

NOTICE OF ANNUAL GENERAL MEETING

AJ LUCAS GROUP LIMITED

ABN 12 060 309 104

NOTICE IS HEREBY GIVEN that the annual general meeting of AJ Lucas Group Limited will be held as follows:

Date: Friday 24 November 2006
Time: 11:00am
Location: Hotel InterContinental
117 Macquarie Street, Sydney

to conduct the following business.

GENERAL BUSINESS

Financial statements and reports

To receive and consider the annual financial report of the Company for the year ended 30 June 2006 and the reports of the directors and auditors thereon.

Resolution 1 - Re-election of director

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

"That Ian Stuart-Robertson, having retired by rotation in accordance with clause 10.2 of the Company's constitution and, being eligible, having offered himself for re-election, be re-elected a director of the Company."

Resolution 2 - Adoption of the remuneration report

To adopt the remuneration report for the financial year ended 30 June 2006.

SPECIAL BUSINESS

Resolution 3 - Re-approval of Lucas Management Rights Plan

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

"That the issue of securities in AJ Lucas Group Limited under the Lucas Management Rights Plan be approved for the purposes of the Australian Stock Exchange Listing Rule 7.2, exception 9 and for all other purposes."

Resolution 4 - Re-approval of Lucas Deferred Share Plan

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

"That the issue of securities in AJ Lucas Group Limited under the Lucas Deferred Share Plan be approved for the purposes of the Australian Stock Exchange Listing Rule 7.2, exception 9 and for all other purposes."

Resolution 5 - Issue of Options to executive directors

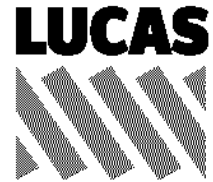
To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That Allan Stuart Campbell, Ian Stuart-Robertson and Andrew John Lukas, executive directors, be invited to apply for Options to acquire shares in the Company under the Lucas Management Rights Plan on the terms set out in the explanatory memorandum to the notice which convened this meeting."

Resolution 6 - Grant of Shares to non-executive directors

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

"That Martin Green and Garry O'Meally, both non-executive directors, be granted Shares in the Company under the Lucas Deferred Share Plan on the terms set out in the explanatory memorandum to the notice which convened this meeting."



157 Church Street
Ryde NSW 1680
Australia
Tel +61 2 9809 6866
Fax +61 2 9807 6088

VOTING EXCLUSION STATEMENT

The Company will disregard any vote cast on resolutions 3, 4, 5 and 6 by any director and their associates of the Company.

However, the Company need not disregard a vote cast on the resolutions if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

DETERMINATION OF MEMBERSHIP AND VOTING ENTITLEMENT FOR THE PURPOSE OF THE MEETING

For the purpose of determining entitlement to vote at the meeting, an entity or person will be recognised as a shareholder if that entity or person is registered as a shareholder at close of business on 22nd November 2006 ("Entitlement Time").

All registered holders of ordinary shares in the Company as at the Entitlement Time are entitled to attend and vote at the meeting.

PROXIES

A member, entitled to attend and vote at the meeting pursuant to the Company's constitution, is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each must be appointed to represent a specific proportion of the member's voting rights. If such appointment is not made, then each proxy may exercise half the member's voting rights.

A proxy need not be a member of the Company.

Any instrument of proxy deposited or received at the registered office of the Company without the proxy's name filled in shall be deemed to be given in favour of the chairman of the meeting.

The instrument appointing a proxy, and any power of attorney or an office copy of a notarised copy thereof under which an attorney for a member appoints a proxy, shall be lodged at the registered office of the Company being 157 Church Street, Ryde, New South Wales, 2112, PO Box 675, Ryde, New South Wales, 1680 or received by fax on (02) 9807 6088 not less than 48 hours before the time of the meeting or adjourned meeting.

The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney or, if such appointor is a corporation, under the hand of its attorney or the hand of a person duly authorised by the corporation.

The proxy form accompanying this Notice of Meeting may be used.

By order of the board

Nicholas Swan
Company Secretary
17 October 2006

EXPLANATORY NOTES

This explanatory memorandum forms part of the Notice convening the Annual General Meeting of shareholders of the Company to be held on 24 November 2006. The Notice convening the meeting includes two resolutions under General Business and four resolutions under Special Business. This explanatory memorandum is to assist shareholders in understanding the background to the resolutions.

