

SELECT HARVESTS LIMITED

ABN 87 000 721 380

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Members of Select Harvests Limited (**Company**) will be held at 11.00 am on Wednesday 27 October, 2010 at the RACV Club, level 2, 501, Bourke Street, Melbourne, Victoria.

ORDINARY BUSINESS

Financial Statements and Reports

To receive and consider the financial statements of the Company and its controlled entities for the financial year ended 30 June 2010 and the related Directors' Report and Auditors' Report.

RESOLUTIONS

Remuneration Report

1. To adopt the Remuneration Report for the financial year ended 30 June 2010, submitted as part of the Directors' Report for the financial year ended 30 June 2010, pursuant to sections 250R(2) and 250R(3) of the *Corporations Act 2001* (**Corporations Act**).

Please note that the vote on this item is advisory only and does not bind the Directors of the Company or the Company.

Election of Directors

2. (a) To elect as a Director Mr Ross Herron, who retires in accordance with rule 12.4.1 of the Company's Constitution and, being eligible, offers himself for re-election.
2. (b) To elect as a Director Mr Fred Grimwade, who ceases to hold office in accordance with rule 12.6.2 of the Company's Constitution and, being eligible, offers himself for re-election.

Increase in Non- Executive Directors Fees

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

" That, for the purposes of ASX Listing Rule 10.17 and pursuant to Rule 13.2 of the Constitution of the Company, the maximum remuneration that may be payable to Directors of the Company excluding any remuneration payable to any executive Director under any service contract with the Company or a related corporation) be increased by \$180,000 per annum to \$580,000 per annum and that such maximum remuneration (or such part thereof as determined by the Directors) be divided among them in such proportion and manner as the directors determine."

Approval to the Grant of Options to Mr John Bird under the 2010 Option Package

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

“That, in connection with the Share Option Scheme and for the purposes of ASX Listing Rule 10.14, approval be given to:

- (a) the grant to Mr John Bird, the Managing Director of the Company, of an option package in respect of the financial year ending on 30 June 2011 pursuant to and in accordance with the terms and conditions of the Share Option Scheme, details of which are set out in the Explanatory Notes accompanying the Notice of Annual General Meeting in which this resolution is set out (**2010 Option Package**); and
- (b) the grant of up to a maximum of 191,927 options to subscribe for fully paid ordinary shares in the capital of the Company at an exercise price of \$3.27 per share in accordance with the terms and conditions of the Share Option Scheme (each option giving the right to subscribe for one fully paid ordinary share in the capital of the Company) (**Options**) under the 2010 Option Package to Mr John Bird, the Managing Director of the Company, as more particularly specified in the Explanatory Notes accompanying the Notice of Annual General Meeting in which this resolution is set out.”

By Order of the Board



Paul Chambers
Company Secretary
Melbourne
28th September 2010

NOTES

Proxies

1. A member of the Company has the right to appoint a proxy. A proxy need not be a member of the Company and may be an individual or body corporate. A body corporate-appointed proxy may appoint a representative to exercise the powers that the body corporate may exercise as the member's proxy.
2. A member is entitled to appoint not more than two proxies to attend and vote on behalf of such member.
3. A member entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the proportion or number of votes that each proxy may exercise is not specified then each proxy may exercise half of the votes (any fractions will be disregarded).
4. A proxy document or form is valid if it is signed by the member of the Company making the appointment and contains the member's address, the Company's name, the proxy's name or the name of the office held by the proxy and the meeting at which the appointment may be used and is received in accordance with notes 5 and 6 below.
5. For the appointment of a proxy, the Proxy Form enclosed with this Notice of Annual General Meeting may be used. In order for the appointment of a proxy to be valid, the proxy form must be received at least 48 hours prior to the commencement of the Annual General Meeting. If the proxy form is signed by the appointor's attorney, the authority (or certified copy of the authority) under which the appointment was signed must be received at least 48 hours prior to the commencement of the Annual General Meeting.
6. Duly signed proxy forms (and, if applicable, authorities) must be received by the Company either:
 - (a) at the Registered Office of the Company:
360 Settlement Road, Thomastown, Victoria, 3074; or
 - (b) at the Company's Share Registry:
By mail (reply paid envelope enclosed):
Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Vic 3001

In person: Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford, Victoria, 3067; or
 - (c) by facsimile at either of the following fax numbers:
03 9474 3588 (Company); or

1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
(Computershare Investor Services Pty Limited).

