

Letter from the Chairman

Dear Fellow Shareholder

I am pleased to invite you to attend the 2009 Annual General Meeting (AGM) of Connexionz Limited to be held on Tuesday, 25 August 2009 at 5:30pm at the Company's offices, Level 1 Building 2, 1 Show Place, Addington, Christchurch.

Connexionz's Chief Executive Officer, Roger Carruthers and I will comment briefly on Connexionz's performance during the year to 31 March 2009 and forecasts and previews of the year ahead at the meeting.

Shareholders will be asked to consider and vote on a number of matters at the AGM as set out in the attached Notice of Annual General Meeting ("Notice").

The matters include:

- The payment of remuneration to Craig Boyce, Richard Riley, Tony Kan and Bruce Sheppard as directors of Connexionz in consideration for their services as non-executive directors,
- The re-election of Craig Boyce who retires by rotation,
- The approval of a proposal to cease listing the company's shares on the NZX's Alternative Market (NZAX), and
- If the previous matter is approved, to revoke the current constitution and adopt a new constitution.

The Board unanimously supports the re-election of myself; details of my background are in the accompanying Explanatory Notes to the Notice.

If you are unable to attend the AGM I encourage you to complete and lodge the Proxy Form (either by post or fax) to be received by Link Market Services Ltd, our share registrar, no later than 5:30pm (New Zealand time) on Friday 21 August 2009.

At the conclusion of the AGM you are invited to join the Board and senior management for light refreshments.

I look forward to seeing you.

Yours faithfully



Craig Boyce, Chairman

CONNEXIONZ LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE

Notice is given that the Annual General Meeting ("AGM") of the shareholders of Connexionz Limited (the "Company") will be held at the Company's offices being Level 1, Building 2, 1 Show Place, Addington, Christchurch, New Zealand on Tuesday, 25 August 2009 at 5:30 pm.

AGENDA AND BUSINESS

Ordinary Business

1 Financial Statements and Reports

To receive the Company's financial statements and reports for the year ended 31 March 2009.

2 Auditors

To appoint Deloitte as the Company's auditors and to authorise the directors of Connexionz Limited to fix, for the financial year ended 31 March 2010, the fees and expenses of Deloitte as auditors of Connexionz Limited.

3 Re-election of Craig Boyce as a Director

In accordance with the Company constitution and Rule 3.2.6 of the NZAX Listing Rules, Chairman Craig Boyce is retiring by rotation. Being eligible, Craig Boyce has offered himself for re-election.

Special Business

4 Directors' Remuneration

To authorise and approve the payment of remuneration to the non-executive directors up to a maximum of \$75,000 for each financial year ended 31 March to be allocated to Craig Boyce (\$15,000), Bruce Sheppard (\$10,000), Richard Riley (\$10,000) and Tony Kan (\$10,000) and any new directors appointed (\$10,000 each) for services as directors of the Company for each financial year ended 31 March 2010. The above approval and authorisation will last until amended by an ordinary resolution of shareholders.

5 NZAX De-Listing

To approve the proposal to cease listing the Company's securities on the NZX Alternative Exchange (NZAX), and subject to such approval, submit to the NZX, in accordance with Rule 5.4.1 of the NZAX Listing Rules, written notice to de-list the Company.

6 Constitution

Subject to the previous resolution being passed, to revoke the current constitution and approve the adoption of the new constitution attached to this notice.

General Business

7 General Business

To deal with any other business that may properly be brought before the meeting.

The full text of the proposed resolutions is set out in the **OPENING BUSINESS AND NOTICES OF MOTION FOR ORDINARY AND SPECIAL RESOLUTIONS** attached to this Notice. As required by the NZAX Listing Rules, an explanation of the proposed resolutions 3, 4, 5, and 6 is also attached for your information.

NZX has approved this Notice of Meeting.

Please note: All shareholders have the right to attend the Annual General Meeting and vote, or any shareholder may appoint a proxy to attend the Annual General Meeting and vote on his, her or their behalf. A proxy does not need to be a shareholder of the Company, and may be the Chairman of the Annual General Meeting should the shareholder wish to appoint the same. Any shareholder wishing to appoint a proxy will need to complete, sign and return the enclosed proxy form by fax or post to:

Connexionz AGM,
c/- Link Market Services Limited,
PO Box 384
Ashburton, 7740
New Zealand,

Fax number + 643 308 1311

to be received prior to 5:30 pm on Friday 21 August 2009.

