

AUSTRALIAN UNITED RETAILERS LIMITED

ACN 077 879 782

("the Company")

Incorporated in Victoria

Registered office:

Level 1, 1601 Malvern Road, Glen Iris, Vic, 3146

NOTICE OF 2010 ANNUAL GENERAL MEETING

Notice is hereby given that:

The 2010 Annual General Meeting of members of Australian United Retailers Limited ACN 077 879 782 (**Company**) will be held at BTP Technology & Conference Centre, Brisbane Technology Park, 1 Clunies Ross Court, Eight Mile Plains, Brisbane, QLD on Wednesday, 17 November 2010 at 1.00 PM (**AGM**).

BUSINESS

Accounts and Reports

Item 1 - To consider the financial statements

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 Auditors' Report.

Item 2 - To adopt the Company's Remuneration Report

To consider and, if thought fit, pass the following non-binding resolution under section 250R(2) of the Corporations Act:

"That the Remuneration Report (which forms part of the Directors' Report) for the year ended 30 June 2010 be adopted."

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.

Election of Directors

Note: Members should note that there are 10 candidates standing for 5 available Board positions. A maximum of 5 candidates may be elected. In order to provide all candidates with a fair and equitable opportunity to be elected, the Board considers it appropriate that the Chairman demands a poll, and the Chairman intends to call a poll, in respect of Items 3 to 12. A single simultaneous voting procedure will be held in respect of those items following consideration of item 12. The poll will then be conducted, and the successful candidates will be determined, in the manner set out in the Explanatory Memorandum for Shareholders attached to this Notice.

Item 3 - Election of Nick Cook as a Director

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

"That Nick Cook be elected as a Director of the Company."

Item 4 - Election of David Williamson as a Director

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

"That David Williamson be elected as a Director of the Company."

Item 5 - Election of Tina Reddrop as a Director

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

"That Tina Reddrop be elected as a Director of the Company."

Item 6 – Re-election of Neil Osborne as a Director

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

"That Neil Osborne, who retires in accordance with Rule 17.2 of the Company's Constitution, be re-elected as a Director of the Company."

Item 7 – Re-election of Deborah Smith as a Director

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

"That Deborah Smith, who retires in accordance with Rule 17.2 of the Company's Constitution, be re-elected as a Director of the Company."

Item 8 - Election of Steven Sellars as a Director

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

"That Steven Sellars be elected as a Director of the Company."

Item 9 - Election of Allan Burge as a Director

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

"That Allan Burge be elected as a Director of the Company."

Item 10 - Election of Philip Noble as a Director

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

"That Philip Noble be elected as a Director of the Company."

Item 11 - Election of Malcolm Ward as a Director

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

"That Malcolm Ward be elected as a Director of the Company."

Item 12 - Election of Geoff Gledhill as a Director

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

"That Geoff Gledhill be elected as a Director of the Company."

By Order of the Board

Ken Sleep
Company Secretary

Dated [15] October 2010

SEE IMPORTANT NOTES OVERLEAF

AUSTRALIAN UNITED RETAILERS LIMITED ACN 077 879 782

Persons Precluded from Voting

Only Class "A" Redeemable Preference Shareholders are entitled to vote at the AGM.

Voting entitlements

Pursuant to regulation 7.11.37 of the Corporations Regulations 2001, the Directors have determined that the shareholding of each shareholder for the purposes of ascertaining voting entitlements for the AGM, will be as it appears in the Share Register as at 7.00 pm, 15 November 2010.

Proxies

A member who is entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote instead of the member at the meeting. A Class A Redeemable Preference Shareholder who is entitled to cast 2 or more votes at the AGM, may appoint either 1 or 2 persons as their proxy. When such a Member appoints 2 proxies, the appointment must specify the proportion of the Member's voting rights which each proxy is entitled to represent.

For the purposes of the AGM, the proxy may be an individual or a body corporate and need not be a member of the Company. The proxy must be appointed to represent the whole of the member's voting rights in respect of each eligible voting share held by the member for which the proxy is given.

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, Level 1, 1601 Malvern Road, Glen Iris, Victoria 3146; or
- returned in the enclosed reply paid envelope to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Vic 8060; or
- faxed to the following number: +61 3 9473 2555,

at least 48 hours before the meeting.

