

VICTORIAN LIVESTOCK EXCHANGE LIMITED
ABN 72 078 839 031

NOTICE OF 2007 ANNUAL GENERAL MEETING

Notice is given that the 2007 Annual General Meeting of Victorian Livestock Exchange Limited ("the Company" or "VLE") will be held at Victorian Livestock Exchange, Exchange Drive, Pakenham, Victoria on Wednesday, 28 November 2007 at 9:00 am.

Further details in respect of each of the resolutions proposed in the Notice of Annual General Meeting are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting. The details of the resolutions contained in the Explanatory Memorandum should be read together with, and form part of, this Notice of Annual General Meeting.

BUSINESS

2007 ANNUAL FINANCIAL STATEMENTS

The Directors lay before the shareholders the annual financial statements of the Company comprising the Annual Financial Report, the Directors' Report and the Auditor's Report for the financial year ending 30 June 2007.

The Chairman shall provide shareholders with a reasonable opportunity to ask questions in relation to the management of the Company.

A representative of the Company's Auditors, Sinclair Wilson of Warrnambool, will be available to receive and answer questions of the shareholders relevant to the conduct of the audit and the preparation and content of the Auditor's Report.

NON-BINDING ORDINARY RESOLUTION

To consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

Resolution 1 – Adoption of Remuneration Report

“That the Company approve the adoption of the Remuneration Report for the year ended 30 June 2007”.

ORDINARY RESOLUTIONS

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

Resolution 2 – Re-Election of Director - Mr Christopher Sleigh

“That Mr Christopher Sleigh, a director who retires by rotation and is eligible for re-election, be re-elected as a Director of the Company.”

Resolution 3 – Re-Election of Director - Mr Michael Quinert

“That Mr Michael Quinert, a director who retires by rotation and is eligible for re-election, be re-elected as a Director of the Company.”

SPECIAL RESOLUTION

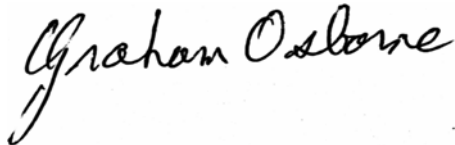
To consider and, if thought fit, to pass the following resolution as a special resolution:

Resolution 4 – Selective Buy back of Shares

“That, for the purposes of s257D of the Corporations Act 2001 and all other purposes, approval is given for the Company to buy-back fully paid ordinary shares in the capital of the Company at \$1.85 per share from, and to enter buy-back agreements with, Shareholders who hold fewer than 20,000 shares as described in the Explanatory Memorandum which accompanied and formed part of the Notice of Meeting.”

Dated: 29 October 2007

By the order of the Board

A handwritten signature in black ink, reading "Graham Osborne". The signature is written in a cursive style with a large initial 'G'.

Director

The accompanying Explanatory Memorandum and the Proxy and Voting Instructions form part of this Notice of Meeting.

PROXY AND VOTING INSTRUCTIONS

Proxy Instructions

A member who is entitled to vote at a meeting may appoint:

- (a) one proxy if the member is only entitled to one vote; and
- (b) one or two proxies if the member is entitled to more than one vote.

Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the member's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes in which case any fraction of votes will be disregarded.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be lodged at the VLE head office, PO Box 676, Drouin, Vic, 3818 (if by hand, Suite 8, 22-26 Princes Highway, Drouin, Victoria) or sent by facsimile transmission to the VLE head office on (03) 5625 4961 not less than 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

The proxy form must be signed by the member or his/her attorney duly authorised in writing or, if the member is a corporation, in a manner permitted by the Corporations Act. A proxy given by a foreign corporation must be executed in accordance with the laws of that corporation's place of incorporation.

The proxy may, but need not, be a member of the Company.

A proxy form is attached to this Notice.

Corporate Representatives

Any corporation which is a member of the Company may authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the chairperson of the Meeting) a natural person to act as its representative at any general meeting.

Special Resolution

Resolution 4 is proposed as a Special Resolution. To be passed, at least 75% of the votes cast on the resolution by shareholders (by number of shares) must be in favour of the Resolution.

