

On a farm in New Zealand three young boys, brothers Angus (Eli Kent) and Henry (Nick Fenton) Oldfield and Tucker (Sam Clarke) are rounding up sheep. Angus, who wears a leg brace and walks with a limp, kills Henry's pet sheep Dudley and terrifies him by dressing up in the dead sheep's carcass. This torture is interrupted by the housekeeper, Mrs Mac (Glenis Levestam), telling them that their father has died in an accident.

Many years later an adult Henry (Nathan Meister) takes a taxi to the farm. His traumatic experience has left him with a terrible fear of sheep.

Meanwhile two animal rights activists, Grant (Oliver Driver) and a young woman called Experience (Danielle Mason), sneak into the farm to take photos of a research laboratory. Grant impulsively steals a container of waste and runs off. Grant trips and breaks the container. A small but feisty sheep foetus emerges and bites him, then crawls off and bites an adult sheep.

Angus (Peter Feeney), now a gentleman farmer, rehearses for the presentation of his new sheep breed, The Oldfield. He meets Henry, and gives him a cheque for two million dollars to buy him out of his farm. Henry is about to leave but Mrs. Mac insists he take a run up to the top of the farm with Tucker (Tammy Davis), to help him get closure over his father's death.

Henry and Tucker drive up the hill but their way is blocked by a sheep with a bite on its nose. They get out to deal with the sheep. Experience sneaks up and grabs the rifle from the truck, demanding to know where Grant is. Meanwhile in the woods vegetarian Grant has developed a sudden appetite for meat and rips the throat out of a fluffy grey bunny.

A farm worker is cooking up a feed in his shed and reading "A History of New Zealand", but is interrupted by a noise outside. When he goes out to investigate he is killed (offscreen).

Tucker easily disarms Experience. He and Henry give her a ride in the truck. They see smoke coming from the farm worker's shed. Going to investigate they are confronted by a killer sheep. They lock the door but the sheep tries to break in. Henry's sheep phobia kicks in big-time. Experience tells them the sheep have been affected by Angus' genetic engineering program. The sheep headbutts through the wooden door and Tucker kills it with a couple of head-shots from his rifle.

Henry, Tucker and Experience try to escape in the truck, but a sheep jumps into the cab and attacks Tucker, biting through his gumboot. He jumps into the back of the truck, leaving the sheep at the wheel. The trio jump off the back as the truck goes over the cliff and ends up shattered on a beach below. It is revealed that this is where Henry's father fell to his death. They decide to make a run for the car back at the farmhouse, but have a long way to travel.

At the research lab the killer sheep attacks and kills the lab assistants. Grant, obviously suffering from the sheep-foetus bite, is wandering the hills, and encounters Angus who is driving up to the research lab. A confrontation over Angus' animal research ends with Grant biting Angus on the hand and running off.

As Henry, Experience and Tucker walk down the hill Tucker takes off his gumboot and discovers that his sheep-bitten foot has turned into a sheep's hoof. A large pack of sheep attacks them and they take shelter in the research lab. Inside the lab they find an opened-up sheep, still alive, suspended from the ceiling. They are confronted

by the head scientist Dr. Rush (Tandi Wright), her assistant, and Angus. Tucker holds Angus at gunpoint but Dr Rush blindsides him by injecting him with a paralysing drug.

Henry and Experience run out of the building and try to escape the herd of killer sheep by entering a fenced-off area around an offal pit. Angus follows them and expresses his scorn at Henry's fear of sheep. The sheep do not attack Angus. A sheep startles Henry and he falls into the offal pit, dragging Experience with him. Fortunately she has an aromatherapy candle with her for light, and they make their way through a system of caves that leads back to the woolshed.

Back at the lab Angus talks soothingly to his prize sheep. Grant's bite on his hand looks rather infected. Angus' assistants have been torn apart and are being eaten by the killer sheep. Inside the lab Dr. Rush sees Tucker's sheep-foot and enthuses about the spontaneous cellular transference. Angus tells her to stay in the lab while he presents his new sheep to the public. Dr. Rush resentfully implies that Angus' interest in the sheep has been rather personal.