Corporate representative

If a representative of a corporate member is to attend the meeting pursuant to section 250D of the Corporations Act 2001 (**Corporations Act**), a certificate of appointment of the representative must be produced prior to admission to the meeting. A form of the certificate may be obtained from the Company's share registry or at www.computershare.com.

Explanatory Memorandum for Shareholders

Introduction

This Explanatory Memorandum provides information for shareholders in respect of Items 1 to 12 to be considered at the AGM.

Items 1 & 2 - Tabling of Accounts and adoption of Remuneration Report

As the Company is a 'listed company' for the purposes of the Corporations Act, the annual Directors' Report must contain a report on, amongst other things, director and key management personnel remuneration (**Remuneration Report**). The Remuneration Report is contained within the Director's Report of the 2010 Annual Report, which is available on <http://extranet.foodworks.com.au>. In particular, the Remuneration Report includes an explanation of the Company's remuneration policy and the remuneration arrangements in place for Directors and senior executives.

In addition to having a reasonable opportunity at the meeting to ask questions and make comments on the annual financial report, the Directors Report, the Auditor's Report and on the business, operations and management of the Company, members will vote on a resolution that the Remuneration Report be adopted. This is required under s250R(2) of the Corporations Act.

Members should note that under s250R(3), the vote on the resolution is advisory only and does not bind the Directors or the Company.

The Directors recommend that you vote in favour of this resolution.

Items 3 - 12 - To elect up to 5 Directors

Background

Rule 17.2 in the Company's Constitution requires one-third of the Directors or the number nearest one-third (excluding from the calculation the CEO and any Director appointed during the year pursuant to Rule 17.2(j)) to retire at the Annual General Meeting. The Board has agreed from the Directors eligible to retire those who should do so at the 2010 AGM.

It is noted that a retiring Director is eligible for re-election.

The Directors of the Company to retire under Rule 17.2 in the Company's Constitution are Deborah Smith, Neil Osborne and Don Howell. Deborah Smith and Neil Osborne have nominated to be re-elected as a director of the Company. Don Howell has not nominated to be re-elected as a director of the Company.

In addition, Nick Cook, David Williamson, Tina Reddrop, Steven Sellars, Alan Burge, Philip Noble, Malcolm Ward and Geoff Gledhill have given written notice to the Company that he or she is a candidate for election to the office of Director.

The order of the resolutions regarding the election of Directors was determined by a blind ballot supervised by the Company Secretary.

Members should note that the 10 candidates are standing for 5 available Board positions. A maximum of only 5 candidates may be elected.

The Board considers that the interests of the Company are best served by the re-

election of Neil Osborne and Deborah Smith as Directors, each of whom has:

- previously been appointed to the Board based on their experience and skills; and
- made a valuable contribution to the Company's progress to date during their respective terms as Directors.

The Board considers it is not appropriate to make any recommendation regarding the election of the remaining 8 candidates.

Please note that, where the Chairman is appointed as a proxy (including an appointment by default), in respect of any undirected proxies the Chairman intends to abstain from voting in respect of items 3, 4, 5, 8, 9, 10, 11 and 12, and the Chairman intends to vote in favour of items 2, 6 and 7.

In order to provide all candidates with a fair and equitable opportunity to be elected, the Board considers it appropriate that the Chairman demands a poll, and the Chairman intends to call a poll, in respect of Items 3 to 12. On a poll, every Class "A" Redeemable Preference Shareholder will be entitled to one vote for every Class "A" Redeemable Preference Share held. A single simultaneous voting procedure will be held in respect of those items following consideration of item 12.

To facilitate this single simultaneous voting procedure, one voting card containing the names of each of the 10 candidates will be prepared for the meeting. Subject to the notes below in relation to proxyholders, the voting card will allow each Class "A" Redeemable Preference Shareholder to vote either for or against (or abstain from voting) in respect of each of the 10 candidates. Even though there are only 5 vacancies on the Board, Class "A" Redeemable Preference Shareholders will be permitted to vote in favour of more or less than 5 candidates. The Board considers that this provides the Class "A" Redeemable Preference Shareholders with the greatest flexibility and facilitates a fair and equitable vote. The candidates to be elected as directors of the Company will be those who:

- receive more votes in favour than votes against the resolution in respect of their election; and
- if there are more than 5 such candidates, the 5 persons to be elected shall be those 5 candidates who individually receive the highest number of votes in favour.

