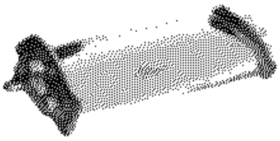
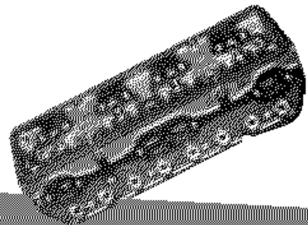
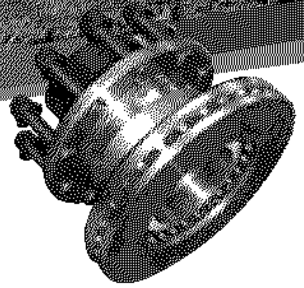
CMI Limited
ABN 98 050 542 553







Notice of Annual General Meeting

Please note that this notice is for your information only. **Convertible Preference Shareholders** are entitled to attend the Annual General Meeting but have no voting rights.

Notice is hereby given that the Annual General Meeting of members of CMI Limited ABN 98 050 542 553 will be held at Level 1, 240 Margaret Street Brisbane, Queensland on Thursday 27th October 2005 at 9:00am (Brisbane time)

Notice of Annual General Meeting

CMI Limited
ABN 98 050 542 553

Notice is given that the Annual General Meeting of CMI Limited ('**Company**') will be held at 9am (Brisbane time) on 27 October 2005 at Level 1, 240 Margaret Street, Brisbane, Queensland.

AGENDA

Ordinary business

Financial Statements and Reports

To receive and consider the Company's financial statements, the related Directors' Report, Directors' Declaration and Independent Audit Report for the financial year ended 30 June 2005.

1. Remuneration Report

To consider and, if thought fit, to pass the following in accordance with s250R(2) of the Corporations Act:

'That the section of the Directors' Report dealing with the remuneration of the Company's Directors and the 5 most highly remunerated executives be adopted.'

NB: This resolution shall be determined as if it were an ordinary (majority) resolution, but under s250R(3) of the Corporations Act, the vote does not bind the Directors of the Company.

2. Election of Director – Mr Warren Hill

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

'That Warren Hill, who retires by rotation in accordance with rule 16.1 of the Company's constitution, and being eligible, be re-elected as a Director of the Company.'

3. Election of Director – Mr Maurice Maughan

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

'That Maurice Maughan, who was nominated by the Board for the office of Director of the Company, be elected as a Director of the Company in accordance with rule 16.3 of the Company's constitution.'

DATED this 26th day of September 2005

By Order of the Board

Mark Laidlaw

Mark Laidlaw
Company Secretary

NOTES

(a) A member who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.

(b) The proxy need not be a member of the Company. A member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

(c) If you wish to appoint a proxy and are entitled to do so, then complete and return the attached proxy form.

(d) A corporation may elect to appoint a representative, rather than appoint a proxy, in accordance with the *Corporations Act 2001* in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.

(e) The Company has determined in accordance with Regulation 7.11.37 of the *Corporations Regulations 2001* that for the purpose of voting at the meeting or adjourned meeting, shares will be taken to be held by those persons recorded in the Company's register of members as at 7:00pm (Brisbane time) on 25 October 2005.

(f) If you have any queries on how to cast your votes then call the Company's share registry on (02) 8280 7454 during business hours.

Explanatory Memorandum

CMI Limited ('**Company**')
ABN 98 050 542 553

Introduction

This Explanatory Memorandum is despatched with the notice of the Company's 2005 Annual General Meeting. Agenda items described in this Explanatory Memorandum have the same corresponding reference as in the Notice of Annual General Meeting.

Ordinary business

Financial Statements and Reports

The *Corporations Act 2001* requires that the related Directors' Report, Directors' Declaration, Independent Audit Report and the financial statements of the Company for the year ended 30 June 2005 be presented to the Annual General Meeting. In addition, the Company's constitution provides for such reports and statements to be received and considered at the meeting. Apart from the matters involving remuneration which are required to be voted upon, neither the *Corporations Act 2001* nor the Company's constitution requires a vote of members at the Annual General Meeting on such reports or statements, however members will be given ample opportunity to raise questions with respect to these reports and statements at the meeting.

In addition to asking questions at the meeting, members may address written questions to the Chairman about the management of the Company, or to the Company's Auditor which are relevant to:

(a) the content of the Independent Audit Report to be considered at the meeting; or

(b) the conduct of the audit of the annual financial report to be considered at the meeting.

Any written questions must be submitted to the Company Secretary on or before 20 October 2005 by email, fax or post.

Email: corporate@cmilimited.com.au

Fax: (07) 3004 8180

Mailing Address: PO Box 15844
City East
Brisbane, QLD 4002

1. Remuneration Report

The *Corporations Act 2001* requires that the section of the Directors' Report dealing with the remuneration of the Company's Directors and the 5 most highly remunerated executives ('Remuneration Report') be put to members for adoption by way of a non-binding vote.

The Remuneration Report may be found in the Annual Report.

Following consideration of the Remuneration Report, the Chairman will give members a reasonable opportunity to ask questions about or to make comments upon, the Remuneration Report.

2. Election of Mr Warren Hill

Under clause 16.1 of the constitution of the Company, one third of the Directors (other than the Managing Director, any Director appointed under rule 13.2 and any Director who has vacated their office under clause 15.1) must retire by rotation at each Annual General Meeting.

