

MEDIA TECHNOLOGY GROUP LIMITED

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Thursday 30 September 2004 at 2.30pm

at

**The Peter Healey Room, Heritage Hotel,
35 Hobson Street, Auckland**

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Notice is hereby given that the Annual Meeting of Shareholders of Media Technology Group Limited (the "Company") will be held at The Peter Healey Room, Heritage Hotel, 35 Hobson Street, Auckland on Thursday 30 September 2004 at 2.30pm.

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 the Company pursuant to the NZSX Listing Rules (the "Listing Rules"), the Companies Act 1993, (the "Companies Act") and the Constitution of the Company.

ORDINARY BUSINESS OF THE MEETING

1. Financial Reports and Statements

To receive and consider the Financial Report of the Company and the Consolidated Financial Statements of the Company and the Company's controlled entities and Reports of the Directors' and of the Auditor for the year ended 31 March 2004.

2. Re-election of Mr Chris Due as Director

Mr Chris Due retires pursuant to clause 10.8 (a) of the Constitution of the Company and, being eligible, offers himself for re-election.

3. Re-election of Mr Scott Gilmour as Director

Mr Scott Gilmour retires pursuant to clause 10.8 (a) of the Constitution of the Company and, being eligible, offers himself for re-election.

4. Appointment and Remuneration of Auditors

To record the appointment of BDO Spicers as Auditors of the Company under section 200 of the Companies Act 1993, and to authorise the Board to fix their remuneration for the forthcoming year.

SPECIAL BUSINESS OF THE MEETING

5. Special Resolution – Adoption of New Constitution

To consider and, if thought fit, pass the following resolution as a special resolution:

"That the existing Constitution of the Company be revoked, and the Company adopt a replacement Constitution in the form tabled at the meeting and signed by the Chairman for the purpose of identification."

Constitution Inspection

A copy of the proposed new Constitution of the Company is available for inspection or uplifting from the Company's registered office at 17-21 Maidstone Street, Ponsonby, Auckland between 9.00 a.m. and 4.00 p.m. Monday to Friday. Alternatively, a copy can be obtained by writing to the Company Secretary, Media Technology Group Limited, P O Box 47 254, Ponsonby, Auckland. A copy of the proposed new Constitution can also be viewed on the Company's website www.mediatechnology.co.nz.

EXPLANATORY NOTES

Explanatory Notes for Resolution 5 are set out in the following pages.

PROXIES

All shareholders of the Company entitled to attend and vote at the meeting are entitled to appoint a proxy to attend and vote for them instead.

A proxy need not be a shareholder of the Company.

A Proxy Form is enclosed and to be effective must be lodged at the Registered Office of the Company or with the Company's Share Registrar in accordance with the instructions in the Notes to the Proxy Form accompanying this Notice within at least 48 hours before the meeting is due to begin (ie. before 2.30 pm on Tuesday 28 September 2004).

If you wish to appoint an independent Director or the Chairman as your proxy, Mr Phil Norman, is willing to act on your behalf.

VOTING RESTRICTIONS

Mr Chris Due is a non-executive Director of the Company. Mr Due, and his Associated Persons (as defined in Listing Rule 1.3.1) have resolved to abstain from voting on Resolution 2.

Mr Scott Gilmour is a non-executive Director of the Company. Mr Gilmour, and his Associated Persons (as defined in Listing Rule 1.3.1) have resolved to abstain from voting on Resolution 3.

No other person is restricted from voting on any of the resolutions referred to in this Notice of Meeting.

All persons registered on the Company's register of shareholders as the holders of shares as at 5.00pm on Monday 27 September 2004 shall, subject only to the preceding restrictions, be entitled to vote at the Meeting in person or by proxy.

By Order of the Board of Directors

A handwritten signature in black ink, appearing to read 'Phil Norman', written in a cursive style.

Phil Norman
CHAIRMAN

EXPLANATORY NOTES

General

The purpose of these Explanatory Notes is to provide shareholders with information to decide whether to vote in favour of Resolution 5 and enable shareholders to understand and assess the merits of this resolution. In addition, the implications of the Listing Rules, the Companies Act and the Constitution insofar as they relate to the resolution are addressed in the Explanatory Notes below.