Custodian voting - For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

In the case of joint holders of shares any one of such persons may vote at any meeting as if he were solely entitled thereto, but if more than one of such joint holders tenders a vote the vote of the senior who tenders a vote whether in person or by proxy or by attorney or howsoever shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

If a member is a corporation and wishes to appoint a proxy, the proxy form must be executed under its common seal or, in the absence of a common seal, must be signed by:

- (a) two Directors of the corporation; or
- (b) a Director and a Company Secretary of the corporation; or
- (c) if the corporation is a proprietary company that has a sole Director who is also the sole Company Secretary – that Director; or
- (d) the corporation's appointed attorney under the power of attorney.

If a representative of the corporation is to attend the Annual General Meeting, the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from Select Harvests Limited registry.

Shareholders Entitled to Vote

In accordance with Regulation 7.11.37 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 7.00 p.m. on Monday, 25 October 2010.

Voting Exclusion Statement

Resolution 3

In accordance with the ASX Listing Rules, any vote cast in respect of resolution 3 by any Director, or any associate of a Director, will be disregarded.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 4

In accordance with the ASX Listing Rules, any vote cast in respect of Resolution 4 by Mr John Bird, or any of his associates, will be disregarded.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

EXPLANATORY NOTES ON SPECIAL BUSINESS

These Explanatory Notes form part of the Notice of Annual General Meeting.

Financial Statements and Reports

Pursuant to the Corporations Act, the Directors of a public company that is required to hold an Annual General Meeting must table the financial statements and reports of the Company for the previous year before the members at that Annual General Meeting.

Shareholders have been provided with all relevant information concerning the Company's financial statements in the Annual Report of the Company for the year ended 30 June 2010. A copy of the Annual Report has been forwarded to each Shareholder. A copy of the financial statements and the associated reports will also be tabled at the Meeting.

Shareholders should note that the sole purpose of tabling the financial statements of the Company at the Annual General Meeting is to provide the shareholders with the opportunity to be able to ask questions or discuss matters arising from the financial statements at the Meeting. It is not the purpose of the meeting that the financial statements be accepted, rejected or modified in any way. Further, as it is not required by the Corporations Act, no resolution to adopt the Company's financial statements will be put to the shareholders at the meeting.

Resolution 1 - Remuneration Report

Section 300A of the Corporations Act requires that the Directors' Report must contain a Remuneration Report containing information about the Board's policy for determining the nature and amount of the remuneration of Directors and senior management. The Remuneration Report must also explain the relationship between the remuneration policy of the Board and the Company's performance. Shareholders are required to vote on a non-binding resolution to adopt the Remuneration Report.

Please note that the vote on this item is advisory only and does not bind the Directors of the Company or the Company.

Resolution 2 (a) and (b) - Election of Directors

Mr Ross Herron

Pursuant to rule 12.4.1 of the Company's Constitution, at each Annual General Meeting, one third of the Directors (or, if their number is not a multiple of 3, then the number nearest to one third) must retire from office. The Directors retire by rotation, with the Directors who have been the longest in the office since being appointed or re-appointed being the Directors who must retire in any year. If 2 or more persons became directors (or were re-elected) on the same day, those to retire must be determined by lot unless they otherwise agree among themselves. Each Director is entitled to offer himself for re-election as a Director at the Annual General Meeting which coincides with his retirement. The Managing Director is exempted by his office as Managing Director from the requirement to retire by rotation.

Accordingly, Mr Herron will retire in accordance with the requirements of the Company's Constitution at the Annual General Meeting. As he is entitled and eligible for re-election, he seeks re-election as a Director of the Company at the meeting.

Mr Herron joined the Board in January 2005. He is a Chartered Accountant, and was previously Senior Partner of Coopers & Lybrand and a member of the Coopers & Lybrand (now PricewaterhouseCoopers) Board of Partners where he was National Deputy Chairman and was the Melbourne office Managing Partner for 6 years. He is a Non-Executive Director of GUD Holdings Ltd, Heemskirk Consolidated Ltd, Royal Automobile Club of Victoria (RACV) Ltd and a major industry superannuation fund. He is Chairman of the Audit and Risk Committee, and a member of the Remuneration and Nomination Committees.

The Board (other than Mr Herron) unanimously supports the re-election of Mr Herron.

Mr Fred Grimwade

Pursuant to rule 12.6 of the Company's Constitution, the Directors may at any time appoint a person to be a Director, either to fill a casual vacancy or as an addition to the existing number of Directors, providing the total number of Directors do not exceed the number fixed in accordance with the Constitution. A Director appointed under this rule (other than the Managing Director) holds office until the next Annual General Meeting after the appointment and is then eligible for re-election.

Accordingly, Mr Fred Grimwade will cease to hold office in accordance with the requirements of the Company's Constitution at the Annual General Meeting. As he is entitled and eligible for re-election, he seeks re-election as a Director of the Company at the meeting.