Prior to the commencement of the Meeting, proxyholders will be issued with details of the voting instructions (if any) that relate to their appointment. If a proxyholder has received directed voting instructions, the proxyholder will be deemed to have voted in accordance with those instructions if the proxyholder participates in the voting procedure. If a proxyholder has not received voting instructions (ie an undirected proxy), the proxyholder will be entitled to vote either for or against (or abstain from voting) in respect of each of the 10 candidates if the proxyholder participates in the voting procedure.

As indicated above, where the Chairman is appointed as a proxy (including an appointment by default), then in respect of any undirected proxies, the Chairman intends to abstain from voting in respect of items 3, 4, 5, 8, 9, 10, 11 and 12, and the Chairman intends to vote in favour of items 2, 6 and 7.

It is important for proxyholders (whether directed or undirected) to note that for their votes to be counted, they must submit the voting card as part of the voting procedure. If they do, the votes of proxies will be included in computing the required majority and the total number of votes in favour of any candidate in determining the directors to be elected in accordance with the procedure set out above.

Item 3 - Election of Nick Cook as a Director

The candidate provided the information set out below for inclusion in this Notice of AGM.



Nick & his wife Karen will celebrate ten successful years in independent grocery retailing in Australia in December of this year. They purchased Mt Beauty Supermarket in the December of 2000 from Karen's parents. Since that time they have grown their business both organically in Mt Beauty and acquisitively with the purchase of Yackandandah in 2005 and its subsequent development in 2008, and most recently with the development of Falls Creek in 2009.

Nick Graduated from Cardiff University (UK) in 1992 in Manufacturing Systems and Manufacturing Management and spent the next eight years working in the Automotive industry in the UK. During this time he honed his knowledge in Lean Manufacturing and operations management. Ultimately reaching the position of Commercial Director of a component manufacturing business of Unipart, Nick had the opportunity to combine his knowledge of lean thinking with commercial and financial expertise.

Nick's experience gained in his time in the automotive industry has been applied successfully within their business to achieve their current position with particular strength in inventory management and the application of IT to retailing.

Nick Believes that the skills and experience outlined above complimented by his integrity and the support of Karen and their team makes him ideally suited to a place on the board of AUR at this particularly challenging time

The Directors make no recommendation in respect of this resolution.

Item 4 - Election of David Williamson as a Director

The candidate provided the information set out below for inclusion in this Notice of AGM.

David Williamson



I am proud to say I have been part of a family who has been serving my local community as owners of an Independent Retail Business for over 30 years. I have grown up in this industry, helping my family run their Tuckerbag Supermarket from a young age. At the age of 17, I became Store Manager of my family's second store, Riddell's Creek Riteway. From there I moved on to manage our third store which became a Payless Super barn and then graduated to our biggest store, Tuckerbag. I continued as the Store manager until 13 years ago when I was made Company Director when our Gisborne and Riddells Creek stores joined the Foodworks Supermarket Group.

In 2002 I was voted onto the Foodworks board as a Retail board member and served for two years before choosing to resign in 2004 to help reduce the number of board members when our two groups merged to become the AUR. In 2006, my wife and I purchased our Gisborne store, excited by the prospect of carrying on our family's legacy. Since this time we have also purchased Kilmore Foodworks and have most recently acquired Sunbury Foodworks. Branching out from our home base in Gisborne where my family is shown great loyalty and support, has brought with it new challenges. Through these experiences I have learnt and continue to learn, many new and valuable skills and lessons about being a manager and owner.

I believe the knowledge, skills and experience I have gained throughout my long standing involvement and management of a number of supermarkets of varying sizes, will enable me to represent all Foodworks' owners with a keen awareness of the issues they face, their needs and ways in which we as an organisation can best support them to develop and build their stores.

With 13 years of involvement with Foodworks as a Director and Store Owner, as well as my previous experience as a board member, I am certain I would be a valuable contributor, offering the AUR board, our shareholders and retailers a dedicated and committed representative, who has an invested interest in seeing our company continue to develop and succeed.

