

COVENTRY GROUP LTD

ABN 37 008 670 102

Notice of Annual General Meeting

Notice is hereby given that the 2005 Annual General Meeting of Coventry Group Ltd (Company) will be held at the Duxton Room 1, Duxton Hotel, 1 St Georges Terrace, Perth, Western Australia on Tuesday 8 November 2005 commencing at 2.00 pm.

ORDINARY BUSINESS

1. Financial reports for the year ended 30 June 2005.

To receive and consider the Financial Report, Directors' Report and Audit Report of the Company for the year ended 30 June 2005.

2. To elect directors.

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

- (a) "That Mr Ross M McLean, who retires by rotation in accordance with the Company's Constitution and, being eligible, offers himself for re-election, be elected as a director".
- (b) "That Mr Barry F Nazer, who retires by rotation in accordance with the Company's Constitution and, being eligible, offers himself for re-election, be elected as a director".

Note: Separate resolutions will be considered in respect of each of the above directors.

3. To adopt the Remuneration Report of the Company for the year ended 30 June 2005.

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

SPECIAL BUSINESS

4. To consider the renewal of the proportional takeover provisions in the Company's Constitution.

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

"That Rule 6 of the Company's Constitution, containing the proportional takeover provisions, be renewed for a period of three years".

OTHER BUSINESS

5. To consider any other business which may be brought before the meeting in accordance with the Constitution.

By Order of the Board

John Colli
Company Secretary
5 October 2005

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Notice of Annual General Meeting (continued)

Proxies

Please note that:

- (a) a member of the Company entitled to attend and vote at the annual general meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a member of the Company 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, but where the proportion or number is not specified, each proxy may exercise half of the votes; and
- (d) to be effective, a completed proxy form must be received at the registered office of the Company (253 Walter Road, Morley WA 6062, facsimile number (08) 9276 1666) not less than 48 hours before the appointed time of the annual general meeting.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

Point at which Voting Rights are Determined

The Corporations Act permits the Company to specify a time, not more than 48 hours before the meeting, at which a "snap-shot" of shareholders will be taken for the purposes of determining shareholder entitlements to vote at the meeting.

The Company's directors have determined that all shares of the Company that are quoted on ASX at 4pm WST on Sunday 6 November 2005 shall, for the purposes of determining voting entitlements at the annual general meeting, be taken to be held by the persons registered as holding the shares at that time.

Questions & Comments by Shareholders at the Meeting

In accordance with the Corporations Act 2001, a reasonable opportunity will be given to shareholders to ask questions about or make comments on the management of Coventry Group at the meeting.

Similarly a reasonable opportunity will be given to shareholders to ask Coventry Group's external auditor, KPMG, questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the auditor's report;
- (c) the accounting policies adopted by Coventry Group in relation to the preparation of its financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit written questions to KPMG if the questions are relevant to the content of KPMG's audit report or the conduct of its audit of Coventry Group's financial report for the year ended 30 June 2005.

Relevant written questions for KPMG must be received by mail or facsimile at the registered office of the Company (253 Walter Road, Morley WA 6062, facsimile number (08) 9276 1666) no later than 5.00 pm WST on Tuesday 1 November 2005. A list of those relevant written questions together with responses will be made available to shareholders attending the AGM. They will also be placed on the Company's website.

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Explanatory Notes on Agenda Items

Item 1 – Financial and other reports

This item is self explanatory. Shareholders will have the opportunity to raise questions on the reports and on the performance of the Company generally.

Item 2 - Election of directors (ordinary resolution)

Messrs R M McLean and B F Nazer retire as directors in accordance with the annual rotation provisions of the Constitution and, being eligible, offer themselves for re-election. The Board (in each case, with the relevant Director abstaining) unanimously recommends that the shareholders vote in favour of the re-election of Ross McLean and Barry Nazer.

The following is a profile of the directors standing for re-election:

Ross Malcolm McLean AM

B.ECONS (HONS)

Independent non-executive director

Chairman of the remuneration committee; member of the nomination committee

age 61

Mr McLean was appointed a director in 1995. He is currently Deputy Chief Executive of the Chamber of Commerce and Industry of Western Australia. He is also a director of Westscheme Pty Ltd, CCI Training Services Pty Ltd and a board member of the Western Australian Cricket Association. Mr McLean's past experience includes as a director of the Australian Broadcasting Corporation, Chairman of the WA Government's Trade Advisory Council, a Member of the State Government Economic Strategies Council and the Senate of Murdoch University.

