



NAMOI COTTON CO-OPERATIVE LTD
ARBN 76 010 485 588
AFSL 267863
NOTICE OF MEETINGS FOR 2010

Please Note the Namoi Cotton Annual Report is available online at www.namoicotton.com.au

Notice is given that the meetings listed below will be held at 11am on Wednesday 21 July 2010:

- Namoi Capital Stockholders Meeting; and
- Members Annual General Meeting.

The Namoi Capital Stockholders Meeting will commence at 11am. The Members Annual General Meeting will be held at the conclusion of the Namoi Capital Stockholders Meeting. Both meetings will be held at the Wee Waa Bowling Club, Alma Street, Wee Waa, NSW.

NAMOI CAPITAL STOCKHOLDERS MEETING

BUSINESS

Item 1 - Remuneration of Non-Grower Directors

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

“That, the annual remuneration of Non-Grower Directors (pro-rata in the case of periods of less than a year) be as follows:

- (a) *\$45,000 per annum for each Non-Grower Director;*
- (b) *Chairman of a Board Committee - \$7,500 per annum (in addition to the remuneration set out in paragraph (a) above);*
- (c) *Members of a Board Committee - \$2,500 per annum (in addition to the remuneration set out in paragraph (a) above);*
and
- (d) *Any Non-Grower Directors serving two terms are entitled to a retirement benefit equivalent to two year’s remuneration based on their remuneration for the last year of service.*

Namoi Cotton will disregard any votes cast on this resolution by:

- a director of Namoi Cotton; and
- an associate of a director,

unless the vote is cast by a person as proxy for a person entitled to vote, in accordance with the directions on the proxy form or unless the vote 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.

Item 2 – Nomination of Non-Grower Directors

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

“Richard Anderson”, a Non-Grower Director retiring from office by rotation in accordance with the Namoi Cotton Rules, being eligible, be nominated as a Non-Grower Director, for submission to the Members Annual General Meeting for election by the Members in accordance with Namoi Cotton Rules.

Item 3 - Other business

To transact any other special business that may be brought forward in accordance with the Namoi Cotton Rules.

ANNUAL GENERAL MEETING OF GROWER MEMBERS

BUSINESS

Item 1 - Minutes of Annual General Meeting

To confirm the minutes of the last year's Annual General Meeting held on Wednesday 22 July 2009.

Item 2 - Financial Report

To receive and consider the Financial Report, including the reports of the Directors and Auditors, for the year ended 28 February 2010.

Item 3 - Election of Grower Directors

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

“Mr Bruce Longworth”, a Grower Director retiring from office by rotation in accordance with Namoi Cotton Rules, being eligible, be re-elected as a Grower Director of Namoi Cotton in accordance with the Namoi Cotton Rules.

Item 4 – Election of Non-Grower Directors

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

“To elect the Non-Grower Director submitted by the Namoi Capital Stockholders for approval by the Members at the Members Annual General Meeting.”

Item 5 - Remuneration of Directors

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

“That, the annual remuneration of Directors (pro-rata in the case of periods of less than a year) be as follows:

- (a) \$70,000 per annum for the Chairman;*
- (b) \$45,000 per annum for each Non-Grower Director;*
- (c) \$35,000 per annum for each Grower Director;*
- (d) Chairman of a Board Committee - \$7,500 per annum (in addition to the remuneration set out in paragraphs (a)–(c) above);*
- (e) Members of a Board Committee - \$2,500 per annum (in addition to the remuneration set out in paragraphs (a) – (c) above); and*
- (f) Any Non-Grower Director and Grower Director serving two terms are entitled to a retirement benefit equivalent to two year's based on their remuneration for the last year of service.”*

Namoi Cotton will disregard any votes cast on this resolution by:

- a director of Namoi Cotton; and
- an associate of a director,

unless the vote is cast by a person as proxy for a person entitled to vote, in accordance with the directions on the proxy form or unless the vote 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.

Item 6 - Other business

To transact any other special business that may be brought forward in accordance with the Namoi Cotton Rules.

NAMOI CAPITAL STOCKHOLDERS WHO ARE ENTITLED TO VOTE

Persons holding Namoi Capital Stock at 11am (New South Wales time) on Tuesday, 20 July 2010 will be treated as Namoi Capital Stockholders for the purposes of this meeting.

GROWER MEMBERS WHO ARE ENTITLED TO VOTE

Persons who are active members in accordance with the Namoi Cotton Rules and holding Grower Shares at 11am (New South Wales time) on Tuesday, 20 July 2010 will be treated as Grower Members eligible to vote for the purposes of this meeting.