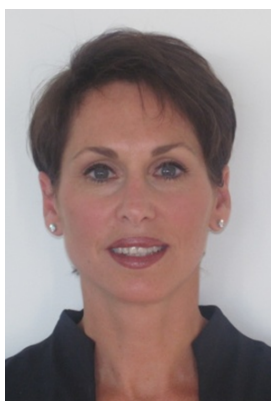
My passion and enthusiasm for my stores, our industry and the Foodworks organisation is unquestionable and I would relish the opportunity to serve as a board member. I thank you for your consideration.

Gisborne, Kilmore, Riddell's Creek & Sunbury Foodworks Supermarket Group

The Directors make no recommendation in respect of this resolution.

Item 5 - Election of Tina Reddrop as a Director

The candidate provided the information set out below for inclusion in this Notice of AGM.



Tina is the General Manager of Reddrop Management Group which oversees the operations of nine supermarkets, including the Superate Group of FoodWorks stores (Casterton, Lorne, Myrtleford, Victoria) and the Reddrop Group of FoodWorks stores. In her role she is actively involved in operations and day to day management. With small, medium and large stores within the group, Tina is immensely familiar with the variety of issues associated with such a diverse group of stores.

Tina joined the industry in 1998, when she and her husband Michael purchased the Alexandra FoodWorks store. Since then, they have acquired or opened and run an additional four stores in their regional area (Yea, Mansfield, Marysville and Mt. Buller, Victoria). As an owner/operator, Tina brings a cache of relevant industry experience from working firsthand in every aspect of the business – from front end to finance. After recording consistent growth within her own group, Tina helped the Superate Group in 2009 improve its profitability at a time when the industry was experiencing difficult sales conditions. As an owner/operator, she has a passion for the industry as well as a proven track record for responsible business management.

Prior to joining the Supermarket industry, Tina had a successful career in communications and marketing in Washington, DC (USA). Tina worked as a media and political strategist helping politicians and companies to develop and articulate responsible federal policies. Her expertise includes journalism, media management, lobbying, mass marketing and advertising. Over the course of her career, Tina received industry awards and recognition for her work. Her clients included 3M, Bristol-Myer Squibb, Senator Orrin Hatch, Secretary of State Hillary Clinton (then First Lady), World Wildlife Fund, and the American Foreign Service Association.

Tina is highly committed to the success and survival of independent retailers. Tina seeks election in order to ensure that retailers can be confident that the Company is looking out for not only the future of the Industry but also the retailers' place in it.

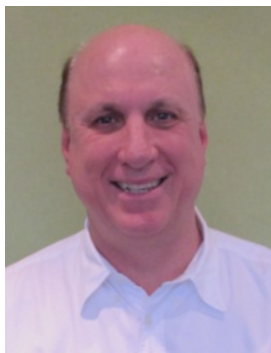
"Retail empathy, corporate governance, and fiscal responsibility are key to ensuring the future success of the Company. The past ten years have brought a rapid change to the industry. The next ten years will provide even more challenges and opportunities. I seek a place on the Board to ensure that the Company responsibly acknowledges and works through challenges

and keeps the door open to opportunities that guarantee the long term success of the retailer.”

Tina holds a Bachelor of Arts in Political Science (Clemson University) and a Masters of Arts in Communications (The American University).

The Directors make no recommendation in respect of this resolution.

Item 6 – Re-election of Neil Osborne as a Director



With over 20 years experience in the retail industry, Neil was appointed to AURL as a director in November 2006. Neil is the Chairman (designate) of the Audit and Risk Committee.

In February 2007, Neil was appointed to the Board of Directors of Colorado Group Limited - a company trading in the retail and wholesale footwear and apparel industry in Australia and New Zealand

Neil is a non executive Director of Vita Group Limited - a retailer in the mobile technology and Apple Computing markets. He is also Chairman of Vita's Audit and Risk Committee.

Prior to this, Neil was a Partner with one the world's largest consulting and technology services firm, Accenture. He specialised in retail and business development engagements in Australia, Asia and North America.

From 1978 to 1996, Neil held a variety of senior executive positions with Myer Grace Bros and Coles Myer Ltd in corporate and operating brands across finance, supply chain, strategic planning and merchandise including the positions of Myer Chief Operating Executive (Supply Chain and Chief Financial Officer) and Coles Myer Ltd, Group General Manager Retail Services. During that time Neil co-founded the still popular FlyBuys loyalty program and also led the re-engineering of Myer's complete supply chain.

