

ASX RELEASE

16 October 2009

Folkestone Limited

ACN 004 715 226

Suite 8, 14 Lionel Road
Mount Waverley, Victoria 3149

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Folkestone Limited Notice of Annual General Meeting

Please refer to the attached notice of Annual General Meeting which will be sent to shareholders next week.

For further information regarding this announcement please contact:

Mr Scott Martin
CFO & Company Secretary
Folkestone Limited
03-9670-7028

For personal use only

Notice of Annual General Meeting

Folkestone Limited

ABN 21 004 715 226

The forty second Annual General Meeting of FOLKESTONE LIMITED will be held at the offices of Baker & McKenzie at Level 19, 181 William Street, Melbourne on Tuesday, 24 November 2009 commencing at 11.30 am.

Agenda

Financial Statements

1. To consider the Directors' Report, Financial Statements and Independent Audit Report for the year ended 30 June 2009.

Unless the Company's Share Registry has been notified otherwise, shareholders will not be sent a hard copy of the Annual Report. All shareholders can view the Annual Report, which contains the Financial Report for the year ended 30 June 2009 on the website of the Company (www.folkestone.com.au), under Investor Centre/Annual Reports.

Questions and Comments

Following the consideration of Reports, the Chairman will give shareholders an opportunity to ask questions about or comment on the management of the Company or its financial statements.

Election of Director

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

2. "That Ms Kaye Denning, a Director retiring from office by rotation in accordance with Rule 58 of the Constitution, being eligible, is re-elected as a Director of the Company."

Information about Ms Denning is set out in the Explanatory Notes.

Adoption of the Remuneration Report

3. To adopt the Remuneration Report for the financial year ended 30 June 2009. Please see the attached Explanatory Notes.

(Note that the vote on this item is advisory only and does not bind the Directors of the Company.)

By Order of the Board



Company Secretary
16 October 2009

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Entitlement to attend and vote

In accordance with Reg 7.11.37 of the Corporations Regulations 2001, the Board has determined that persons who are registered holders of shares of the Company as at 7:00pm (AEDT) on 22 November 2009 will be entitled to attend and vote at the Meeting as a shareholder.

If more than one joint holder of shares is present at the meeting (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

Proxies

If you are unable to attend and vote at the meeting and wish to appoint a person who is attending as your proxy, please complete the enclosed proxy form. This form must be received by the Company by 11.30am (AEDT) on Sunday, 22 November 2009.

The completed proxy form may be:

- Mailed to Link Market Services Limited, Locked Bag A14, Sydney South, NSW 1235;
- Faxed to 61-2-9287-0309; or
- Delivered by hand to Link Market Services Limited, Level 12, 680 George Street, Sydney, NSW 2000.

A member entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the members voting rights. A proxy need not be a member of the Company.

Voting by Attorney

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 11.30am (AEDT) on 22 November 2009 being 48 hours before the meeting.

Corporate Representatives

A body corporate which is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the meeting. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative should bring to the meeting a properly executed letter or other document confirming their authority to act as the company's representative.

Explanatory Notes on Resolutions

Resolution 2 – Re-election of Kaye Dening as a Director of Folkestone Limited

Kaye H Dening (64)

AM, BEc, AAPI (Val), AAIB, JP

Non-Executive Director

Kaye was appointed as a Non-Executive Director in June 2007 and is a member of the Audit and Risk Management and Remuneration Committees. Kaye has a long history of involvement in the construction and property development industries as CEO of Dening Group and has worked with Stockland Limited and NSW Government Landcom.

Resolution 3 – Adoption of Remuneration Report

The Directors' Report for the year ended 30 June 2009 contains a Remuneration Report which sets out the policy for the remuneration of the directors of the Company and specified executives of the Company.


The Corporations Act requires that a resolution be put to the vote that the Remuneration Report be adopted. The Corporations Act expressly provides that the vote is advisory only and does not bind the directors or the Company.


Shareholders attending the AGM will be given an opportunity to ask questions about, or make comments on the Remuneration Report.

Folkestone Limited

ABN 21 004 715 226
(Incorporated in Victoria)


LODGE YOUR VOTE

 **By mail:**
Folkestone Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **By fax:** +61 2 9287 0309

 **ONLINE** www.linkmarketservices.com.au

All enquiries to:

 **Telephone:** 1300 554 474
Overseas: +61 2 8280 7111



X99999999999

SHAREHOLDER VOTING FORM

I/We being a member(s) of Folkestone Limited and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 11:30am on Tuesday, 24 November 2009, at the offices of Baker & McKenzie, Level 19, 181 William Street, Melbourne Vic 3000 and at any adjournment or postponement of the meeting.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting.

Please read the voting instructions overleaf before marking any boxes with an

STEP 2

VOTING DIRECTIONS

Resolution 2

Election of Director
To re-elect Ms Kaye Denning as a director


For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Resolution 3

Adoption of Remuneration Report
(non-binding advisory vote)

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.

 * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

FLK PRX901



HOW TO COMPLETE THIS PROXY FORM

Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together.

Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.


Corporate Representatives


If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the company's share registry.

Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by 11:30am on Sunday, 22 November 2009, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.


Proxy Forms may be lodged using the reply paid envelope or:

 **by mail:**
Folkestone Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia

 **by fax:**
+61 2 9287 0309

 **online:** **ONLINE** www.linkmarketservices.com.au

lodging it online at Link's website (www.linkmarketservices.com.au) in accordance with the instructions given there (you will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website);

 **by hand:**
delivering it to Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000.

If you would like to attend and vote at the Annual General Meeting, please bring this form with you.
This will assist in registering your attendance.