He has held no other listed company directorships during the past three financial years.

Mr McLean was last elected at the 2003 annual general meeting.

Barry Frederick Nazer

BBUS FCPA, FAIBF, ANZHF (Fellow), FAICD

Independent non-executive director

Chairman of the audit and risk committee

age 57

Mr Nazer was appointed a director of the Company in September 2003. He is currently Chief Financial Officer of Wesbeam Holdings Limited, an unlisted public company which operates a laminated veneer lumber manufacturing facility.

He was Chief Financial Officer and Company Secretary of WESFI Limited, a major engineered wood products manufacturer and distributor, from August 1999 until its sale in 2001. He previously spent over ten years at the executive level of Western Australia's largest financial institution, Bank of Western Australia Limited (BankWest), including almost nine years as Chief Financial Officer.

Mr Nazer's past experience includes as a director of a public company involved in the development of treasury and risk management software for financial institutions and corporate treasuries and as a member of Curtin University's Business School Advisory Council.

He has held no other listed company directorships during the past three financial years.

Mr Nazer was last elected at the 2003 annual general meeting.

Item 3 – Adoption of Remuneration Report (ordinary resolution)

Recent changes to the Corporations Act 2001 (the Act) have expanded disclosure requirements for listed companies in respect of director and executive information. Under those changes the Directors' Report must now include a section called the "Remuneration Report". This report is set out on pages [] to [] of the Annual Report. Additionally, the Act now requires listed companies to put the Remuneration Report for each financial year to a vote of members at the Company's Annual General Meeting.

Under the Act, the vote is advisory only. Accordingly, the vote is not binding on the Company and does not affect the employment arrangements in place for employees of the Company and its subsidiaries.

In summary, the Remuneration Report:

- explains the principles used to determine the nature and amount of remuneration of directors and specified executives (being executives, other than the directors, with the greatest authority for strategic direction and management of the Company);
- details any performance conditions applicable to the remuneration of directors and specified executives;
- sets out the remuneration details for each director and the five most highly remunerated senior executives of the Company; and
- sets out particulars of short term and long term incentives and key employment terms of the specified executives.

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

The Board unanimously recommends that shareholders vote in favour of the adoption of the Remuneration Report.

Item 4 – Renewal of Proportional Takeover Provisions (special resolution)

At the Company's Annual General Meeting held on 4 November 2002 shareholders approved a new Constitution for the Company which included Rule 6 which specifically provides that transfers of shares resulting from a proportional takeover offer cannot be registered unless members in general meeting have approved the offer. In accordance with

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Explanatory Notes on Agenda Items (continued)

Section 648G of the Corporations Act 2001 (the Act), Rule 6 will cease to have effect on 4 November 2005 unless renewed.

Renewal of proportional takeover provisions

The Directors consider that it is in the interests of shareholders for the operation of the proportional takeover provisions to continue and accordingly propose that Rule 6 be renewed and this will allow 3 years to remain before shareholders must again consider the provision. That is, it would cease to have effect on 8 November 2008, unless renewed again.

The renewal of the proportional takeover provisions is a special resolution and therefore requires 75% of the persons present (in person or by proxy) and entitled to vote, and voting, to vote in favour of the resolution.

The information set out below is required to be included in this Explanatory Note by section 648G(5) of the Act.

Reason for including a proportional takeover provision

In a proportional takeover bid, the bidder offers to buy a proportion only of each shareholder's shares in the target company.

This means that control of the company may pass without shareholders having the chance to sell all their shares to the bidder. The bidder may take control of the company without paying an adequate amount for gaining control.

In order to deal with this possibility, the Company may provide in its Constitution that if a proportional takeover bid is made for shares in the Company, shareholders must vote on whether to accept or reject the offer and that decision will be binding on all the shareholders.

The benefit of the provision is that shareholders are able to decide collectively whether the proportional offer is acceptable in principle and it ensures that any partial offer is appropriately priced.

Effect of proportional takeover provisions

If a takeover bid is made under a proportional takeover scheme, the directors must ensure that shareholders vote on a resolution to approve the takeover scheme more than 14 days before the bid period closes.

When voting on the resolution:

- each shareholder has one vote for each fully paid share held; and
- each partly paid share carries a fraction of a vote, reflecting the amount paid up.

The vote is decided on a simple majority.

The bidder and its associates are not allowed to vote.