Neil's qualifications include Fellow Australian Institute of Company Directors (FAICD), Bachelor of Commerce (University of Queensland), Certified Practising Accountant, Strategic Management Programme – Monash University Graduate School of Management, Advanced Logistics Programme – University of North Florida and Company Directors Course Diploma – Australian Institute of Company Directors.

“As an experienced retailer and independent director I bring a very useful mix of skills and experience to the Foodworks Board. If re-elected I will focus my energies on helping my board and management colleagues rebuild Foodworks as a retailers’ service company that will provide shareholder returns over time.”

The Directors recommend that you vote in favour of this resolution.

Item 7 – Re-election of Deborah Smith as a Director



DEBORAH MAY SMITH

Occupation: Retailer

Qualifications: Master of Business Administration, Graduate Diploma of Business Administration, Graduate Certificate of Business Administration University of New England Armidale NSW. Diploma of Teaching Townsville College of Advanced Education

I have owned and operated my store at Allora on the Darling Downs in Queensland since 1996. In 2008 I purchased two stores in Toowoomba in partnership with my Allora store manager. Allora and Toowoomba Northlands are medium stores catering to different markets. Allora is a small country town and the store provides all the grocery needs for a substantial number of the town's population. It runs an 8 page catalogue and has grown into the town's supermarket. Toowoomba Northlands is a top up shop in Northlands Shopping Centre; it runs a 4 page catalogue and has had an increase of 250% in the two years that we have owned it. Blue Mt is a convenience store with a take away. It runs a two page catalogue and has had a 200% turnover increase. I am a hands on retailer working five and half days a week in my stores. I am passionate about independent retailing and believe that independents can successfully operate against the chains and other competitors. I am a strong believer in retail systems and customer service to drive profitability and economic success in my stores.

I was first elected to the Board of Australian United Retailers in 2003. I actively participated in the merger with FoodWorks in 2004 and have been a director of the company since then. It has been a varied and stimulating experience to be part of a young growing company. The focus for the FoodWorks Board since its inception has been on growth. Growth, in such a condensed market as the Australian Supermarket industry, is challenging and presents numerous barriers that have created some stress within the company and the network. The Coles store acquisition was an opportunity to overcome many of these hurdles and provide a leap forward for FoodWorks. Unfortunately our plan to operate these stores as corporate stores was not successful. Fortunately the Board had a well-developed Plan B which was to divest these stores and retain many of them within the network, which was successful.

I believe that my experience during this time on the FoodWorks Board has been invaluable. The lessons learnt by FoodWorks as a company during the FoodWorks Retail experience will make it a far better Retailer Support Company. My plan if re-elected to the FoodWorks Board will be to provide a company focus on Retailer profits. The competitive barriers in the industry are growing and margins shrinking. I believe it is FoodWorks' job to get Retailers better buying prices, and to provide them with better retail systems which allow them to focus on their customers and grow their businesses. An independent, dynamic and flexible FoodWorks offers the best chance to meet the challenges posed by the retail chains and a monopoly warehouse. I would like to play my part in meeting these challenges.

Debbie Smith

0438663651

The Directors recommend that you vote in favour of this resolution.

Item 8 - Election of Steven Sellars as a Director

The candidate provided the information set out below for inclusion in this Notice of AGM.

Steven John Sellars



Steve was appointed CEO of Food-way Pty Ltd in 1998 and held that position until, and at, his recommendation Food-way successfully merged with AUR in 2002.

In his 4 ½ years at Food-way he grew Branded stores from 56 to approx 120 and had the highest growth of the Independent groups in the AIW warehouse system.

He achieved this with a lean and very competent Marketing and Operations team. This team was highly regarded in the Industry and their results exceeded industry Benchmarks.

Steve had initially proposed the merger of Food-way and FoodWorks

which was rejected by the FoodWorks board, and then at the first board meeting after the successful Food-way - AUR merge suggested to the new board, they too seek a merger with FoodWorks, a move that was successful some 18 months later.

After the Food-way- AUR merge Steve held the position of National Marketing and Operations Manager until the merge with FoodWorks where he was made redundant.

