A.P. EAGERS LIMITED

A.B.N. 87 009 680 013

NOTICE OF MEETING

Notice is given that the Annual General Meeting of A.P. Eagers Limited will be held at 80 McLachlan Street, Fortitude Valley, Queensland on Friday 18 May 2007 at 9.00 am.

ORDINARY BUSINESS

1. **Financial Statements**

To receive and consider the Financial Statements of the Company, together with the Consolidated Financial Statements of the Company and its controlled entities for the year ended 31 December 2006 and the Reports of the Directors and Auditor.

2. **Dividend**

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

"That a fully franked final dividend for the year ended 31 December 2006, of 24 cents per share, as recommended by the Directors, is hereby declared and that the Directors are hereby authorised to pay that dividend on 21 May 2007."

3. **Re-election of Director**

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

"That Mr B.W. Macdonald, retiring by rotation in accordance with listing rule 14.4 and rule 95 of the Constitution and, being eligible, offers himself for re-election, be elected as a Director of the Company".

4. **Re-election of Director**

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

"That Mr P.W. Henley, vacating office in accordance with rule 82 of the Constitution and, being eligible, offers himself for re-election, be elected as a Director of the Company".

SPECIAL BUSINESS:

5. **Appointment of New Auditor**

To consider, and if thought fit, pass the following as an ordinary resolution in accordance with Section 327B(1)(b) of the *Corporations Act 2001*:

"That the firm Deloitte Touche Tohmatsu who have consented to act as auditor of the Company, be appointed as the auditor of the Company."

6. **Increase Directors Fees**

To consider and if thought fit, to pass the following resolution in accordance with listing rule 10.17 as an ordinary resolution:

"That the limit on the total amount of directors' fees that may be paid by the Company to its non-executive Directors be increased by $200,000 from $300,000 per year to $500,000 per year."

7. **ADVISORY RESOLUTION: Remuneration Report**

To consider and, if thought fit, to pass the following advisory resolution in accordance with Section 250R(2) of the *Corporations Act 2001*:

"That the Remuneration Report for the year ended 31 December 2006 be adopted"

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

8. **OTHER BUSINESS**

To deal with any other business that may be brought forward in accordance with the Constitution and *Corporations Act 2001* (the "Corporations Act")

PROXIES

You can appoint not more than 2 proxies to vote on your behalf. You can direct the proxy (or proxies) how to vote. If you appoint more than 1 proxy, each proxy must be appointed to represent a specified proportion of your voting rights. A proxy does not need to be a shareholder.

If the proxy form is signed under a power of attorney, you must also lodge the power of attorney with the Company not less than 48 hours before the meeting, unless you have previously sent the power of attorney to the Company.

To appoint a proxy (or proxies) you must complete and sign the enclosed proxy form and lodge it, not less than 48 hours before the meeting (ie. By 9.00am Wednesday 16 May 2007) at the following address or fax number:

Address: 80 McLachlan Street
PO Box 199
Fortitude Valley, Queensland 4006
Fax no: (07) 3248 9459

VOTING EXCLUSIONS:

1. The Company will disregard any votes cast on resolution number 6 by:
   (a) Mr B.W. Macdonald, Mr A.J. Love, Mr N.G. Politis and Mr P.W. Henley; and
   (b) any of their Associates.

   However, the Company need not disregard a vote if:
   (c) it is cast by a Director of the Company as proxy for a person entitled to vote, in accordance with directions on the Proxy Form; or
   (d) 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 directs.

ENTITLEMENT TO VOTE

The Directors have determined that for the purposes of the meeting all shares in the Company will be taken to be held by the persons who held them as registered Shareholders at 9.00 am on Wednesday 16 May 2007.

By Order of the Board
12 April 2007

D W Hull
Company Secretary

Explanatory Notes to the A P Eagers Limited Notice of Annual General Meeting

Item 1 – Financial Statements
The Directors have approved the audited financial statements of the Company and its subsidiaries and place before the Shareholders the Income Statement, Balance Sheet, Cash Flow Statement of the Company and its subsidiaries ("Financial Statements"), the reports of the Directors and Auditor and Statement by the Directors ("Reports") for the year ended 31 December 2006.

Neither the Corporations Act nor the Company's Constitution requires the Shareholders to approve the Financial Statements or the Reports. However, Shareholders will be given a reasonable opportunity at the Annual General Meeting ("AGM") to ask questions and make comments on the Financial Statements and the Reports and on the business, operations and management of the Company.

Item 2 – Dividend
The Board is pleased to report on the strong financial results achieved by the Company during the year ended 31 December 2006. As a result of this, the Board has been able to declare a final dividend of 24 cents per share. The dividend is fully franked, and together with the fully franked interim dividend of 19 cents per share paid in October 2006, brings the total fully franked dividend for the year to 43 cents per share.

