

GARRATT'S LIMITED

ACN 000 003 725

Telephone: +61 2 9224 5555 Facsimile: +61 2 9224 5550

24 September 2009

Company Announcements Office
Australian Stock Exchange
Level 4
20 Bridge Street
Sydney NSW 2000

Via ASX Online

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ANNOUNCEMENT

NOTICE OF ANNUAL GENERAL MEETING

Attached is a copy of the Notice of Annual General Meeting, Proxy Form and explanatory notes sent to Shareholders today along with a copy of the Annual Report. For a copy of the Annual Report refer to announcement 'Annual Report to shareholders' of 1 September 2009.

Stephanie Noble
Company Secretary

GARRATT'S LIMITED

ABN 93 000 003 725

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 101st ANNUAL GENERAL MEETING of Garratt's Limited will be held at Garratt's Limited, Level 6, 505 George Street, Sydney on Friday 6 November 2009 at 11.30am.

AGENDA:

1. To receive and consider the financial statements of the Company and its controlled entities for the year ended 30 June 2009 and the reports of the directors and the auditor thereon.

There is no vote on this item.

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

“That the Remuneration Report, which forms part of the report of directors for the year ended 30 June 2009, be adopted.”

The vote on this resolution is advisory only and does not bind the directors or the Company. The remuneration report is set out on pages 12 to 13 of the Annual Report.

3. To re-elect as a director of the Company Mr. Neville Thomas Cleary who retires by rotation in accordance with Articles 83(a) and 83(b) of the Articles of Association and being eligible offers himself for re-election.

(Please refer to the explanatory note.)

4. To elect as a director of the Company Dr. John Lewis Schlederer who vacates the office of director in accordance with Articles 81(b) and 83(d) of the Articles of Association and being eligible offers himself for re-election.

(Please refer to the explanatory note.)

5. To increase the maximum aggregate non-executive directors' fees from \$100,000 per annum to \$250,000 per annum.

(Please refer to the explanatory note and the voting exclusion statement pursuant to Listing Rule 14.11 of the Official Listing Rules of the Australian Stock Exchange Limited.)

By Order of the Board

Stephanie Noble
Company Secretary

24 September 2009

Notes: Only registered holders (or their appointed proxy) of ordinary shares are entitled to address the Meeting and vote at the Meeting. Shareholders who are unable to attend and vote are entitled to appoint a proxy to attend and vote in their stead. That person need not be a member of the Company but should be a natural person at least 18 years of age. A shareholder who is entitled to cast two or more votes may appoint two proxies. Where two proxies are appointed, each proxy must be on a separate proxy form and be appointed to represent a proportion of the member's voting rights. Proxy forms executed by companies must be in accordance with the Corporations Act. Proxy forms must be lodged at the Registered Office of the Company (Level 6, 505 George Street, Sydney NSW 2000, Australia) or sent by facsimile to the Registered Office of the Company (+61 2 9224 5550) or through the website <http://www.intermediaryonline.com> (Intermediary Online Users only), not less than 48 hours before 11.30am on 6 November 2009. (Proxy form enclosed).

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101st ANNUAL GENERAL MEETING: PROXY FORM

Proxy forms must be lodged at the Registered Office of the Company (Level 6, 505 George Street, Sydney NSW 2000, Australia) or sent by facsimile to the Registered Office of the Company (+61 2 9224 5550) or through the website <http://www.intermediaryonline.com> (Intermediary Online Users only), not less than 48 hours before 11.30am on 6 November 2009.

A. Registered Holder Details

Name:

Address:

Number of Ordinary Shares held:

B. Appointment of Proxy

I/We being the Registered Holder stated above and being entitled to attend and vote, hereby appoint:

..... or, in his/her absence, the Chairman of the Meeting,

as my/our proxy to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) on my/our behalf at the Annual General Meeting of the Company, to be held on 6 November 2009 or at any adjournment of that Meeting.

C. Voting Directions

Should you decide to direct your proxy how to vote, please tick or mark with a cross in the appropriate box against each item below. If you do not, your proxy may vote as he/she thinks fit or abstain. If the Chairman is the appointed proxy, and the proxy is undirected, he will vote in favour of each resolution.

Resolutions:

	For	Against	Abstain
1. To adopt the Remuneration Report.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. To re-elect Mr. Neville Thomas Cleary as a Director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. To elect Dr. John Lewis as a Director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. To increase the maximum aggregate non-executive directors' fees from \$100,000 per annum to \$250,000 per annum.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If the Chairman is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of a resolution, please tick or mark with a cross in this box. By ticking or marking with a cross in this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by the Chairman other than as proxy holder will be disregarded because of that interest. If you do not tick or mark with a cross in this box, and you have not directed your proxy how to vote, the Chairman will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution.

D. Signature(s)

This section MUST be signed to enable your directions to be implemented.

Where the holding is in *one name*, the holder must sign. Where the holding is in *more than one name* all the holders must sign.