He has held the following senior positions in the Independent sector; National Manager Corporate owned stores, National Marketing and Operations Manager and Chief Executive Officer. Steve also held positions as State Sales Manager ALM and State Manager IBA which is the marketing arm responsible for IGA plus liquor, Cellarbrations and The Bottle-O groups in Victoria, giving him a lot of experience in the extremely competitive liquor category.

Steve has been involved and dedicated to the Independent Sector for 19 years after spending 15 with Coles. He has been an Independent Retail store owner since 2003 and is currently self employed which includes regular work for the Independent Retail Employer Association – MGA, incorporating LRA.

“I see FoodWorks in need of Retail Expertise on the Board, a point highlighted by the current Chairman at recent Member meetings. The recent regime was besotted by qualifications and high costs at the expense of retail experience and achieving results. The high cost of an overstaffed office, extremely over paid Executive and a Board that is so expensive to run has led to FoodWorks being uncompetitive in many areas. I believe IGA has an advantage over FoodWorks in the areas of Retail experience, Retailer input, Marketing, Money into Price and Brand Exposure and I will be committed to making a difference in these areas of the business. I will also be dedicated to improving store morale by operating in an open, honest and transparent manner and returning better value to our current members - our core Business”

“I believe the biggest challenge facing this business is not the current debt level, this can be resolved by the on selling of the ex Coles stores and a very strong Core Business. The biggest challenge facing FoodWorks is for the current stores to re-sign the Unity Agreement when it is next due, thus ensuring a strong, viable and fiercely independent alternate Brand. For this to happen the group must change the way it has been operating, be leaner, more competitive and more accountable”

“My philosophy has always been if you firstly look after the customers, the staff, and the community in general as well as in FoodWorks case the Members, the changes I propose will put the Company in a position to pay our Shareholders a return on their investment, which in turn secures the business as a strong, viable alternate Brand”

“I would welcome the opportunity to make a difference”

The Directors make no recommendation in respect of this resolution.

Item 9 - Election of Allan Burge as a Director

The candidate provided the information set out below for inclusion in this Notice of AGM.



Nomination for election of Allan Burge

Experience:

Allan has been a retailer since 1968 and currently operates two Foodworks Supermarkets at Loganholme and Woodridge in Queensland.

He was Appointed to the Q.I.W. Board in 1981. In 1983 Q.I.W. was taken over by Q.I.W. Retailers, Allan was elected a Director and was founding Chairman, A position he was elected to annually for the next

10 years. Retiring from the Board in 1993.

At the direction of a General Meeting of SPAR Retailers during 1993, a group of retailers prepared a business plan for the purchase and distribution of fresh fruit and vegetables for QLD and N.S.W. SPAR Fresh Pty Ltd was registered and commenced operations in 1999 trading as Independent Produce Professionals. It is still progressing into its 12th year. Allan was elected a Director and founding Chairman this position he holds to date.

In the past Allan was a member of The Institute of Company Directors of Australia and is a foundation fellow of The Australian Institute of Company Directors. Allan successfully completed the course and assessment for Company Directors through The University of New England, and The Institute of Company Directors. He was awarded a Diploma of Company Director in November 1990.

"The brand of Foodworks has built over the years to be a strongly recognised in the industry, but its future strength depends not only on the company but each and every member's progress. To achieve this the company must offer strong support, services and buying expertise to enable our retailers to compete and grow in a competitive market place."

The Directors make no recommendation in respect of this resolution.

Item 10 - Election of Philip Noble as a Director

The candidate provided the information set out below for inclusion in this Notice of AGM.



Philip Noble is qualified by a Bachelor of Economics and Bachelor of Agricultural Science from the University of Queensland. He has been an investment banker for 23 years with his most recent role as Managing Director and Head of Fixed Income Division at Credit Suisse in Sydney.

Philip has served as a Director on a number of Credit Suisse companies in Australia and has a wealth of banking and financial markets experience. Philip's career has also included 11 years at Deutsche Bank and 7 years at Bankers Trust Australia. On the first of September 2010 Philip was appointed to the role of CEO of Queensland Treasury Corporation.

Importantly, Philip also has experience in the retail sector. This experience has included banking advice to major players in the retail industry, and also a deep understanding of retail operationally.