By order of the Board



Chairman

OPENING BUSINESS AND NOTICES OF MOTION FOR ORDINARY AND SPECIAL RESOLUTIONS

Resolution 1: Financial Statements and Reports

The proposed ordinary resolution for approval by a 50% majority of those shareholders entitled to vote and voting on the resolution is:

"The financial statements and reports of Connexionz Limited presented to the meeting are received."

Resolution 2: Appointment of Auditor

The proposed ordinary resolution requiring approval by a 50% majority of those shareholders entitled to vote and voting on the resolution is:

- (a) *"The shareholders resolve as an ordinary resolution of shareholders that Deloitte be appointed the auditor of Connexionz Limited."*
- (b) *"The shareholders resolve as an ordinary resolution of shareholders that the board of Connexionz Limited be authorised to fix, for the financial year ended 31 March 2010, the fees and expenses of Deloitte as auditors of Connexionz Limited."*

Resolution 3: Re-election of Craig Boyce as a Director

The proposed ordinary resolution requiring approval by a 50% majority of those shareholders entitled to vote and voting on this resolution is:

"That Mr Craig Boyce be re-elected as a director of Connexionz Limited."

Explanatory Note

Craig is a Chartered Accountant and a Fellow of the New Zealand Institute of Management and the Institute of Directors. Craig has been Chairman of Connexionz Limited since 2001. Craig is also chairman of Smiths City Group Limited and its subsidiary companies, and is chairman of Orion Group Ltd, Bernard Matthews New Zealand Limited, Progressive Leathers Limited, and Transdiesel Limited. Craig is also a director of Canterbury Economic Development Co. Limited, CRT Ltd, Datacom Group Limited, and Horizon Farming Limited.

Resolution 4: Directors’ Remuneration

The proposed ordinary resolution requiring approval by a 50% majority of those shareholders entitled to vote and voting on the resolution is:

- (a) *"The shareholders of Connexionz Limited authorise and approve an amount of up to a maximum of \$75,000 to be available for payment to all directors taken together for each year ending 31 March 2010, and that amount be allocated as below in paragraph (b). This authorisation and approval will be in effect until amended by an ordinary resolution of shareholders."*
- (b) *"The shareholders acknowledge that the board of directors of Connexionz Limited has determined how the director remuneration in resolution 4(a) is to be distributed, and the shareholders approve the cash remuneration payments set out below:*

Director	Remuneration Payment
<i>Craig David Boyce</i>	<i>\$15,000</i>
<i>Bruce Raymond Sheppard</i>	<i>\$10,000</i>
<i>Richard Arnold Riley</i>	<i>\$10,000</i>
<i>Anthony Norman Len Joe Kan</i>	<i>\$10,000</i>

In the event that any additional directors are appointed to the board, they will be paid based on an annual sum of \$10,000 each. The constitution of Connexionz Limited allows up to seven directors. If any director does not hold that position for the full 12 month period ending on the relevant 31 March 2010, the remuneration the relevant director is entitled to in accordance with this resolution shall abate pro rata according to the relevant period of time that the relevant person is a director during the financial year ended on the relevant 31 March 2010."

In accordance with Rule 9.3.1 of the NZAX Listing Rules, Craig Boyce, Richard Riley, Tony Kan and Bruce Sheppard and their Associated Persons (as defined in the NZAX Listing Rules) are not entitled to vote on this resolution. The Associated Persons are Southern Hills Imperial Timber (1932) Pty Limited, Islay Investments Limited and Paul Zwaan.

Explanatory Note

Craig, Richard, Robert, Tony and Bruce offer a number of invaluable services to the growth and direction of Connexionz Limited as directors. Connexionz Limited does not currently offer any cash remuneration to them for their services as non-executive directors. Connexionz Limited does remunerate executive directors for their executive services, but does not remunerate them for their services as directors. Currently the only executive director is Robert Burke.

