



Notice of Annual General Meeting

The Annual General Meeting
of E&A Limited will be held at:

Level 7, 19 Gouger Street, Adelaide SA 5000
on Friday 5 November 2010
commencing at 3:30pm.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of E&A Limited ("*the Company*") will be held at level 7, 19 Gouger Street Adelaide SA 5000, on Friday 5 November 2010 at 3:30pm to conduct the following business:

A. Financial Report

To receive the Company's audited financial report for the financial year ended 30 June 2010.

B. Resolutions

1. Remuneration Report

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

"That the remuneration report for the financial year ended 30 June 2010 is adopted."

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

2. Director Re-Election

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

"That Mr Michael Terlet, a Director retiring from office in accordance with the Company's Constitution, be re-elected as a Director of the Company."

3. Director Re-Election

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

"That Mr Mark Vartuli, a Director retiring from office in accordance with the Company's Constitution, be re-elected as a Director of the Company."

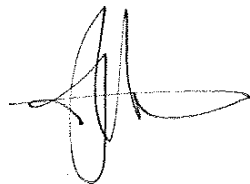
QUESTIONS:

The meeting will give members the opportunity to ask questions of the Directors regarding the Company's operations and to ask questions of the auditor relevant to the conduct of the audit, the audit report and the Company's accounting policies.

Attached to this Notice of Meeting is an Explanatory Memorandum setting out the details of each of the resolutions proposed above.

Unless otherwise defined, all defined terms used in this Notice of General Meeting shall have the same meaning as set out in the Explanatory Memorandum attached to this Notice of General Meeting.

By Order of the Board of Directors of the Company.



Mark Seatree
Company Secretary
4 October 2010

NOTES TO SHAREHOLDERS

Voting:

Shareholders can vote in either of two ways:

- by attending the meeting and voting in person or by attorney or, in the case of corporate Shareholders, by corporate representative; or
- by appointing a proxy to attend and vote on their behalf, using the proxy form accompanying this Notice of Annual General Meeting.

Voting in person:

Shareholders who plan to attend the meeting are asked to arrive at the venue 30 minutes prior to the time designated for the meeting, if possible, so that we may check the shareholding against the Company Share Register and note attendances.

In order to vote in person at the meeting, a corporation which is a Shareholder may appoint an individual to act as its representative. The appointment must comply with the requirements of section 250D of the *Corporations Act*. The representative should bring to the meeting evidence of their appointment, including any authority under which it is signed.

Voting by proxy: A PROXY FORM IS ATTACHED TO THE NOTICE

Shareholders who cannot attend the meeting are encouraged to participate by a proxy appointed in accordance with the following guidelines:

- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies who need not be Shareholders.
- The appointment of the proxy may specify the proportion or number of votes that the proxy may exercise. Where more than one proxy is appointed, and if the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, each proxy may exercise half of the votes. Where more than one proxy is appointed, neither proxy is entitled to vote on a show of hands.
- If a proxy is not directed how to vote on an item of business, the proxy may vote, or abstain from voting, as that person thinks fit.
- If a proxy is instructed to abstain from voting on an item of business, that person is directed not to vote on the Shareholder's behalf on a show of hands or on a poll, and the shares the subject of the proxy appointment will not be counted in computing the required majority.
- Shareholders who return their proxy forms but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the meeting, the Chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chairman of the meeting, the secretary or any director which do not contain a direction will be used to support the election of Directors as described in the proposed resolutions of this Notice of Annual General Meeting.

- Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the power of attorney, or the original power of attorney itself, must be received by the Company in the above manner, time and place. If facsimile transmission is used, the power of attorney must be certified.
 - To be effective, proxy forms may be lodged by either:
 - ❖ posting or facsimile to E&A Limited's Share Registry as follows:

E&A Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Facsimile: (02) 9287 0309
 - ❖ delivering it to Level 12, 680 George Street, Sydney NSW 2000, by 4pm(AEDT) on Wednesday 3rd November 2010. Proxy forms received after this time will be invalid.
 - ❖ lodging it online at Link's website (www.linkmarketservices.com.au) in accordance with the instructions given there (you will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website).
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Shareholders who are entitled to vote:

The Directors have determined that the shares of the Company which are listed for quotation on the ASX at 7.00pm on Wednesday 3rd November are to be taken, for the purposes of determining voting entitlements at the meeting, to be held by the persons who held them at that time.