Voting Entitlement

The Company has determined in accordance with the Corporations Act 2001, that for the purpose of voting at the 2007 Annual General Meeting, shares will be taken to be held by those who hold them at 7pm on 26 November 2007.

On a poll, members have one vote for every fully paid ordinary share held.

Voting Exclusion Statement

As required by section 257D of the Corporations Act, no votes may be cast in favour of Resolution 4 by any person whose shares are proposed to be bought back or by their associates. The Company will disregard a vote if it is cast in favour of Resolution 4 by a person whose shares are proposed to be bought back or by an associate of such a person.

VICTORIAN LIVESTOCK EXCHANGE LIMITED

ABN 72 078 839 031

("the Company")

2007 ANNUAL GENERAL MEETING EXPLANATORY MEMORANDUM

PURPOSE OF INFORMATION

This Explanatory Memorandum ("this Memorandum") accompanies and forms part of the Company's Notice of the 2007 Annual General Meeting on Wednesday, 28 November 2007 at 9:00 am. The Notice of 2007 Annual General Meeting incorporates, and should be read together with, this Memorandum.

BUSINESS

2007 Annual Financial Statements

To lay before the shareholders the Company's Annual Financial Report, Director's Report and the Auditor's Report in accordance with the requirements of the Corporations Act 2001.

The Chairman shall provide shareholders with a reasonable opportunity to ask questions in relation to the management of the Company and a representative of the Company's Auditors shall be present to receive and answer questions of the shareholders relevant to the conduct of the audit and the preparation and content of the Auditor's Report.

PROPOSED NON-BINDING ORDINARY RESOLUTION

Resolution 1 – Adoption of Remuneration Report

The Company is required, pursuant to the Corporations Act 2001, to propose a non-binding resolution regarding the Remuneration Report, which forms part of the Director's Report in the Annual Financial Statements. The vote is advisory only and does not bind the Directors or the Company.

Shareholders attending the 2007 Annual General Meeting of the Company will have an opportunity to discuss and put questions in respect of the Remuneration Report, and to vote on a non-binding resolution to adopt the Remuneration Report.

PROPOSED ORDINARY RESOLUTIONS

Resolutions 2 & 3 – Re-Election of Directors

Pursuant to the Constitution of the Company, one-third of the Directors or, if their number is not a multiple of 3, the number nearest to one-third, except the Managing Director, are required to retire by rotation at each Annual General Meeting. The Company has five (5) directors, one of whom is a Managing Director. Accordingly, two (2) directors are required to retire by rotation at the 2007 Annual General Meeting.

Mr Christopher Sleigh retires by rotation and being eligible offers himself for re-election. The shareholders are being asked to approve, by approving to Resolution 2, the re-election of Mr Sleigh as a Director of the Company in accordance with the Company's Constitution.

Mr Michael Quinert retires by rotation and being eligible offers himself for re-election. The shareholders are being asked to approve, by approving to Resolution 3, the re-election of Mr Quinert as a Director of the Company in accordance with the Company's Constitution.

PROPOSED SPECIAL RESOLUTION

Resolution 4 – Selective Buy Back of Shares

The Company is seeking approval from Shareholders which would permit making offers to buy back shares from shareholders who hold fewer than 20,000 shares. If approval is given and the Board resolves to make buy back offers, the price offered would be \$1.85 per share. Under the Corporations Act the Company must obtain Shareholder approval by special resolution before buying back shares. Resolution 4 is proposed as a special resolution for the purposes of obtaining that approval.

A selective share buy-back is one way in which the Company can reduce its share capital. Essentially, it involves the Company making an offer to eligible shareholders to buy shares. Eligibility in this case would be determined by the number of shares in a holding in the Company's Register of Members. Shareholders to whom buy-back offers are made are under no obligation to accept the offer. Shareholders who do not accept the Company's offer would retain their shares in the Company, as would those Shareholders not eligible to receive the offer.

