



GLOBE INTERNATIONAL LTD
ABN 65 007 066 033

20 DECEMBER 2007

Notice of Extraordinary General Meeting

Notice is hereby given that an Extraordinary General Meeting of Shareholders of Globe International Limited will be held at Amcor Lounge, Victorian Arts Centre, 100 St. Kilda Road, Melbourne, Victoria, 3000 on Wednesday, 23 January 2008 commencing at 4.00pm AEST.

Agenda

1. Reduction of Capital

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

"That for the purposes of section 256B of the Corporations Act 2001, and for all other purposes, the Company reduces its share capital on an equal basis by \$8.6 million by returning the amount of \$0.2074 for each fully paid ordinary share on issue at 7.00 pm on 1 February 2008." (See Explanatory Note 5)

By order of the Board

Gerhard Correa
Company Secretary

Explanatory Notes

1. Voting

Ordinary resolutions require the support of more than 50% of those shareholders voting in person, by proxy, representative or attorney.

Every resolution will be decided in the first instance by a show of hands. A poll may be demanded in accordance with the Company's constitution.

On the show of hands, every shareholder who is present in person or by proxy, representative or attorney, will have one vote.

2. Voting entitlement

The directors have determined that, for the purpose of voting at the meeting, shares will taken to be held by the registered holder at 7.00pm on Monday, 21 January 2008.

3. Proxies

A shareholder who is entitled to attend and vote at the Extraordinary General Meeting may appoint a proxy. A proxy need not be shareholder. A proxy can be either an individual or a body corporate. Should you appoint a body corporate as your proxy, that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at meetings, in accordance with section 250D of the Corporations Act 2001; and
- provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the meeting.

If satisfactory evidence of appointment as corporate representative is not received before the meeting, then the body corporate (through its representative) will not be permitted to act as your proxy.

If a shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. If the proxy appointments do not specify the proportion of the shareholder's voting rights that each proxy may exercise, each proxy may exercise half of the member's votes.

A proxy need not be a shareholder.

The proxy form (and, if the appointment is signed by the appointer's attorney, the authority under which it was signed or a certified copy of the authority) must be received by the Company's share registry, Link Market Services Limited, by 4.00pm AEST on Monday, 21 January 2008

The completed proxy form may be mailed or delivered to the Company's share registry, Link Market Services Limited at:

Street Address:

Level 12, 680 George Street
SYDNEY NSW 2000

Postal Address:

Locked Bag A14
SYDNEY SOUTH NSW 1235

Faxed to Link Market Services Limited on Fax: +61 (0)2 9287 0309

4. Corporate representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act 2001 in which case the Company will require a Certificate of Appointment of Corporate Representative executed in accordance with the Corporations Act 2001. The Certificate must be lodged with the Company before the meeting or at the registration desk on the day of the meeting. The Company will retain the certificate.

5. Resolution 1 – Reduction of capital

The following notes provide the shareholders of the Company, with an explanation of the resolution to be proposed and considered at the meeting:

5.1 Background

On 25 June 2007, the Company completed the sale of its World Industries trademark to a US corporation. Sale proceeds of approximately \$ 9.5 million were received.

The board now proposes a return of capital to shareholders of \$0.2074 per share. This will equate to a total capital return of \$8.6 million, based on 41.5 million issued shares.

The balance of the sale proceeds were used to pay transaction costs.

The proposed reduction of capital will apply equally to each shareholder in proportion to the number of shares they hold.

The proposal requires shareholder approval by ordinary resolution under section 256C(1) of the Corporations Act.

5.2 Reasons for the proposed capital return

The board has decided to return to shareholders \$8.6 million of capital which it considers excess to the Company's needs. In arriving at this decision to return capital to shareholders the board considered a number of matters including the following

- Future working capital needs of the Company to fund growth.
- Transaction costs related to the sale of the World Industries trademark.
- Funding of future acquisitions. The board are of the opinion that as and when opportunities arise for future acquisitions these will be funded from a combination of internally generated funds and debt.

6. Taxation implications for shareholders

There may be tax consequences to shareholders. Shareholders should seek their own independent financial advice before deciding how they wish to vote.

6.1 Capital ruling application

The Company has applied for a class ruling from the Australian Taxation Office ("ATO") in relation to the tax treatment of the capital return for its Australian resident shareholders who hold their shares on capital account. In the ruling application, the Company has submitted that the payment should be treated as a capital return.

However, the ATO has the discretion to treat some or all of the amount returned as dividend. If the class ruling is issued in accordance with the Company's ruling application, the capital return should not be treated as a dividend for Australian income tax purposes. However, if the ATO treats any part of the capital return as a dividend for Australian income tax purposes, that dividend will be assessable income in the hands of Australian tax residents and will be unfranked. As the dividend will be unfranked, the Company will be required to deduct and remit withholding tax from the amount of the deemed dividend paid to non-resident shareholders and Australian tax residents who have not quoted their Tax File Number ("TFN").

The Company recommends that shareholders who have not previously provided their TFN to the Company's share registry do so, via the Link Market Services website at www.linkmarketservices.com.au before the payment record date

6.2 Capital gains tax (CGT)

A general description of the Australian tax consequences that arise for shareholders as a result of the capital return if the class ruling is issued in accordance with the Company's ruling application are as follows.

(a) Australian resident shareholders

(i) Capital return less than cost base

Where the capital return is less than the cost base of the Company's shares for CGT purposes, there will not be a realized capital gain from the return. The cost base of the Company's shares will be reduced by the amount of the capital return.

(ii) Capital return exceeds cost base

Where the capital return is greater than the cost base the Company's shares there will be a realized capital gain to the extent that the capital return exceeds the cost base of the shares for CGT purposes. In this case, shareholders should obtain their own advice on the amount of any capital gain to be included in their taxable income.

The above general description does not apply to shareholders who hold the Company's shares on revenue account or as trading stock.

(b) Non – resident shareholders

Non resident shareholders will be liable for Australian CGT in respect of the capital return if they had used their shares in the Company in carrying on a business through a permanent establishment in Australia. Shareholders who are not residents of Australia for tax purposes should seek their own advice in relation to tax consequences arising from the capital return under the laws of their country of residence.

7. Key dates – Return of Capital

The proposed time table for the capital return is as follows:

Meeting of Members	Wednesday, 23 January 2008
Ex Date	Friday, 25 January 2008
Record Date	Friday, 1 February 2008
Payment Date	Thursday, 14 February 2008

8. Board recommendation

The board unanimously recommends that shareholders vote in favour of the proposed resolution.