As Craig, Richard, Tony and Bruce do not currently receive any cash remuneration, it is proposed that Connexionz pays \$15,000 to Craig and to \$10,000 each to Richard, Bruce, and Tony in consideration for the provision of their services for the relevant financial year ended 31 March 2010 until altered by an ordinary resolution of shareholders.

Resolution 5: Approval for Connexionz Limited to de-list from the NZAX

The proposed ordinary resolution requiring approval by a 50% majority of those shareholders entitled to vote and voting on the resolution is:

"The shareholders resolve as an ordinary resolution that Connexionz Limited request, by written notice to the NZX, that Connexionz Limited cease to be Listed on the NZX Alternative Exchange (NZAX)".

Explanatory Note

Connexionz Limited has been listed on the NZAX since 2004, and the Board believes that it is appropriate at this time to assess the value of continuing as a Listed company.

The objective for listing Connexionz Limited on the NZAX was to provide a means of raising capital and to provide shareholders open access to buy and sell their shares. The shareholders of Connexionz Limited have, since being Listed, had the ability to trade their shares on the NZAX. In the event Connexionz Limited is de-listed, the shareholders will accordingly no longer have this ability. Connexionz Limited will, immediately following approval by the shareholders to de-list, investigate alternatives to the NZAX trading platform and Connexionz Limited anticipates that this will be finalised by 2 November 2009. The Board of Connexionz Limited will submit the request for de-listing to the NZX following these investigations and determination of an alternative method, model or platform for the shareholders to trade their shares. On de-listing there will be no access to the trading platform that the NZAX provides. The shareholders will have the ability to buy and sell shares in Connexionz Limited in accordance with the provisions of the Companies Act 1993, and on or by the alternative trading method, model or platform as determined by the Board of Connexionz Limited.

The NZX and NZAX Listing Rules provide a structure for the conduct of listed companies. This includes specific directives in relation to corporate governance, continuous disclosure, material transactions and related party transactions. These matters relating to conduct are all considered fundamental to the NZX, for completeness:

Corporate Governance: The Listing Rules require certain corporate governance matters to be put in place for all Listed companies. These include matters in relation to the appointment and rotation of directors, proceedings and voting restrictions for director meetings and director remuneration.

Continuous Disclosure: The Listing Rules require that material information relating to Listed companies is released immediately to the public. Companies that are not listed are accordingly not required to release material information to the public.

Material Transactions: The Listing Rules restrict the ability of a Listed company to enter into transactions which would change the essential nature of the Company or have a gross value in excess of 50% of the average market capitalisation of the Company. Companies that are not listed are accordingly not restricted by this. However, all companies are restricted by the "major transaction" rules under the Companies Act 1993, which essentially restrict the acquisition or disposition of assets, or incurring of rights or obligations, with a value of more than half of the company's assets.

Related Party Transactions: The Listing Rules prevent Listed companies from entering into transactions over certain value thresholds with Related Parties of the company, unless shareholder approval is sought. Related parties are disqualified from voting on transactions in which they are interested.

The NZX has the responsibility of supervising this conduct as further assurance to the open market, accordingly the NZX, under the Listing Rules, have the power to regulate this conduct. In the event Connexionz Limited is de-listed, there will be no regulation in relation to, and supervision of, this specific conduct. Accordingly, the shareholders of Connexionz Limited will no longer benefit from the regulated protection that the Listing Rules provide in relation to these matters. However, Connexionz Limited will be regulated by the Connexionz Limited constitution and the laws of New Zealand, including the Companies Act 1993, Securities Act 1978, Securities Markets Act 1988, Securities Regulations 1983 and the Takeovers Code.

There are a number of costs associated, both direct and indirect, with being a Listed company. Connexionz Limited pays an annual Listed company fee to the NZX, this fee is determined in accordance with the market capitalisation of Connexionz Limited. There are ongoing significant legal and accounting costs that Connexionz Limited incurs on the basis of the compliance requirements set out in the Listing Rules. Connexionz Limited estimates that approximately \$42,170.00 (excluding GST) per annum could be saved by being de-listed, this figure includes NZX fees and charges (\$14,000.00), share registry costs (50%) (\$6,000.00) and legal fees (50%) (\$22,170.00). In addition, significant management time is dedicated to compliance matters that are related to being Listed, such as preparing and issuing announcements. It is conservatively estimated that this equates to five management hours per month.