Resolution 5 - Ordinary Resolution: Adoption of New Constitution

Background to Constitutional Changes

Since the adoption of the Company's current Constitution, there have been a number of changes made to the Listing Rules. Shareholders may wish to view the changes made to the Listing Rules on the NZX website (www.nzx.com).

In order to ensure that the Constitution reconciles with the changes made to the Listing Rules and so as to ensure that the Company can avail itself of the changes made to the Listing Rules, the Directors have recommended that the Company revoke its existing Constitution and adopt a new Constitution incorporating these changes rather than seeking to substantially modify the existing Constitution. The Company now has the ability to incorporate the Listing Rules into the Company's Constitution by reference by virtue of Listing Rule 3.1.1(a), which was amended as of 3 May 2004. As a result, shareholder approval will not be required for constitutional amendments that reflect Listing Rule changes. The special resolution to be put to shareholders will give effect to this recommendation.

The Constitution has also been re-drafted in a more flexible style such that the provisions of the Companies Act 1993 and the Listing Rules are incorporated into the Constitution by reference rather than reciting in full the exact terms of each of those relevant provisions. The advantage of this approach is that in the event of a subsequent change to the provisions of the Companies Act or the Listing Rules, the Constitution will incorporate those provisions as amended, without the need to expressly alter the terms of the Constitution to incorporate the amended provision. The Directors believe this to be a more commercial approach to take in terms of Constitution regulation.

A copy of the Company's current Constitution can be viewed at www.companies.govt.nz in the Company's online file. A copy of the proposed new Constitution can be viewed on the Company's website at www.mediatechnology.co.nz. Both the old and new Constitutions can also be viewed at the Company's registered office at 17-21 Maidstone Street, Ponsonby, Auckland, during normal business hours.

Changes

Apart from the changes made to the Constitution to accommodate the new changes made to the Listing Rules, the new Constitution preserves all existing material substantive constitutional provisions either by way of reference or expressly. The principal material changes made to the Listing Rules are:

Nature of Change	Listing Rule amended	Provision of current Constitution
Major transaction thresholds: The threshold for shareholder approval to a major transaction has been amended to apply to transactions of a gross value exceeding 50% of an issuer's average market capitalisation (the previous test was 50% of the lesser of an issuer's average market capitalisation or the gross value of its assets).	Listing Rule 9.1.1	Clause 2.7

<p>Related party transaction thresholds: The related party transaction thresholds have changed so that they are now calculated on the basis of the Company's average market capitalisation (the previous test was based on the lesser of shareholders' funds or average market capitalisation).</p> <p>Related party transactions are now permitted without shareholder approval for transactions which are employment agreements (with a natural person who is not a director) or where the total value of the transaction is less than \$250,000.</p>	<p>Listing Rule 9.2.1</p> <p>Listing Rules 9.2.1(c) and (d)</p>	<p>Clause 2.9</p>
<p>Issue of equity securities: The percentage limit of equity securities which may be issued without shareholder approval to persons other than directors or employees in any 12 month period has increased from 10% to 15%.</p> <p>The percentage limit of equity securities which may be issued to employees without shareholder approval in any 12 month period has increased from 2% to 3%.</p> <p>New equity securities may be issued to existing equity security holders without shareholder approval if the consideration does not exceed \$5,000 per holder and the number of equity securities issued does not exceed 30% of the number of fully paid equity securities already on issue.</p> <p>The time limit for completing issues of securities which have been approved by shareholders has been increased from 6 months to 12 months.</p> <p>The time limit for completing issues of securities made solely to employees has been increased from 12 months to 36 months.</p> <p>The Company cannot reprice or amend the terms of any securities issued with shareholder approval to or for the benefit of employees or directors, without either the approval of NZX or a further ordinary resolution of shareholders.</p>	<p>Listing Rule 7.3.5</p> <p>Listing Rule 7.3.6</p> <p>New Listing Rule 7.3.4(ba)</p> <p>Listing Rule 7.3.2</p> <p>Listing Rule 7.3.2</p> <p>New Listing Rule 7.3.7A</p>	<p>Clause 3.9</p> <p>Clause 3.10</p> <p>Clause 3.6(b)</p> <p>Clause 3.6(a)</p>
<p>Limit for buybacks: The percentage limit of equity securities which may be acquired by an issuer in compliance with section 60(1)(b)(ii) of the Companies Act other than from directors, associated persons of directors or employees in any 12 month period has increased from 10% to 15%.</p>	<p>Listing Rule 7.6.1</p>	<p>Clause 5.3(c)(vi)</p>
<p>Director remuneration and payments on cessation of office: The Company cannot make payments to directors on cessation of office without shareholder approval, unless the payment is made to a director in office on or before 1 May 2004 (provided that the total amount of the payment does not exceed the director's total remuneration in his or her capacity as a director in any three years chosen by the Company).</p> <p>Rule 3.5.1 has been amended to clarify that no remuneration can be paid to a director in his or her capacity as a director of an issuer or any subsidiary of an issuer (unless that subsidiary is itself listed) unless authorised by an ordinary resolution in accordance with that Rule.</p>	<p>Listing Rule 3.5.2</p> <p>Listing Rule 3.5.1</p>	<p>Clause 12.4</p> <p>Clause 12.3</p>