Resolution 2 - Adoption of the remuneration report

The Annual Report for the year ended 30 June 2006 contains a remuneration report which sets out the remuneration policy for the Group and reports the remuneration policy for the directors and senior managers of the Company. The report is set out on pages 19 to 22 of the Annual Report.

The vote on the resolution is advisory only and does not bind the directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Group.

Resolutions 3 and 4 - Re-approval of Lucas Management Rights Plan and Lucas Deferred Share Plan

Broadly speaking, without shareholder approval, Australian Stock Exchange ('ASX') Listing Rule 7.1 prohibits the Company issuing equity securities which in aggregate exceed 15% of the fully-paid ordinary share capital of the Company in any 12 month period.

ASX Listing Rule 7.2 provides at exception 9 that Listing Rule 7.1 does not apply in respect of the issue of securities by the Company under an employee incentive scheme if the scheme has been approved by shareholders within three years from the date of issue of the relevant securities.

The Lucas Management Rights Plan ("MRP") and the Lucas Deferred Share Plan ("DSP") were approved by shareholders at the Company's Annual General Meeting held on 28 November 2001. As the plans were approved over three years ago, renewal of shareholder approval is required if the Company wishes to exclude issues of securities under the plans for the purposes of Listing Rule 7.1.

Since the MRP and DSP were approved, the following securities have been issued under these plans.

Plan	Type of security	No. of securities issued
MRP	Performance Rights	1,927,000
DSP	Deferred Shares	200,000

Of the Performance Rights, 333,333 have been cancelled because the Performance Condition was not met and 61,000 cancelled because the recipients had left the Company before they vested.

A general description of the plans are set out below. Copies of the rules of each of the plans are available from the Company Secretary, 157 Church Street, Ryde, NSW, 2112. Alternatively, a copy of these documents will be forwarded to shareholders free of charge by contacting the Company Secretary on 02 9809 6866.

1. Outline of the MRP

This section gives a brief outline of how the Board intends to implement participation under the Rules of the MRP. Where participation is to be made available to staff who reside outside Australia, there may have to be modifications to the Terms of Grant to meet or better comply with the requirements of local laws or practice.

The MRP Rules are summarised in Annexure 1 below. Most words with initial capitals are defined in the Rules.

• Participation

Well designed equity plans are a key component in providing competitive remuneration to senior staff that is closely linked to the creation of long-term shareholder value.

As part of the Company's strategy for the future, the Board wishes to continue to be able to offer rights to acquire shares ("Rights") in the Company to Executive Directors and senior managers who, in the opinion of the Board, are able by virtue of their position, experience and skill, to influence the generation of shareholder wealth.

The Rights may be in the form of traditional market-priced options ("Options") or zero exercise price options ("Performance Rights") depending on the Company's objectives in making the grant. Many leading Australian companies have made grants of Options and/or Performance Rights in recent years.

The flexibility of the MRP Rules will enable the Board to design grants that best meet the particular circumstances.

The Board presently intends to grant Options under the MRP, reflecting the focus on achieving strong share price growth in the Company over the medium term. In the Board's view, Options will best serve to reward executives should strong share price growth be achieved.

• Exercise

Options will Vest on the third anniversary of their Grant Date (the "Exercise Date"), subject to the achievement of the Performance Condition specified below.

Options which have Vested will be exercisable from their Exercise Date until the fifth anniversary of their Grant Date (the "Expiry Date").

• Performance Condition

The Board has a broad discretion as to whether the exercise of Options is subject to the satisfaction of a Performance Condition, and to determine the nature of that Condition.

The Board's intention is that Options granted to senior executives will be subject to a Performance Condition which requires that the Company achieve certain levels of growth in Total Shareholder Return ("TSR"), measured relative to the constituents of the S&P/ASX Small Ordinaries index (excluding mining and resource companies, property trusts/companies and investment property trusts/companies) (the "Comparator Group").

For the purposes of the Performance Condition, at the end of the performance period, the Company's TSR will be given a percentile ranking compared with the performance of each company in the Comparator Group. Participants' entitlement to shares will be dependent upon the Company's comparative TSR ranking as follows.

