

NOTICE OF 2014 ANNUAL GENERAL MEETING

Notice is hereby given that Graziers' Investment Company Limited ('GIC') will hold its Annual General Meeting on **Friday, 28 November 2014, at Rydges World Square Hotel, 389 Pitt Street, Sydney NSW 2000**, commencing at 10.00 am (AEDST) for the purpose of transacting the business set out in this notice.

ITEMS OF BUSINESS

1. Graziers' Investment Company Limited Annual Financial Report

To consider the Annual Financial Report, Directors' Report and Auditor's Report for GIC and of the Group for the year ended 30 June 2014.

Note: There is no requirement for shareholders to approve these reports but there will be an opportunity for members to ask questions on the reports.

2. Re-Election of Directors

In accordance with the Company's Constitution:

- (a) Mr Barry C Walker, OAM retires by rotation and, being eligible, offers himself for re-election; and
- (b) Mr Philip M Attard retires by rotation and, being eligible, offers himself for re-election.

The Chairman of the meeting intends to vote undirected proxies in favour of the re-election of Barry Walker and Philip Attard.

Refer to the Explanatory Notes for information regarding voting on the re-election of directors.

Eligibility to Vote

You will be eligible to vote at the meeting if you are registered as a holder of GIC's shares at 7.00 pm (AEDST) on Wednesday, 26 November 2014.

Appointing a Proxy

If you are entitled to attend and vote at the meeting, you can appoint a proxy to attend and vote on your behalf. A proxy need not be a shareholder of GIC and may be an individual or a body corporate.

A personalised Proxy Form is included with this Notice of Meeting. If you are entitled to cast two or more votes, you may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If you do not specify a proportion or number, each proxy may exercise half of the votes. If you require a second Proxy Form, please contact Link Market Services on 1300 554 474.

Lodging your Proxy Form

You can lodge your completed Proxy Form by:

- **Mailing it** to Link Market Services Limited using the reply paid envelope;
- **Posting it** to Locked Bag A14, Sydney South, Sydney NSW 1235;
- **Lodging it online** at the Link Market Services website www.linkmarketservices.com.au (you will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions on the website);
- **Faxing it** to +61 (2) 9287 0309; or
- **Hand delivering** [only available during business hours (Monday to Friday, 8.30am to 5.30pm)] it to Link Market Services, Level 12, 680 George Street, Sydney NSW 2000.

Your completed Proxy Form (and any necessary supporting documentation) must be received by Link Market Services no later than 10.00 am (AEDST) on Wednesday 26 November 2014, being 48 hours before the commencement of the meeting. If the Proxy Form is signed by an attorney, the original Power of Attorney under which the Proxy Form was signed (or a certified copy) must also be received by Link Market Services by 10.00 am (AEDST) on Wednesday 26 November 2014 unless it has been previously provided to Link Market Services. If you appoint a proxy, you may still attend the meeting. However, your proxy's rights to speak and vote are suspended while you are present. Accordingly, you will be asked to revoke your proxy if you register at the meeting.

How the Chairman of the Meeting will vote undirected Proxies

The Chairman of the meeting will vote undirected proxies in favour of all of the motions. GIC encourages all shareholders who submit proxies to direct their proxy how to vote on each item of business.

Questions from Shareholders

In addition to asking questions at the meeting, written questions to the Chairman about the management of GIC or GIC's auditor about the content of the Auditor's Report and the conduct of the audit may be submitted no later than Wednesday 19 November 2014 to:

Mail: Graziers' Investment Company Limited
369 Royal Parade, Parkville, Vic 3052
Australia

Facsimile: +61 3 9340 1610

Email: elaine_beever@graziersinvestco.com.au

Attending the Meeting

If you attend the meeting, please bring your personalised Proxy Form with you. The bar code at the top of the form will help you to register. If you do not bring your form with you, you will still be able to attend the meeting but representatives from Link Market Services will need to verify your identity. You will be able to register from 9.30 am (AEDST) on the day of the meeting.

Corporate Shareholders

Corporate shareholders who wish to appoint a representative to attend the meeting on their behalf must provide that person with a properly executed Certificate of Appointment of Corporate Representative confirming that they are authorised to act as the company's representative. The authorisation may be effective either for this meeting only or for all meetings of GIC. Shareholders can download and fill out the 'Certificate of Appointment of Corporate Representative' form from the Link website: www.linkmarketservices.com.au

Voting Exclusions

There are no voting exclusions.

By Order of the Board



Peter J J McKeown
Company Secretary
17 October 2014

Item 1. GIC Annual Financial Report

The Annual Financial Report, Directors' Report and Auditor's Report of GIC for the year ended 30 June 2014 will be laid before the meeting. There is no requirement for shareholders to approve these reports. However the Chairman of the meeting will allow a reasonable opportunity for shareholders to ask questions about or make comments on the management of GIC. Shareholders will be given a reasonable opportunity to ask the auditor questions about the conduct of the audit and the content of the Auditor's Report.

Item 2. Re-Election of Directors

The GIC Board ('Board') considers that individually and collectively the directors need to bring a level of skill, knowledge and experience that enables the Board to discharge its responsibilities effectively. All current serving directors have an understanding of financial markets. The extensive financial markets experience among the board members spans involvement in a diverse range of trading, asset management, financing, corporate advisory, public policy and regulatory activities.

The Board's policy on Board composition is to ensure that at all times, and through succession planning, there will be an appropriate mix of skills and experience so as to provide, on an ongoing basis, the necessary breadth and depth of knowledge which is required to meet the company's responsibilities and objectives.

