

AUSTRALIA & INTERNATIONAL HOLDINGS LIMITED

ACN 009 706 414 (the ‘Company’)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of the members of the Company will be held at its registered office on Level 4, 24 Little Edward Street, Spring Hill QLD at 12:00 pm (AEST) on Tuesday, 16th November 2010.

Chairman’s Address

Portfolio Manager’s Address

Ordinary Business

1. Accounts and Reports

To receive and consider the financial statements of the Company and its controlled entities for the year ended 30 June 2010 and the related Directors’ Report, Directors’ Declaration and Auditor’s Report.

2. Directors’ remuneration report

To consider and, if thought fit, pass the following resolution:

‘That the remuneration report of the Directors for the financial year ended 30 June 2010 be adopted.’

3. Re-election of Mr. Bernard Rowley as a Director

To consider and, if thought fit, pass the following resolution:

‘That Mr Bernard Rowley, who retires by rotation, pursuant to Article 58 of the Company’s Constitution, be re-elected as a Director of the Company’.

4. Re-election of Mr. Roger Burrell as a Director

To consider and, if thought fit, pass the following resolution:

‘That Mr Roger Burrell, who retires by rotation, pursuant to Article 58 of the Company’s Constitution, be re-elected as a Director of the Company’.

Special Business

5. Selective buy-back of shares

To consider and, if thought fit, for the purposes of section 257D of the Corporations Act 2001, NSX Listing Rules 6.41 and 6.43 and all other purposes, approve the following resolution as a special resolution:

‘The Company undertake a selective buy-back and cancellation of up to 750,000 ordinary shares in the Company from Sophisticated Investor shareholders in exchange for the transfer of units in the Burrell Australian Equities Trust and Burrell World Equities Trust on the terms and conditions detailed in the attached Explanatory Memorandum’.

No votes are entitled to be cast in favour of this resolution by shareholders who are Sophisticated Investors (as defined in the Explanatory Memorandum), being persons whose shares are proposed to be bought back, or by or their associates..

Proxies

A member who is entitled to attend and cast a vote at the Annual General Meeting has the right to appoint a proxy (an individual or a body corporate) who need not be a member of the Company. If the member is entitled to cast two or more votes they may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two proxies and the appointment does not specify the proportion or number of the Member’s votes each

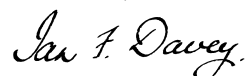
proxy may exercise, each proxy may exercise half the votes. If a member appoints two proxies, neither may vote on a show of hands.

For the appointment of a proxy to be effective, the Proxy Form, together with any authority under which the Proxy Form was executed or a certified copy of that authority must be deposited at the Company's Registered Office at Level 4, 24 Little Edward Street, Spring Hill QLD, 4000, or returned in the Reply Paid envelope to GPO Box 1398, Brisbane QLD 4001, or sent by facsimile to the Company Secretary, Australia & International Holdings Limited, on (07) 3839 6964 by 5.00 pm (AEST) on Monday, 15 November 2010.

If a representative of either a corporate member or a proxy which is a body corporate is to attend the meeting, a certificate of appointment of the representative must be produced prior to admission to the meeting.

By Order of the Board,

Brisbane, 15th October 2010

A handwritten signature in cursive script, reading "Ian F. Davey".

Company Secretary

EXPLANATORY MEMORANDUM FOR SHAREHOLDERS

Australia & International Holdings Limited ACN 009 706 414 (the “Company”)

Introduction

This explanatory memorandum provides information for shareholders in respect of items 1 to 4 of the Ordinary Business, and the Special Business item of the Agenda, to be considered at the Annual General Meeting of the Company, to be held at Level 4, 24 Little Edward Street, Spring Hill QLD at 12:00 pm on Tuesday, 16th November 2010.

The Directors believe that it is in the interests of the Company that the resolutions set out in items 2 to 5 be passed and recommend that you vote in favour of each resolution.

Ordinary Business

1. Accounts and Reports

The Corporations Act requires the Financial Statements, Directors’ Report and Declaration and Auditor’s Report to be laid before the meeting. There is no requirement in the Corporations Act or the Company’s Constitution for shareholders to vote on, approve or adopt these documents. Shareholders will have reasonable opportunity at the meeting to ask questions and make comments on these documents and on the management of the Company.

In addition to asking questions at the meeting, shareholders may address written questions to the chairman about the management of the Company or to the Company’s auditor Liam Murphy, Partner of Lawler Hacketts Audit if the question is relevant to:

- (a) the content of the auditor’s report; or
- (b) the conduct of its audit of the annual financial report to be considered at the meeting.

