



**Genetics Australia Co-operative Limited**

**64<sup>th</sup> Annual General Meeting of Shareholders**

**Held on: Tuesday 22<sup>nd</sup> November, 2022**

**At: Grand Ridge Brewery, 1 Baromi Road. Mirboo North**

**MINUTES**

**Meeting Commenced: 11:00am**

**Present:** As per attached attendance records for those physically attending the meeting at Mirboo North and also for those attending by means of Zoom Telecommunications.

**Chairman:** Mr T Henry

**1. Opening of Meeting**

The Chairman declared open the 64<sup>th</sup> Annual General Meeting of Genetics Australia Co-operative Limited and welcomed Shareholders, Industry representatives, other visitors and staff including those attending via Zoom. He then explained the participation and voting arrangements for those attending via Zoom to ensure they were able to fully participate in the meeting.

The Chairman introduced the Board, the GAC CEO – Mr. Anthony Shelly, and the Company Secretary – Mr Tony Phillips and other staff members present.

**2. Notice convening the Meeting**

The Chairman announced that the Notice convening the meeting was distributed to Shareholders in the prescribed manner.

**3. Apologies**

The Chairman asked the Secretary to read out the apologies received prior to the meeting. (Copy attached). The Secretary then called for apologies from the floor. Apologies were received for Ross Anderson and Gary Carpenter.

**4. Confirmation of minutes**

The Chairman announced that the Minutes of the last AGM held on 22 November, 2021, were attached to the Agenda provided on registration for the meeting today, and should be taken as read, unless anyone had any corrections.

Chairman then asked for a resolution to adopt the minutes as a true and correct record.

Resolution: That the Minutes of the GAC AGM held on 22 February, 2021, are adopted as a true and correct record.

Moved: John Pekin

Seconded: Tim Humphris.

The Chairman then called for a vote approving the resolution. The resolution was carried.

The Chairman asked if there was any business arising from the minutes. No matters were raised.

## **5. Chairman's Review**

The Chairman delivered his review which included comments on the excellent results for the year, the current health of the dairy and beef sectors and the potential exposure to the highs and lows of Australian agriculture as droughts and floods continue and competition remains strong. He commented that the decision to acquire TLG is proving to be a positive one that will have long term benefits and acknowledged that credit goes to the TLG and GA teams for the manner in which they took on the task of building the new and expanded co-operative. He then commented that GA continues to look for partnership and investment options both locally and internationally to support its breeders. He covered the international focus of the business and highlighted the expansion of the Pakistan market before commenting on the importance of sustainability and the development of a 'green' cow. He congratulated DataGene on its foresight in creating a sustainability index and the continual improvements to the ABV system that have assisted in ensuring that our bulls rank amongst the best in the world. He thanked the Management team, staff, suppliers, service providers, customers and his family for their support. He also thanked the other board members for their support and made special reference to Rohan Sprunt who resigned in February 2022 and to Lucinda Corrigan who joined the Board in March 2022. He then also thanked Michael Carroll who had resigned from the Board since the end of the financial year to take on a major role as chairman of a public company. He then introduced the Chief Executive Officer for the Chief Executive Officer's review presentation.

## **6. Chief Executive Officer's Review**

The Chief Executive Officer delivered his presentation. He provided information on the group's results for the year and covered the key business activities. He noted the positive impact that the purchase of TLG had made to the status and operations of the Co-operative. He noted that following the purchase an ambitious target of 100,000 units of semen production per month was set and that had already been exceeded in the year under review. He commented on the purchase of the Glenormiston property and the sale of Parwan Park in Bacchus Marsh which ended an historic connection to the region. He acknowledged the work done by Australia's leading bull breeders to breed bulls and develop cow families the equal of the best available in the world. He closed by thanking the Board, the Management team and the TLG and GA teams for their support and contribution over the past year, and to all of the loyal supporters of the Co-operative for their ongoing dedication.

Then the Chief Executive Officer handed over to the Chairman for the next Agenda Item.

## **7. Annual Report / Financial Statements/Audit Report**

**To receive, consider and move resolutions for:**

- a) The Financial Statements
- b) The Directors' Report; and
- c) The Auditor's Report
- d) Appointment of Auditor for 2023

The Chairman asked if there were any questions or issues with the Financial Statements, the Directors' Report or the Auditor's Report, as set out in the Annual Report distributed prior to the meeting.

The Chairman asked the Company Secretary to respond to a query from Brian Anderson regarding the legitimacy of including the \$2.9 million received from the sale of Parwan Park in the accounts as the Co-operative was not a property developer. He also noted that the CEO's commentary on the reported profit for the year was incorrect as it suggested the sale of land assets didn't contribute to the group's performance. The Company Secretary

explained that, in accordance with normal practice, payments for property purchases and proceeds from property sales were always disclosed in the accounts and that as the consideration received from the sale of Parwan Park was an equivalent value to the value this asset was held in the balance sheet there was no profit. The asset simply moved from being a land asset to cash, which in turn was used to pay down bank facilities.

The Chairman then called for a motion to be moved that the Financial Statements, the Directors' Report and the Auditor's Report had been considered and received.

