

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of GWA International Limited ABN 15 055 964 380 will be held in The Grand Ballroom, Stamford Plaza Brisbane, Cnr Edward and Margaret Streets Brisbane on Thursday 27 October 2005 commencing at 10:30 am.

Ordinary business

Accounts

To receive and consider the company's financial statements for the financial year ended 30 June 2005 together with the statement and report by the directors and the report by the auditor in relation thereto.

Election of Directors

To consider and if thought fit to pass the following resolutions as ordinary resolutions:

1. That Mr Jim Kennedy, who retires as a director of the company in accordance with clause 11.3 of the company's Constitution, be re-elected as a director of the company.
2. That Mr Martin Kriewaldt, who retires as a director of the company in accordance with clause 11.3 of the company's Constitution, be re-elected as a director of the company.

Special business

Adoption of Remuneration Report

To consider the Remuneration Report as it appears in the Directors' Report for the year ended 30 June 2005, and if thought fit, pass the following non-binding advisory resolution as an ordinary resolution in accordance with section 250R of the *Corporations Act 2001* (Cth):

3. That the Remuneration Report for the year ended 30 June 2005 be approved.

Notes

Voting Exclusion Statement

The company will disregard any votes cast on Resolution 3 by the directors and executives referred to in the Remuneration Report, and any of their associates. However, the company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form, or it is cast by the person chairing 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.

Explanatory Memorandum

Accompanying this notice is an explanatory memorandum that provides shareholders with background information and further details on the resolutions to be considered at the meeting. The information provided is intended to assist shareholders in understanding the reasons for and the effect of the resolutions, if passed. Information is also presented in accordance with the requirements of the *Corporations Act* and the Listing Rules.

Terms defined in the explanatory memorandum and used in this Notice bear the same meaning as in the explanatory memorandum.

Voting Entitlements

The Board has determined that the entitlement of any person to vote at the meeting will be that person's entitlement as set out in the company's register of members as at 7:00 pm on Tuesday 25 October 2005.

Voting by Proxy

A member entitled to attend and vote at the meeting is entitled to appoint not more than two proxies. A proxy need not be a member of the company. A shareholder may appoint an individual or body corporate to act as its proxy. If a body corporate is appointed as proxy, the body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the *Corporations Act* to exercise its powers as proxy at the meeting. If two proxies are appointed, the appointment may specify the proportion or number of votes that the proxy may exercise. Otherwise, each proxy may exercise half the votes.

To be valid, the proxy (together with the original or a certified copy of any power of attorney under which the proxy is signed) must be received at:

- The company's share registry – Computershare Investor Services Pty Ltd, Level 27, Central Plaza One, 345 Queen Street Brisbane Qld 4000 Facsimile (07) 3229 9860; or
- The company's registered office – GWA International Limited, Level 14, 10 Market Street Brisbane Qld 4000 by 10:30 am on Tuesday 25 October 2005, being not less than 48 hours before the time for holding the meeting.

A proxy form accompanies this notice of meeting.

By Order of the Board



B Thornton
Company Secretary

2 September 2005

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY MEMORANDUM

In this explanatory memorandum, the following terms have the following meanings:

"company" means GWA International Limited ABN 15 055 964 380

"director" means a director of the company

"Constitution" means the Constitution of the company

"Corporations Act" means the Corporations Act 2001 (Cth)

"Listing Rules" means the Listing Rules of the Australian Stock Exchange Limited

Accounts

As required by section 317 of the *Corporations Act*, the financial statements for the financial year ended 30 June 2005 together with the statement and report by the directors and the report by the auditor will be laid before the meeting. Members will be provided with the opportunity to ask questions about the reports however there will be no formal resolution put to the meeting.

Ordinary Resolutions

Resolutions 1 – 3 (inclusive) are all ordinary resolutions and will require the support of at least 50% of the votes cast at the meeting in order that they be passed.

Resolutions 1 and 2 – Election of Directors

Mr Jim Kennedy retires by rotation, is eligible for re-election and offers himself for re-election as a director.

Mr Martin Kriewaldt retires by rotation, is eligible for re-election and offers himself for re-election as a director.

Profiles of Messrs Kennedy and Kriewaldt are outlined below:

J J Kennedy AO CBE DUniv (QUT) FCA FCPA

Deputy Chairman and Non-Executive Director

Mr Kennedy was appointed a director of GWA International Limited in 1992. He is a director of Qantas Airways Limited, Suncorp-Metway Limited and the Australian Stock Exchange Limited. He is Deputy Chairman of the Board, Chairman of the Audit Committee and a member of the Nomination Committee.

M D E Kriewaldt BA LLB FAICD

Non-Executive Director

Mr Kriewaldt was appointed a director of GWA International Limited in 1992. He is a director of Campbell Brothers Limited, Oil Search Limited, Suncorp-Metway Limited, Peptech Limited and Chairman of Opera Queensland Limited. He provides advice to the law firm Allens Arthur Robinson and to Aon, insurance brokers. Mr Kriewaldt is Chairman of the Remuneration Committee, a member of the Audit Committee and a member of the Nomination Committee.

The Board (with Messrs Kennedy and Kriewaldt abstaining) recommends that you support the resolutions re-electing Messrs Kennedy and Kriewaldt as directors of the company.

Resolution 3 – Adoption of Remuneration Report

This resolution is a new requirement introduced by section 250R of the *Corporations Act*.

Shareholders non-binding vote on the Remuneration Report

Section 250R of the *Corporations Act* requires that the company's members vote on whether or not the Remuneration Report should be adopted. This vote is advisory only and the outcome will not be binding on the Board.

Prior to holding this vote, the Chair will allow a reasonable opportunity for shareholders to ask questions or make comments about the Remuneration Report.

What is included in the Remuneration Report?

The Remuneration Report includes information on how company directors and certain executives are remunerated. More specifically, the report includes disclosure of all elements of the remuneration received by the company's directors and the 5 most highly paid executives of the company and the Consolidated Entity.

The report also includes a discussion of the Board's policy for determining executive remuneration and the relationship between the Board's policy for determining remuneration and the company's performance.

In respect of executives whose remuneration are linked to performance conditions, the report contains:

1. a summary of the performance conditions that attach to each element of their remuneration; and
2. an explanation of the relative proportions of those elements of their remuneration that are linked to performance conditions and those elements of their remuneration that are not.

In respect of executives who are employed under a contract, the report sets out the length of the contract, the notice period for terminating the contract and the amount of any termination payments payable under the contract.