

JOHN SHEARER (HOLDINGS) LIMITED

Minutes of Annual General Meeting of Shareholders held at Share Street, Kilkenny, SA., on Thursday, 31 October, 2008, at 1 pm

PRESENT:	Neil Baseby	Holding	15,007 shares
	Gordon Baseby	“	15,007
	Allen Bolaffi	“	8,753
	Ken Cocks	“	25,072
	Stephanie Cocks	“	1,500
	Oscar Guglielmin	“	162,000
	Andrew Gwinnett	“	1,600
	Chester Hobby	“	1,590
	Rory Liebelt	“	400
	Gary Reuter	“	10,000
	Ross A. Webb	“	21,000
	Nigel Stevenson	Ernst & Young, Auditors	
	Mark Shean	“	
	Colin Dunsford	“	
	John Maslen	Arrowcrest Group Pty. Ltd.	

APOLOGIES: Mr. Cheng Hong, Director, who was overseas. The Chairman advised the meeting that Mr. Hong had retired as a Company executive but continues as a Director of the Company.

PROXIES: The Secretary tabled the following proxies in favour of the Chairman of the Meeting -

Arrowcrest Group Pty. Ltd. holding 9,575,890 shares
Loquela Pty. Ltd, holding 5,000 shares
Wendy Mercer, holding 350 shares
T.H. McGovern, holding 750 shares
B.M. Paterson, holding 416 shares
Ivan A. Shearer, holding 312 shares
Leonidas Tsavdaridis, holding 2017 shares

QUORUM: The Secretary confirmed the presence of a quorum.

ELECTION OF CHAIRMAN: Mr. Andrew Gwinnett was elected Chairman of the Meeting and welcomed all members present, and introduced Directors, Mr. Gary Reuter and Mr. Allen Bolaffi.

NOTICE OF MEETING: The Chairman declared the Meeting open and with the approval of those present, the Notice of Meeting was taken as read. The Secretary also advised that the Register of Directors' Shareholdings was open and accessible to Members during the meeting

- MINUTES OF PREVIOUS MEETING:** Minutes of the Annual General Meeting held on 31 October, 2007, having been signed by the Chairman, and the Minute Book being available for inspection at the Meeting by any member present, the Chairman proposed that the Minutes of the previous meeting be taken as read. This was seconded by Chester Hobby and carried.
- CHAIRMAN'S ADDRESS:** The Chairman then presented his report to the Shareholders, a copy of which will be attached to the Minutes of the Meeting, and this was taken as read. The Chairman added that progress is being made in China. He also pointed out that the Company had a strong balance Sheet and cash flow. There is no requirement of banks for finance and the Company is well positioned for growth. Hitherto, the cost of expansion/acquisition opportunities has exceeded the realistic values of assets and businesses being considered, but recent conditions may bring these more into line.
- REPORTS AND ACCOUNTS:** The Chairman then moved the adoption of the Balance Sheet and supporting Accounts, together with the Report of the Directors and the Auditors, and Statements by the Directors.
- Mr. Gordon Baseby seconded the motion and this was carried.
- The Chairman then answered the following question from Shareholders -
- With reference to material from China, will fabrication be scaled down in Australia as a result.
- The Chairman responded that it was not the current plan to scale down manufacturing in Australia. It is hoped that the joint venture will sell into the China market later as well as manufacturing components for Australian assembly. It is not anticipated that complete products will come from China until at least 2010.
- ELECTION OF DIRECTORS:** The Secretary advised that Mr. Allen Bolaffi, Director retiring in accordance with the provisions of the Constitution, being eligible, has offered himself for re-election.
- It was moved by Ken Cocks, and seconded by Neil Baseby that Mr. A.E. Bolaffi be re-elected a Director and this was carried.
- ADOPTION OF REMUNERATION REPORT:** In accordance with the Australian Stock Exchange and Australian Securities & Investments Commission requirements, the Chairman referred the shareholders to the remuneration report and asked that its adoption be confirmed.

It was moved by Gordon Baseby and seconded by Neil Baseby that the remuneration report be adopted, and this was carried.

ANY OTHER MATTERS:

1. In accordance with the Constitution, the appointment and remuneration of auditors was discussed.
The Chairman advised that the current auditors, Messrs. Ernst & Young have offered their services at a fee of \$66,800 per annum (excluding GST) and he proposed that such offer be accepted. This was seconded by Gordon Baseby and carried.
2. In response to a request from the Chairman, Ross Webb moved that the Chairman be authorised to sign the Minutes of this Meeting. This was seconded by Chester Hobby and carried.
3. A question from the floor about any new products was responded to by Mr. Chester Hobby. No completely new products are currently being released and the business focus has been on productivity improvements.
4. The Chairman announced that Mr. Hobby, after 37 years of loyal service, has been appointed a Director and Operations Manager of the agricultural machinery company, John Shearer Limited effective from 1 November, 2008.
5. Mr. Hobby reported that the coming year will be a challenging one with input costs rising and farmers' commodity prices in decline. On the positive side, southern New South Wales is having a reasonable season. This is the area where Shearers sell many seed drill machines.
6. The Chairman advised that based on the first quarter results, sales are up on the first quarter of last year and profit is also ahead of the same period last year. However, in the current environment, we anticipate customers will be holding back on orders and hence business may slow and we will have a better indication after the half year results.

CLOSURE: There being no further business, the Chairman declared the Meeting closed at 1.30 p.m. and thanked shareholders for their presence.

SIGNED AS A CORRECT RECORD ON

CHAIRMAN