

BLUGLASS LIMITED

ABN 20 116 825 793

NOTICE OF ANNUAL GENERAL MEETING
including
EXPLANATORY STATEMENT
and
PROXY FORM

DATE, TIME AND VENUE OF ANNUAL GENERAL MEETING

Thursday 20 November 2008 at 10.00am EST

Grant Thornton, Level 17, 383 Kent Street
SYDNEY NSW 2000

This Notice of Meeting should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 2) 8823 3150.

Notice of Annual General Meeting and Explanatory Memorandum

Notice is hereby given that the Annual General Meeting of BluGlass Limited (the Company) will be held on Thursday 20 November 2008 commencing at 10.00am (EST) at Grant Thornton, Level 17, 383 Kent Street, Sydney, NSW 2000

The Explanatory Memorandum which accompanies and forms part of this Notice of Meeting describes the matters to be considered at the Annual General Meeting.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the time and place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to BluGlass Limited, 74 Asquith Street, SILVERWATER, NSW, AUSTRALIA, 2128; or
- (b) facsimile to the Company on facsimile number (+61 2) 9748 2122,

so that it is received not later than 10.00am (EST) on Tuesday 18 November 2008.

The Proxy Form forms part of this Notice of Meeting.

Proxy Forms received later than this time will be invalid.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 10.00am (EST) on 18 November 2008.

VOTING ENTITLEMENT AND SNAPSHOT DATE

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered shareholders of the Company at 5:00pm (EST) on Tuesday 18 November, 2008.

AGENDA

Ordinary Business

Accounts and Reports

To receive the annual financial report of the Company for the financial year ended 30 June 2008 and the declarations and reports of the Directors and Auditors thereon.

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report as contained in the Directors’ Report for the year ended 30 June 2008 be adopted.”

Resolution 2 – Re-Election of Director – Dr Michael Taverner

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

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“That, for the purpose of clause 13.2 of the Company’s Constitution and for all other purposes, Dr Michael Taverner, a director of the Company who was appointed on 24 October 2005, retires by rotation, and, being eligible, is re-elected a director of the Company.”

DATED THIS 1st DAY OF OCTOBER 2008

BY ORDER OF THE BOARD

**EMMANUEL CORREIA
COMPANY SECRETARY**

EXPLANATORY MEMORANDUM

This Explanatory Memorandum forms part of a Notice of Meeting convening the Annual General Meeting ("the Meeting") of shareholders of Bluglass Limited ("Bluglass" or the "Company") to be held on Thursday, 20 November 2008 at 10.00am (EST). This Memorandum is prepared for the information of shareholders in connection with the business to be conducted at the Annual General Meeting and is to be read in conjunction with the Notice of Meeting.

Accounts and Report

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 30 June 2008 together with the declaration of the directors, the Directors Report, the Remuneration Report and the Auditor's report.

In accordance with amendments to the Corporations Act the Company is no longer required to provide a hard copy of the Company's Annual Financial Report to shareholders unless a shareholder has specifically elected to receive a printed copy. These amendments may result in reducing the Company's printing costs.

Whilst the Company will not provide a hard copy of the Company's Annual Financial Report unless specifically requested to do so, shareholders may view the Company Annual Financial Report on its website at <http://www.bluglass.com.au/>.

1. Resolution 1 – Adoption of Remuneration Report

Section 250R(2) of the Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report of the company be adopted must be put to the shareholders. The Remuneration Report of Bluglass as required by section 300A of the Corporations Act is contained in the Directors Report for the year ended 30 June 2008. The Remuneration Report sets out the Company's remuneration arrangements for the directors and senior management of the Company.

Amendments to the Corporations Act in June 2004 introduced, amongst other things, expanded director and executive remuneration disclosure requirements and a requirement for a listed company to submit a remuneration report to shareholders for a non-binding vote.

As stated above, this resolution is advisory only and is non binding on the Company. If this resolution is not approved, the directors may:

1. accept or partially accept the vote, which may result in a review of the remuneration policies and packages of the Company; or
2. not accept the vote and explain why it believes the remuneration policies and packages are appropriate.

It is the directors' responsibility to formulate and set the Company's remuneration policies and packages. This resolution is intended to attract active shareholder consideration of the remuneration policies and packages of the Company and encourage shareholders to ask questions should they desire.

2. Resolution 2 – Re-Election of Dr Michael Taverner as a Director

Clause 13.2 of the Company's Constitution requires that if the Company has three or more directors, one third (or the number nearest one third) of these directors must retire at each annual general meeting, provided always that no director (except a managing director) shall hold office for a period in excess of three years, or until the third annual general meeting following their appointment, whichever is the longer, without submitting himself or herself for re-election.

A director who retires by rotation under clause 13.2 of the Company's Constitution is eligible for re-election.

The Company currently has 4 directors. Accordingly, in accordance with clause 13.2 of the Constitution of the Company, Dr Taverner retires as a director and, being eligible, offers himself for appointment as a director of the Company.

Dr Taverner is a company director and scientific consultant. His expertise is in corporate governance, biotechnology, research and development (R & D), innovation and training. Dr Taverner is also the executive chairman of Jatoil Limited, a company listed on the ASX. Dr Taverner has developed a considerable international reputation and for the past 18 years he has managed and directed national R & D investment organisations.

Resolution 2 seeks to confirm the re-election of Dr Taverner as a Director of the Company.

The board supports the election of Dr Taverner.

7. ENQUIRIES

Shareholders are invited to contact the Company Secretary on (+61 2) 8823 3150 if they have any queries in respect of the matters set out in these documents.

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APPOINTMENT OF PROXY

I/We:

of (insert address):

being a member/members of Bluglass Limited entitled to attend and vote at the Annual General Meeting, hereby appoint:

The Chairman of
The meeting
(mark with an 'X') **OR** Write the name of the person you are appointing if
this person is someone other than the Chairman of
the Annual General Meeting.

or failing the person named attending the meeting, or if no person is named, the Chairman of the Annual General Meeting as my/our proxy to act generally at the Annual General 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 the Company to be held on Thursday 20 November 2008 at 10.00 am (EST) and at any adjournment of that Annual General Meeting.

Voting directions to your proxy – please mark “X” to indicate your directions

Resolution	For	Against	Abstain
1. Adoption of Remuneration Report	[]	[]	[]
2. Re-Election of Dr M Taverner	[]	[]	[]

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

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

Signed this day of 2008.

Individual Securityholder 1

Securityholder 2

Securityholder 3

Individual/Sole Director

Director

Director/Company Secretary

This form must be signed by the securityholder. If a joint holding, both securityholders must sign. If signed by the securityholder'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 securityholder's constitution and the Corporations Act 2001 (Cwth).

Notes:

1. Voting Entitlements: For the purposes of the Corporations Act 2001, the Directors have set a snapshot date to determine the identity of those entitled to attend and vote at the Annual General Meeting. The snapshot date is 5:00pm (EST) on Tuesday 18 November 2008.
2. To be effective, the proxy form must be received by the Company at its registered office, 74 Asquith Street, Silverwater NSW 2128 or received by facsimile on (+61 2) 9748 2122 not less than forty-eight (48) hours before the time for holding the Annual General Meeting. **Proxy Forms received later than this time will be invalid.**
3. A shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
4. Where a shareholder's holding is in one name, the shareholder must sign. In the case of joint holders, all must sign.
5. Corporate shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - 2 directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary . that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

6. A proxy need not be a shareholder of the Company.
7. Completion of a Proxy Form will not prevent individual shareholders from attending the Annual General Meeting in person if they wish. Where a shareholder completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Annual General Meeting.
8. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this Proxy Form.