

ENDACE LIMITED

NOTICE OF ANNUAL MEETING

Endace Limited (“the Company”) gives you notice that its annual meeting will be held at the offices of Panmure Gordon & Co. plc, 155 Moorgate, London EC2M 6XB, United Kingdom on Monday 4 September at 9.30 am BST.

The business of the meeting will be:

General Business

To consider and, if thought fit, pass the following resolutions numbered 1-7 (inclusive) as ordinary resolutions.

1. To receive and consider the Directors’ Report, the Financial Statements, and the Auditor’s Report for the year ended 31 March 2006.
2. To re-appoint John Scott as a director, being a director appointed by the Board during the year;
3. To re-appoint Mark Rowan as a director, being a director appointed by the Board during the year;
4. To re-appoint Neil Hopkins as a director, being a director appointed by the Board during the year;
5. To re-appoint PricewaterhouseCoopers as auditor to:
 - (a) hold office from the conclusion of this meeting to the conclusion of the next annual meeting; and
 - (b) audit the Financial Statements including the group financial statements for the period ending 31 March 2007;
6. To authorise the board to fix the auditor’s fees and expenses.
7. To authorise the payment of remuneration to all directors taken together in their capacity as directors of up to £100,000 per annum.

Special Business

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

“For the purposes of Article 4.2 of the Company’s constitution (“Constitution”) the directors be and they are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot Relevant Securities (as defined in the Constitution) up to an aggregate maximum of 4,861,983 ordinary shares (being equivalent to 33 per cent. of the ordinary shares in issue at the date of the notice convening this meeting). The authority conferred by this resolution shall expire fifteen months after the passing of this resolution or the conclusion of the Company’s next annual meeting if earlier but may be previously revoked or varied from time to time by the Company in general meeting. Under the authority hereby conferred the directors may during such period make agreements which would or might require Relevant Securities to be allotted after such expiry, revocation or variation and the directors may allot Relevant Securities in pursuance of such offer or agreement as if such authority had not expired or been revoked or varied.”

9. To consider and, if thought fit, pass the following resolution which will be proposed as a special resolution:

“That (subject to the passing of resolution 8 set out in the notice convening this meeting) the directors be and they are hereby empowered for the purposes of Article 4.3 of the Constitution to allot Equity Securities and sell Treasury Stock (as defined in the Constitution) for cash pursuant to the authority conferred by such resolution otherwise than pursuant to a Pre-Emptive Issue (as defined in the Constitution) provided that such power shall be limited to the allotment of Equity Securities or the sale of Treasury Stock up to an aggregate maximum of 736,664 ordinary shares (being equivalent to 5% of the ordinary shares in issue at the date of the notice convening this meeting). The power hereby conferred shall expire fifteen months after the passing of this resolution or at the conclusion of the Company’s next annual meeting if earlier but may be previously revoked or varied from time to time by special resolution. Under the authority hereby conferred the directors may during such period make agreements which would or might require Equity Securities to be allotted or Treasury Stock to be sold after such expiry, revocation or variation and the directors may allot Equity Securities and sell Treasury Stock in pursuance of such offer or agreement as if such power had not expired or been revoked or varied.”

Other Business

10. To consider any other matter that may be properly brought before the meeting.

Notes:

