

NOTICE OF ANNUAL GENERAL MEETING

The 2008 Annual General Meeting (AGM) for Caltex Australia Limited will be held at **10.00 am on Thursday 24 April 2008** at the Wesley Conference Centre, 220 Pitt Street Sydney, New South Wales, Australia.

Business of the AGM

1. Incident-free Operations Topic

The Chairman will present an incident-free operations topic to the AGM.

2. Addresses

The Chairman and the Managing Director and Chief Executive Officer will make presentations to shareholders.

3. Key Shareholder Issues

The Chairman will discuss key issues raised by shareholders prior to the AGM and, during the discussion, will invite questions from shareholders regarding these key issues.

4. Financial Reports

The financial report, the directors' report and the auditor's report for Caltex Australia Limited (and the Caltex Australia Group) for the year ended 31 December 2007 will be laid before the meeting.

5. Remuneration Report

Shareholders will be asked to consider and, if thought fit, pass an ordinary resolution adopting the remuneration report (which forms part of the directors' report) for the year ended 31 December 2007. The Chairman will invite questions from shareholders on this resolution.

Note: The vote on this resolution is advisory only and does not bind the directors or Caltex Australia Limited.

6. Board Remuneration Pool for Non-executive Directors

Shareholders will be asked to consider and, if thought fit, pass an ordinary resolution to approve an increase of \$200,000 in the total remuneration pool available for Board fees paid to non-executive directors of Caltex Australia

Limited from \$1,400,000 (inclusive of statutory entitlements) to \$1,600,000 (inclusive of statutory entitlements) with effect from 1 January 2008.

The Chairman will invite questions from shareholders on this resolution.

Voting Exclusion Statement

Caltex Australia Limited will disregard any votes cast on this resolution by:

- a director*; and
- an associate of a director.

However, Caltex Australia Limited will not disregard a vote if:

- it is cast by a director* (including the Chairman of the meeting) or an associate of a director* as a proxy for a shareholder who/that is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the Chairman of the meeting as a proxy for a shareholder who/that is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

* The reference to a director in the voting exclusion statement includes directors who are up for election at the AGM.

7. Election of Greig Gailey

Shareholders will be asked to consider and, if thought fit, pass an ordinary resolution to elect Mr Gailey as a director of Caltex Australia Limited in accordance with, and on the terms set out in, the company's Constitution.

Mr Gailey will address shareholders before the resolution for his election as a director is put to the meeting and the Chairman will invite questions from shareholders in relation to Mr Gailey's election.

8. Forum for Shareholder Questions and Comments

The Chairman will open the AGM to shareholders to ask questions and make comments on the management of Caltex Australia and to ask questions of KPMG, Caltex Australia Limited's external auditor, in relation to:

- the conduct of the audit;
- the preparation and content of the auditor's report;
- the accounting policies adopted by Caltex Australia Limited in relation to the preparation of its financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

By order of the Board of Caltex Australia Limited

Helen Conway
Company Secretary

3 March 2008

Important Notes

Voting

Individual shareholders may vote in person or by proxy. A corporate shareholder may vote by proxy or through an individual who has been appointed as the company's body corporate representative.

The Board has determined that, for the purposes of the meeting, shares in Caltex Australia Limited are deemed to be held by those shareholders who held shares at **7.00 pm (Sydney time) on Tuesday 22 April 2008** (and in the same proportions), as recorded in the company's share register.

Proxies

A shareholder entitled to attend and vote at the AGM may appoint a proxy to attend and vote for the shareholder at the meeting.

Shareholders should note that:

- all shareholders have the right to appoint a proxy;
- a proxy does not have to be a shareholder of Caltex Australia Limited;
- a proxy may be an individual or a body corporate; and
- shareholders with two or more shares may appoint **up to two** proxies and may specify the proportion or number of votes that each proxy is appointed to exercise.

A proxy form, as approved by the Board, has been included in the material mailed to you for the AGM.

