

23 September, 2011

The Manager
Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam,

Notice of Annual General Meeting

In accordance with the Listing Rules, we attach copies of the following documents which are to be dispatched to shareholders of Orbital Corporation Limited today:

1. Notice of Annual General Meeting;
2. Explanatory Notes; and
3. Proxy Form

Yours faithfully



Ian Veitch ACA ACIS
Company Secretary

**NOTICE OF 2011
ANNUAL GENERAL MEETING**

Notice is given that the 23rd Annual General Meeting of Orbital Corporation Limited ("**the Company**") will be held in Westend One Room, Perth Rydges Hotel, Corner of King and Hay Streets, Perth, Western Australia on Wednesday 26 October 2011 at 10.00am (WST).

ORDINARY BUSINESS**1. Chairman's address and the Chief Executive's report****2. Financial Report and Reports of the Directors and the Auditors**

To receive and consider the financial statements for the financial year ended 30 June 2011 together with the directors' report and the auditor's report.

3. Remuneration Report

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

"That the Remuneration Report for the financial year ended 30 June 2011 is adopted".

Note that the vote on this resolution is advisory only and does not bind the directors or the Company.

The Company will disregard any vote cast on this resolution by, or on behalf of:

- (a) a member of the key management personnel as disclosed in the Remuneration Report; and
- (b) a closely related party (such as close family members and any controlled companies) of those persons, unless the vote is cast by a person as a proxy for a person entitled to vote in accordance with a direction on the Proxy Form.

The Chairman of the meeting intends to vote all undirected proxies in favour of this resolution.

4. Re-election of Director

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

"That Dr M Jones who retires by rotation in accordance with article 9.3 of the Company's constitution and, being eligible, offers himself for re-election, be elected as a director of the Company."

5. Grant of shares to the Managing Director under the Executive Long Term Share Plan

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

"That approval is given for all purposes (including ASX Listing Rule 10.14 and exception 9 to ASX Listing Rule 7.2) for the issue of up to 866,250 fully paid ordinary shares in the Company, directly or indirectly, to Mr T D Stinson under the Company's Executive Long Term Share Plan."

The Company will disregard any votes cast on this resolution by Mr T D Stinson, or an associate of Mr T D Stinson.

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

- (a) it is cast by Mr T D Stinson as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by Mr T D Stinson as chairman of 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.

The Chairman of the meeting intends to vote all undirected proxies in favour of this resolution.

By order of the Board

I G VEITCH

Company Secretary
Perth, Western Australia
23 September 2011.

IMPORTANT INFORMATION FOR SHAREHOLDERS

1. The accompanying explanatory notes form part of this Notice of Meeting and should be read in conjunction with it.
2. If you cannot attend the meeting you may appoint a proxy to attend and vote for you. A proxy form is included with this Notice of Meeting for this purpose.
3. You may appoint no more than two proxies to attend and vote on your behalf. A proxy need not be a member of the Company. If you appoint two proxies, you may specify the proportion or number of your votes that each proxy is appointed to exercise. If you do not do so, each proxy may exercise half of the votes.
4. If you wish to direct a proxy on how to vote on any resolution, you should place a mark (e.g. a cross) in the appropriate box on the proxy form. Your proxy may then only exercise your vote in the manner you have directed. If you do not direct your proxy how to vote, your proxy can vote any way it chooses. If you appoint the Chairman of the meeting as your proxy and do not direct the Chairman on how to vote, the Chairman will vote in favour of all resolutions, including on item 3 relating to the adoption of the Remuneration Report.
5. To be effective, a properly completed proxy form and (where applicable) any power of attorney under which it is signed or a certified copy of that power of attorney must be received by the Company **by no later than 10.00am (WST) on Monday, 24 October 2011**, being not less than 48 hours before the time for commencement of the meeting. Please send the proxy form to the Company's share registry, Computershare Investor Services Pty Ltd at GPO Box 242, Melbourne, Victoria 3001. Shareholders may also fax the proxy form to the Company's share registry (within Australia) 1800 783 447 (outside Australia) +61 3 9473 2555.
6. A body corporate may appoint an individual as its representative to attend and vote at the meeting and exercise any other powers the body corporate can exercise at the meeting. The appointment may be a standing one. The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.
7. For the purpose of voting at the meeting the Directors have determined that shareholders are those persons who are the registered holders of the Company's shares at **4.00pm (WST) on Monday, 24 October 2011**. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.
8. Shareholders attending the meeting will be able to ask questions or give comments at the meeting. Shareholders will also be able to ask questions of Ernst & Young, the Company's external auditor. If you would like to submit a written question or comment to the Company or Ernst & Young in advance of the meeting, please send it, by no later than 5.00pm (WST) on Thursday 20 October 2011:
 - to the Company, at our registered office, 4 Whipple Street, Balcatta, Western Australia, 6021; or
 - by facsimile to +61 (8) 9441 2111

