



GWA International Limited
ABN 15 055 964 380

10 September 2010

ASX On-Line
Manager Company Announcements
Australian Securities Exchange

Dear Sir

2010 Notice of Annual General Meeting and Proxy Form

We enclose the 2010 Notice of Annual General Meeting and Proxy Form for immediate release to the market.

Yours faithfully

R J Thornton
Executive Director

Notice of Annual General Meeting

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of GWA International Limited ABN 15 055 964 380 will be held in The Grand Ballroom, Stamford Plaza Brisbane, Cnr Edward and Margaret Streets Brisbane on Thursday 28 October 2010 commencing at 10:30 am.

ORDINARY BUSINESS

Accounts

To receive and consider the Company's Financial Statements for the financial year ended 30 June 2010 together with the statement and report by the directors and the report by the auditor in relation thereto.

Re-election of Directors

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

1. That Mr W Bartlett, who retires as a director of the Company in accordance with clause 10.3 of the Company's Constitution, be re-elected as a director of the Company.
2. That Mr R Anderson, who retires as a director of the Company in accordance with clause 10.3 of the Company's Constitution, be re-elected as a director of the Company.

SPECIAL BUSINESS

Adoption of Remuneration Report

To consider the Remuneration Report as it appears in the Directors' Report for the year ended 30 June 2010, and if thought fit to pass, the following non-binding advisory resolution as an ordinary resolution in accordance with section 250R of the *Corporations Act*:

3. That the Remuneration Report for the year ended 30 June 2010 be approved.

Approval of grant of Performance Rights to Managing Director under the Long Term Incentive Plan

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

4. That for the purposes of ASX Listing Rule 10.14, and for all other purposes, approval is hereby given for the grant of Performance Rights (incorporating the right to acquire shares in the Company) to the Managing Director, Mr Peter Crowley, to a maximum value of \$913,500 on the terms set out in the accompanying Explanatory Memorandum and under the GWA International Limited Long Term Incentive Plan (LTIP) which is constituted and administered in accordance with the Rules of the LTIP.

Note: The Company will disregard any votes cast on Resolution 4 by any director (except one who is ineligible to participate in any employee incentive scheme of the Company) and any associates of such a director. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by a person who is chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

Approval of grant of Performance Rights to Executive Director under the Long Term Incentive Plan

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

5. That for the purposes of ASX Listing Rule 10.14, and for all other purposes, approval is hereby given for the grant of Performance Rights (incorporating the right to acquire shares in the Company) to the Executive Director, Mr Richard Thornton, to a maximum value of \$94,920 on the terms set out in the accompanying Explanatory Memorandum and under the GWA International Limited Long Term Incentive Plan (LTIP) which is constituted and administered in accordance with the Rules of the LTIP.

Note: The Company will disregard any votes cast on Resolution 5 by any director (except one who is ineligible to participate in any employee incentive scheme of the Company) and any associates of such a director. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by a person who is chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

Change of Company Name

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

6. That for the purposes of sections 136(2) and 157(1) of the *Corporations Act* and for all other purposes, the Company adopt GWA Group Limited as the name of the Company, and that the Constitution of the Company be modified accordingly.

Explanatory Memorandum

Accompanying this notice is an Explanatory Memorandum that provides shareholders with background information and further details on the resolutions to be considered at the meeting. The information provided is intended to assist shareholders in understanding the reasons for and the effect of the resolutions, if passed. Information is also presented in accordance with the requirements of the *Corporations Act* and the Listing Rules. Terms defined in the Explanatory Memorandum and used in this notice bear the same meaning as in the Explanatory Memorandum.

Voting Entitlements

The Board has determined that the entitlement of any person to vote at the meeting will be that person's entitlement as set out in the Company's register of members as at 6:00 pm (Brisbane time) on Tuesday 26 October 2010.

Voting by Proxy

A member entitled to attend and vote at the meeting is entitled to appoint not more than two proxies. A proxy need not be a member of the Company. A shareholder may appoint an individual or body corporate to act as its proxy. If a body corporate is appointed as proxy, the body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the *Corporations Act* to exercise its

Notice of Annual General Meeting Cont.

powers as proxy at the meeting. If two proxies are appointed, the appointment may specify the proportion or number of votes that the proxy may exercise. Otherwise, each proxy may exercise half the votes.

A proxy form accompanies this notice of meeting.

