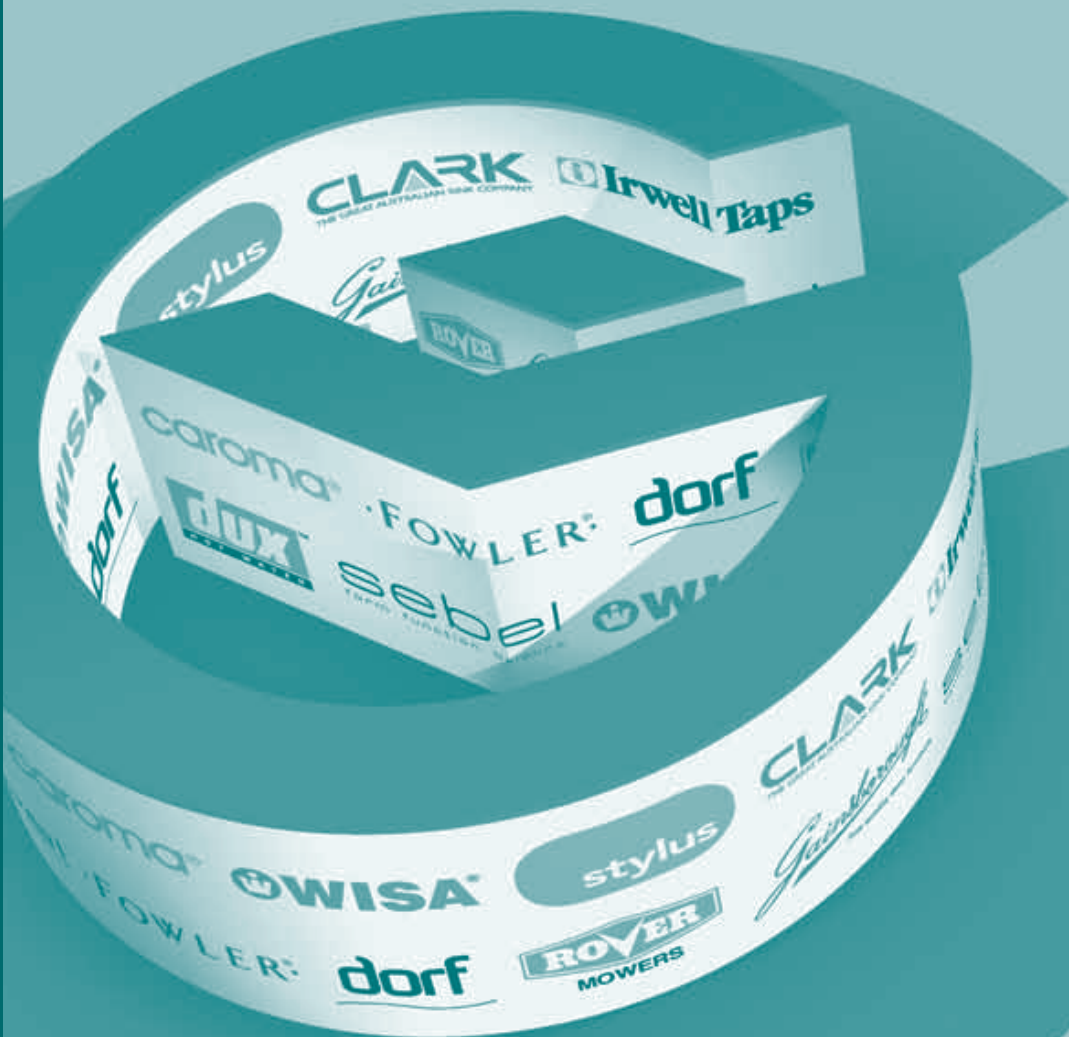




Notice of Annual General Meeting 2003/04



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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 28 October 2004 commencing at 10:30 am.

ORDINARY BUSINESS

Accounts

To receive and consider the company's financial statements for the financial year ended 30 June 2004 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 Barry Thornton, 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 Robert M Anderson, 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.

Re-Election of Mr Geoffrey J McGrath as Director

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

3. That Mr Geoffrey J McGrath, who retires as a director of the company in accordance with clause 11.12 of the company's Constitution, be re-elected as a director of the company.

Appointment of KPMG as Auditor

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

4. That KPMG, having been duly nominated by a member of the company and having consented in writing to act, be appointed as the registered auditor of the company and its controlled entities for the financial year beginning 1 July 2004.

SPECIAL BUSINESS

Payment of Accrued Benefits to Directors under Former Directors' Retirement Scheme

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

5. That approval be and is hereby given for the payment of accrued benefits to the non-executive directors of the company under the former Directors' Retirement Scheme, such payment to be made as and when each director requests that payment be made to him.

Note: The company will disregard any votes cast on this resolution by all non-executive directors 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.

Change in Upper Limit of Directors' Remuneration

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

6. That the remuneration payable to the non-executive directors of the company be increased from an aggregate maximum amount of \$750,000 to \$1,000,000.

Note: Pursuant to ASX Listing Rules 10.17 and 14.11, the company will disregard any votes cast on this resolution by all non-executive directors 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 time for the purposes of determining voting entitlements pursuant to regulation 7.11.37 of the Corporations Regulations will be 10:30 am on Tuesday 26 October 2004.