A list of relevant written questions will be available at the meeting. The Company or Ernst & Young will either answer those questions at the meeting or table written responses to them. Any answers tabled at the meeting will be lodged with the ASX as soon as possible after the meeting.

1. CHAIRMAN'S ADDRESS AND THE CHIEF EXECUTIVE'S REPORT

The Chairman will address the meeting and the Chief Executive will make a presentation on the performance of the Company during the financial year ended 30 June 2011 as well as other strategic and operational activities of the Company. The Chairman will also allow time at the end of the meeting to respond to questions raised by shareholders at or before the meeting.

2. FINANCIAL REPORT AND REPORTS OF THE DIRECTORS AND THE AUDITORS

The Corporations Act 2001 (Cwlth) (**Corporations Act**) requires the Company to lay its Financial Report, Directors' Report and Auditor's Report for the last financial year before the Annual General Meeting.

Shareholders are not required to vote on these reports but will be given an opportunity to raise questions and comments on the Reports at the Meeting.

The Company's external auditor, Ernst & Young, will also be present at the meeting and shareholders will be given the opportunity to ask the auditor questions or raise comments about the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company and the independence of the auditor.

3. REMUNERATION REPORT

A resolution for the adoption of the Remuneration Report is required to be considered and voted upon in accordance with the Corporations Act.

The Remuneration Report is set out in the Director's Report in the 2011 Annual Report. The Remuneration Report:

- explains the Board's policy for determining the nature and amount of remuneration of non-executive directors, executive directors and senior executives of the Company;
- discusses the relationship between the Board's remuneration policy and the Company's performance;
- sets out the actual remuneration for the financial year ended 30 June 2011 for each Director and the five highest paid members of the Company's senior management team (referred to as the "key management personnel"); and
- details and explains any performance hurdles applicable to the remuneration of executive directors and senior management of the Company

The vote on the adoption of the Remuneration Report 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 Company.

A reasonable opportunity will be provided for discussion of and questions relating to the Remuneration Report at the meeting.

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

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on this resolution by marking either "For", "Against" or "Abstain" on the Proxy Form. **The Chairman of the Meeting intends to vote all undirected proxies in favour of adopting the Remuneration Report.**

4. RE-ELECTION OF DIRECTOR

Dr Jones, a non-executive director, retires by rotation in accordance with Article 9.3 of the Company's constitution and offers himself for re-election. Details on Dr Jones are set out below.

Dr Jones joined the Board in March 2008. Dr Jones has more than 40 years experience as a consulting engineer and as a senior executive. He has specific expertise in the development and management of organic business growth in the Asia Pacific region, as well as acquisition experience in both Australia and China.

Dr Jones is also a non-executive director of Pacific Environment Limited (appointed 3 July 2009, appointed Chairman 16 February 2010).

Dr Jones chairs the Company's Audit Committee (since 28 February 2011) and is a member of the Company's Human Resources, Remuneration and Nomination Committee (Chairman until 28 February 2011).

The Board (excluding Dr Jones) unanimously recommends that shareholders vote in favour of this resolution.

5. GRANT OF SHARES TO THE MANAGING DIRECTOR UNDER THE EXECUTIVE LONG TERM SHARE PLAN

ASX Listing Rule 10.14 prohibits the Company from permitting a director to acquire shares or other securities under an employee incentive scheme without the prior approval of shareholders by ordinary resolution at a general meeting. The shares or other securities must be issued no later than three years after the meeting where the approval is given. Accordingly, the approval of shareholders is sought for the acquisition by Mr T D Stinson, the Managing Director and Chief Executive Officer of the Company, of up to 866,250 fully paid ordinary shares in the Company under the Company's Executive Long Term Share Plan (a summary of which is set out below).