Company's ranking against the Comparator Group	Percentage of Options becoming exercisable
Below 50 th percentile	Nil
50 th percentile	50% of Options exercisable
75 th percentile and above	100% of Options exercisable
Greater than 50 th percentile and less than 75 th percentile	Calculated on a pro rata basis between 50% and 100%. For each whole percentile point between the 50 th and the 75 th percentiles, a further 2% of the Options become exercisable.

Performance will normally be measured over the three years to the Exercise Date specified under "Exercise" above.

• General

Under the Rules of the MRP, with the approval of the Board, grants may be taken up by an Associate (such as a spouse, family company or trust) of the relevant employee.

2. Outline of the DSP

The Board believes that it is in the Company's best interests for Non-Executive Directors to build and retain a significant portfolio of shares in the Company to further align their interests with those of shareholders.

The DSP is intended to facilitate the grant to Non-Executive Directors and selected employees of the Company of shares in the Company, subject to certain restrictions on dealing in the shares. Shares may be granted under the Plan at no cost to the Participant, or may be acquired pursuant to the sacrifice of Director's fees or salary.

Non-Executive Directors may not participate in the other equity and incentive plans operated by the Company.

• Restricted shares

The DSP permits the Board to grant shares to Participants, at no cost to the Participant. The shares may be subject to restrictions determined by the Board to be appropriate.

• Fee sacrifice

Where shares are acquired under the DSP pursuant to a fee or salary sacrifice arrangement, an amount equal to the value of those shares will be deducted from the Participant's remuneration. If the shares are acquired on market, the amount deducted will be the actual cost of those shares, including stamp duty and brokerage. In the case of newly issued shares, the amount deducted will be based on the weighted average of the prices at which the Company's shares were traded on the ASX during the one week period prior to and including the day the shares are acquired.

• Restrictions

It is proposed that shares acquired under the Plan may not be sold for a period of up to ten years after they are acquired, except where a Director retires from the Board or an employee ceases to be employed by a Group Company (in which case shares may be sold), or the Board permits earlier sale.

The DSP Rules are summarised in Annexure 2 below.

Resolution 5 - Issue of options to executive directors

The ASX requires under Listing Rule 10.14 that shareholders approve the acquisition of securities in the Company under the Lucas Management Rights Plan (MRP) by Directors of the Company and their associates.

The MRP was originally approved by shareholders at the Company's Annual General Meeting held on 28 November 2001 and has been submitted to shareholders for approval in Resolution 3 to this Notice of Meeting. A summary of the MRP is provided in relation to resolution 3.

Since the MRP was approved, the following grants of Performance Rights have been made under the MRP to persons referred to in ASX Listing Rule 10.14.

Name	Position	Date of Grant	Number
AS Campbell	Executive Chairman	20 Dec 2002	250,000
AJ Lukas	Executive Director	20 Dec 2002	250,000

The acquisition price of the Performance Rights previously granted under the Plan was nil. Details of the Performance Rights are shown in note 30 to the financial statements in the 2006 Annual Report.

It is proposed that during the month following the 2006 Annual General Meeting, the persons named below will be invited under the Plan to take up no more than the number of Options set out after their names. Any Options granted pursuant to these invitations will be issued not later than 12 months after the date of the Annual General Meeting.

Name	Position	Maximum No. of Options
Allan Stuart Campbell	Executive Chairman	250,000
Andrew John Lukas	Executive Director	150,000
Ian Stuart-Robertson	Executive Director	150,000

The Board believes it is now appropriate and reasonable, in light of their respective roles and responsibilities, and their continued significant contribution to the Company to issue Options to Messrs Campbell, Lukas and Stuart-Robertson. The Options form part of a competitive remuneration package which is intended to link the delivery of executive reward to ongoing corporate performance.

No price is payable for the grant of Options. If the applicable Performance Condition is met, and a Participant wishes to exercise his Options, he must pay the exercise price. The exercise price will be the weighted average price at which Lucas shares trade on the ASX in the one week up to and including the day the Options are granted.

The Performance Measurement Date for the Options will be the third anniversary of the Grant Date.