1. A shareholder who is entitled to attend and vote at the meeting may appoint one or more proxies to attend and, on a poll, vote on his or her behalf, provided that only one proxy may be appointed by a shareholder in respect of a particular share held by him/her. A proxy need not be a shareholder of the Company. To be effective, a completed and signed proxy (and any power of attorney or other authority under which it is signed) must be delivered to the Company's transfer agent, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, England by no later than 48 hours before the time fixed for the meeting or any adjourned meeting. Completion and return of a proxy will not preclude a shareholder from attending and voting at the meeting in person, in which event the proxy shall be automatically revoked.
2. A body corporate which is a shareholder may appoint a representative to attend a meeting of shareholders on its behalf in the same manner as that in which it could appoint a proxy. A corporate representative will have the same rights and powers as if the representative were a proxy.
3. In the case of joint holders of shares in the Company, the vote of the person named first in the Company’s share register and voting on a matter will be accepted to the exclusion of the votes of the other joint holders.
4. In the case of holders of depositary interests representing ordinary shares in the Company, a form of direction must be completed in order to appoint Capita IRG Trustees Limited, the Depositary, to vote on the holder’s behalf at the meeting or, if the meeting is adjourned, at the adjourned meeting. To be effective, a completed and signed form of direction (and any power of attorney or other authority under which it is signed) must be delivered to the Company's transfer agent, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, England by no later than 72 hours before the time fixed for the meeting or any adjourned meeting.
5. New Zealand-based shareholders may participate in the meeting by attending the Company’s office at Building 7, 17 Lambie Drive, Manukau, Auckland, which will be connected to the meeting by the telephone. The meeting commences at 8.30 pm New Zealand time.

Further explanatory notes:

1. Resolution 1 – Report and Accounts
The directors are required to present for approval the Directors' Report, the Financial Statements, and the Auditor's Report for the year ended 31 March 2006.
2. Resolutions 2, 3 and 4 – Re-appointment of directors
The constitution of the Company requires that any director appointed by the Board shall hold office only until the next following annual meeting and shall then be eligible for re-appointment. John Scott, Mark Rowan and Neil Hopkins were appointed by the board and thus retire and seek re-appointment.
3. Resolutions 5 and 6 – Re-appointment of auditors
The Company is required to appoint auditors at each annual meeting to hold office until the next such meeting at which accounts are presented. These resolutions propose the re-appointment of the Company's existing auditors, PricewaterhouseCoopers, and authorise the directors to agree their remuneration.
4. Resolution 7 – Directors' remuneration
Asks the shareholders to approve the total remuneration to be paid to non-executive directors, as required by clause 28.1 of the Company's constitution. The resolution does not affect the remuneration of executive directors in their capacity as executives
5. Resolution 8 – Authority to allot Relevant Securities
Asks the shareholders to renew the directors' general authority to allot shares, should it be desirable to do so. If approved, this authority is limited to 33% of the Company's issued share capital.
6. Resolution 9 – Dis-application of Pre-Emptive Rights
Renews an existing authority given to the directors to allot shares for cash to persons other than existing shareholders up to a maximum of 5% of the Company's issued share capital. This authority, which will expire at the next annual meeting or, if earlier, 15 months from the date of the resolution, gives the directors flexibility to take advantage of business opportunities as they arise and the 5% limit ensures that existing shareholders' interests are protected.

By order of the Board



Averill Dickson

Company Secretary

3 August 2006

Building 7, 17 Lambie Drive, Manukau, Auckland

ENDACE LIMITED

Incorporated in New Zealand with registered number 151 7930

(the Company)

PROXY FORM

I/We (name of shareholder) _____

of (address) _____

(Please insert full name(s) and address(es) in BLOCK CAPITALS. If shares are held jointly, enter details of other joint holders.)

appoint (name) _____

of (address) _____

or failing him/her (name) _____

of (address) _____

or failing him/her the chairperson of the Company as my proxy to exercise my vote at the Annual Meeting of shareholders of the Company to be held at the offices of Panmure Gordon & Co. plc, 155 Moorgate, London EC2M 6XB on Monday 4 September at 9.30 am BST, and at any adjournment of that meeting.

(Please note that if the shares are held jointly, the appointment made in this section is made on behalf of each joint holder.)