Note: Under section 250PA(1) Corporations Act a shareholder must submit the question to the Company no later than the fifth business day before the day on which the AGM is held.

Written questions for the auditor must be delivered by Tuesday, 9 November 2010. Please send any written questions for Liam Murphy, Partner of Lawler Hacketts Audit to the address listed in section 5 of the proxy form attached to this notice of meeting.

2. Directors’ remuneration report

Section 250R(2) of the Corporations Act 2001 requires that the section of the Directors’ Report detailing the remuneration of the Directors, the Company Secretary and Senior Executives of the Company be voted on by shareholders. This resolution is required by the Corporations Act even though no remuneration was paid to the Directors, Secretary or Senior Executives.

Whilst the resolution will be decided as if it were an ordinary resolution, under section 250R(3) of the Corporations Act 2001 the vote on this resolution is advisory only and does not bind the Directors or the Company.

The Directors recommend you vote for this resolution.

3. Re-election of Mr Bernard Rowley as a Director

In accordance with the procedure for the election of Directors in the Constitution of the Company, Bernard Rowley retires from the Board and offers himself for re-election.

The Directors recommend you vote for this resolution.

4. Re-election of Mr Roger Burrell as a Director

In accordance with the procedure for the election of Directors in the Constitution of the Company, Roger Burrell retires from the Board and offers himself for re-election.

The Directors recommend you vote for this resolution.

Special Business

Selective Buy-back of Shares

To consider and if thought fit, pass a special resolution approving a selective buy-back of up to 750,000 ordinary shares in the Company from Sophisticated Investor (as defined in paragraph 23 under the sub-heading 'Details of the Buy-Back' below) shareholders who choose to participate, in accordance with the procedure set out in Div 2 of Part 2J.1 of the Corporations Act 2001.

The Directors recommend you vote for this resolution.

The following provides an explanation of the reason for the buy-back and relevant details.

The Company is constantly evolving in order to provide investors with the opportunity to invest in a vehicle that holds a strategically balanced and well diversified set of portfolios. The majority of shareholder funds are invested over a medium to long term period in both Australian and international companies and managed funds. This is facilitated through the Company's investments in the Burrell Australian Equities Trust (BAET) and the Burrell World Equities Trust (BWET). A smaller proportion of shareholder funds are invested in short term trading and sector overweight positions in the Australian equities market.

The Directors of the Company have been conscious of the perception of a lack of liquidity in its shares. In order to overcome this two things have been done. Firstly, the Company listed its shares on the National Stock Exchange (NSX) at the beginning of 2008. This has been mainly of benefit to shareholders with smaller holdings. Secondly, in May 2008, incoming Sophisticated Investor investors were offered direct holdings in, firstly BWET and then later in August 2009, BAET. The reasons for doing this were:

- a) to provide larger investors with the ability to invest in either one of the two trusts, thereby getting exposure to solely Australian investments or solely international investments; and
- b) to provide Sophisticated Investor investors with a more liquid investment as an investment in the trust(s) can be realized by redeeming units whereas it is difficult to realize larger parcels of shares in the Company on-market.

The above two changes have resulted in enhanced liquidity for both small and large investors, as large investors, being Sophisticated Investors, can invest directly in the trust(s) thereby improving the ability for smaller investors to sell shares on market as there is less price level competition.

We are now proposing to expand the ability of existing shareholders, who come under the definition of Sophisticated Investors, to come-and-go by offering a selective buy-back of some or all of their shares in the Company in return for proportionate holdings of units in BAET and BWET of equivalent value. That is, those Sophisticated Investor shareholders to whom the selective buy-back applies will be able to realize some or all of their existing shares in the Company and in return they will receive units in BAET and BWET, which they may be able to redeem in accordance with the provisions of the constitutions of those trusts.

BAET and BWET are both unregistered managed investment schemes and accordingly interests in these trusts can only be offered to persons who qualify as Sophisticated Investors (as defined in paragraph 23 under the sub-heading 'Details of the Buy-Back' below). For this reason, only shareholders who qualify as Sophisticated Investors will be eligible to participate in the buy-back.

The trustee of BAET and BWET is Burrell Securities Limited. The directors of the Company are also directors of Burrell Securities Limited. Burrell Securities Limited is ultimately a wholly owned subsidiary of Burrell & Co Holdings Pty Ltd, and Chris Burrell and Roger Burrell have, directly and indirectly, substantial shareholding interests in Burrell & Co Holdings Pty Ltd. Copies of the constitutions of BWET and BAET are available from the Company.