The Options will expire at the close of the day preceding the fifth anniversary of the Grant Date. All Options that have not then been exercised as at that date will lapse.

Options may be exercised only if the Performance Condition described in relation to resolution 3 above is achieved.

The shares delivered by the Company on exercise may be newly issued or may be acquired for this purpose on the ASX.

If the Company meets the Performance Condition, and the Executive Director exercises the Options, the relevant number of shares will be allocated to the Executive Director.

Additional information

The following information in relation to the Options which may be granted pursuant to the MRP is for further clarification and, in part, to comply with ASX Listing Rule 10.15.

The maximum number of Options for all persons for whom approval is required under Listing Rule 10.14 comprises the 550,000 Rights that the Board proposes to grant to the Executive Directors, as described in this resolution.

Mr Campbell, Mr Lukas and Mr Stuart-Robertson are entitled to participate in the MRP.

A voting exclusion statement is set out below the resolutions.

No loans are to be made to the Executive Directors in connection with the proposed grants.

The date by which Options approved under resolution 5 will be issued will be no later than twelve months from the Annual General Meeting, being 24 November 2007.

Other features of the Options, which are consistent with the MRP Rules, include:

- the Options will not be listed on ASX and will be issued for no consideration;
- any shares issued on exercise of the Options will rank pari passu in all respects with the Company's shares listed on ASX, and
- the Company will apply to ASX for official quotation of the newly issued shares on exercise of the Options.

Resolution 6 - Grant of Shares to non-executive directors

The ASX requires under Listing Rule 10.14 that shareholders approve the acquisition of securities in the Company under the Lucas Deferred Share Plan ("DSP") by Non-Executive Directors.

Since the DSP was approved at the Company's Annual General Meeting held on 28 November 2001, the following grants of restricted shares have been made under the DSP to persons referred to in ASX Listing Rule 10.14.

Name	Date of Grant	Number
Ian Stuart-Robertson	20 Dec 2002	75,000
Martin Green	20 Dec 2002	75,000
Garry O'Meally	20 Dec 2002	50,000

It is proposed that during the month following the 2006 Annual General Meeting, grants of 50,000 Restricted Shares be made to each of Martin Green and Garry O'Meally, both Non-Executive Directors, pursuant to the DSP. The Restricted Shares will be granted at no cost to the Directors.

This is in recognition of the contribution made by the Non-Executive Directors to the Company over the four years since a grant of Restricted Shares under the Plan was last approved by shareholders. During this period, the remuneration paid to these Directors has remained below the market level for established companies of an equivalent size. Moreover, the Directors serve on committees of the Board and undertake travel on behalf of the Company requiring significant time commitment, for no additional remuneration.

The Restricted Shares will be subject to a restriction such that they may not be disposed of before the earliest of the expiry of up to 10 years from the date of acquisition, the date that a Director ceases to be on the Board or any other date determined in accordance with Board policy.

Additional information

The following information in relation to the Restricted Shares which may be granted pursuant to the DSP is for further clarification and, in part, to comply with ASX Listing Rule 10.15.

The maximum number of Restricted Shares for all persons for whom approval is required under Listing Rule 10.14 comprises the 100,000 Rights that the Board proposes to grant to the Non-Executive Directors, as described in this resolution.

Messrs Green and O'Meally and the executive directors are entitled to participate in the DSP.

A voting exclusion statement is set out below the resolutions.

No loans are to be made to the Directors in connection with the proposed grants.

The date by which Restricted Shares approved under Resolution 6 will be issued will be no later than twelve months from the Annual General Meeting, being 24 November 2007.

Any shares issued pursuant to the grant of Restricted Shares will rank *pari passu* in all respects with the Company's shares listed on ASX, and the Company will apply to ASX for official quotation of the newly issued shares pursuant to the grant of the Restricted Shares.

ANNEXURE 1

SUMMARY OF THE RULES OF THE MANAGEMENT RIGHTS PLAN

A summary of the Rules of the MRP is set out below. The specific terms of a particular grant will be contained in the Invitation sent to the Employee and in associated documentation.