E&A LIMITED

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for and provides information on the resolutions to be considered by the shareholders at the Annual General Meeting to be held at 3:30pm on Friday 5 November 2010 at Thomsons Lawyers, Level 7, 19 Gouger Street, Adelaide 5000. Please read this Explanatory Statement carefully as it forms part of and should be read in conjunction with the accompanying Notice of Annual General Meeting.

A. FINANCIAL REPORT

To receive the financial report:

The Corporations Act requires that the financial report (including the directors' report, financial statements and the auditor's report) be laid before the Annual General Meeting. Although not requiring a vote of Shareholders, a reasonable opportunity will be provided at the meeting for shareholders to ask questions about or make comments on the management of the Company and to ask the auditor questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor.

In addition to taking questions at the meeting, written questions to the Company's auditor about the content of the auditor's report and the conduct of the audit of the financial statements may be submitted up to five business days before the meeting to:

Mr Derek Meates
KPMG
151 Pirie Street
ADELAIDE SA 5000

B. RESOLUTIONS

1. REMUNERATION REPORT

To adopt the remuneration report:

Shareholders are asked to consider and adopt the Remuneration Report which has been prepared in accordance with the *Corporations Act* and forms part of the Directors Report for the financial year ended 30 June 2010.

A reasonable opportunity will be provided at the meeting for shareholders to ask questions about, or make comments upon the Remuneration Report. Under the *Corporations Act*, the vote on the resolution in Item 1 is advisory only and does not bind the Directors of the Company.

2. DIRECTOR RE-ELECTION

2.1 Background:

Under clause 40.2 of the Company's Constitution Mr Michael Terlet will retire by rotation at the Annual General Meeting. Mr Michael Terlet, being eligible, offers himself for re-election as a Director.

2.2 Recommendation:

The Board has considered Mr Michael Terlet's candidacy, both in respect of his individual merits and overall Board composition, and the Board now recommends the re-election of Mr Michael Terlet as a Director of the Company.

Mr Michael Terlet is a Non-executive Director and is considered by the Board to be independent in character and judgement.

2.3 Candidate Profile – Mr Michael Terlet

Mr Michael Terlet was appointed to the E&A Limited Board of Directors on 16 October 2007.

Mr Terlet is Chairman of Australia's largest privately owned water company, United Water International Pty Ltd, Water Industry Alliance, Land Management Corporation, Tidswell Financial Services Ltd and International Centre of Excellence in Water Resources Management.

Michael Terlet was responsible for the formation and growth of Australia's largest private sector defence and aerospace company, AWA Defence Industries, from 1978 to 1992. In 1991, he was recognised and made an officer of the General Order of Australia for contributions to industry and export.

He has undertaken a number of directorships in both private and public companies and has served as Chairman of SA Centre for Manufacturing, Defence Manufacturing Council SA (MTIA) and South Australian Small Business Advisory council, SDS Corporation Ltd and as President of the South Australian Employers Chamber of Commerce and Industry and the Engineering Employers Association.

Mr Terlet is Chairman of the EAL nomination and remuneration committee and is a member of the EAL audit and risk management committee.

3. DIRECTOR RE-ELECTION

3.1 Background:

Under clause 40.2 of the Company's Constitution Mr Mark Vartuli will retire by rotation at the Annual General Meeting. Mr Mark Vartuli, being eligible, offers himself for re-election as a Director.

3.2 Recommendation:

The Board has considered Mr Mark Vartuli's candidacy, both in respect of his individual merits and overall Board composition, and the Board now recommends the re-election of Mr Mark Vartuli as a Director of the Company.

Mr Mark Vartuli is an Executive Director of the Company.

3.3 Candidate Profile – Mr Mark Vartuli

Mr Mark Vartuli was appointed to the E&A Limited Board of Directors on 26 July 2007.

Mark Vartuli is the Managing Director of Equity & Advisory and specialises in providing commercial advice in relation to capital raisings, mergers and acquisitions, divestments, infrastructure projects and corporate restructures.

Mark is also experienced in performing valuations for both public and private companies for purposes of purchase, sale, equity raising and independent expert reports to shareholders. Furthermore, Mark is retained as a Board advisor to a number of private companies.

Prior to joining Equity & Advisory in April 1998, Mark worked for Arthur Andersen in their Assurance and Business Advisory Division and is a qualified Chartered Accountant who holds a Masters in Commerce Degree.