Under clause 13.3(a) of the company's Constitution not less than one-third of directors retiring from office is satisfied by the retirements of Mr Barry Walker, OAM and Mr Philip Attard. A director who retires in accordance with these requirements is eligible for re-election. Accordingly, Mr Barry Walker and Mr Philip Attard are due to retire at the end of the meeting and offer themselves for re-election to the Board.

The following directors are standing for re-election at the meeting.

2(a): Mr Barry Walker, OAM

Mr Walker was elected to the Board of Graziers' Investment Company Limited in October 2003 and as Chairman in 2006. He is Chairman of GIC Holdings Pty Ltd and GIC (NZ) Limited. Mr Walker was also a non-executive director for three years and Chairman of The Woolmark Company Pty Ltd from September 2006 until its sale on 5 October 2007.

Mr Walker is the Deputy Chairman of the wool broking business Australian Wool Network Pty Ltd. He is a partner in a family grazier business. He was a Director of the Australian Wool Testing Authority until 2001, a board member of the Australian Wool Research and Promotion Organisation. Mr Walker is a former Wool Council of Australia member representative and has held positions on the NSW Farmers Wool Committee and as a General Councillor. He has held numerous agricultural, community and local government positions including Past President of the Australian Superfine Wool Growers' Association and Executive Committee member.

On 8 June 2009 Mr Walker was awarded a Medal of the Order of Australia for his service to the wool industry as a producer, and to the community of the Yass district.

2(b): Mr Philip Attard

Mr Attard was elected to the Board of Graziers' Investment Company Limited in November 2006 and appointed Deputy Chairman on 10 September 2014. He is a businessman who owns and operates a superfine and ultrafine merino enterprise, Gostwyck, in the New England tablelands. Mr Attard has extensive experience building successful and profitable businesses in the information technology world, holding senior executive roles in sales, marketing, strategic planning and general management. He has worked with European, American and Australian companies in Australia and Asia.

Mr Attard is now focusing his attention on the family businesses, successfully developing grazing systems, pastures and merino quality. He is Chairman of Andar Tool and Press Limited and, a non-executive director of GIC Holdings Pty Ltd and GIC (NZ) Limited. Director of Gostwyck Group Pty Ltd, Goslan Pty Ltd, Huglipulken Pty Ltd and UNE Partnerships Pty Ltd. Chairman of the Sheep Genetics Advisory Council and was formerly a non-executive director of The Woolmark Company Pty Ltd.

Board Recommendation

The Board (other than the relevant director in relation to his own re-election) recommends the re-election of Mr Barry Walker and Mr Philip Attard.

REGISTERED OFFICE

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Overview

During 2013/14 Graziers Investment Company Limited's (GIC) primary focus was the resolution of the inherited AWRAP legacies, which have essentially been completed with the exception of a key outstanding legacy – being cash proceeds on the sale of the Mumbai Property held in trust by AWI on behalf of GIC (Mumbai Proceeds). Repatriation of the Mumbai Proceeds is dependent upon approval from the Reserve Bank of India (RBI), which has been sought but to date not forthcoming. Despite remaining positive that RBI approval will eventually be obtained other options are being explored in an effort to settle this matter and discussions are ongoing to finding a solution.

On a more sombre note, I am sad to report the passing of GIC's long serving director and deputy chairman, Mr John Patten. Fondly remembered and missed by all, John was a remarkable person who made an exceptional contribution to the company and was instrumental in reaching a resolution in respect of the IWS Retirement Benefit Fund and the resultant sale of The Woolmark Company to Australian Wool Innovation Limited.

Financial Highlights

Overall GIC performed well for the year generating a profit, after tax, legacy impacts and minority interests, of \$102,000.

The group's financial position also remains strong at 30 June 2014 with shareholder's wealth of \$18.6 million.

Continued operations

Continued operations represent the return on funds, ongoing secretarial costs of the company and the operations of Andar Tool and Press Limited.

Despite declining interest rates, both worldwide and domestically, and the downturn in the Australian manufacturing sector GIC increased its revenue in both of these areas, representing a 10 % aggregate increase in total revenue.

Discontinued operations

This essentially represents the management and resolution of the remaining inherited legacy issues which principally comprise the repatriation of cash held in trust by AWI in India, the French Tax Issue and the dissolution of the International Wool Secretariat.

The results for GIC are summarised below:

	2014	2013
	\$'000	\$'000
Revenue	5,242	4,773
<u>Operating expenses</u>	<u>(4,455)</u>	<u>(3,977)</u>
Profit before income tax	787	796
<u>Tax</u>	<u>(155)</u>	<u>(128)</u>
Profit from Continuing Operations	632	668
Discontinued operations		
ANDAR (settlement adjustment)	-	(260)
Legacy Issues		
- Mumbai Property (<i>Cash (net) held in trust</i>)	(359)	188
- French tax claim	(34)	297
- Other legacy issues	(31)	33
Profit for the year	208	926
<u>Less Minority Interest</u>	<u>(106)</u>	<u>(107)</u>
Profit attributable to owners of GIC	102	819

Outlook

Our commitment to shareholders remains unchanged, that is resolving the inherited legacy issues, whilst preserving shareholders wealth.

Whilst our commitment this year was to be in a position to report on options beyond legacies the delays experienced in relation to the Mumbai Proceeds repatriation were not expected. As outlined above I am confident that a resolution to this matter is imminent, now allowing your Directors to focus on the future direction of the company and a recommendation to shareholders for their approval on the best means of a distribution back to shareholders.