If the resolution is not passed, transfers which would have resulted from the acceptance of a bid will not be registered and the bid will be taken to have been withdrawn.

If the bid is approved (or taken to have been approved) the transfers must be registered if they comply with the Act and Company's Constitution.

The directors will breach the Act if they fail to ensure the approving resolution is voted on. However, if the resolution is not voted on, the bid will be taken to have been approved.

Rule 6 does not apply to full takeover bids and only applies for 3 years after the date the proportional takeover provisions were last approved. The provisions may be renewed, but only by a special resolution.

Present acquisition proposals

At the date this statement was prepared, no director is aware of a proposal by a person to acquire, or to increase, a substantial interest in the Company.

Advantages and Disadvantages

The directors consider that there are no advantages or disadvantages for them in Rule 6 being adopted as they remain free to make a recommendation on whether an offer under a proportional takeover scheme should be accepted.

The potential **advantages** of the takeover approval provisions for shareholders of the Company are:

- shareholders will have the right to decide by majority vote whether an offer under a proportional takeover scheme should proceed;
- the provisions may help shareholders avoid being locked in as a minority;
- the bargaining power of shareholders may increase which may ensure that any partial offer is adequately priced; and
- knowing the view of the majority of shareholders may help each individual shareholder assess the likely outcome of the proportional takeover offer and to decide whether to accept or reject that offer.

The potential **disadvantages** for shareholders of the Company include:

- proportional takeover offers for shares in the Company may be discouraged;
- shareholders may lose an opportunity of selling some of their shares at a premium if the proportional takeover offer does not proceed; and
- the chance of a proportional takeover being successful may be reduced.

The directors consider that the potential advantages for shareholders of the takeover approval provisions outweigh the potential disadvantages. In particular, shareholders as a whole are able to decide whether or not a proportional takeover scheme is successful.

Recommendation

The directors consider that the renewal of the proportional takeover provisions in Rule 6 is in the interests of the shareholders and recommend that shareholders vote in favour of the renewal of Rule 6 of the Constitution.

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ABN 37 008 670 102

Proxy Form

SHAREHOLDER

I/We

of

Daytime phone no

APPOINT

(insert name of proxy)

or failing him/her the Chairman as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at 2.00 pm WST on 8 November 2005 at the Duxton Room 1, Duxton Hotel, 1 St Georges Terrace, Perth, Western Australia and at any adjournment thereof in respect of _____% of my/our shares or, failing any percentage being specified, ALL of my/our shares in the Company.

SIGNATURE OF SHAREHOLDER(S)

If a natural person: (all single or joint shareholders must sign this form)

SIGNED by

(Print name)

Signature

SIGNED by

(Print name)

Signature

SIGNED by

(Print name)

Signature

If a company:

EXECUTED by

in accordance with section 127(1) of the Corporations Act 2001:

Signature of director

Name of director (block letters)

Signature of director/company secretary*

Name of director/company secretary* (block letters)

*delete whichever is not applicable

PROXY'S VOTING INSTRUCTIONS (OPTIONAL)

If you wish to indicate how your proxy is to vote, please tick the appropriate box below. If no indication is given on a resolution, the proxy may abstain or vote at his or her discretion. If two proxies are appointed, the proportion of voting rights this proxy is authorised to exercise is _____. (An additional proxy form will be supplied by the Company on request).

I/we direct my/our proxy to vote as indicated

RESOLUTION	FOR	AGAINST	ABSTAIN
2(a). Elect Ross McLean as a director	☐	☐	☐
2(b). Elect Barry Nazer as a director	☐	☐	☐
3. Adopt the Remuneration Report	☐	☐	☐
4. Approve renewal of Rule 6 of the Constitution (proportional takeover provisions)	☐	☐	☐

Dated

2005

Deadline for Receipt of Proxies - To be effective, a completed proxy form together with the power of attorney (if any) under which it is signed, must be received by the Company at its registered office not less than 48 hours before the appointed time of the Annual General Meeting ie no later than 3.00 pm WST on 6 November 2005.

Destination of Completed Proxy Form - Once the proxy form is completed and all details checked by you, the form is to be sent or delivered to the Company's registered office at 253 Walter Road, Morley WA 6062 or sent by facsimile to the registered office on (08) 9276 1666.

For Further Information - If you need any further information about this form or attendance at the Company's Annual General Meeting, please contact John Colli, Company Secretary on (08) 9276 0222.

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