



Minutes of Annual Shareholders Meeting of Barramundi Limited held at the Ellerslie Event Centre, Auckland on Monday 13th October 2008 commencing at 10.30am

PRESENT

Directors

Rob Challinor - Chairman
Annabel Cotton
Ian Hendry
Carmel Fisher

Shareholders and invitees

167 Shareholders and accompanying guests

4 Invitees

8 Visitors

IN ATTENDANCE

Frank Jasper	- Fisher Funds Management Limited (Portfolio Manager – Australian Equities)
Nivedita Findlay	- Barramundi Corporate Manager/Company Secretary
Bruce Baillie	- PricewaterhouseCoopers – Auditor
Philip Taylor	- PricewaterhouseCoopers – Auditor
Darren White	- Deloitte – Taxation Consultant
Jason McGarvey	- Deloitte – Taxation Consultant

PRELIMINARY

The Chairman:

- Welcomed shareholders and invitees to the meeting;
- Introduced the Directors and Corporate Manager;
- Advised of venue safety procedures and administrative matters;
- Announced that 4,621,593 proxies had been received from 329 shareholders;
- Noted that the Notice of Meeting had been circulated to shareholders and confirmed that a quorum was present;
- Outlined the meeting conduct and declared the meeting open;
- Advised that the minutes from the last Annual Shareholders Meeting held on 13 September 2007 were approved by the Barramundi Board on 24 October 2007 and made available on the Barramundi website. Copies were also available at the ASM for inspection;
- Noted that the 2008 Annual Report containing the financial statements and Auditors report thereon for the year ended 30 June 2008 had been circulated to shareholders;
- Mentioned that in the circumstances, it gave Directors no pleasure to present the result for the year and to provide an update on performance to 30 September.

CHAIRMAN'S ADDRESS

The Chairman:

- Reiterated Barramundi's investment philosophy. The Company invested in Australian shares outside the ASX top 100 companies and the Manager had invested in accordance with the prospectus. The Manager has bought and held shares for the long term. It sells only on the basis of a fundamental change in the original investment case. The Chairman suggested bearing this in mind during the presentation;
- Outlined the results to 30 June 2008 commenting on the decline in the NAV and the decline in the portfolio value by \$30m for the year;
- Provided an update on the NAV per share and share price at 30 September 2008 and 8 October 2008;
- Commented on the 2 cents per share dividend paid on 20 June 2008 and explained that 35% of shareholders participated in the dividend reinvestment plan;
- Presented graphs of the share price and NAV performance since listing and explained that the share price had suffered a "double whammy";
- Explained the capital management alternatives available to the company - these included buying back shares and implementing a dividend reinvestment plan. Buying back warrants was not feasible because extending the warrant exercise period was not fair to all shareholders and it was not rational to cash up and return capital to shareholders;
- Compared the performance of the portfolio to the ASX 300 and ASX Small Industrials indices;
- The presentation concluded with an explanation of the Manager's base management fee which was reduced to the minimum level payable for the year and the calculation of the performance fee which was last paid in 2007; and will not be paid again until the NAV reached \$X.XX, the high water mark.

MANAGER'S ADDRESS

Frank Jasper, representing the Manager:

- Raised the important questions to ask in this environment - are the companies going to survive? Can they prosper? Is this a temporary reduction in value of capital or will it affect long term wealth?
- Suggested looking at how well the companies were positioned for the next 12 months to help put market fear into some context and gain confidence in the core qualities of companies invested in;
- Explained the characteristics of companies that should be owned right now; those that could weather the storm, those that could provide medium term earnings growth and those that were currently undervalued by the market;
- Demonstrated that Barramundi had invested in such companies. 55% of portfolio companies had no debt and 40% had low debt - these were levels that the Manager was reasonably comfortable with;
- Outlined key portfolio companies, including their product and their "moat", which provided goods and services even when the economy slows down. These companies provided key services and had often locked in customers;
- Presented a chart of earnings growth for the next three years based on analysts' estimates that highlighted reasonably stable growth of the portfolio companies despite the current environment;

- Provided information that indicated that the portfolio companies were unrealistically low priced. The PE ratio average of the portfolio was 30% lower than the long term average;
- Concluded that market fear had led to companies being very under priced. The portfolio companies were well positioned to survive and prosper in the environment going forward.