- (a) **Plan rules** - the Management Rights Plan Rules establish the Plan.
- (b) **Eligible persons** - Employees, including Executive Directors of the Company and any Group Companies participating in the Plan, and consultants and independent contractors to a Participating Company, who are declared by the Board to be eligible.
- (c) **Rights to acquire shares** - grants will be of Rights to acquire Shares. These may be either traditional market priced Options or Performance Rights (which have no exercise price). The Grant may comprise one or several tranches.
- (d) **Invitation to participate** - under the Plan Rules, the Board may invite selected Eligible Persons to apply for Rights to acquire a specified number of Shares in the Company.

At the request of an Eligible Person and with the approval of the Board, to the extent the Eligible Person does not personally apply for the full number of Rights referred to in an Invitation, some or all of the balance of the Rights may be granted to an Associate of the eligible employee.

"Associate" for this purpose has the meaning given in section 139GE of the Tax Act. Broadly, this term includes a relative of the Eligible Person, a partner of the Eligible Person or a partnership in which the Eligible Person is a partner, a spouse or child of the partner, a trust under which the Eligible Person or an Associate can benefit and a company over which the Eligible Person or an Associate has control, or in which the Eligible Person directly or indirectly holds a Share or a Right.

(e) **Rights are non-transferable** - a Right granted to a Participant (including an Associate) is not transferable, except with the Board's approval, or by force of law on death or legal incapacity.

(f) **Exercise price** - the Exercise Price (if any) will be an amount determined by the Board from time to time, fixed at the date of grant or determined by application of methodology approved by the Board.

(g) **Exercise of rights** - Rights will have a life determined by the Board.

The Board may prescribe the date or the method of calculating the date on which a tranche of Rights becomes exercisable. On or after the Exercise Date and provided any performance condition prescribed by the Board (see Item (i) below) has been achieved and, where applicable, to the extent it has been achieved, the Plan Participant may then acquire Shares by exercising the Rights.

A Right will lapse if it is not exercised within its life.

(h) **Early exercise** - subject to the Performance Condition, if any, if the Eligible Person in respect of whom Rights are issued (whether to that person or an Associate) ceases employment with any Participating Company in circumstances such as death, retirement, incapacity, redundancy or separation, or where otherwise permitted by the Board, the Participant may exercise Rights within the periods stated in the Rules. These dates may be varied by the Board, but may not permit exercise beyond the Expiry Date.

Rights may also be exercised, whether or not any Performance Condition has been achieved, on a takeover, scheme of arrangement or winding-up.

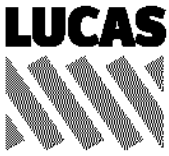
The Terms of Grant may provide that where there is early exercise, the number of Rights that may be exercised will be pro rata to the elapsed time.

- (f) **Performance Condition** - the Board may determine that Shares will be delivered under the Plan only where a Performance Condition has been attained. The Board retains discretion, in circumstances it deems appropriate, to waive, in whole or in part, any Performance Condition.
- (j) **Restrictions on disposal** - the Board may implement an appropriate procedure to restrict the disposal by a Participant of any Shares resulting from the exercise of a Right.
- (k) **Source of shares** - Shares required for the purposes of the Plan may be sourced either by issuing new Shares or by acquiring existing Shares.
- (l) **Cash payment** - on exercise, instead of being paid the Exercise Price (if any) of any Right and issuing or transferring Shares under the Plan, the Company may pay the Participant a cash amount equal to the difference between the Market Value of the Shares which would have resulted from exercise and the Exercise Price (if any), or Shares to that value.
- (m) **Payment for shares** - any costs associated with Shares issued or purchased for the purposes of the Plan will be paid by the Company. Any Exercise Price payable on the exercise of a Right will be paid by the Participant.
This addresses "financial assistance" provided by the Company for the acquisition of its own Shares. For example, in the future the Company may set up a trust to purchase Shares on the market for subsequent transfer to Participants in the Plan on exercise of particular Rights, rather than issuing new Shares.
- (n) **Reconstructions, bonus and rights issues** - the Exercise Price (if there is one) for a Right will be adjusted in the manner contemplated by the ASX Listing Rules to take account of capital reconstructions and bonus issues.
If there is a Rights issue to all shareholders before a Right under the Plan is exercised, the Exercise Price (if any) or the number of Shares subject to the Right will be appropriately adjusted in accordance with the formula provided by the ASX Listing Rules.
- (o) **Amendments to plan rules** - subject to the provisions of the Plan and the Listing Rules, the Board may amend the Plan Rules.
However, the Rules may not be amended if, broadly, in the Board's opinion, the amendment would materially reduce the Rights of a Participant in respect of Rights already granted.
Exceptions to this permit amendment for the purpose of complying with State or Commonwealth legislation, the Company's constitution or the Listing Rules. Also, to address possible adverse tax implications for Participants generally or any Group Company.