The buy-back price of shares will be a 4% discount to the Net Asset Value per share as at 31 October 2010. The Net Asset Value per share as at 30 September 2010, being the most recently determined Net Asset Value per share as at the date of this notice, was \$2.99. By way of example, the buy-back price of shares based on the 30 September 2010 Net Asset Value per share would be \$2.87.

The buy-back consideration payable to Sophisticated Investor shareholders who participate in the buy-back will be satisfied by a transfer of units in BAET and BWET of the same value to the shareholder. The value of the units in BAET and BWET will be the Net Asset Value per unit as determined at 31 October 2010. The Net Asset Value per unit as at 30 September 2010, being the most recently determined Net Asset Value per unit as at the date of this notice, was \$1.36 for BAET and \$0.84 for BWET.

As at 30 September 2010, the value of the Company's investments in BAET and BWET was in the ratio of approximately three dollars in BAET for every one dollar in BWET and the Company anticipates this ratio will be reflected in the buy-back consideration provided to Sophisticated Investor shareholders who participate in the buy-back.

For example, adopting the 30 September 2010 Net Asset Values for shares in the Company and units in BAET and BWET, and a discount of 4%, if a Sophisticated Investor shareholder had 10,000 shares bought-back, the total buy-back price of \$2.87 would be satisfied by the transfer to the Sophisticated Investor shareholder of 15,827 units in BAET (\$21,525) and 8,542 units in BWET (\$7,175).

Any stamp duty or processing costs associated with the transfer of units in BAET and BWET to shareholders will be paid by the Company (though the Company does not expect any stamp duty or processing costs will be incurred).

If approved, the buy-back price will include a capital and a dividend component. It is expected that the dividend portion will be fully franked at the current company taxation rate of 30%. The buy-back price will represent a 4% discount to the Net Asset Value per share as at 31 October 2010. However, it is anticipated the franking credits received will compensate for the discount. As at 30 September 2010 the capital per share was calculated at \$2.30. Therefore, if the buy-back price was \$2.87, being a 4% discount to the Net Asset Value per share at 30 September

2010 of \$0.12, the fully franked dividend component would be \$0.57 per share, carrying an imputation credit of \$0.24 per share.

As the proposed buy-back is on a selective basis, approval for it must be given by the shareholders under a special resolution. Those shareholders who are Sophisticated Investors are eligible to participate in the buy-back and are excluded from voting on the resolution. This is the case even if they do not intend to participate in the buy-back.

As shareholder approval is being sought for the buy-back proposal, the NSX Listing Rules 6.41 and 6.43 dealing with, respectively, significant transactions and disposal of significant assets will have been satisfied.

Details of the Buy-Back

- 1) There are currently 1,943,083 (30/09/2010: 1,924,555), ordinary shares of the Company on issue.
- 2) The maximum number of ordinary shares available for selective buy-back will be 750,000, which represents 38.60% of the total number of fully paid ordinary shares on issue. The number of ordinary shares under or equal to 750,000 that will be bought back will ultimately be determined by the responses received from eligible shareholders, being those who are Sophisticated Investors, under the selective buy-back.
- 3) The selective buy-back is being undertaken to enhance the liquidity of the Company by giving Sophisticated Investor shareholders, who will typically be larger shareholders, the opportunity to sell back part or all of their holdings and receive units of proportionate and equivalent value in the Burrell Australian Equities Trust and the Burrell World Equities Trust, which the Company currently owns.
- 4) As these units are redeemable in accordance with the provisions of the applicable trust's constitution the buy-back may offer Sophisticated Investor shareholders an investment with greater liquidity. Also, the buy-back may increase the liquidity of shares in the Company for those shareholders who are not Sophisticated Investors (and Sophisticated Investor shareholders who do not participate in the buy-back) by reducing the price level competition of sellers in the market.
- 5) The buy-back is on a selective basis to Sophisticated Investors, because the two trusts are unregistered managed investment schemes and only open to Sophisticated Investors. Pending shareholder approval of the buy-back resolution shareholders will be given a Buy-back Offer Document, which will contain the terms upon which the buy-back is made and the manner in which a Sophisticated Investor shareholder may accept the buy-back. The buy-back will open on 22 November 2010 and close on 3 December 2010.
- 6) Shares will be bought back at a discount of 4% to the Net Asset Value per share of the Company as at 31 October 2010. The Net Asset Value per share of the Company was \$2.87 as at 30 September 2010. Using a buy-back price of \$2.99, being the 30 September 2010 Net Asset Value per share less the 4% discount, the value of the consideration payable for the shares bought back, if the maximum number were offered by Sophisticated Investor shareholders, would be \$2,152,500.
- 7) The Net Asset Value per unit for BAET and BWET were \$1.36 and \$0.84 respectively as at 30 September 2010. Using these Net Asset Values the Company's investments in BAET and BWET are valued at approximately \$5,500,000 as at 30 September 2010. The value of the Company's holding in BAET is approximately 75%, or \$4,125,000, and 25% in BWET or \$1,375,000. Applying these proportions to the maximum number of shares under the

selective buy-back would result in those shareholders receiving 1,187,040 units in BAET worth \$1,614,375, and 640,625 units in BWET worth \$538,125.