Items 3 and 4 – Re-election of Directors
Mr B.W Macdonald
Mr Macdonald was appointed as a Director of the Company in January 1992 and has not been re-elected since the AGM of the Company held on 28 may 2004. Rule 95 of the Company's Constitution and the ASX Listing Rules requires that a Director must not hold office without re-election past the third AGM following the Directors appointment or 3 years, whichever is longer. Mr Macdonald offers himself for re-election at the AGM.

Mr P.W Henley
Mr Henley was appointed as a Director of the Company on 8 December 2006. Rule 82 of the Company's Constitution requires that a Director appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the next following General Meeting, upon which, that Director will be eligible for re-election. Mr Henley offers himself for re-election at the AGM.

Item 5 – Appointment of New Auditor
Resignation of current Auditor
As a result of a merger of Horwath Sydney Partnership ("Horwath"), the Company's current auditor, and Deloitte Touche Tohmatsu, the Partners of Horwath joined Deloitte as at 1 February 2007.

Horwath, who has now changed its name to DTT NSW, has given notice to the Board of its intention to resign as auditor of the Company, pursuant to subsection 329(5) of the Corporations Act. Subsection 329(5) provides that an auditor of a Company may, by giving notice in writing, resign as auditor of the Company if:

(a) the auditor has, by notice in writing to the Australian Securities and Investments Commission ("ASIC"), applied for consent to the resignation; and
(b) ASIC gives that consent.

DTT NSW, formerly Horwath, has applied to ASIC for its consent to its resignation as auditor of the Company. The application for consent lodged with ASIC indicates that such resignation is to take effect on the date of the Company's AGM.

Item 5 to appoint a new auditor of the Company will only be put forward if ASIC consents to DTT NSW's resignation by the time of the AGM.

Appointment of new auditor
If, prior to the time of the AGM, ASIC gives its consent to the resignation of DTT NSW's as the Company's auditor, the resignation will take effect from the date of the AGM. Upon DTT NSW's resignation, it will be necessary for the Company to appoint a new Company auditor pursuant to s327B(1)(b) of the Corporations Act. Section 327B(1)(b) provides that an auditor must be appointed to fill any vacancy in the office of auditor at each AGM.

Subsection 328B(1) of the Corporations Act requires that a member of the Company nominate a new auditor of the Company. Mr Martin Andrew Ward in his capacity as a member of the Company, has nominated Deloitte Touche Tohmatsu as new auditor of the Company and the Board recommend the appointment of this firm as auditor.

Deloitte Touche Tohmatsu are eligible and have consented to being appointed auditor of the Company as required by s328A(1) of the Corporations Act. Pursuant to s328B(3) of the Corporations Act, the written notice nominating Deloitte Touche Tohmatsu as auditor is set out below.

Private and Confidential
A P Eagers Limited
80 McLachlan Street
Fortitude Valley
QLD 4006

Dear Sir

I, Martin Andrew Ward, being a member of A P Eagers Limited hereby nominate Deloitte Touch Tohmatsu of 225 George Street, Sydney for appointment as auditor of the company at the Annual General Meeting convened for 18 May 2007. This notice is subject to the consent by ASIC of the resignation of DTT NSW (*formerly* Horwath Sydney Partnership) effective at the Annual General Meeting convened for 18 May 2007.

Please distribute copies of this notice as required by section 328B(3) of the Corporations Act 2001.

Yours faithfully

Martin Andrew Ward

Dated:

Section 331 of the *Corporations Act 2001* requires the Company to pay the reasonable fees as expenses of the auditor.

Item 6 – Increase in Directors Fees
Under the Company's constitution and in accordance with ASX Listing Rule 10.17, the limit on total aggregate remuneration per annum that may be paid to non-executive Directors is fixed by ordinary resolution of a general meeting of shareholders of the Company.
The current limit of $300,000 was approved at the Company's Annual General Meeting in May 1999.

With effect from 1 January 2006 the Directors decided to cease allowing newly appointed Directors from participating in the Directors' Retirement Allowance Scheme. Previously, the non-executive Directors were paid a fee of $45,000 per annum and the Chairman $80,000 per annum with access to the Directors Retirement Allowance Scheme. The Board has formed the view that an increase from $45,000 per annum for the non-executive Directors to $60,000 per annum (exclusive of superannuation) is a fair amount in view of industry averages and the role of the non-executive Directors of the Company.

The Company believes an increase in the aggregate cap is justified to enable it to appoint a new non-executive Director to the Board at the level of $60,000 per annum when such an appointment is deemed necessary. Taking that into account, together with the general CPI increases since 1999 and the growth in the Company in terms of revenue and profitability, the Board wishes to increase the cap applying to aggregate annual non-executive Directors' fees to $500,000.