By order of the Board



Bailey Garcha
Company Secretary
Dated 15 June 2010

NAMOI COTTON CO-OPERATIVE LTD

EXPLANATORY NOTES TO THE NAMOI CAPITAL STOCKHOLDERS MEETING

GENERAL

The rights attaching to Namoi Capital Stock are set out in Namoi Cotton Rule 15. Holders of Namoi Capital Stock have the right to attend the Members Annual General Meeting. Namoi Capital Stock, however, does not confer any right to vote at the Members Annual General Meeting.

ITEM 1 – Remuneration of Non-Grower Directors

Namoi Cotton Rule 15.6 requires the amount and terms of remuneration of Non-Grower Directors to be approved at a Namoi Capital Stockholder Meeting before being submitted to the Members Annual General Meeting for approval by Members. The remuneration for Non-Grower Directors is to remain unchanged from that approved at last years Members Annual General Meeting.

ITEM 2 – Nomination of Non-Grower Directors

The Namoi Cotton Rules permit Namoi Cotton to have a maximum of 7 Directors, with the exception that there must be a majority of Grower Directors at all times. Currently the Board has 3 Non-Grower Directors on the Board: Mr Norman Fussell, Mr Richard Anderson and Mr Michael Boyce and 4 Grower Directors: Mr Stuart Boydell, Mr Bruce Longworth, Mr Glenn Price and Mr Ben Coulton.

Namoi Capital Stockholders have the right under Namoi Cotton Rule 15.6 to approve the identity of Non-Grower Directors to be submitted for approval at the Members Annual General Meeting. There is one candidate for one Non-Grower Director position. Namoi Cotton Rule 15.6 requires the holders of Namoi Capital Stock to approve for election by the Members the Non-Grower Director candidate.

The candidate is Mr Richard Anderson, a current Non-Grower Director, he has retired in accordance with the Namoi Cotton Rules and offers himself for re-election.

It is the intention of the Chairman to call a poll to determine the election. In that case, in order to be elected, a candidate must receive more votes in favour than against from those present and voting on the resolution, in person or by proxy.

Only the candidates approved by the Namoi Capital Stockholders will be submitted for nomination to the Members Annual General Meeting.

The Board strongly recommends that Namoi Capital Stockholders approve the nomination of Mr Richard Anderson. Namoi Capital Stockholders voting by proxy should lodge the proxy form provided with this correspondence.

Mr Richard Anderson Non-Executive - Non-Grower Director

Mr. Anderson joined the board as a non-grower director in July 2001. He was most recently re-elected at the 2007 general meeting. Mr Anderson previously held the position of managing partner of PricewaterhouseCoopers in Queensland. Mr. Anderson is a member of the audit and compliance committee, the marketing and financial risk management committee and remuneration committee. During the past three years Mr Anderson has held ASX listed company directorships at Data#3 Limited (current – appointed 27 October 1997), Lindsay Australia Ltd (current – appointed 16 December 2002) and GEO Property Group (current – appointed 23 November 2006). He is also currently president of the Guide Dogs for the Blind Association of Queensland.

NAMOI COTTON CO-OPERATIVE LTD
EXPLANATORY NOTES TO THE ANNUAL GENERAL MEETING OF GROWER MEMBERS

ITEM 1 – CONFIRMATION OF MINUTES OF GENERAL MEETING

Section 203(1) of the *Co-operatives Act 1992 (NSW)* requires that the minutes of each general meeting must be confirmed at, and signed by, the Chairman of the next succeeding general meeting. Section 203(2) requires that the minutes of each general meeting be available for inspection by members.

For this purpose, copies of the minutes of last year's Members Annual General Meeting held on 22 July 2010 are available for inspection during normal office hours at Namoi Cotton's head office in Wee Waa and its Toowoomba office prior to the Members Annual General Meeting. Copies of these minutes are also available for inspection 30 minutes prior to the Members Annual General Meeting. This gives Members the opportunity to review the minutes of the previous general meetings. It is not intended that these minutes will be read at the Members Annual General Meeting.

ITEM 2 – FINANCIAL REPORT

To receive and consider the Financial Report, including the reports of the Directors and Auditors, for the year ended 28 February 2010.