Resolution: That the 2022 GAC Financial Statements, Directors' Report and Auditor's Report have been considered and received by the meeting.

Moved: John Pekin                      Seconded: Graham Anderson  
The Chairman called for a vote approving the resolution. The resolution was carried.

Appointment of auditor:

The Chairman moved a motion that ShineWing Australia, having advised their consent to act as Auditor, be appointed as Auditor in 2023.

Moved: Trevor Henry                      Seconded: John Duffield

The Chairman called for a vote approving the resolution. The resolution was carried.

## **8. Notification of Elected Directors.**

### **To elect two Directors for two vacant positions**

The Chairman announced that two Director Positions became vacant being the positions of Mr. John Pekin and Ms. Lucinda Corrigan who, both being eligible for election, had renominated.

Nominations were called for in the prescribed manner. No nominations other than those of Mr. John Pekin and Ms. Lucinda Corrigan were received.

The Chairman then moved a resolution that Mr. John Pekin being eligible and having signified his consent to nominate and to act as a Director, is re-elected as a Director of Genetics Australia.

Resolution: That Mr John Pekin Henry, being eligible and having signified his consent to act as Director, is re-elected as a Director.

Moved: Trevor Henry                      Seconded: Craig Drake

The Chairman then called for a vote approving the resolution.  
The resolution was carried.

The Chairman announced that John Pekin is duly re-elected as a Director of Genetics Australia, and asked the meeting to congratulate Mr. Pekin.

The Chairman then moved a resolution that Ms. Lucinda Corrigan being eligible and having signified her consent to nominate and to act as a Director, is re-elected as a Director of Genetics Australia.

Resolution: That Ms Lucinda Corrigan, being eligible and having signified her consent to act as Director, is elected as a Director.

Moved: Trevor Henry

Seconded: Tim Humphries

The Chairman called for a vote approving the resolution.  
The resolution was carried.

The Chairman announced that Lucinda Corrigan is duly elected as a Director of Genetics Australia, and asked the meeting to congratulate Ms. Corrigan.

## **9. Directors Remuneration and Directors Daily Allowance**

The Chairman called on the Deputy Chairman. Mr. John Pekin to move a resolution that the Directors' Remuneration remains the same for 2023 as it was in 2022.

The Deputy Chairman then moved the following resolution:

That Directors fees plus superannuation for the year 2023, commencing in January 2023, remain the same as in 2022 and they be distributed amongst directors as they see fit.

Moved: John Pekin

Seconded: Stuart McRae

The Deputy Chairman then called for a vote approving the resolution. The resolution was carried.

The Chairman then called on the Deputy Chairman. Mr. John Pekin to move a resolution that the Directors' Daily Allowance remains unchanged.

The Deputy Chairman then moved the following resolution:

That Directors' Daily Allowance for attendance to Genetics Australia Co-operative Limited business additional to normal Board remain unchanged.

Moved: John Pekin

Seconded: Gary McAinch

The Deputy Chairman then called for a vote approving the resolution. The resolution was carried.

## **10. Other Business**

The Chairman announced that no notice of other business had been received, and that unless the meeting wished to raise any other business legally brought before the meeting, he proposed to move onto the next Agenda item.

No other business was raised.

## **11. General Discussion**

The Chairman called for any General Discussion.

The Chairman and other directors and the CEO then responded to questions raised by members as follows:

Ian Hitchings wanted to know what the shareholders' return was from the \$16million in sales revenue of the group. The CEO explained that historically shareholders had benefited from rebates on some of their purchases from the Co-operative as opposed to dividends and it was planned to return to that formula as soon as practicable.

Stewart McRae commented that he believed that directors moving an increase to the directors' remuneration at the previous AGM was wrong and that, despite making some good decisions, he was concerned that member directors had not completed a Company Directors course. He also wanted to know what had happened to the proceeds from the sale of Parwan Park South. The Chairman responded that the Board had supported the CEO to attend a Company Directors Course and that he would also like to do so but having primary responsibility on his dairy farm he was finding it difficult to allocate sufficient time. In relation to the Parwan Park South property, the terms sale was due for final settlement in May 2023 and following that settlement full information would be provided.

Brian Anderson suggested that the Co-operative's bull team was not up to scratch due to poor pedigrees and lack of research being undertaken by the breeding team and that the BPI formula was wrong due to negative milk. He believed that those directors associated with DataGene should be changing the BPI. The CEO, Lucinda Corrigan, John Duffield, Tim Jelbert and Michelle Axford of Datagene all responded with particular emphasis being put on the pending changes that Datagene are implementing as part of the December 2022 ABV release.

Kelvin Jackson was concerned about the increasing trend of semen suppliers going direct to customers and bypassing resellers whilst noting that Genetics Australia wasn't one at fault. The CEO responded that he saw the current semen distributors as an important part of the group's strategy and an important part of the system for semen and merchandising selling in Australia.

## 12. Close

The Chairman thanked all Shareholders, Visitors and Staff for attending, and declared the meeting closed, and after thanking those who had attended by Zoom, invited Shareholders and Guests present to stay for lunch.

Meeting Closed at: 12:15PM. 22 November, 2022

Signed as a true Record

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Mr. Trevor Henry, Chairman

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