Several years ago he purchased a run down 5 STAR store at Tugun on the Gold Coast, and has enjoyed the challenge of converting it to FoodWorks, refurbishing the store, reengineering all store processes including large cost reduction, all of which has resulted in significant growth in sales and profitability.

Philip is one of the largest shareholder in the FoodWorks group, and has been an interested and committed member as the group has grown over these past years.

Philip believes he is well credentialed to contribute the Board, its objective to maximize both shareholder and member value, and therefore to the future direction of the Company and its members.

If elected by shareholders, he will achieve this by contributing to an immediate focus on cost control across the FoodWorks business, and to contribute to the strategic future of the company whilst providing transparency to members.

Philip is married with two wonderful daughters and lives on the Gold Coast.

The Directors make no recommendation in respect of this resolution.

Item 11 - Election of Malcolm Ward as a Director



The candidate provided the information set out below for inclusion in this Notice of AGM.

Malcolm Ward

Malcolm and his wife Liz have been owner/operators of supermarkets since joining the industry in 1994. Malcolm is the Managing Director of their family companies operating 4 FoodWorks stores in Western Australia. He is a director of Supermarkets West Pty Ltd the marketing and promotion company for FoodWorks and Farmer Jacks stores in WA.

Before entering the retail industry Malcolm owned and operated free range and cage egg farms and co-founded and constructed the largest egg farm in WA. He is currently a director and audit committee member of several production and marketing companies in the Australian egg industry including Farm Pride Foods Ltd. He is involved in reviewing the integrity and accuracy of the various companies financial reporting, assessment of operating risks and the pursuit of profitable growth opportunities. Prior to this he operated in the banking, petroleum and technology development industries.

Malcolm brings a broad range of commercial experience having been involved in a number of industries including retailing, business management, agricultural production and marketing, project and property management, and banking.

Malcolm is highly committed to the success of the FoodWorks group and with a significant investment in the industry, and AUR Ltd, seeks election to ensure the continued financial development and effectiveness of the Company to generate growth and returns for member stores. In Malcolm's view:

"The future will continue to be a challenge. I firmly believe in proactively reviewing where we have been with a view to achieving improvement and profitability into the future. The chain stores will always want more of our market. The challenge is to identify our point of difference in each of our local markets and efficiently and profitably satisfy our customers' needs. FoodWorks is here to service members and is a key driver in improving our businesses and maximizing our returns."

The Directors make no recommendation in respect of this resolution.

Item 12 - Election of Geoff Gledhill as a Director

The candidate provided the information set out below for inclusion in this Notice of AGM.



Candidate Profile for Mr Geoff Gledhill:

I have spent the past 25 years operating independent grocery stores, initially, Boundary Cellars in East Bentleigh and then Seaview Foodworks in Beaumaris. Throughout that period I have been fortunate to have spent considerable time on various marketing and management committees associated with a number of banner groups, I also spent 8 years as a director of the Master Grocer Association with 4 of those as president. These experiences have given me a breadth of perspective that would assist me in discharging my duties on the Foodworks board.

I maintain a long held belief in the viability of our independent sector; dependant however on our ability as managers and support staff to continually exceeds our customers expectation. This can only be achieved by all stakeholders sharing a common goal, which is ultimately to provide a superior offer to the consumer on a consistent basis.

As a business we must understand what consumers expect of us and deliver it, the role of the board should be to support the management of a firm in providing the resources with which to achieve that goal.

Seaview Foodworks was sold last year and I have since started a beverage distribution business located in Braeside, viewing life from the other side of the fence so to speak, has only served to broaden my perspective of this industry.

I believe I can add value to the Foodworks board both through my experience, and commitment to this industry, but additionally due to the postgraduate study I have been undertaking over the past 5 years. I have recently completed an MBA at Deakin University and am now involved in the first of several research projects focused on the current and future position of small business and its place within the Australian economy.

Should you require any further information my contact details are listed below.

Regards

Geoff Gledhill

E: ag.gledhill@gledhill.net.au

Mobile: 0409522304

The Directors make no recommendation in respect of this resolution.

Voting Exclusion Statement

There are no specific voting exclusions which apply to any of the resolutions proposed for the meeting.