Item 7 – Remuneration Report
The Remuneration Report of the Company for the year ended 31 December 2006 is set out in the Directors Report. The Remuneration Report sets out the Company's remuneration arrangements with the Managing Director, executives and non-executive Directors.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the AGM.

Section 250R of the Corporations Act requires that this resolution be put to the vote. However, the vote on this resolution is only advisory and does not bind the Company or its directors.

A.P. EAGERS LIMITED ABN 87 009 680 013

PROXY FORM

The Secretary
A.P. Eagers Limited
80 McLachlan Street
FORTITUDE VALLEY QLD 4006

I/WE, ...

(Name(s) of Individual or Corporate holder(s))

OF ....

....

(Address of holder as shown on the register of members)

a member of A.P. Eagers Limited, hereby appoint

....

(Name of proxy in block letters)

or failing that person, or if no person is named, the Chair of the meeting, as my/our proxy to vote on my/our behalf at the Annual General Meeting of the Company to be held at 9.00am on Friday 18 May 2007 and at each and every adjournment thereof.

If you wish to appoint two proxies then please photocopy this form and use one form for each proxy. Indicate below the percentage of voting rights each proxy represents. Alternatively, you can ring the Company Secretary on Tel: (07) 3248 9455 and ask for a second proxy form to be mailed to you. If two proxies are appointed, neither may vote on a show of hands. *The proxy is appointed to exercise ……….% of my/our voting rights. (To be completed only if two proxies are being appointed.)*

Direction to Proxy on Voting

If the Chair of the meeting is appointed as your proxy, or may be appointed by default and you do **not** wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in the box. By marking this box, you acknowledge that the Chair of the meeting may exercise your proxy even if he/she has an interest in the outcome of the resolution/s and that votes cast by the Chair of the meeting for those resolutions other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on the resolution and your votes will not be counted in calculating the majority if a poll is called on the resolution. The Chairman intends to vote undirected proxies in favour of the resolutions. ☐

		For	Against	Abstain
Item 2.	To declare a final dividend.			
Item 3.	To re-elect Mr BW MacDonald as a Director.			
Item 4	To re-elect Mr PW Henley as a Director			
Item 5	To appoint Deloitte Touche Tohmatsu as the Company's new auditor.			
Item 6	To increase the maximum total non-executive Directors fees			
Item 7	To adopt the Remuneration Report			

(A tick or a cross should be placed in the appropriate box if the member wishes to direct the proxy to vote on a poll. If the member wishes to apportion their votes, a specified number of shares should be written in the appropriate boxes - e.g. 1,000 "For" and 500 "Against".)

I/we understand that if I/we have not directed my/our proxy how to vote, my/our proxy may vote or abstain from voting as they think fit.

If you mark the abstention box for a particular item, you are directing your proxy not to vote on a show of hands or on a poll and your shares will not be counted in computing the required majority on a poll.

INDIVIDUALS TO SIGN HERE

....
Signature of Individual

Note: If a joint holding, either shareholder may sign. If this form is being signed by a person who is not the registered holder, then the relevant authority (eg power or attorney) must be attached to this form.

COMPANIES TO SIGN HERE
Executed in accordance with the Company's Constitution and Section 127 of the *Corporations Act 2001*

....
Director

....
Director/Secretary (Delete inapplicable)
OR

....
Sole Director and Sole Company Secretary

Affix Seal here if required

Important Note:
If only one signatory needs to sign on behalf of a Company under its Constitution and that signatory is not the Sole Director and Sole Company Secretary, then a certified copy of the Company's Constitution must be attached to this form and evidence of the identity of the signatory.

Dated this ______________________ day of ______________ 2007.

In order to be effective, the signed Proxy form (and the relevant authority under which it is signed, if any) must be lodged at the registered office of the company, 80 McLachlan Street, Fortitude Valley, Brisbane, Queensland 4006 not less than 48 hours before the time appointed for the meeting. Executed proxy forms may be delivered to the registered office, mailed to PO Box 199, Fortitude Valley, Qld, 4006 or faxed to (07) 3248 9459.

Appointment of Proxies

A member entitled to attend and vote is entitled to appoint not more than two proxies.

Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights and neither proxy may vote on a show of hands.

A proxy need not be a member of the Company.

Voting Rights of Members

- Rule 69 says:

Every member entitled to vote who is present in person or by proxy or by attorney or in the case of a corporation by Representative shall upon a show of hands have one (1) vote only and on a poll every member entitled to vote shall whether present in person or by proxy or attorney or in the case of a corporation by Representative have one (1) vote for every share held by him.

- Rule 70 says:

Where there are joint registered holders of any shares any one (1) of such persons may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one (1) of such joint holders be present at any meeting personally or by attorney or proxy that one (1) of the said persons whose name stands first in the Register in respect of such shares shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any shares stand shall for the purpose of this clause be deemed joint holders thereof.