ASX Listing Rule 7.1 provides that an entity must not issue or agree to issue more than 15% of its total equity securities without the approval of shareholders, unless one of the exceptions contained in Listing Rule 7.2 applies. An issue of equity securities under an employee incentive scheme will fall within exception 9 of Listing Rule 7.2 if, within 3 years before the date of the issue, holders of ordinary securities have approved the issue of securities under the scheme as an exception to Listing Rule 7.1. Shareholders last approved the Executive Long Term Share Plan at the 2008 Annual General Meeting. So, the issue of the shares to Mr T D Stinson under the Executive Long Term Share Plan will not affect the Company's capacity to issue shares under Listing Rule 7.1.

This notice of meeting to approve the acquisition of shares by Mr T D Stinson is required to include certain information under Listing Rule 10.15A, which is set out below.

Under the Executive Long Term Share Plan:

- (a) Mr T D Stinson will be awarded no more than 866,250 ordinary fully paid shares in the Company during the Performance Period (being no later than three years from the date of approval of the resolution);
- (b) the exact number of shares that may be acquired by Mr T D Stinson will be calculated in accordance with the Executive Long Term Share Plan Rules;
- (c) the acquisition price for the shares will be nil;
- (d) any shares issued will be issued at the prevailing market price at the time of issue;
- (e) no director, associate of a director or a person whom ASX considers should be approved under Listing Rule 10.14 has received shares under the Executive Long Term Share Plan since an issue under the Executive Long Term Share Plan was last approved in 2009;
- (f) Mr T D Stinson is the only person entitled to participate in the Executive Long Term Share Plan for the purposes of Listing Rule 10.14;
- (g) loans are not made available by the Company in connection with the Executive Long Term Share Plan; and
- (h) the shares offered to Mr T D Stinson will be issued no later than 28 October 2014, being three years after the date of the meeting at which shareholder approval is sought.

Details of any securities issued under the Executive Long Term Share Plan will be published in each annual report of the Company relating to the period in which securities have been issued, and that approval was obtained under ASX Listing Rule 10.14. Any additional persons who become entitled to participate in the Executive Long Term Share Plan after this resolution is approved and who was not named in this Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14.

Summary of the Executive Long Term Share Plan

The Executive Long Term Share Plan provides for a performance related offer of shares to eligible executives of the Company and is designed to align executive reward with shareholder interests.

Under the Executive Long Term Share Plan shares will only be issued to executives if the terms and conditions detailed below are satisfied.

Terms and conditions

The total number of shares for which a particular executive may be eligible will be determined by the Board ("**Personal Allotment**").

The number of shares that the executive actually receives depends on two performance hurdles, as set out below:

- (a) 50% of the shares offered will be issued depending on the performance of the Company relative to a group of selected peers (being the 50 smallest companies by market capitalisation (other than resource companies and property and investment trust companies) within the S&P / ASX 300 Index. The peer group is ranked in terms of Total Shareholder Return ("TSR"). TSR is the percentage increase in a company's share price plus reinvested dividends over a three year period commencing on 1 September 2011 and ending on 31 August 2014 ("Performance Period").

The following table sets out the relevant percentages of an executive's Personal Allotment which will be issued at the conclusion of the Performance Period based on the TSR ranking of the Company relative to the peer group:

Company Performance (TSR Ranking)	% of Personal Allotment issued to each executive
Up to the 50th percentile	0%
At or above the 50th percentile but below the 75th percentile	50% to 99% (on a straight-line basis).
At or above the 75th percentile but below the 90th percentile	100%
At or above the 90th percentile	125%

- (b) 50% of the shares offered will be issued if the Company achieves earnings in excess of 15 cents per share for the year ending 30 June 2014.

Personal Allotments that have not been issued at the end of the Performance Period will lapse.

Cessation of employment

An executive's rights in relation to the Executive Long Term Share Plan (including any right to their Personal Allotment which has yet to be issued) will lapse immediately if:

- (a) their employment with the Company ceases (and, in the Board's opinion, this is not due to death, disability, ill health or redundancy);
- (b) they are dismissed for breach of their employment contract; or
- (c) they have committed any act of fraud or defalcation in relation to the affairs of the Company.

In the case where an executive ceases to be employed as a result of death, disability, ill health or redundancy, the Board will decide what percentage of their Personal Allotment will be issued (if any).

The Board maintains an absolute discretion to issue shares under the Executive Long Term Share Plan where it would be unfair not to issue the shares.