Mr Grimwade joined the Board on 27 July 2010. He works with a wide range of companies in a Board or advisory capacity. He is a Non - Executive Director of AWB Limited and Chairman of CPT Global Limited, and is a Principal and Executive Director of Fawcner Capital, a specialist corporate advisory firm. He has held general Management positions in Colonial Agricultural Company, Colonial Mutual Group, Colonial First State Investments Group, Western Mining Corporation and Goldman Sachs & Co. He also has experience with a major management consulting firm. He is a member of the Audit and Risk Committee, Remuneration Committee and Nomination Committee.

The Board (other than Mr Grimwade) unanimously supports the re-election of Mr Grimwade.

Resolution 3 – Increase in Non – Executive Directors Fees

Rule 13.2 of the Constitution currently provides that, unless increased by the Company in general meeting, the aggregate sum of the fees payable by the Company to the non executive Directors is a maximum of \$400,000 per annum. This was resolved at the Company meeting on 25 October 2004. It is proposed to increase the maximum aggregate amount payable by the Company to non executive Directors by \$180,000 per annum to \$580,000 per annum.

The proposed increase in the aggregate sum of the fees payable by the Company to the non executive Directors will allow for appropriate growth in non executive directors remuneration over time to reflect market movements and changes in responsibilities. It will also provide the Board with the flexibility to appoint additional non executive Directors into the future. The Company considers it essential that it has the resources available to attract and retain candidates of the highest quality for Board positions.

Shareholders are required to approve the increase in the aggregate sum of the fees payable by the Company to the non executive directors pursuant to Rule 13.2 of the Constitution and ASX Listing Rule 10.17.

Resolution 4 - Approval to Grant Options to Mr John Bird under 2010 Option Package

Each year the Board may offer an Option Package under the Share Option Scheme, comprising a parcel of Options in 3 separate tranches to Eligible Employees over a 3 year period. As Mr John Bird, the Managing Director of the Company, is an Eligible Employee, he may be entitled to participate in the 2010 Option Package in accordance with the terms of the Share Option Scheme.

As a listed public company may only issue equity securities to a related party (which includes a Director) if the approval of shareholders is obtained, shareholders are required to approve the offer of the Option Package under the Share Option Scheme and the grant of the Options to Mr John Bird pursuant to ASX Listing Rule 10.14.

The terms and conditions of the Share Option Scheme may be summarised as follows:

- (a) Eligible Employees are able to participate in the offer of a parcel of Options in an Option Package comprising 3 separate tranches to be granted over a period of 3 years from each Announcement Date;
- (b) the Board may, in its absolute discretion, make an Offer to such Eligible Employees as the Board may select to accept up to a number of Options determined by the Board in its absolute discretion and specified in the Offer which the Board may exercise within 60 days of each Announcement Date after taking into account the advice of an independent expert experienced in assessing the remuneration of employees and applying incentive criteria determined by the Board;
- (c) the Options are granted to Eligible Employees accepting the Offer, in 3 tranches over 3 years, provided the EPS for each relevant financial year is at least 10% higher than the Base EPS, incremented by 10% each year – therefore, Eligible Employees may participate in tranche 1 Options, tranche 2 Options and tranche 3 Options only if the EPS for the previous financial years are at least 10%, 20% and 30% respectively higher than the Base EPS;
- (d) where the 10% EPS threshold is not achieved in respect of the financial year during which the tranche 1 Options would have been granted, and the average EPS over the first 2 years of the Option Package represent an amount which would have satisfied the threshold percentage increases over the Base EPS required for an Offer of Options to be made in respect of both years, then the Company will grant to the Eligible Employee 75% of those tranche 1 Options which would otherwise have been granted had the 10% threshold been achieved, together with the tranche 2 Options;
- (e) where the 20% EPS threshold is not achieved in respect of the financial year during which the tranche 2 Options would have been granted, and the average EPS over the last 2 years of the Option Package represent an amount which would have satisfied the threshold percentage increases over the Base EPS required for an offer of Options to be made in respect of both years, then the Company will grant to the Eligible Employee 75% of those tranche 2 Options which would otherwise have been granted had the 20% threshold been achieved, together with the tranche 3 Options;