The offer would be made to shareholders who hold fewer than 20,000 shares. Offers would not be made to holders of 20,000 shares or more. At the date of preparation of this Memorandum, 97 shareholders holding a total of 342,721 shares would be eligible to receive buy back offers. This number may increase or decrease and the total number of shares which may be bought back, and the amount to be paid if all offers were to be accepted would be considered by the Board before making offers. Further, 4 holders of fewer than 20,000 shares are associated with directors and management. Those holders, who at the date of preparation of this Memorandum hold 24,473 shares, have indicated they will not be accepting buy-back offers.

The consideration (payment) proposed to be offered by the Company is \$1.85 per share. This consideration has been determined by the Board by reference to the value of the Company as indicated by recent market value attributed to the shares and also by reference to the Company's most recent financial statements which indicates, among other things, the value of Shareholders' equity.

Why is the Company making the Offer?

The Board has formed the view that removal of the Company's securities from quotation on the Bendigo Stock Exchange ("BSX") is in the interests of the Company and its members. The Company has been unable to take full advantage of its listing on BSX. Any benefit associated with the listing is, in the opinion of the Board, outweighed by increased reporting and disclosure obligations imposed on the Company by virtue of its listing on BSX. Accordingly, the Company proposes to take steps to de-list the Company in due course.

De-listing the Company's shares, if and when that happens, will necessarily decrease their liquidity. In recognition of this fact, and in light of the fact that shareholders may have purchased their shares on the basis of the Company's listed status, the Board has determined that it would be both fair and appropriate to provide smaller shareholders with an opportunity to dispose of their shares prior to Company's proposed de-listing. In the absence of a buy-back offer, it is unlikely that there would be a sufficient market for the shares to enable all shareholders to dispose of their shares at values commensurate with recent market values for the shares.

A reduced number of shareholders may also enable the Company to consider changing its type from a public to a proprietary company limited by shares. This move would further reduce the Company's ongoing obligations arising under the Act, including those with respect to reporting. The Company may

also be better placed to attract further investment as a private company. Whether the change of type would be possible would depend on the extent of acceptances of a buy-back offer if made.

In summary, the Board believes that the Company's size and position make its current status (as a publicly listed company) unsuitable moving forward. Reducing the Company's capital and the size of its shareholder base may provide the Company with more options in terms of its structure and, perhaps, greater opportunity to pursue private investment thereby potentially enabling further development of the Company's business. Seeking approval to enable the Company to make a buy-back offer as described in this Memorandum is part of seeking to give effect to this objective.

Material Information

In order to properly assess the proposal Shareholders should have regard to all material information including the following:

- The number of shares issued in the capital of the Company is 3,526,915.
- The total number of shares that could be the subject of the buy-back would be determined at the time of making the offer by reference to the number of holdings of fewer than 20,000 shares in the Company's Register of members. The number and the total consideration payable if all offers were to be accepted would be announced to BSX and set out in the buy-back offer sent to eligible shareholders.
- The Company would expect to fund the buy-back utilising retained earnings and other sources of funds which may be available to it at the relevant time. The Company has significant assets surplus to its core operations including land at Traralgon, Graham Court Pakenham, and Yarram. The Company is pursuing a strategy to realise these assets in an orderly manner and pending disposal of same has the capacity to borrow against those assets. The Company has also determined not to pay a dividend this year and has terminated the shareholder rebate scheme both of which actions will increase the cash resources available to the Company. Payment of the consideration, together with costs incidental to the buy-back, would reduce the Company's cash reserves, and the Company's paid-up capital, however for the above reasons the Company would not expect the buy-back to adversely affect its ability to fund its activities.
- If all shares of holders eligible to participate in the offer were bought back, based on present holdings the remaining holders would have a proportionally larger percentage interest in the issued voting shares of the Company but otherwise there would be no material effect on the control of the Company.
- The principal reason for the buy-back would be to enable eligible Shareholders to dispose of their shareholding in the Company prior to de-listing from the BSX which is a proposal currently under consideration by the Board. The buy-back would also enable the Company to reduce its share capital.
- There would be advantages and disadvantages arising to the Company and its members that are associated with the buy-back. In the opinion of the Board, these include:
 - o *Advantages*
 - acceptance of buy-back offers by a substantial number of Shareholders is anticipated to place the Company in a more suitable position to consider and, if appropriate, implement a de-listing from the BSX;