Disposal restrictions

Unless otherwise determined by the Board, shares in the Company issued under the Executive Long Term Share Plan will be subject to the following disposal restrictions:

The shares will be held by a Trustee, who will not be entitled to sell or transfer a share held on behalf of an executive before the earlier of:

- (a) 10 calendar years after the share was issued;
- (b) cessation of that executive's employment with the Group;
- (c) a "Capital Event" (a change in control resulting from a takeover bid, the acquisition of a relevant interest by a resolution passed at a general meeting of the Company or pursuant to a scheme of arrangement, the winding up or liquidation of the Company, or any other event which the Board in its absolute discretion considers a Capital Event); or

(d) the date on which the Board approves such dealing following a request from that executive.

Restrictions on Board consent

For the 12 months following the issue of the relevant shares, the Board will not approve a dealing for the purposes of paragraph (d) above which concerns:

- (a) twenty percent (20%) of shares held on trust for that executive where that executive has met the performance hurdles giving rise to an entitlement to fifty percent (50%) of the shares offered;
- (b) thirty percent (30%) of shares held on trust for that executive where that executive has met the performance hurdles giving rise to an entitlement to seventy five percent (75%) of the shares offered;
- (c) forty percent (40%) of shares held on trust for that executive where that executive has met the performance hurdles giving rise to an entitlement to one hundred percent (100%) of the shares offered; or
- (d) fifty percent (50%) of shares held on trust for that executive where that executive has met the performance hurdles giving rise to an entitlement to one hundred and twenty five percent (125%) of the shares offered.

A copy of the Executive Long Term Share Plan is available from the Company Secretary.

The Board (excluding Mr Stinson) unanimously recommends that shareholders vote in favour of this resolution.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on this resolution by marking either "For", "Against" or "Abstain" on the Proxy Form. **The Chairman of the Meeting intends to vote all undirected proxies in favour of the grant of shares to the Managing Director under the Executive Long Term Share Plan.**

Orbital Corporation Limited

ABN 32 009 344 058

Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

000001 000 OEC
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

www.investorvote.com.au



Cast your proxy vote



Access the annual report



Review and update your securityholding

Your secure access information is:

Control Number: 999999

SRN/HIN: 1999999999

PIN: 99999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

For your vote to be effective it must be received by 10:00am (WST) Monday 24 October 2011

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf XX

I/We being a member/s of Orbital Corporation Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

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 Orbital Corporation Limited to be held in the Westend One Room, Perth Rydges Hotel, Corner of King and Hay Streets, Perth, Western Australia, on Wednesday 26 October 2011 at 10:00am (WST) and at any adjournment of that meeting.

Important for Items 3 and 5 - If the Chairman of the Meeting is your proxy or is appointed as your proxy by default
 By marking this box, you are directing the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on Items 3 and 5 as set out below and in the Notice of Meeting. If you do not mark this box, and you have not directed your proxy how to vote on Items 3 and 5, the Chairman of the Meeting will not cast your votes on Items 3 and 5 and your votes will not be counted in computing the required majority if a poll is called on these Items. If you appoint the Chairman of the Meeting as your proxy you can direct the Chairman how to vote by either marking the boxes in Step 2 below (for example if you wish to vote against or abstain from voting) or by marking this box (in which case the Chairman of the Meeting will vote in favour of Items 3 and 5).

The Chairman of the Meeting intends to vote all available proxies in favour of Items 3 and 5 of business.

I/We direct the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on Items 3 and 5 (except where I/we have indicated a different voting intention below) and acknowledge that the Chairman of the Meeting may exercise my proxy even though Items 3 and 5 are connected directly or indirectly with the remuneration of a member of key management personnel.

STEP 2 Items of Business **PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

	For	Against	Abstain
Item 3 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4 Re-election of Director - Dr M T Jones	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5 Grant of Shares to the Managing Director under the Executive Long Term Share Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

<p>Individual or Securityholder 1</p> <input style="width: 90%; height: 25px;" type="text"/>	<p>Securityholder 2</p> <input style="width: 90%; height: 25px;" type="text"/>	<p>Securityholder 3</p> <input style="width: 90%; height: 25px;" type="text"/>
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Sole Director and Sole Company Secretary Director Director/Company Secretary

Contact Name _____ Contact Daytime Telephone _____ Date ____/____/____