Carmel Fisher, also representing the Manager, provided answers to some questions shareholders were likely to be contemplating:

- Barramundi was not going to “go under”. Portfolio companies were in different sectors, servicing different customers and these all would need to collapse for that to happen;
- The Barramundi portfolio companies were far from being in trouble and are good quality businesses. It was the share prices of these companies that had collapsed, rather than the businesses themselves. When market confidence is restored, savvy investors would buy into these companies;
- There is no reason why the Barramundi NAV will not recover so that investors can recoup their capital and more. Shareholders committed to a long term investment term for Barramundi, and this is only year two. When company profitability improves, then company share prices will ultimately increase. Companies were currently significantly undervalued and when the market recovers, the undervalued stocks would recover first;
- It was not necessarily a good idea to consider moving from Barramundi to a different investment. Any strategy besides waiting for the market to recover is risky and unpredictable, and may limit the opportunity to regain the paper losses. Barramundi had good quality assets, so shareholders should wait for the market to be rational again;
- Recent company performance was not a reflection on the quality of Fisher Funds. Fisher Funds had been around for over 10 years and had lived through good and bad markets and will see shareholders through this. One year of negative performance needed to be kept in perspective. Fisher Funds is the right fund manager as it had picked the best quality companies and kept in regular contact with their management. Barramundi’s shareholders received regular updates on the portfolio companies from the Manager.
- The current market conditions were unprecedented and no one knows when it will end. While the Manager could not predict how investors would feel, they could look at portfolio performance and make sure to invest in quality companies.

QUESTIONS

The Chairman declared the meeting open for questions.

A shareholder enquired as to why shares have not been bought back recently. Frank Jasper responded that the Manager was conscious of using capital wisely and that deploying capital slowly was the right strategy at the moment.

A shareholder suggested that instead of extending the warrant exercise period or issuing new warrants, would the Board consider making a rights issue at a heavy discount to all shareholders and warrant holders? He contended that this would allow the company access to capital that would otherwise be lost, would be fair to share and warrant holders and would not devalue warrants completely. The Chairman replied that legal advice had supported the Boards position not to

extend the warrant exercise period as 25% of shareholders did not have warrants and therefore, extending the period would be to their detriment. It would require 75% shareholder approval and would create different classes of shareholders with different interests and would require 75% shareholder approval of each group. Furthermore, if passed, those who felt disenfranchised could legally force the company to buy back their shares. Mr Challinor agreed that the Board could consider a rights issue but would need to weigh up advantages and disadvantages to shareholders.

A question followed for Frank Jasper on how much cash the Australian Super Fund currently had to invest. Mr Jasper responded that although he did not have the figures at hand, there were significant cash reserves being built up that would find its way into the market at some point.

The investor then sought comment on the stability of the management team of the portfolio companies. Mr Jasper responded that there were three CEO changes in the last 12 months - Credit Corp, Aevum and Vision Group.

A shareholder enquired as to how the credit crisis affected the portfolio companies. Did they need capital to grow? Was it strangling the companies? Mr Jasper responded that 55% of the companies did not need debt to fuel plans and that another 40% of the companies had moderate levels of debt that would be easier to refinance. Mr Jasper explained that the impact of the credit crisis would affect the real economy – the day to day purchase decisions of the consumer. Companies need to focus on providing essential goods and services.

An investor directed a question to the Chairman on the extension of the warrant exercise period. He stated that it seemed 25% of the shareholders who held no warrants were controlling the remaining 75% and called for a postal vote to be conducted. The Chairman explained that not all of the 75% shareholders would be entitled to vote as a large portion held warrants as well. He reiterated the Board's position that the extension of the warrant exercise period would not be in the best interests of all the shareholders and that Barramundi's legal advisors had endorsed this view. The Chairman agreed however that the Board would consider this matter again.

A share and warrant holder commented that buying and selling in the same market was sound practice and asked whether the Manager looked at selling out of the least desirable companies in the portfolio and reinvesting in other companies. Mr Jasper responded that this was a good point and that the Manager was constantly doing this. There were a couple of companies on their "exit" list. Actively evaluating these companies was part of how the portfolio was managed.

Mr Jasper informed the meeting that the Manager and the Board both took capital management responsibilities very seriously and had been doing a lot of work behind the scenes to try and come up with an innovative approach. They had investigated capital management options that were prevalent in US, Australia, UK and Europe, however some were not applicable in NZ due to legal and tax reasons.

The Chairman then clarified the number and percentage of share and warrant holders alluded to earlier. Out of a total of 6,750 shareholders and warrant holders, 23m shares were held by shareholders holding no warrants. 77m shares were held by shareholders who held warrants as well. 422 holders held only warrants. Based on these numbers, a postal vote on this issue was unlikely to change the outcome and would incur costs. The Chairman thanked the investor

for his question and suggested he may wish to discuss this further after the meeting.

