



Mesbon China Nylon Limited
ACN 123 178 852

NOTICE OF ANNUAL GENERAL MEETING

Date: 20 May 2008

Time: 3.30 pm

Place: Grant Thornton
Chartered Accountants
Level 17
383 Kent Street
Sydney NSW

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NOTICE OF ANNUAL GENERAL MEETING
NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF MESBON CHINA NYLON LIMITED ACN 123 178 852 ('MESBON' OR 'THE COMPANY') WILL BE HELD AT THE OFFICES OF GRANT THORNTON CHARTERED ACCOUNTANTS, LEVEL 17, 383 KENT STREET, SYDNEY, NSW ON 20 MAY 2008 AT 3.30 PM (EST).

GENERAL BUSINESS

TO RECEIVE AND CONSIDER the Company's financial report and reports of the directors and of the auditor for the financial year ended 31 December 2007.

Resolutions

1. TO ELECT DIRECTOR – Bolong Xing

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

"That Bolong Xing; a director appointed in accordance with clause 110 of the Constitution of the Company, is elected as a director of the Company."

[see the accompanying Explanatory Statement]

2. TO ELECT DIRECTOR – Yanfu Jiang

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

"That Yanfu Jiang; a director appointed in accordance with clause 110 of the Constitution of the Company, is elected as a director of the Company."

[see the accompanying Explanatory Statement]

3. TO ELECT DIRECTOR – Paul Desmond Teisseire

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

"That Paul Desmond Teisseire; a director appointed in accordance with clause 110 of the Constitution of the Company, is elected as a director of the Company."

[see the accompanying Explanatory Statement]

4. TO ELECT DIRECTOR – Fai-Peng Chen

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

"That Fai-Peng Chen; a director appointed in accordance with clause 110 of the Constitution of the Company, is elected as a director of the Company."

[see the accompanying Explanatory Statement]

5. TO ADOPT THE REMUNERATION REPORT on pages 19 – 23 of the Annual Report

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

"That the Remuneration Report for the period ended 31 December 2007 be adopted."

[see the accompanying Explanatory Statement]

6. TO APPOINT GRANT THORNTON CHARTERED ACCOUNTANTS as auditors of the Company.

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

"That for the purposes of section 327B(1)(b) of The Corporations Act 2001, Grant Thornton Chartered Accountants be appointed as auditors of the Company".

OTHER BUSINESS

To deal with any other business that may legally be brought forward in accordance with the Constitution and the *Corporations Act 2001*.

BACKGROUND INFORMATION

To assist you in deciding how to vote on the above resolutions, further details as background information to the resolutions are set out in the explanatory note forming part of this notice of meeting.

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QUESTIONS FROM SHAREHOLDERS

The chairman of the meeting will allow a reasonable opportunity for stakeholders to ask questions or make comments on the management of the Company at the meeting.

Simon Gray of Grant Thornton Chartered Accountants, as the auditor responsible for preparing the auditor's report for the year ended 31 December 2007 (or his representative) will attend the meeting. The chairman of the meeting will allow a reasonable opportunity for the members as a whole to ask the auditor questions at the meeting about:

- The conduct of the audit;
- The preparation and content of the auditor's report;
- The accounting policies adopted by the company in relation to the preparation of the financial statements; and
- The independence of the auditor in relation to the conduct of the audit.

To assist the board of directors and the auditor of the Company in responding to any questions you may have, please submit any questions you may have headed 'Questions from shareholders' to the address below to be received no later than 5.00pm (EST) on Monday 12 May 2008.

In person or by mail: Registered Office – 25 Peel Street, Adelaide South Australia 5000.
PO Box 15, Aldgate South Australia 5154

By Facsimile: +61 8 8339 7909

As required by section 250PA of the *Corporation Act 2001*, the Company will distribute a list of questions prior to the commencement of the annual general meeting, setting out the questions received and directed to the auditor in writing at least 5 business days prior to the meeting that the auditor considers relevant to the content of the audit report or the conduct of the audit of the financial report for the year ended 31 December 2007. The chairman of the meeting will allow reasonable opportunity for the auditor to respond to the questions set out on this list.

PROXIES

Please note that:

- a member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- a proxy need not be a member of the Company; and
- a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

To be effective, a proxy form (and, if it is signed by an attorney, the authority under which it is signed or a certified copy of the authority) must be deposited at the share registry of the Company, Computershare Investor Services Pty Limited, located at Level Five, 115 Grenfell Street Adelaide SA 5000, or by facsimile on 61 8 8236 2305 not later than 48 hours before the commencement of the meeting

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

"SNAP-SHOT" IN TIME

In accordance with regulation 11.7.37 of the Corporations Regulations 2001, the Company must specify a time, not more than 48 hours before the meeting, at which a "snap-shot" of Shareholders will be taken for the purposes of determining shareholder entitlements to vote at the meeting.

The Company's Directors have determined that all Shares of the Company that are quoted on ASX at close of business on the 16th May 2008 shall, for the purposes of determining voting entitlements at the General Meeting, be taken to be held by the persons registered as holding the shares at that time. Transactions of Shares after this time will be disregarded in determining entitlements to attend and vote at the General Meeting.

CORPORATE REPRESENTATIVE

Any corporate Shareholder who has appointed a person to act as its corporate representative at the meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the meeting or handed in at the meeting when registering as a corporate representative.