To be valid, the proxy form (together with the original or a certified copy of any power of attorney under which the proxy form is signed) must be received at:

- The Company's share registry – Computershare Investor Services Pty Limited, GPO Box 242 Melbourne Victoria 3001

Within Australia - Facsimile 1800 783 447
Outside Australia +61 3 9473 2555; or

- The Company's registered office – GWA International Limited, Level 14, 10 Market Street Brisbane Qld 4000

Within Australia – Facsimile (07) 3236 0522
Outside Australia +61 7 3236 0522

Alternatively, you may lodge a proxy electronically, at www.investorvote.com.au, by following the instructions provided on the proxy form.

A proxy form must be received by 10:30 am (Brisbane time) on Tuesday 26 October 2010, being not less than 48 hours before the time for holding the meeting.

By Order of the Board

R Thornton
Executive Director

13 September 2010

EXPLANATORY MEMORANDUM

In this Explanatory Memorandum, the following terms have the following meanings:

“Company” means GWA International Limited ABN 15 055 964 380

“director” means a director of the Company

“Constitution” means the Constitution of the Company

“Corporations Act” means the Corporations Act 2001 (Cth)

“Listing Rules” means the Listing Rules of the ASX Limited

Accounts

As required by section 317 of the *Corporations Act*, the Financial Statements for the financial year ended 30 June 2010 together with the statement and report by the directors and the report by the auditor will be laid before the meeting. Members will be provided with the opportunity to ask questions about the reports however there will be no formal resolution put to the meeting.

Ordinary Resolutions

Resolutions 1 to 5 (inclusive) are ordinary resolutions and will require the support of more than 50% of the votes cast at the meeting in order that they be passed.

Resolution 6 is a special resolution and will require the support of at least 75% of the votes cast at the meeting in order that it be passed.

RESOLUTIONS 1 AND 2 – RE-ELECTION OF DIRECTORS

The Company's Constitution provides for the retirement of one-third of the directors from office at each Annual General Meeting. The directors who are to retire is determined according to the length of time each director has spent in office, with the director having spent the longest time in office retiring. By virtue of the Company's Constitution, Mr W Bartlett and Mr R Anderson are retiring by rotation at this Annual General Meeting and, being eligible, offer themselves for re-election as directors.

Profiles of Messrs Bartlett and Anderson are outlined below:

W Bartlett FCA, CPA, FCMA, CA (SA)
Non-Executive Director

Mr Bartlett was appointed a Non-Executive Director of GWA International Limited in 2007. Mr Bartlett is a Fellow of the Institute of Chartered Accountants with over 35 years experience in accounting and was a partner at Ernst & Young in Australia for 23 years, retiring in June 2003. He is a director of a number of public corporations including Suncorp-Metway Limited, Reinsurance Group of America Inc (NYSE) and Abacus Property Group. He is a director of the Bradman Foundation and Museum. Mr Bartlett is Chairman of the Audit and Remuneration Committees and a member of the Nomination Committee.

R Anderson
Non-Executive Director

Mr Anderson was appointed a Non-Executive Director of GWA International Limited in 1992. He was appointed a director of the former public company, GWA Limited, in 1979 after joining the Group in 1955 where he gained wide experience in management, investment and property matters.

Recommendation

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

RESOLUTION 3 – ADOPTION OF REMUNERATION REPORT

This resolution is a requirement of section 250R of the *Corporations Act*.

Shareholders non-binding vote on the Remuneration Report

Section 250R of the *Corporations Act* requires that the Company's members vote on whether or not the Remuneration Report should be adopted. This vote is advisory only and the outcome will not be binding on the Board.

Prior to holding this vote, the Chairman will allow a reasonable opportunity for shareholders to ask questions or make comments about the Remuneration Report.

What is included in the Remuneration Report?

The Remuneration Report includes information on how Company directors and certain executives are remunerated. More specifically, the report includes disclosure of all elements of the remuneration received by the Company's directors and the 5 most highly paid executives of the Company and the consolidated entity and other key management personnel.

The report also includes a discussion of the Board's policy for determining executive remuneration and the relationship between the Board's policy for determining remuneration and the Company's performance.

In respect of executives whose remuneration is linked to performance conditions, the report contains:

1. a summary of the performance conditions that attach to each element of their remuneration; and
2. an explanation of the relative proportions of those elements of their remuneration that are linked to performance conditions and those elements of their remuneration that are not.

In respect of executives who are employed under a contract, the report sets out the length of the contract, the notice period for terminating the contract and the amount of any termination payments payable under the contract.

Recommendation

The Board recommends that you support the resolution approving the Remuneration Report for the year ended 30 June 2010.

RESOLUTION 4 - APPROVAL OF GRANT OF PERFORMANCE RIGHTS TO MANAGING DIRECTOR UNDER THE LONG TERM INCENTIVE PLAN

The Long Term Incentive Plan (LTIP) was approved by shareholders at the Annual General Meeting on 30 October 2008. The Board is seeking approval of shareholders by ordinary resolution to the grant of \$913,500 in value of Performance Rights under the LTIP to the Managing Director, Mr Peter Crowley, in accordance with the requirements of ASX Listing Rule 10.14.