Voting Instructions

I direct my proxy to vote in the following manner:

(Tick the box that applies)

General Business

	For	Against
1. Adoption of reports and accounts	<input type="checkbox"/>	<input type="checkbox"/>
2. Election of John Scott as a director	<input type="checkbox"/>	<input type="checkbox"/>
3. Election of Mark Rowan as a director	<input type="checkbox"/>	<input type="checkbox"/>
4. Election of Neil Hopkins as a director	<input type="checkbox"/>	<input type="checkbox"/>
5. Appointment of auditor	<input type="checkbox"/>	<input type="checkbox"/>
6. Authorising directors to fix auditor's fees and expenses	<input type="checkbox"/>	<input type="checkbox"/>
7. Authorising directors' remuneration	<input type="checkbox"/>	<input type="checkbox"/>

(Tick the box that applies)

Special Business

For Against

8. Authority to allot Relevant Securities

9. Dis-application of Pre-Emptive Rights

(Please note that if the shares are held jointly, the voting instructions given in this section are given on behalf of each joint holder.)

Signature:..... Date:

Notes:

1. As a shareholder you may attend the meeting and vote, or you may appoint a proxy to attend the meeting. A proxy need not be a shareholder of the Company.
2. If you are joint holders of shares each of you must sign this proxy form.
3. To be effective, this proxy form and the power of attorney or other authority (if any) under which it is signed, or a notarially or otherwise certified copy of such power or authority, must be deposited at the Company's transfer agent, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 48 hours before the time fixed for the meeting or any adjourned meeting.
4. Any alterations made to this form of proxy should be initialled.
5. In the case of a corporation this proxy should be given under its common seal or under the hand of an officer or attorney duly authorised in writing.
6. If you return this form without directing the proxy how to vote on any particular matter, the proxy may vote as he or she thinks fit.

ENDACE LIMITED

(Incorporated in New Zealand with registered number 151 7930)

“Issuer Company”

FORM OF DIRECTION

Form of direction for completion by holders of Depositary Interests representing shares on a one for one basis in the Issuer Company in respect of the annual meeting of the Issuer Company at the offices of Panmure Gordon & Co. plc, 155 Moorgate, London EC2M 6XB on Monday 4 September at 9.30 am BST.

I/We (name of shareholder) _____

of (address) _____

(Please insert full name(s) and address(es) in BLOCK CAPITALS.)

being a holder of Depositary Interests representing shares in the Issuer Company hereby appoint Capita IRG Trustees Limited as my/our proxy to vote for me/us and on my/our behalf at the annual meeting of the Issuer Company to be held on the above date (and at any adjournment thereof) as directed below.

(Tick the box that applies)

General Business

	For	Against
1. Adoption of reports and accounts	<input type="checkbox"/>	<input type="checkbox"/>
2. Election of John Scott as a director	<input type="checkbox"/>	<input type="checkbox"/>
3. Election of Mark Rowan as a director	<input type="checkbox"/>	<input type="checkbox"/>
4. Election of Neil Hopkins as a director	<input type="checkbox"/>	<input type="checkbox"/>
5. Appointment of auditor	<input type="checkbox"/>	<input type="checkbox"/>
6. Authorising directors to fix auditor's fees and expenses	<input type="checkbox"/>	<input type="checkbox"/>
7. Authorising directors' remuneration	<input type="checkbox"/>	<input type="checkbox"/>

Special Business

8. Authority to allot Relevant Securities	<input type="checkbox"/>	<input type="checkbox"/>
9. Dis-application of Pre-Emptive Rights	<input type="checkbox"/>	<input type="checkbox"/>

Signature:..... Date:

Notes:

1. To be effective, this form of direction and the power of attorney or other authority (if any) under which it is signed, or a notarially or otherwise certified copy of such power or authority, must be deposited at the Company's transfer agent, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU not later than 72 hours before the time appointed for holding the meeting.
2. Any alterations made to this form of direction should be initialled.
3. In the case of a corporation this form of direction should be given under its common seal or under the hand of an officer or attorney duly authorised in writing.
4. Please indicate how you wish your votes to be cast by ticking the box provided. On receipt of this form duly signed, you will be deemed to have authorised Capita IRG Trustees Limited to vote, or to abstain from voting, as they think fit.