- the buy-back may alter capital structure to the extent that the Company may subsequently be better placed to consider revising the entity type and structure through which the Company's business is operated;
 - the buy-back may result in reduced operating and reporting obligations for the Company, thereby providing an opportunity to reduce operating costs;
 - the buy-back may place the Company in a position to attract further private investment with resulting ability to develop its business.
- o *Disadvantages*
- expenditure required to carry out the buy-back;
 - if the Company's securities were to be de-listed, liquidity for remaining securities would decrease;
 - a potential reduction in opportunities for the Company to raise funds.

The Company will liaise with the BSX regarding the buy-back offer and the de-listing proposal. Copies of all documents sent by the Company to shareholders with respect to the offer will be given to the BSX in accordance with the BSX Market Listing Rules. If the Company proceeds with the de-listing proposal, details of the de-listing process including a timetable for de-listing would be announced to the BSX and the Company's website.

Financial Information

The Company has released its annual financial statements, which will be laid before the 2007 Annual General Meeting.

Subsequent to the releasing the accounts, other than for the proposal of the buy-back, the Company has carried on its business in the ordinary course.

Directors' Interests and Intentions

The current directors of the Company and their direct and indirect interests in securities of the Company are:

Director	Shares (direct and indirect interests)	Options (direct and indirect interests)
Mr. Graham Osborne	384,073	Nil
Mr. Michael Quinert	495,250	Nil
Mr. Christopher Sleigh	943,547	Nil
Mr. Brian Rodwell	37,837	Nil
Mr. Gregory Walsh	69,995	Nil

Mr. Quinert is also the Company's secretary.

The Directors do not make a recommendation in relation to acceptance of the offer.

The Directors will not be in direct receipt of buy-back offers. The Directors have indicated that it is the intention of each of them (respectively) that, to the extent they receive buy-back offers indirectly (for

example, through associates, related bodies corporate and entities in which they have an interest which may be eligible to participate in buy-back offers if made) they will not be accepting the offer.

The directors urge Shareholders to read this Memorandum before making a decision as to how to vote on Resolution 4. If you are in any doubt or have any questions in relation to the proposal or offer (if made), you should consult your professional adviser.

Taxation Issues

Acceptance of buy-back offers will likely constitute a capital gains tax event (disposal) giving rise to a capital gain (or loss). Net capital gains are included in assessable income and thus will impact upon accepting Shareholders' taxation liabilities. Ordinarily, the taxing event will occur at the time a Shareholder signs a share buy-back agreement (as opposed to the time that Shareholders receive payment from the Company).

Shareholders considering accepting the buy-back offer should seek their own advice as to the taxation consequences of the disposal of their shares pursuant to the terms and conditions of the offer. The precise consequences depend upon individual circumstances which may not be known to the Company.

Off-market transfers

The shares are listed on the BSX and therefore shareholders may elect at any time to sell their shares in that market. It may also be possible to dispose of the shares through off-market transfers. Both of these methods of disposal would be an alternative to disposing of the shares through acceptance of buy-back offers.

Shareholders who accept buy-back offers will dispose of their shares to the Company on the terms of the applicable share buy-back agreement. The transfer of the shares, pursuant to the share buy-back agreement, will be effected by way of off-market transfer to the Company.

Independent Expert's Report

Further to the Company's obligations under the Act, the Company has commissioned an Independent Expert's Report ("the Report") to assist Shareholders consider the proposed Resolution and any subsequent offer. A copy of the Report is attached to this Memorandum.

The Report was prepared by chartered accounting firm BDO Kendalls Corporate Finance (Vic) Pty Ltd. Importantly, the Report includes, among other things, a valuation of the Company and, in turn, the value of the shares.