To sign under a *Power of Attorney*, you must have already lodged the Power of Attorney with the Company. If you have not previously lodged the Power of Attorney for notation, please attach a certified photocopy of the Power of Attorney to this form when you submit it.

For *corporations*, a Director must sign jointly with another Director or a Company Secretary. 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 does not have a Company Secretary, a Sole Director can also sign alone.

Please indicate the office held by signing in the appropriate space and crossing out the office that is not applicable.

Signed this day of 2009

Individual or Joint Shareholder(s):

Corporate Shareholders:

.....
Individual / Shareholder 1

.....
Director

.....
Shareholder 2

.....
Director / Company Secretary

.....
Shareholder 3

.....
Sole Director and Sole Company Secretary

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101st ANNUAL GENERAL MEETING: EXPLANATORY NOTES TO AGENDA ITEMS 3, 4 and 5

ORDINARY BUSINESS

AGENDA ITEM 3: TO RE-ELECT MR. NEVILLE THOMAS CLEARY AS A DIRECTOR.

1. Introduction

1.1 Mr. Neville Thomas Cleary retires by rotation in accordance with Articles 83(a) and 83(b) of the Articles of Association. He is eligible for re-election and offers himself for re-election.

1.2 Mr. Cleary retired as a senior banker in 1992 after 43 years with the Commonwealth Bank of Australia. He joined the Board in 2001 and is the Chairman (Independent and Non-Executive) of the Company. He is also the Chairman of the Audit and Remuneration Committees.

1.3 Mr. Cleary has an interest in 160,000 shares (0.39%) in the Company. He does not hold any directorship in any other listed company.

2. Recommendation

Your Directors, other than Mr. Cleary, recommend that you vote in favour of Mr. Cleary's re-election.

AGENDA ITEM 4: TO ELECT DR. JOHN LEWIS SCHLEDERER AS A DIRECTOR.

1. Introduction

1.1 At the invitation of the Board, Dr. John Lewis Schlederer joined the Board as an Independent and Non-Executive Director on 21 August 2009. Dr. Schlederer vacates the office of director in accordance with Articles 81(b) and 83(d) of the Articles of Association. He is eligible for election and offers himself for election.

1.2 Dr. Schlederer obtained his PhD in Physics from the University of New South Wales in 1973. He has a Graduate Diploma in Education from the Sydney Teachers College and more than twenty years' teaching experience, at University of New South Wales and TAFE NSW (Technical and Further Education, New South Wales). In addition, he has many years of experience in business – in manufacturing, sales, distribution and investments. Dr. Schlederer is a member of the Audit and Remuneration Committees.

1.3 He has an interest in 627,068 shares (1.54%) in the Company. He does not hold any directorship in any other listed company.

2. Recommendation

Your Directors, other than Dr. Schlederer, recommend that you vote in favour of Dr. Schlederer's election.

AGENDA ITEM 5: TO INCREASE THE MAXIMUM AGGREGATE NON-EXECUTIVE DIRECTORS' FEES FROM \$100,000 PER ANNUM TO \$250,000 PER ANNUM

1. Introduction

1.1 In accordance with Article 84 of the Articles of Association, shareholders decide on the maximum aggregate directors' fees that may be paid in any financial year to non-executive directors of the Company or its child entities. Directors may, by agreement, determine the proportion and manner of the distribution of the aggregate directors' fees.

1.2 In 1996, shareholders agreed that the maximum aggregate should be \$100,000 per annum. Presently, the Chairman receives a fee of \$50,000 per annum while each non-executive director receives a fee of \$20,000 per annum.

2. Recommendation

2.1 Thirteen years have passed since the last increase. Directors' responsibilities and risks have grown substantially. The Company is profitable. If it is to grow successfully, it must be able to attract appropriately qualified persons to its Board as well as the Boards of its subsidiaries. Non-executive Directors need to be appropriately remunerated. Having considered the remuneration practices of similar companies as well as the responsibilities of the Company's Non-Executive Directors, it is recommended that the maximum aggregate be increased to \$250,000.

2.2 The Directors other than Mr. Neville Thomas Cleary, Mr. Chiang Meng Heng and Dr. John Lewis Schlederer, that is to say, Mr. Christopher Elmore Campbell, recommend that you vote in favour of the increase in the maximum aggregate Non-Executive Directors' fees to be increased from \$100,000 per annum to \$250,000 per annum.

3. Voting Exclusion Statement

3.1 The Company will disregard any votes cast on this resolution by:

- Mr. Neville Thomas Cleary and any associate of Mr. Cleary;
- Mr. Chiang Meng Heng and any associate of Mr. Chiang Meng Heng; and
- Dr. John Lewis Schlederer and any associate of Dr. Schlederer.

3.2 However, a vote will not be disregarded if:

- it is cast by a person as proxy for a shareholder 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 a proxy for a shareholder who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Any shareholder entitled to vote who is thinking of appointing a person who is not entitled to vote as their proxy, should be aware that unless the proxy contains specific instructions on the manner in which they want their vote to be cast on this resolution, that person will be prohibited from exercising votes on behalf of the shareholder giving the proxy in relation to this resolution.