An investor asked Frank Jasper to remind everyone of his career background and credentials and that of the Research Team. Mr Jasper introduced the Barramundi analyst Terry Tolich, and responded on his credentials. Terry Tolich followed by briefing the meeting on his career background.

A question was raised regarding the policy on hedging currencies. The Chairman responded that Barramundi had adopted a foreign exchange policy which was posted on the company's website. Mr Jasper added that there was a policy on the big swings on currency and there had been a small currency hedge until recently when NZ cut interest rates. He explained that it was ideal to hedge when the NZD drops way below its long term average and that recent big currency moves were to do with fear in the market. He suggested that the fundamentals do not support the NZD where it currently was against the AUD.

An investor enquired if the Company could issue new warrants in future to which the Chairman responded that the Board would give consideration to this.

A proxy holder commented that warrants were meant to be for a short term. He also opposed the buyback of shares as it meant using cash that could be invested. He then went on to enquire whether Barramundi voted at the ASM's of portfolio companies. Carmel Fisher responded that it was Fisher Fund's policy to vote on all shares. The Manager was transparent and active in voting and advised the management and the Board of portfolio companies on which way they would vote.

A shareholder thanked the Board and Manager for their interesting presentations. He continued by enquiring how information flow could be improved to shareholders. He suggested it would help to include the earnings growth and P/E ratio on the individual companies in the Annual Report. He then suggested that since the Company's performance had not been stellar, the Board members may consider taking part of their fees in shares which would ensure they have an interest as well. The Chairman's response to the first query was that it was difficult to capture meaningful financial information on the portfolio companies in time for the annual report publication as these companies had the same 30 June balance date as Barramundi. On the second point raised by the shareholder, the Chairman informed the meeting that the Board would give consideration to the matter. Ms Fisher added that all Board members were share and warrant holders of Barramundi as well as Kingfish and Marlin and therefore had demonstrated their commitment to the Company. Ms Fisher continued that shareholders should contact the Barramundi office if they required information on investee companies. The Manager was happy to share information they held.

A query was raised on the 25% weighting of Arrow Energy within the portfolio, whether it was a developing company and what risk factors it faced. Mr Jasper responded that the weighting of Arrow had grown large due to the share price increasing and that the Manager had responded to this by reducing the holding. The company is in a good position to grow profits going forward. As for Arrow's risk factors – these were minor as it had long term contracts with customers.

ELECTION OF DIRECTORS

The Chairman vacated the Chair and Ian Hendry advised that under the constitution, one third of the independent directors must retire by rotation. Rob Challinor retired by rotation and, being eligible, offered himself for re-election.

Rob Challinor addressed the meeting.

It was moved and seconded, "THAT Rob Challinor be re-elected as a director of Barramundi Limited"

Ian Hendry declared the motion unanimously carried by a show of hands.

APPOINTMENT AND RENUMERATION OF AUDITOR

The Chairman advised that PricewaterhouseCoopers are automatically re-appointed auditor of the company for the year ending 30 June 2009, but a resolution was required in respect of their remuneration.

It was moved and seconded "THAT the auditor's remuneration is left in the hands of the directors".

The Chairman declared the motion unanimously carried by a show of hands.

GENERAL BUSINESS

The Chairman invited members to raise matters of a general nature. Discussion followed relative to a number of matters including:

A shareholder asked why the auditors signed the Audit Report as "PricewaterhouseCoopers" and not individual signatures of the person approving the report. Bruce Baillie, the audit partner for Barramundi, responded that this was a legal requirement.

The final query raised by a shareholder was what the Manager was doing about closing the discount. The Chairman responded that first, market confidence needs to be restored. Secondly, the Board will continue with capital management strategies. The shareholder further queried how the discount compares with other LIC's in NZ and Australia. Ms Fisher responded that NZ companies had similar or greater discount levels. At present there is a complete disconnect between the NAV and share price.

CLOSURE

The Chairman concluded the presentation with the following remarks:

- The investment climate was unprecedented
- The Manager believed the portfolio of investments to be fundamentally sound
- Barramundi remained a long term investor

The Chairman thanked attendees and invited those present to join the Directors for light refreshments. The meeting was declared closed at 12.05pm.

CONFIRMED by Board resolution, 4 November 2008:

Chairman