- (f) the maximum number of Options which may be issued to Eligible Employees under an Option Package is at the discretion of the Board provided that the maximum number of shares in respect of which Options may be granted under the Share Option Scheme (and any other employee share scheme of the Company within the previous 5 years) will not exceed 5% of the total number of shares on issue in the Company at any time an Option Package is offered;
- (g) the Options may be exercised in whole or in part during an option period, at an exercise price for shares in the Company of an amount equal to the weighted average sale price per share in the ordinary course of trading on the stock market on the ASX during the 45 day trading days immediately following the Base Announcement Date, or in respect of the first 50 sales of shares in the Company in the ordinary course of trading in the stock market of the ASX immediately following the Base Announcement Date (whichever is the shorter period);
- (h) the option period for an Option is:
 - (i) in respect of a tranche 1 Option, a period commencing on the date that Option was granted and ending on the date which is 2 years and 2 months from the Announcement Date immediately preceding the granting of that Option;
 - (ii) in respect of a tranche 2 Option, a period commencing on the date that Option was granted and ending on the date which is 1 year and 2 months from the Announcement Date immediately preceding the granting of that Option;
 - (iii) in respect of a tranche 3 Option, a period commencing on the date that Option was granted and ending on the date which is 2 months from the Announcement Date immediately preceding the granting of that Option;
- (i) no payment is required to be made by the Eligible Employee in relation to the acceptance of the Offer or the granting of the Options. An Offer not accepted within 21 days of the Offer being made is deemed to have been irrevocably declined;
- (j) an Offer is withdrawn if an Eligible Employee ceases to be an employee of the Company;
- (k) an Option will lapse automatically on the earliest of:
 - (i) the expiry of the relevant Option Period;
 - (ii) if the holder of an Option seeks to assign or transfer an Option and the Board resolves to cancel that Option;
 - (iii) where the holder of an Option ceases to be an employee of the Company or a subsidiary of the Company for any reason whatsoever, or has become insolvent, or has been convicted of any criminal offence entitling his employer to terminate his employment summarily;
- (l) any share allotted and issued pursuant to an exercise of an Option will rank equally with the shares on issue in the Company on the date of exercise of the Option; and
- (m) the Company will endeavour to procure that shares in the Company to be issued upon exercise of the Options will, as soon as reasonably practicable, become quoted on the ASX.

In accordance with the requirements of ASX Listing Rule 10.15A, the following information is provided in relation to the offer of the 2010 Option Package and the grant of Options to Mr John Bird under the 2010 Option Package:

- (a) the maximum number of Options which may be granted to Mr John Bird under the 2010 Option Package is 191,927 based upon a percentage of his total fixed remuneration and the Options have been valued using the Black Scholes valuation method;
- (b) the exercise price of the Options has been calculated in accordance with the terms of the Share Option Scheme, being the price equal to the weighted average sale price per share in the Company in the ordinary course of trading on the stock market of the ASX during the first 50 sales of shares in the ordinary course of trading on the stock market of the ASX immediately following the Base Announcement Date;
- (c) Mr John Bird is the only person referred to in ASX Listing Rule 10.14 who is entitled to participate in the Share Option Scheme. All other Eligible Employees under the Share Option Scheme are not Directors of the Company, or associates of Directors of the Company;
- (d) details of any Option Package or Options granted under the Share Option Scheme will be published in each annual report of the Company relating to the relevant period in which the Option Package or Options have been granted and that approval for the grant of the Option Package or Options was obtained under ASX Listing Rule 10.14;
- (e) any additional person who becomes entitled to participate in the Share Option Scheme after Resolution 3 is approved and who were not named in the Notice of Annual General Meeting, will not participate in the Share Option Scheme until approval is obtained under ASX Listing Rule 10.14; and
- (f) the date by which the Company will issue Options must be no later than 3 years after the date of the Annual General Meeting at which Resolution 3 is passed.

Glossary of Terms

Unless the context otherwise requires, the following terms have these meanings:

Announcement Date means the date in each year on which the Company announces its preliminary final report to the ASX in respect of the previous financial year.

Base Announcement Date means in relation to an Option Package, the date on which the Company makes its annual disclosure to the ASX by way of release of its preliminary final report, immediately prior to the date on which an Option Package is offered.

Base EPS means the EPS for the financial year immediately preceding the Base Announcement Date.

Board means the board of directors of the Company from time to time.

Directors means the directors of the Company from time to time.

Eligible Employee means any managing director, executive director, chief executive officer, senior executive, manager or other full or part time employee of the Company and/or a subsidiary of the Company as the Board may from time to time determine to be eligible to receive an offer of Options.

EPS means the base earnings per share of the Company in respect of a financial year.

Offer means an offer to grant Options under the Share Option Scheme.

Option Package a parcel of Options by the Board to Eligible Employees comprising 3 separate tranches which may be granted over a period of approximately 3 years.

Options means a right to subscribe for fully paid ordinary shares in the capital of the Company in accordance with the terms and conditions of the Share Option Scheme, each Option giving the right to subscribe for one fully paid ordinary share in the capital of the Company.

Share Option Scheme means the Select Harvests Executive Share Option Scheme established by the Board as amended from time to time.

2010 Option Package means the Option Package offered by the Board in 2010 in respect of the financial year ending 30 June 2011.