- 8) Sophisticated Investor shareholders who participate in the buy-back will receive units in BAET and BWET with the same value as the buy-back price of the shares being bought back. Therefore, adopting the buy-back price based on the 30 September 2010 Net Asset Value per share and the 30 September 2010 Net Asset Value for the units in BAET and BWET, Sophisticated Investor shareholders will receive 1.58 units in BAET and 0.85 units in BWET for every share in the Company bought back.
- 9) Shares bought-back will be cancelled.
- 10) The buy-back price will be made up of a capital component and a fully franked dividend calculated at the current company tax rate of 30%. Using the contributed equity of the Company and the number of shares on issue at 30 September 2010, the capital component was \$2.30 per share. For a buy-back price of shares of \$2.87 per share, based on the 30 September 2010 Net Asset Value per share of \$2.99 less the 4% discount, the dividend component will be \$0.57 per share, fully franked.
- 11) Participation in the selective buy-back has potential capital gains tax and other income tax implications. For example, for a Sophisticated Investor shareholder who paid less for their shares than the capital component of the buy-back price, there will be potential capital gains tax payable. Further, additional income tax may need to be paid on the dividend received if a participating shareholder's marginal income tax rate is above 30%. Investing in units in BAET and BWET may also have capital gains and income tax implications. Sophisticated Investor shareholders should carefully consider the taxation implications of the buy-back and seek professional advice if necessary.
- 12) The buy-back also has capital gains tax implications for the Company as it is transferring or disposing of units in the two trusts that are overall worth more than the Company originally paid for them. An estimate of the potential capital gains tax for the Company if all of the shares under the proposed buy-back are bought-back is \$90,953 or 5 cents per share currently on issue. However, shareholders should note that this potential tax implication is already factored into the current Net Asset Value per share of the Company because a provision for deferred tax liability is taken up in the accounts as a matter of normal accounting practice.
- 13) If approved, the buy-back offer will open on 22 November 2010 and close on 3 December 2010.
- 14) Directors, who are Sophisticated Investors, may participate in the selective buy-back and the current holdings of those Directors who are eligible to participate are set out in the table on the next page. These Directors intend to participate in the buy-back offer. However, due to the capital gains and income tax considerations referred to above, it is not expected that any Director will participate to the full extent of their holding, even in the absence of other non-director Sophisticated Investor shareholders participating. Also, the maximum number of shares to be bought-back is less than the combined shareholdings of the Sophisticated Investor shareholder Directors.

Director	Held by	No. of Shares	% Holding
Christopher Burrell	CTBFam Pty Ltd atf: Secret Superannuation Fund	565,806	29.12%
	Christopher Burrell	146,945	7.56%
	CTBFam Pty Ltd	72,199	3.72%
Roger Burrell	RJB Superannuation Fund	64,276	3.31%
	Roger Burrell	17,800	0.92%
Bernard Rowley	Rowley Superannuation Fund	31,891	1.64%
	Bernard Rowley	3,501	0.18%
Totals		902,418	46.44%

- 15) The financial effect on the Company if the full 750,000 shares are bought back will depend on the buy-back price of shares. However, at a buy-back price of \$2.87 per share, the buy-back will reduce the capital of the Company by a maximum of approximately \$2,152,800. If the dividend component from the above example is \$0.57, then \$183,214 worth of franking credits will be used. Further, adopting the 30 September 2010 Net Asset value per unit for \$1.36 for the BAET units and \$0.84 per unit for the BWET units, and assuming the full 750,000 shares are bought back, the value of the Company's holding of BAET units would decrease from \$4,134,386 to \$2,519,786 and of the BWET units would decrease from \$1,369,198 to \$830,999. Also, the Company's net assets will decrease from \$5,749,826 to \$3,597,026.
- 16) Further information about the Company's financial position is contained in the financial report, directors' report and auditor's report for the 2009/2010 financial year recently sent to shareholders.
- 17) The closing price of shares on the last trading day prior to the date of this notice was \$3.00. The last on-market trade of the Company's shares occurred on 1 October 2010.
- 18) The source of the funds for the buy-back will be an in-specie distribution of units in BAET and BWET as explained above. BAET is an unregistered managed investment scheme which invests in listed Australian equities and managed funds. BWET is an unregistered managed investment scheme which invests in listed International equities and managed funds and uses foreign exchange hedging instruments to hedge its exposure to fluctuations in foreign currencies. Further information on BAET and BWET, including current holdings and investment strategy, can be obtained by contacting the Company.
- 19) Advantages and disadvantages:
- The main advantage of the buy-back is that it will provide investors who are Sophisticated Investors and eligible to participate with the same or similar investment as they have now through a different ownership entity. This will enable them to be able to more readily redeem their investment if required.
 - The buy-back is being proposed at a discount 4% to the Net Asset Value per share of the Company as at 31 October 2010 so as to reduce the effect of the buy-back on remaining shareholders.