<p>Corporate Governance:</p> <p>NZX has made a number of changes to the corporate governance provisions of the Rules. For the Company, these changes take effect from 29 October 2004.</p> <p>Issuers must have a minimum of two independent directors, or if the issuer has eight or more directors, either three or one-third (whichever is the greater) must be independent. The Board must determine who is independent and advise the market.</p> <p>Issuers must have an audit committee, with at least 3 members. It must comprise only directors and a majority must be independent. One member must have a financial or accounting background.</p> <p>NZX has adopted a Corporate Governance Best Practice Code (<i>Code</i>). Compliance with the Code is not mandatory, but issuers must disclose whether their corporate governance policies "materially differ" from the Code.</p>	<p>Listing Rule 3.3.1(c)</p> <p>New Listing Rule 3.6</p> <p>New Listing Rule 10.5.3(i) and Appendix 16 to the Listing Rules</p>	
--	---	--

NOTES

Shareholders are advised to refer to the following as well as the Explanatory Notes set out in this Notice of Meeting.

Proxies

1. A shareholder entitled to attend and vote at the Annual Meeting is entitled to appoint a proxy to attend and vote on his or her behalf. A proxy need not be a shareholder of the Company.
2. The form attached 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, the proxy will exercise his or her discretion as to whether to vote and if so, how.
3. If you are unable to attend the meeting but would like to vote at the meeting, the Chairman of the Board of Directors is prepared to act as your proxy and vote on your behalf. If you would like to exercise this option, you must complete the Proxy Form by appointing the Chairman as your proxy.
4. All joint holders 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.
5. A Proxy Form is set out on the reverse of these notes.

The Proxy Form must be completed and returned to the Company's Share Registrar, together with any power of attorney, (if applicable) by:

- Delivering it to Computershare Investor Services Limited, Level 2, 159 Hurstmere Road Takapuna, Auckland;
- Posting it to Computershare Investor Services Limited, Private Bag 92 119, Auckland;
- Faxing it to Computershare Investor Services Limited at (09) 488 8787.

OR by delivering it to the Company's registered office at 17-21 Maidstone Street, Ponsonby, Auckland.

In each case it must be received at least 48 hours before the time of the meeting, ie. not later than 2.30pm on Tuesday 28 September 2004. Proxies lodged after that time will not be valid.

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 Annual Meeting of the Company to be held at The Peter Healey Room, Heritage Hotel, 35 Hobson Street, Auckland on Thursday 30 September 2004 commencing at 2.30pm 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. Financial Reports and Statements	<input style="width: 95px; height: 20px;" type="text"/>	<input style="width: 95px; height: 20px;" type="text"/>
2. Re-election of Mr Chris Due as a Director	<input style="width: 95px; height: 20px;" type="text"/>	<input style="width: 95px; height: 20px;" type="text"/>
3. Re-election of Mr Scott Gilmour as a Director	<input style="width: 95px; height: 20px;" type="text"/>	<input style="width: 95px; height: 20px;" type="text"/>
4. Appointment and remuneration of Auditors	<input style="width: 95px; height: 20px;" type="text"/>	<input style="width: 95px; height: 20px;" type="text"/>
5. Adoption of new Constitution	<input style="width: 95px; height: 20px;" type="text"/>	<input style="width: 95px; height: 20px;" type="text"/>

Number of Shares Held

Signed this day of 2004

Signature(s) of Shareholder(s)