In accordance with this rule, Mr Hill shall retire at the end of the meeting, and being eligible, presents himself for re-election.

Mr Hill was appointed Chief Operating Officer of CMI in November 2002 and is responsible for the Company's Australian and New Zealand operations. He has over 27 years experience in sales and marketing in Australia and South East Asia. In 1991 Mr Hill was appointed General Manager and later Managing Director of the Stubbies Clothing Company Pty Ltd which was a division of the Chicago based Sara Lee Corporation. From 1994 he was President of Sara Lee Apparel and in 1997 was appointed a director of Sara Lee Holdings (Australia) Pty Ltd.

3. Election of Mr Maurice Maughan

Mr Maughan has been nominated by the Board for the office of Director in accordance with rule 16.3 of the Company's constitution. That nomination was consented to by Mr Maughan and delivered to the registered office of the Company. In accordance with rule 16.3, Mr Maughan is now eligible for election as a director.

Mr Maughan has been a partner in KPMG and antecedent firms for over 30 years, retiring in September 2005 as the Senior Tax Partner in Queensland.

During his professional career he has been both the Client Service Partner and Tax Partner for a number of Australian public companies and international companies. His involvement has mainly been with companies involved in the manufacturing, energy and natural resources areas. He has advised companies setting up business in Australia and Australian companies commencing business operations offshore.

As Client Service Partner, he has been responsible for coordinating a wide range of services provided by KPMG including audit, taxation compliance services and general advisory. He has also been responsible for assisting a number of companies with their corporate governance policies.

Voting and Proxies

CMI Limited
ABN 98 050 542 553

Voting

(a) If you are able to attend the meeting, on a show of hands each member present may cast one vote. 'Member present' includes a person present as a proxy, attorney or body corporate representative. However, if a member holds 2 or more appointments and these appointments direct the proxy to vote in different ways, then the proxy cannot vote on a show of hands.

(b) On a poll ordinary shareholders have one vote for every fully paid ordinary share held.

(c) The Company has determined in accordance with Regulation 7.11.37 of the Corporations Act that for the purpose of voting at the meeting or adjourned meeting, shares will be taken to be held by those persons recorded in the Company's register of members as at 7:00pm (Brisbane time) on 25 October 2005.

(d) A corporation may elect to appoint a representative, rather than appoint a proxy, in accordance with the *Corporations Act 2001* in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.

Appointment of proxy

(see Proxy form)

(e) A member who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.

(f) The proxy need not be a member of the Company.

(g) If you wish to appoint a proxy and are entitled to do so, then complete and return the attached proxy form.

(h) A member entitled to attend and cast more than 2 votes at the meeting is entitled to appoint **no more** than 2 proxies to attend and vote in their stead.

(i) Where more than one proxy is appointed, each proxy should be appointed to represent a specified proportion of the member's voting rights. Failure to apportion voting rights will result in each proxy being entitled to vote half the member's votes.

(j) A proxy appointed to attend and vote for a member has the same rights as the member to vote (to the extent allowed by this appointment) and to join in the demand for a poll.

(k) 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.

(l) Note that the proxy form sets out the manner in which the Chairman has indicated he will vote any undirected proxies granted to him ie proxies that do not indicate the manner in which such votes are to be cast.

How to sign proxy form

(m) The proxy form must be signed by the member or by the member's attorney. If a joint holding then either shareholder may sign.

(n) If the member is a corporation, the proxy form must be signed in accordance with its constitution and the *Corporations Act 2001*, or under the hand of an authorised officer or attorney who has not received any notice of revocation. A person intending to vote shares held in the name of a corporation **must** bring a properly executed authority from the corporation in favour of the person attending.

(o) Where the form is signed by a duly authorised attorney, the power of attorney, if not previously exhibited to the Company, must be produced at the Company's share registry (ASX Perpetual Registrars, Level 8, 580 George Street, Sydney NSW 2000 or Locked Bag A14, Sydney South NSW 1235) or faxed to (02) 9287 0309 at least 48 hours before the time appointed for holding the Annual General Meeting. Again, to ensure that the power of attorney or other instrument is received in time, we suggest that you fax your power of attorney or other instrument to the above fax number.

(p) If the proxy is signed under power of attorney the signatory must also declare that they have had no notice of revocation of the power of attorney.

Deadline for receipt of proxies

The proxy form must be lodged with the Company **before 9am** (Brisbane time) on **25 October 2005**, ie not less than 48 hours before the time for holding the meeting by:

(q) mailing your proxy to the Company at its share registry at c/- ASX Perpetual Registrars, Locked Bag A14, Sydney South NSW 1235; **OR**

(r) depositing your proxy with the Company at its share registry at c/- ASX Perpetual Registrars, Level 8, 580 George Street, Sydney NSW 2000; **OR**

(s) faxing your proxy to (02) 9287 0309 (if within Australia) or +612 9287 0309 (if sent from overseas).

Please bring this letter with you to the meeting to enable us to process your registration efficiently.

Registration will commence at 8.30am on 27 October 2005. Light refreshments will be available after the meeting.

If you have any queries on how to cast your votes then call the Company's share registry on (02) 8280 7454 during business hours.

cmi
Level 4, 240 Margaret St Brisbane Qld 4000
Telephone: (07) 3004 8188