Proxies

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. 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 registered office of the company – GWA International Limited, Level 14, 10 Market Street Brisbane Qld 4000 by 10:30 am on Tuesday 26 October 2004, 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



R Thornton

Company Secretary

24 September 2004



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 (C’th)

“Corporations Regulations” means the regulations made under the Corporations Act

“Listing Rules” means the Listing Rules of the Australian Stock Exchange Limited

Resolutions 1 – 6 (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 Barry Thornton retires by rotation, is eligible for re-election and offers himself for re-election as a director.

Mr Robert M Anderson retires by rotation, is eligible for re-election and offers himself for re-election as a director.

Profiles of Messrs Thornton and Anderson are contained on page 12 of the company’s 2004 Annual Report.

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

Resolution 3 – Re-Election of Mr Geoffrey J McGrath as Director

In accordance with clause 11.12 of the company’s Constitution, the Board appointed Mr McGrath as a non-executive director on 6 July 2004. Under the Constitution, Mr McGrath holds office until the Annual General Meeting, when he must retire and is then eligible for re-election at that Annual General Meeting.

Mr McGrath offers himself for re-election as a director.

Mr McGrath was the former Managing Director of the company until his retirement on 6 May 2003, after 43 years’ service in various capacities with the company’s businesses, the last 10 as Managing Director of the company.

In the directors’ view, the decision to appoint Mr McGrath as a director is in the best interests of the company’s shareholders. Mr McGrath is well-known to shareholders, and the company prospered under Mr McGrath’s stewardship. Mr McGrath brings extensive skills and experience to the Board, and his detailed knowledge of the company’s businesses will ensure the company’s shareholders will be well served by Mr McGrath’s appointment.

Mr McGrath is also Chairman of Campbell Brothers Limited and a non-executive director of Fletcher Building Limited.

The profile of Mr McGrath is contained on page 12 of the company’s 2004 Annual Report.

The Board (with Mr McGrath abstaining) recommends that you support the resolution re-electing Mr McGrath as a director.

Resolution 4 – Appointment of KPMG as Auditor

Ernst & Young has been the company’s external auditor since the 1995 financial year. Due to the considerable change in the regulatory environment and in the company’s operations over the period since 1995, the Chairman announced at the Annual General Meeting on 30 October 2003 that the external audit of the company would be put to tender.

Following a comprehensive tender process, KPMG were selected as the external auditor of the company and its controlled entities for the financial year beginning 1 July 2004, subject to shareholder approval of the appointment at the Annual General Meeting.

The Board supports the appointment of KPMG as external auditor for the financial year beginning 1 July 2004. KPMG has consented in writing to the appointment as the company’s external auditor for the financial year beginning 1 July 2004. A member of the company, Mr Eric John Harrison, has given the company written notice of the nomination of KPMG for appointment as external auditor. A copy of the written notice of nomination is attached to this Notice of Annual General Meeting.

Resolution 5 – Payment of Accrued Benefits to Directors under Former Directors’ Retirement Scheme

At the Annual General Meeting on 30 October 2003, shareholders approved the termination of the Directors’ Retirement Scheme for non-executive directors. This means that retirement benefits will not be available for any new non-executive directors of the company, other than statutory superannuation. This is in accordance with Recommendation 9.3 of the best practice recommendations of the ASX Corporate Governance Council.

As the Directors’ Retirement Scheme has been terminated, the Board resolved to put to shareholders at the Annual General Meeting that the accrued benefits under the former Scheme be paid out to the directors, when each director requests the payment to be made.

At 30 June 2004, the following are the amounts accrued to the directors under the former Scheme:

Director	\$
Mr Barry Thornton, <i>Chairman</i>	472,500
Mr Jim Kennedy, <i>Deputy Chairman</i>	236,250
Mr David Barry, <i>Non-Executive Director</i>	159,450
Mr Robert Anderson, <i>Non-Executive Director</i>	157,500
Mr Martin Kriewaldt, <i>Non-Executive Director</i>	189,000
Total	1,214,700

Resolution 6 – Change in Upper Limit of Directors’ Remuneration

Clause 11.15 of the company’s Constitution sets the upper limit of non-executive directors’ remuneration. Currently, as approved by shareholders at the Annual General Meeting on 23 October 1998, the aggregate maximum amount of remuneration that may be paid to the directors is \$750,000 per annum (excluding statutory superannuation), unless otherwise determined from time to time by the company in a general meeting. It is proposed to increase this amount by \$250,000 to an aggregate maximum amount of \$1,000,000 per annum (excluding statutory superannuation).

The Board has not sought an increase in directors’ fees since 1998. The increased amount takes account of the current marketplace remuneration for the directors, and provides for an aggregate amount which will allow for the possible appointment of additional directors in future years in accordance with the succession plans of the Board, including the appointment of Mr Geoff McGrath to the Board. The increased amount takes account of the termination of the Directors’ Retirement Scheme for non-executive directors on 30 October 2003.

Adoption of the increase in directors’ fees does not mean that the full amount will be paid to the directors. For details of the amount of directors’ fees paid for the year ended 30 June 2004, please refer to the Directors’ Report contained in the 2004 Annual Report.



NOTICE OF ANNUAL GENERAL MEETING

24 September 2004

The Company Secretary

GWA International Limited

Level 14

10 Market Street

BRISBANE QLD 4000

Dear Sir

Notice of Nomination of Proposed Auditor

Pursuant to section 328(1) of the Corporations Act 2001, I, Eric John Harrison, being a member of GWA International Limited, hereby give you notice of the nomination of KPMG of 10 Shelley Street, Sydney, NSW as auditor of GWA International Limited and its controlled entities for the financial year beginning 1 July 2004.

Yours faithfully



Eric John Harrison