- c) Sufficient franking credits will be retained after the buy-back to continue to be able to pay remaining shareholders fully franked dividends in the future from retained earnings.
 - d) The size of the portfolios in both BAET and BWET will not change as a result of the buy-back, as there will be a transfer of units to shareholders and not a redemption or issue of units, and therefore investors in the Company will not lose any diversification benefits (though subsequent redemptions of units in BWET and BAET by Sophisticated Investor shareholders who participate may impact the portfolio of the trusts).
 - e) Investors who hold shares in the Company after the proposed buy-back will keep their ability to be able to dispose of their shares on the NSX.
 - f) The Company's ownership interest in BAET and BWET will decrease from 82.50% and 56.69% to 50.28% and 34.41% respectively, based on the Company's 30 September 2010 unit holdings, assuming the maximum number of 750,000 shares are bought back and adopting the share-buy back price and unit values using the 30 September 2010 Net Asset Values of shares and units set out above.
- 20) Which eligible Sophisticated Investor shareholders participate in the buy-back will not be known until responses have been received by the Company. However, the most likely result of the buy-back will be that the current major shareholders percentage control will be reduced. The eligible Directors, as listed above, have indicated that they will participate in the buy-back.
- 21) The Directors have formed the opinion that the buy-back will not affect the Company's ability to pay its debts as and when they fall due.
- 22) If the buy-back is approved and oversubscribed, acceptances will be scaled back on a pro rata basis calculated in accordance with the formula below:
- $$750,000 \times \frac{\text{No. of shares Sophisticated Investor shareholder has requested to participate in the buy back}}{\text{Total no. of shares all Sophisticated Investor shareholders have requested to participate in the buy back}}$$
- 23) For the purposes of this notice of meeting (including the explanatory memorandum and proxy form) capitalised terms will have the following meanings:
- a) Buy-back Offer Document means a document which will set out the terms of the buy-back offer and contain an acceptance form and a Sophisticated Investor verification certificate for Sophisticated Investor shareholders to complete and return to the Company in order to participate in the buy-back;
 - b) Company means Australia & International Holdings Limited ACN 009 706 414;
 - c) Director means a director of the Company;
 - d) Net Asset Value, of shares in the Company or units in BAET or BWET, is calculated as the gross assets of the company or trust less the liabilities of the company or trust divided by the number of, as applicable, shares or units on issue, as determined by the Directors in accordance with generally accepted accounting principles;
 - e) Sophisticated Investor means a 'Wholesale Client' as defined in section 761G of the Corporations Act 2001 and includes:

- (1) a person who has net assets of at least \$2.5 million, including the net assets of a company or trust controlled by the person, and provides a certificate from a qualified accountant confirming the same (where the certificate is not more than 24 months old);
- (2) a person who has earned a gross income, including the gross income of any company or trust controlled by the person, of at least \$250,000 per annum in each of the previous two financial years, and provides a certificate from a qualified accountant confirming the same (where the certificate is not more than 24 months old);
- (3) a person who has, or will have after the buy-back have, units in BAET and BWET worth a total of at least \$500,000;
- (4) a person who will acquire units in BAET and BWET to be used in connection with a manufacturing business employing 100 or more people or any other business employing 20 or more people;
- (5) a person who is a professional investor as defined in section 9 of the Corporations Act, which includes financial services licensees, certain APRA regulated entities, trustees of superannuation funds with net assets of at least \$10 million, a person who has or controls gross assets of at least \$10 million, and listed entities and their related bodies corporate;
- (6) a company or a trust controlled by a person who meets the net asset or gross income test described above; and
- (7) for wholesale clients which are companies, a related body corporate of the wholesale client.

IMPORTANT NOTES

Voting Entitlements

The Directors have determined that the shareholding of each shareholder for the purposes of ascertaining voting entitlements for the Annual General Meeting will be as it appears in the Share Register at 5pm (AEST) on Monday, 15th November 2010.