The Report concludes that the proposal would be fair and reasonable to all Shareholders. The Report contains important information and qualifications and should be read as a whole rather than relying solely on the conclusion.

The Directors support the findings contained in the Report and recommend that shareholders take the opportunity to consider it, along with all other material information, carefully.

General

The Company would make an announcement to BSX setting out the time table for the buy back when offers are sent to eligible shareholders. The announcement would also be available on the Company's website. The offer document would set out the terms of the offer, how to accept it, the time by which

acceptances must be received, and other information about the offer including conditions and undertakings which will apply to any acceptance.

The shares to be bought back would be ordinary fully paid shares in the capital of the Company. Shares will be cancelled upon being bought back, as required by the Corporations Act. Upon acceptance of a buy-back offer the shares would cease to be capable of being traded on BSX or otherwise transferred by the holder.

Under the Corporations Act, Shareholders who would be eligible to accept offers are not permitted to vote in favour of the Resolution. Accordingly only shareholders holding at least 20,000 shares would be entitled to vote for Resolution 4. The passing of Resolution 4 does not compel eligible Shareholders to accept a buy-back offer.

VICTORIAN LIVESTOCK EXCHANGE LIMITED

Attachment to the Explanatory Memorandum accompanying and forming part of
the Notice of the 2007 Annual General Meeting

INDEPENDENT EXPERT'S REPORT

Report of BDO Kendalls Corporate Finance (Vic) Pty Ltd dated 29 October 2007

VICTORIAN LIVESTOCK EXCHANGE LIMITED

ABN 72 078 839 031

PROXY FORM

If you do not wish to direct
your proxy how to vote, please
place a mark in the box

I/We _____

of _____

being a member(s) of Victorian Livestock Exchange Limited

and entitled to _____ shares appoint:

Name of Proxy: _____

Address of Proxy: _____

By marking 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 him other than as proxy holder will be disregarded because of that interest. The Chairman intends voting undirected proxies in favour of the resolutions in which he is permitted to vote.

or in his/her absence, the Chairman of the meeting as my/our proxy to vote on my/our behalf at the 2007 Annual General Meeting of the Company to be held at Victorian Livestock Exchange, Exchange Drive, Pakenham, Victoria on Wednesday, 28 November 2007 at 9:00 am and at any adjournment of that meeting.

If two proxies are appointed, complete the following sentence:

This proxy is authorised to exercise votes/ % of my/our total voting rights.

Proxy Instructions

To instruct your proxy how to vote, insert 'X' in the appropriate column against each resolution set out below. If you do not instruct your proxy how to vote on a resolution, your proxy may vote as he/she thinks fit or abstain from voting.

I/We direct my/our proxy to vote as indicated below:

		For	Against	Abstain
Resolution 1.	Adoption of Remuneration Report	<input type="text"/>	<input type="text"/>	<input type="text"/>
Resolution 2.	Re-Election of Director - Mr Christopher Sleigh	<input type="text"/>	<input type="text"/>	<input type="text"/>
Resolution 3.	Re-Election of Director - Mr Michael Quinert	<input type="text"/>	<input type="text"/>	<input type="text"/>
Resolution 4.	Selective Buy Back of Shares	<input type="text"/>	<input type="text"/>	<input type="text"/>

<p>If a person:</p> <p>_____ (Signature)</p> <p>_____ Name (print)</p> <p>Date: ____/____/____</p>	<p>If a company:</p> <p>EXECUTED by: _____ Name of company (print)</p> <p>in accordance with the Corporations Act</p> <p>_____ (Signature)</p> <p>_____ (Signature)</p> <p>Date: ____/____/____</p>
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This proxy and any power of attorney or other authority under which it is signed (or a certified copy) must be lodged at:

(a) the VLE head office, PO Box 676, Drouin, Vic, 3818 (if by hand, Suite 8, 22-26 Princes Highway, Drouin, Victoria); or

(b) by facsimile on (03) 5625 4961,
by 9:00am, Monday, 26 November 2007, being not less than 48 hours before the time for holding the meeting or adjourned meeting as the case may be.