A Performance Right is the right to receive one share in the Company, at no exercise price, if and when all applicable vesting conditions are satisfied.

Mr Crowley is eligible to receive \$913,500 in value of Performance Rights under the LTIP which is 60% of his fixed remuneration for the 2010/11 year, potentially vesting over the performance period from 1 July 2010 to 30 June 2013. Performance Rights which do not vest will lapse, and will not be re-tested.

The actual number of Performance Rights to be granted to Mr Crowley (with a value no greater than \$913,500) will be determined based on the volume weighted average price of shares in the Company calculated over the 20 trading days after the Company's Annual General Meeting on 28 October 2010.

For example, based on a closing share price of \$3.05 as at 28 July 2010, Mr Crowley would be eligible to be granted 299,508 Performance Rights. He will receive the Performance Rights at no cost to him.

Performance Rights will vest depending upon the Company meeting or exceeding its performance hurdles during the specified three year performance period of 1 July 2010 to 30 June 2013. The basis of the grant to Mr Crowley is as follows:

- 50% of the Performance Rights are subject to an Earnings Per Share (EPS) measurement; and
- 50% of the Performance Rights are subject to a Total Shareholder Return (TSR) measurement.

The performance hurdles and vesting proportions for each measure that will apply to the grant of Performance Rights this year are as follows:

EPS Growth from 1 July 2010 to 30 June 2013	Proportion of Performance Rights that may be exercised if EPS growth hurdle is met
10% or more	50% (ie, 50% of total grant)

TSR of GWA International Limited relative to TSRs of Comparator Companies over 3 year period	Proportion of Performance Rights that may be exercised if TSR hurdle is met
More than the 50th percentile	50% (ie, 50% of total grant)
Comparator companies	GUD Holdings Limited Hills Industries Limited Bradken Limited Spotless Group Limited Alesco Corporation Limited Crane Group Limited Pacific Brands Limited Adelaide Brighton Limited Ansell Limited Paperlinx Limited

The EPS hurdle is calculated as net profit after tax as set out in the Company's audited Financial Statements divided by the weighted average number of ordinary shares on issue. The Board has discretion to make reasonable adjustments to the EPS figure where it is unduly distorted by significant or abnormal events.

The base year EPS for the year ended 30 June 2010 for the purpose of the grant to Mr Crowley under the LTIP is 18.5 cents per share and has been adjusted for the discontinued Rover Mowers and Wisa Beheer businesses.

Previously, 305,000 Performance Rights were granted to Mr Crowley on 12 March 2010 valued at \$2.84 per right, relating to the three year performance period 1 July 2009 to 30 June 2012. The grant was approved by shareholders at the Annual General Meeting on 29 October 2009. On the same date, 30,000 Performance Rights were granted to Mr Richard Thornton valued at \$2.84 per right.

Mr Crowley and Mr Thornton are currently the only directors eligible under the LTIP rules to be granted Performance Rights. No director other than Mr Crowley and Mr Thornton will be issued with Performance Rights unless and until a separate shareholder approval is obtained for the purposes of ASX Listing Rule 10.14.

No loans will be granted to Mr Crowley in relation to his participation in the LTIP.

In accordance with the rules of the LTIP, Mr Crowley is prohibited from entering into hedging transactions or arrangements which reduce or limit the economic risk of holding unvested Performance Rights.

Further, Mr Crowley will be prohibited from selling or disposing of any shares issued on vesting of the Performance Rights until the seventh anniversary of the grant date, and the shares will be subject to a holding lock upon issue. There are limited circumstances where the LTIP permits the sale or disposal of shares during the restriction period including cessation of employment with the Company or where approval is granted by the Board in its discretion.

Notice of Annual General Meeting Cont.

Details of any Performance Rights issued under the LTIP (and shares issued upon their vesting) will be published in the Company's Annual Report relating to the period in which they have been issued, together with a note that approval of the issue was obtained under Listing Rule 10.14.

Allocation of Performance Rights to Mr Crowley will be made no later than 12 months after the date of this meeting. Any issue of shares to Mr Crowley under this approval will be made no later than 3 years after the date of this meeting.

Recommendation

The Board (with Mr Crowley and Mr Thornton abstaining) recommends that you support the resolution approving the grant of \$913,500 in Performance Rights to the Managing Director, Mr Peter Crowley, under the terms of the Long Term Incentive Plan. None of the directors (other than Mr Crowley) has an interest in the outcome of Resolution 4.