ITEM 3 – ELECTION OF GROWER DIRECTORS

The Namoi Cotton Rules permit Namoi Cotton to have a maximum of 7 Directors on the Board, with the exception that there must be a majority of Grower Directors at all times. Currently the Board has 3 Non-Grower Directors on the Board: Mr Norman Fussell, Mr Richard Anderson and Mr Michael Boyce and 4 Grower Directors: Mr Stuart Boydell, Mr Bruce Longworth, Mr Glenn Price and Mr Ben Coulton.

Mr Bruce Longworth as a Grower Director, has retired in accordance with the Namoi Cotton Rules and offers himself for re-election.

There is one candidate for the one Grower Director position, being Mr Bruce Longworth.

For the candidate, his election may be determined for the position of Grower Director by a poll, it is the intention of the stand in Chairman to call a poll at the Members Annual General Meeting to determine the election. In that case, in order to be elected, a candidate must receive more votes in favour than against from those present and voting on the resolution, in person or by proxy.

The Board strongly recommends that Members vote for the nomination of Mr Bruce Longworth.

Set out below is further information on the candidate.

Mr Bruce Longworth, Non-Executive Director

Mr. Longworth joined the board of directors in February 2004 as a grower director. He was most recently re-elected at the 2007 general meetings. Mr. Longworth has been growing cotton on South Bunarba since 1981 near Mungindi, NSW and is also a part owner in 'Yarramildi', 'Yarralumby', 'Wongwie' and Bunarba Pastoral Co Pty Ltd. Mr. Longworth is currently a director of Monbeef Pty Ltd.

ITEM 4 – ELECTION OF NON- GROWER DIRECTORS

Namoi Capital Stockholders have the right under Namoi Cotton Rule 15.6 to approve the election of Non-Grower Directors to be submitted for approval at the Members Annual General Meeting. At the Namoi Capital Stockholders meeting there is one candidate for the one position of Non-Grower Director. The candidate to be considered at the Namoi Capital Stockholders meeting is Mr Michael Boyce.

- Mr Richard Anderson a current Non-Grower Director, has retired and offers himself for re-election.

It is the intention of the Chairman to call a poll at the Namoi Capital Stockholders meeting to determine the election of the candidate. In that case, in order to be elected, the candidate must receive more votes in favour than against from those present and voting on the resolution, in person or by proxy.

Only candidates approved by the Namoi Capital Stockholders will be submitted for nomination at the Members Annual General Meeting. Members will be asked at the Members Annual General Meeting to consider the nominee submitted by the Namoi Capital Stockholders for election as the relevant Non-Grower Director.

Members voting by proxy should lodge the enclosed Member proxy form. Votes submitted by Members will only be considered in relation to the candidates successful at the Namoi Capital Stockholders meeting.

The Board strongly recommends that Members vote in favour of the appointment of Mr Richard Anderson as a Non-Grower Director.

Set out below is further information on the candidate.

Mr Richard Anderson Non-Executive - Non-Grower Director

Mr. Anderson joined the board as a non-grower director in July 2001. He was most recently re-elected at the 2007 general meeting. Mr Anderson previously held the position of managing partner of PricewaterhouseCoopers in Queensland. Mr. Anderson is a member of the audit and compliance committee, the marketing and financial risk management committee and remuneration committee. During the past three years Mr Anderson has held ASX listed company directorships at Data#3 Limited (current – appointed 27 October 1997), Lindsay Australia Ltd (current – appointed 16 December 2002) and GEO Property Group (current – appointed 23 November 2006). He is also currently president of the Guide Dogs for the Blind Association of Queensland.

ITEM 5 – REMUNERATION OF DIRECTORS

Namoi Cotton Rule 39.1 provides that the ordinary business of an Members Annual General Meeting includes the approval of remuneration of Directors. Namoi Cotton Rule 15.6 requires the amount and terms of remuneration of such Non-Grower Directors to be approved at a Namoi Capital Stockholder meeting before being submitted to the Members Annual General Meeting for election and approval by Members.

The remuneration for Non-Grower Directors and Grower Directors is to remain unchanged from that approved at last years Annual General Meeting.

- the Non-Grower Director's remuneration is to remain at \$45,000 per annum;
- the Grower Director's remuneration is to remain at \$35,000 per annum;
- the Chairman's remuneration is to remain at \$70,000 per annum;
- the Chairman of Board Committee's remuneration is to remain at \$7,500 per annum;
- the Board Committee Member's remuneration is to remain at \$2,500 per annum; and
- Any Non-Grower Director or Grower Director serving two terms is entitled to a retirement benefit equivalent to two year's remuneration based on their remuneration for the last year of service.

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