By Order of the Board

Graham Seppelt

Company Secretary

Dated: 14 April 2008

Adelaide, South Australia

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY STATEMENT

Financial Statements and Reports

The *Corporations Act 2001* requires the annual report (which includes the financial statements and directors declaration), the directors' report and the auditor's report in respect of the financial year of Mesbon China Nylon Limited ("Mesbon") ended 31 December 2007 to be laid before the 2008 Annual General Meeting. Shareholders will be given an opportunity at the Meeting to ask questions and make comments on these reports and on the business, operations and management of Mesbon.

Resolution 1. – Election of director Mr Bolong Xing.

During the year Bolong Xing was appointed a Director by the board of directors. In accordance with clause 110 of the Company's Constitution, a director appointed by the board holds office until the Annual General Meeting and is then eligible for election. Mr. Xing seeks election as a director of the Company.

Mr Xing's details are set out in the 2007 Annual Report.

Resolution 2. – Election of director Professor Yanfu Jiang.

During the year Yanfu Jiang was appointed a Director by the board of directors. In accordance with clause 110 of the Company's Constitution, a director appointed by the board holds office until the Annual General Meeting and is then eligible for election. Professor Jiang seeks election as a director of the Company.

Professor Jiang's details are set out in the 2007 Annual Report.

Resolution 3. – Election of director Mr Paul Desmond Teisseire.

During the year Paul Teisseire was appointed a Director by the board of directors. In accordance with clause 110 of the Company's Constitution, a director appointed by the board holds office until the Annual General Meeting and is then eligible for election. Mr. Teisseire seeks election as a director of the Company.

Mr Teisseire's details are set out in the 2007 Annual Report.

Resolution 4. – Election of director Mr Fai-Peng Chen.

During the year Fai-Peng Chen was appointed a Director by the board of directors. In accordance with clause 110 of the Company's Constitution, a director appointed by the board holds office until the Annual General Meeting and is then eligible for election. Mr. Chen seeks election as a director of the Company.

Mr Chen's details are set out in the 2007 Annual Report.

Resolution 5. – Adoption of Remuneration Report

Section 240L and 250R of The Corporation Act 2001 require that a resolution that the Remuneration Report be adopted must be put to the vote at the Company's annual general meeting. The vote on this resolution is advisory only and does not bind the directors or the Company.

The Remuneration Report is set out on pages 19 to 23 of the 2007 Annual Report.

Resolution 6. – To appoint Grant Thornton, Chartered Accountants as auditors of the Company.

Under Section 327A of *The Corporations Act 2001*, the Company appointed Grant Thornton as its initial auditors. Under that section, the initial appointment of the auditor carries forward to the first Annual General Meeting. Section 327B of *The Corporations Act 2001* requires the Company to appoint auditors at the first annual general meeting. The purpose of this resolution is to comply with Section 327B of *The Corporations Act 2001* by appointing Grant Thornton Chartered Accountants to act as auditor of the Company.

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Mesbon

Mesbon China Nylon Limited

ACN 123 178 852

Mark this box with an "X" if you have made any changes to your address details (see reverse)



019

Proxy Form

All correspondence to:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia
Enquiries (within Australia) 1300 132 593
(outside Australia) 61 3 9415 4805
Facsimile 61 8 8236 2305
www.computershare.com

Holder Identification Number (HIN)



X

COY

Appointment of Proxy

I/We being a member/s of Mesbon China Nylon Limited and entitled to attend and vote hereby appoint

the Chairman of the Meeting (mark with an "X")

OR

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Mesbon China Nylon Limited to be held at Grant Thornton Chartered Accountants, Level 17, 383 Kent Street, Sydney NSW on 20 May 2008 at 3.30 pm and at any adjournment of that meeting.

Voting directions to your proxy - please mark

to indicate your directions

		For	Against	Abstain*		For	Against	Abstain*	
1.	To elect Bolong Xing as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5.	To adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	To elect Yanfu Jiang as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6.	To appoint Grant Thornton Chartered Accountants as auditors of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	To elect Paul Desmond Teisselre as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
4.	To elect Fai-Peng Chen as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					

In addition to the intention advised above, the Chairman of the Meeting intends to vote undirected proxies in favour of each of the other 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.

Appointing a second Proxy

I/We wish to appoint a second proxy

Mark with an "X" if you wish to appoint a second proxy.

AND

%

OR

State the percentage of your voting rights or the number of securities for this Proxy Form.

PLEASE SIGN HERE

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

Individual/Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

In addition to signing the Proxy Form in the above box(es) please provide the information below in case we need to contact you.

Contact Name

MES

Contact Daytime Telephone

1 PR

Date

RD01
L000001



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How to complete the Proxy Form

1 Your Address

This is your address as it appears on the company's Share register. If this information is incorrect, please mark the box and make the correction on the form. Securityholders sponsored by a broker (in which case your reference number overleaf will commence with an 'X') should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the full name of that individual or body corporate in the space provided. 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 securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

3 Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your securities 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 securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, 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.

4 Appointment of a Second Proxy

You are entitled to appoint up to two 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.

To appoint a second proxy you must:

- indicate that you wish to appoint a second proxy by marking the box.
- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities 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 in the same envelope.

5 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, all of the securityholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document 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.

If a representative of a corporate Securityholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's Share registry or at www.computershare.com.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below no later than 48 hours before the commencement of the meeting at 3.30 pm on 20 May 2008. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged:

IN PERSON	Computershare Investor Services Pty Limited, Level 5, 115 Grenfell Street, Adelaide, South Australia, 5000, Australia
BY MAIL	Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria, 3001, Australia
BY FAX	+61 8 8236 2305