3 cents issue price is greater than the VWAP for the MTG shares in the previous 30 days, the Directors believe that the issue price of 3 cents per share is commercially favourable to the Company and its shareholders.

The new shares will rank equally in all respects, including as to dividends and voting, with the existing ordinary shares.

This Resolution will only be tabled for consideration if Resolution 1 is passed. In the event that Resolution 1 is not passed, then this Resolution 2 will be withdrawn from the business of the Meeting.

Requirement for Resolution

NZAX Listing Rule 7.3.1 prohibits an NZAX Issuer from issuing any equity securities unless the precise terms and conditions of the specific proposal to issue those equity securities have been approved by separate resolutions passed by a simple majority of votes of holders of each class of quoted equity securities of the NZAX Issuer whose rights or entitlements could be affected by that issue.

In terms of the share pricing, the volume weighted average price of MTG shares in the month before the date of this Notice was NZ2.5 cents per share. The issue price of NZ 3cents per share represents a premium of 20% over the weighted average price of MTG shares over that period.

Resolution 3 – Ordinary Resolution: Ratification of Private Placement

Introduction

On 13 December 2007, the Company issued 7,500,000 ordinary shares to a professional investor, Hamish Brown, at an issue price of 2 cents per share ("Private Placement"). The funds raised from the issue were used to reduce the Company's debt. The Board of Directors authorised the Private Placement pursuant to Listing Rule 7.3.5 which Listing Rule permitted the Board to issue new shares in the Company representing not more than 20% of the total number of shares on issue in the Company, without obtaining prior shareholder approval ("20% Rule").

The total number of shares issued pursuant to the Private Placement represented approximately 12.3% of the total number of shares on issue in the Company immediately prior to the Private Placement.

The shares issued, ranked equally in all respects, including as to dividends and voting, with the existing ordinary shares on issue at the date of their issue.

The Board is now seeking to obtain from shareholders, ratification of the issue of the shares issued pursuant to the Private Placement. Obtaining ratification of the Private Placement allows the Company to renew its capacity to issue additional Equity Securities (including shares) within the 20% Rule without having to take into account the number of shares previously issued pursuant to the Private Placement. The Board considers this to be advantageous as it provides the Company with the flexibility to undertake further issues of shares, within the scope of the 20% Rule, without having to revert to the shareholders for their approval in each instance.

Requirement for Resolution

Listing Rule 7.3.5(b)(iii) allows the Company to renew its capacity to issue securities within the 20% Rule when it has been used, by obtaining subsequent shareholder ratification of the issue which has already been made (in this case the Private Placement).

PROXY FORM

I / We

Of

Shareholder Number

Being a shareholder(s) of MEDIA TECHNOLOGY GROUP LIMITED

Hereby appoint

Of

Or failing him / her

Of

as my / our proxy to vote for me / us and on my / our behalf at the Special Meeting of the Company to be held at 17 – 19 Maidstone Street, Ponsonby, Auckland Thursday 15 May 2008, commencing at 10:00am and at any adjournment thereof and hereby revoke any earlier proxy made by me / us. My our proxy is to vote in respect of the resolutions as indicated below.

Please indicate with a ✓ in the spaces provided how you wish your vote to be cast. If you do not do so, the Proxy will vote or abstain from voting at his / her discretion.

Resolutions:

	For	Against
1. Purchase of Business Assets of Geerlings Offset Printing Limited – Ordinary Resolution		
2. Issue of Shares in partial satisfaction of the purchase price – Ordinary resolution		
9. Ratification of Private Placement – Ordinary Resolution		

Number of Shares Held

Signed this Day of 2008

Signature(s) of Shareholder(s)

A Shareholder wishing to appoint a proxy should complete his form and send it to the Share Registrar, Computershare Investor Services Limited, Private Bag 92119, Auckland. The completed proxy form must be received no later than 48 hours before the meeting is due to begin.