Down in the caves a killer sheep is heard chasing Henry and Experience down the tunnel. Henry uses Experience's own chakra meditation techniques to calm her down. They manage to climb out of the cave, with a sheep biting at Henry's foot. They set fire to the sheep with the candle. It burns rather well.

Down at the farmhouse Angus is trying to keep it together but is emitting spontaneous Baas.

Henry and Experience emerge from the cave near the woolshed. They hear someone shearing inside. It turns out to be Grant who has transformed into a seven foot tall Weresh sheep and is trying to shear himself. The weresh sheep is remarkably strong, flinging Henry across the room with one blow. Henry tries to cut its throat with a shearing comb but fails. They flee using the woolshed gates to slow the weresh sheep down. Experience scolds weresh sheep-Grant for eating meat ("Was it even organic?") and he looks guilty for a moment but resumes his attack.

In the lab Dr. Rush plans to use the amniotic fluid from an artificial sheep-womb as a vaccine to transform Tucker's sheep-foot back into human form. Before she has a chance to inject him he starts to undergo a violent transformation into a were-sheep. The vaccine restores him almost instantly to human form. Dr. Rush takes off to give Angus a shot of the vaccine, leaving Tucker tied to a bench. Outside the lab Dr. Rush is attacked by sheep, flees through the trees but is caught and killed by one.

Angus is presenting his new sheep breed to an audience of international investors, but he is losing his composure as the sheep genes take over. When he uncovers "The Oldfield" sheep, it calls out to all the other sheep on the farm. A rumbling is heard as masses of sheep head straight for the gathering. The sheep start ripping out the throats, lips, and guts of the crowd. They leave Angus alone though and he realises that his bitten hand has turned into a hoof.

Mrs Mac turns up in her Morris 1300 and rescues Henry and Experience. They go into the house to try to phone for help but Weresh sheep-Grant find them and attacks. They distract him with Mrs Mac's haggis while Henry fetches a shotgun, but the weresh sheep overpowers him. Hippie girl paralyses the weresh sheep with a needle in an acupuncture point.

Night falls and the sheep surround the house.

Henry finds Angus upstairs, who appears to have been having sex with his favorite sheep. Henry says "that's a pretty f\*\*ked up idea of animal husbandry". Angus reveals that the sheep were genetically engineered using the Oldfield family DNA.

The sheep break into the house. Henry takes his father's Golden Shears Award statuette and exits. Outside everyone bitten by the sheep is turning into a weresheep.

Angus walks unharmed through the sheep to the barn to escape on his plane. Henry realises he has been bitten by Grant. Henry says goodbye to Experience with a kiss. He dresses up in a sheepskin and crawls through the mob, but an amorous sheep blows his cover. However the sheep do not attack him, because he has been infected.

Mrs Mac and Experience escape in the car with Experience blowing away a few weresheep with headshots from the shotgun.

Angus, intending to escape in his biplane, starts the plane's engine but then begins the weresheep transformation before he can board. Henry finds him in his transformed state. Angus attacks him. Henry stabs him with the Golden Shears. It appears Angus is dying, but then he transforms into a full weresheep and resumes his attack. Meanwhile the biplane has started moving around the field. Henry discovers that weresheep can be controlled by a sheepdog, and holds Angus in position so that the biplane's propeller can slice and dice him. This does not quite kill Angus, but then Tucker shows up with the sheep amniotic fluid vaccine in a drenching gun and cures both Henry and Angus.

They use sheepdogs to round up the killer sheep and weresheep, but they do not have enough amniotic drench to deal with them all. Angus, now in maimed human form, offers himself up to the assembled sheep, who tear him apart. The sheep are farting copiously and Henry realises the inflammable methane can be used to blow up the entire mob of sheep, and throws a lighter at them. Big sheepy explosion.

Epilogue: Henry and Tucker drench the final weresheep. It turns out to be Grant, who is mortified that he's eaten a rabbit. Mrs Mac turns up with a snack of mountain oysters (sheep's testicles). Experience eats one thinking it to be seafood and much hilarity ensues. Up on the hillside a sheepdog, surveying the scene, suddenly lets out a "baaa". Credits.