In addition to these direct costs associated with listing, there are significant other less tangible costs. Such less tangible costs include the requirement to publish company information, including detailed financial information, for the purposes of continuous disclosure (as noted above). This information is available for all to see, including competitors, customers and suppliers of Connexionz Limited. The Board is of the view that, given Connexionz Limited is a relatively small company, such extensive company information being freely available to the public has the

potential to undermine the competitive advantage that Connexionz Limited may have from time to time. It is difficult to quantify these less tangible costs, but Connexionz Limited considers them to be quite significant particularly given the current economic climate.

Having assessed the value of our continuation as a Listed company the Board proposes that the Company de-list from NZAX.

In the past 12 months the Company has raised capital to the value of \$381,000 through the issue of redeemable preference shares, this capital raising is not attributable to Connexionz Limited being listed on NZAX. However, as Connexionz Limited is a Listed company, the NZX was required to be involved at a certain level, which in turn increased the legal costs payable by Connexionz Limited. The last capital raising undertaken by Connexionz Limited that was assisted by virtue of an NZAX Listing was an offer to all shareholders under a share purchase plan that took advantage of the Securities Act (NZX – Share and Unit Purchase Plans) Exemption Notice 2005.

The Board has concluded that the ability for Connexionz Limited to raise capital has less to do with the listing on the NZAX than it has to do with the commitment and reputation of Connexionz Limited and its Directors, and further that the NZX capital model is expensive for small companies such as Connexionz Limited.

In terms of shareholder liquidity, in the last six months 485,273 shares have traded through NZX, with a total value of \$50,701; the annual cost of maintaining the listing on NZX amounted to \$14,255.

As noted above, in the event the shareholders approve that Connexionz Limited is to be de-listed, it will immediately following such approval, investigate an alternative listing model such as Unlisted or it will develop its own trading platform for shareholders via Connexionz Limited's website. The request for de-listing will only be submitted to the NZX once these investigations have been completed and an alternative trading method, model or platform has been determined. The potential costs of Unlisted or an alternative trading model have not been quantified at this stage. Connexionz Limited will be in a position to quantify such options once the investigations have been completed. Connexionz Limited anticipates that these investigations will be finalised by 2 November 2009.

In terms of information, Connexionz Limited will continue to keep shareholders informed by way of announcements of information via its website continuing in the spirit of continuous disclosure. However, once de-listed, Connexionz Limited will not be required by legislation to make continuous disclosure, and accordingly, there will be no regulatory body monitoring any such continuous disclosure.

The Board recommends that shareholders vote in favour of this resolution.

Subject to approval of this resolution, Connexionz Limited will, following their investigations and subject to having determined an alternative trading method, model or platform for shareholders to trade their shares in Connexionz Limited other than on the NZAX, prepare and submit to the NZX a written notice in accordance with Rule 5.4.1 of the NZAX Listing Rules, to request that Connexionz Limited cease to be Listed on the NZX Alternative Exchange.

Resolution 6: Revoke the current Constitution and adopt a new Constitution once de-Listed

Subject to the previous resolution being passed, the proposed special resolution requiring approval by a 75% majority of those shareholders entitled to vote and voting on the resolution is:

"The shareholders resolve as a special resolution that, on the date the securities of the Company cease to be Listed on the NZAX, the current constitution of the Company be revoked and the constitution attached to this Notice be approved and adopted as the constitution of the Company."

Explanatory Note

The NZAX Listing Rules prescribe certain content for the constitutions of Listed companies. The current Connexionz Limited constitution was therefore prepared in accordance with the NZAX Listing Rules. Accordingly, the Listing Rules, where relevant, are included in the Connexionz Limited constitution, and the constitution further provides that in the event of conflict, the Listing Rules take precedence.

As set out in Resolution 5, Connexionz Limited is proposing to be de-listed from the NZAX. On de-listing, some the terms of the current constitution will be irrelevant. A new constitution has therefore been prepared and is attached. The proposed new constitution has not been reviewed by the NZX, and the NZX accordingly accept no responsibility in relation to its provisions.