RESOLUTION 5 - APPROVAL OF GRANT OF PERFORMANCE RIGHTS TO EXECUTIVE DIRECTOR UNDER THE LONG TERM INCENTIVE PLAN

The Board is seeking approval of shareholders by ordinary resolution to the grant of \$94,920 in value of Performance Rights under the LTIP to the Executive Director, Mr Richard Thornton, in accordance with the requirements of ASX Listing Rule 10.14.

Mr Thornton is eligible to receive \$94,920 in value of Performance Rights under the LTIP which is 40% of his fixed remuneration for the 2010/11 year, potentially vesting over the performance period from 1 July 2010 to 30 June 2013. Performance Rights which do not vest will lapse, and will not be re-tested.

The actual number of Performance Rights to be granted to Mr Thornton (with a value no greater than \$94,920) will be determined based on the volume weighted average price of shares in the Company calculated over the 20 trading days after the Company's Annual General Meeting on 28 October 2010.

For example, based on a closing share price of \$3.05 as at 28 July 2010, Mr Thornton would be eligible to be granted 31,121 Performance Rights. He will receive the Performance Rights at no cost to him.

Performance Rights will vest depending upon the Company meeting or exceeding its performance hurdles during the specified three year performance period of 1 July 2010 to 30 June 2013. The basis of the grant to Mr Thornton and the performance hurdles and vesting proportions for each measure are the same as outlined above for the grant of Performance Rights to Mr Crowley.

Previously, 30,000 Performance Rights were granted to Mr Thornton on 12 March 2010 valued at \$2.84 per right, relating to the three year performance period 1 July 2009 to 30 June 2012. The grant was approved by shareholders at the Annual General Meeting on 29 October 2009. On the same date, 305,000 Performance Rights were granted to Mr Peter Crowley valued at \$2.84 per right.

Mr Thornton and Mr Crowley are the only directors eligible under the LTIP rules to be granted Performance Rights. No director other than Mr Thornton and Mr Crowley will be issued with Performance Rights unless and until a separate shareholder approval is obtained for the purposes of ASX Listing Rule 10.14.

No loans will be granted to Mr Thornton in relation to his participation in the LTIP.

Mr Thornton will be subject to the same restrictions on entering into hedging transactions, and restrictions on sales or disposals of shares, as are described above in relation to Mr Crowley.

Details of any Performance Rights issued under the LTIP (and shares issued upon their vesting) will be published in the Company's Annual Report relating to the period in which they have been issued, together with a note that approval of the issue was obtained under Listing Rule 10.14.

Allocation of Performance Rights to Mr Thornton will be made no later than 12 months after the date of this meeting. Any issue of shares to Mr Thornton under this approval will be made no later than 3 years after the date of this meeting.

Recommendation

The Board (with Mr Thornton and Mr Crowley abstaining) recommends that you support the resolution approving the grant of \$94,920 in Performance Rights to the Executive Director, Mr Richard Thornton, under the terms of the Long Term Incentive Plan. None of the directors (other than Mr Thornton) has an interest in the outcome of Resolution 5.

RESOLUTION 6 – APPROVAL OF CHANGE OF COMPANY NAME

The Board is seeking approval of shareholders to change the Company name from GWA International Limited to GWA Group Limited. The major operating locations of the Company's core building fixtures and fittings businesses are in Australia and New Zealand with only minor activities in other locations. The change of Company name to GWA Group Limited is more reflective of the nature and location of the Company's existing operating activities and is consistent with the Company's future growth plans.

The Company's Australian Securities Exchange listing code will change from "GWT" to "GWA" from 1 November 2010.

Recommendation

The Board recommends that you support the resolution approving the change of Company name to GWA Group Limited.



GWA International Limited
ABN 15 055 964 380

000001 000 GWT
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Lodge your vote:



Online:
www.investorvote.com.au



By Mail:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 552 270
(outside Australia) +61 3 9415 4000

Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

www.investorvote.com.au



Cast your proxy vote



Access the annual report



Review and update your securityholding

Your secure access information is:

Control Number: 999999

SRN/HIN: 1999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

For your vote to be effective it must be received by 10.30am (Brisbane time) Tuesday 26 October 2010

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: 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 (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** ➔

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of GWA International Limited hereby appoint

the Chairman of the meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of GWA International Limited to be held in The Grand Ballroom, Stamford Plaza, Cnr Edward and Margaret Streets, Brisbane on Thursday, 28 October 2010 at 10.30am and at any adjournment of that meeting.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Re-election of Mr W Bartlett as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr R Anderson as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of grant of Performance Rights to Managing Director under the Long Term Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of grant of Performance Rights to Executive Director under the Long Term Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Change of Company Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date ____/____/____