ANNEXURE 2

SUMMARY OF THE RULES OF THE DEFERRED SHARE PLAN

- (a) **Plan rules** - the Deferred Share Plan Rules establish the Plan.
- (b) **Eligible persons** - each Non-Executive Director of the Company and employees of the Participating Companies (in the A J Lucas Group) selected by the Board
- (c) **Funding** - funding for the acquisition of shares may be provided by Participating Companies or by Eligible Employees, whether by salary or bonus or remuneration sacrifice or by purchase (with or without a loan made or secured by a Participating Company)
- (d) **Restriction on Shares** - Shares may not be disposed of before the expiry of 10 years from the date of acquisition, unless the Eligible Employee ceases to be a Non-Executive Director of the Company or to be employed by a Group Company (as applicable). The Board also has a discretion to determine that shares should be released from any restrictions at an earlier time. Shares issued pursuant to bonus or rights issues will not be subject to these restrictions.
- (e) **Acquisition of Shares** - Shares will be acquired for the purposes of this Plan by purchasing them on market, or by issuing new Shares in accordance with directions from the Board from time to time.
- (f) **Amendments to plan rules** - see paragraph (o) of Annexure 1 above. The same provisions apply for this Plan.



Proxy Form

All correspondence to:
AJ Lucas Group Limited
PO Box 675 Ryde
New South Wales 1680 Australia
Telephone 61 2 9809 6866
Facsimile 61 2 9807 6088
www.lucas.com.au
ABN 12 060 309 104

Appointment of Proxy

I/We _____
(NAME OF SHAREHOLDER)

Of _____
(ADDRESS IN FULL)



Mark this box with an 'X' if this is a new address

(OLD ADDRESS)

being a member/s of AJ Lucas Group Limited and entitled to attend and vote hereby appoint



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

OR

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 AJ Lucas Group Limited to be held at InterContinental Hotel, 117 Macquarie Street, Sydney on 24 November 2006 at 11:00am and at any adjournment of that meeting.



If you do **not** wish to direct your proxy how to vote, please place a mark in the box. By marking this box, you acknowledge that the chairman may exercise your proxy even if he has an interest in the outcome of the resolution and that votes cast by him other than as proxyholder, will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman will not cast your votes on resolutions 3 and 5 and your votes will not be counted in computing the required majority if a poll is called on this resolution. The chairman of the meeting intends to vote undirected proxies in favour of each item of business. If you direct your proxy how to vote, it is not necessary to mark this box.

Voting directions to your proxy - please mark to indicate your directions

Resolution

1. Re-election of Ian Stuart-Robertson
2. Adoption of remuneration report (non-binding resolution)
3. Re-approval of Lucas Management Rights Plan
4. Re-approval of Lucas Deferred Share Plan
5. Issue of Options to executive directors
6. Grant of Shares to non-executive directors

	For	Against	Abstain*
1.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Appointing a second proxy

I/We wish to appoint as a second proxy



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

 %

OR

State the percentage of your voting rights or the number of securities for this proxy

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

Contact Name

Contact Daytime Telephone

____ / ____ / ____
Date

How to complete the proxy form

1 Your address

If your address has changed, please mark the box and provide your new address on the form. Securityholders sponsored by a broker 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 or you may copy this form.

To appoint a second proxy you must:

- (a) indicate that you wish to appoint a second proxy by marking the box.
- (b) 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.
- (c) return both forms together in the same envelope.

5 Signing instructions

You may 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 company. 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.

6 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 11:00am on 24 November 2006. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged:

BY MAIL AJ Lucas Group Limited, PO Box 675, Ryde NSW 1680
BY FAX 61 2 9807 6088