If you are appointing a body corporate as a proxy, you or that body corporate will need to provide satisfactory evidence of the appointment of the representative for that body corporate. Please refer to the section entitled "Body Corporate Representatives" below.

If you are appointing a **second** proxy:

- you will need to complete a second proxy form; and
- if the appointments do not specify the proportion or number of votes that each proxy may exercise, each proxy may exercise half of your votes (with fractions of votes to be disregarded).

Lodging Your Proxy Form

If you wish to appoint a proxy, you should:

- complete a proxy form;
- sign and date the proxy form; and
- return the proxy form to Caltex Australia Limited.

Please note that a proxy appointment is only effective if your proxy form has been received by Caltex Australia Limited by no later than **10.00 am (Sydney time) on Tuesday 22 April 2008**.

Your proxy form can be returned in the reply paid envelope (which is included in the AGM material) or sent:

by mail or delivery to:

Caltex Australia Limited
C/- Computershare Investor Services
Pty Limited, Level 2, 60 Carrington Street,
Sydney NSW 2000, Australia

or

The Company Secretary,
Caltex Australia Limited,
Level 24, 2 Market Street,
Sydney NSW 2000, Australia

by facsimile to:

(03) 9473 2118 or
(02) 9250 5018 (within Australia)

or

61 3 9473 2118 or
61 2 9250 5018 (outside Australia)

If your proxy form has been signed under power of attorney or other authority, the original or a certified copy of the power of attorney or authority must also be provided by no later than **10.00 am (Sydney time) on Tuesday 22 April 2008**, unless you have previously lodged one of these documents with the share registry (Computershare).

Body Corporate Representatives

Satisfactory evidence of the appointment of a body corporate representative will need to be provided where:

- a corporate shareholder has appointed a body corporate representative to attend and vote at the meeting; or
- a shareholder has appointed a body corporate as a proxy.

The original appointment, a certified copy of the appointment or a certificate from the company giving notice of the appointment will constitute satisfactory evidence.

The document evidencing the appointment of a body corporate representative can be sent in the reply paid envelope (which is included in the AGM material) or lodged in the same way as your proxy form. Details for lodging your proxy form are given above.

Please note that a document evidencing the appointment of a body corporate representative may also be presented at the registration desk at the AGM.

Explanatory Statement

1. Incident-free Operations Topic

All meetings at Caltex Australia with five or more people commence with an incident-free operations topic. Ms Elizabeth Bryan (Chairman) will present an incident-free operations topic to the AGM.

2. Addresses

Ms Bryan (Chairman) and Mr Desmond King (Managing Director and Chief Executive Officer) will make presentations to shareholders.

3. Key Shareholder Issues

Ms Bryan (Chairman) will discuss key issues raised by shareholders prior to the AGM. During the discussion, Ms Bryan will invite questions from shareholders regarding these key issues.

If you have an issue or question that you would like to raise for discussion by Ms Bryan at the AGM, please send your issue or question to Caltex by **5.00 pm (Sydney time) on Thursday 17 April 2008** in the reply paid envelope (which is included in the AGM material) or:

by mail or delivery to:

Caltex Australia Limited
C/- Computershare Investor Services
Pty Limited, Level 2, 60 Carrington Street,
Sydney NSW 2000, Australia

or

The Company Secretary,
Caltex Australia Limited,
Level 24, 2 Market Street,
Sydney NSW 2000, Australia

by facsimile to:

(03) 9473 2118 or
(02) 9250 5018 (within Australia)

or

61 3 9473 2118 or
61 2 9250 5018 (outside Australia)

by email to:

secretariat@caltex.com.au

Caltex Australia will prepare a list of issues and questions submitted and this list will be made available to shareholders attending the AGM.

Please note that shareholders attending the AGM will also be able to raise other issues under Item 8-Forum for Shareholder Questions and Comments at the AGM.

4. Financial Reports

Under the *Corporations Act 2001 (Cth)*, the directors of Caltex Australia Limited must lay the financial report, the directors' report and the auditor's report for Caltex Australia Limited (and the Caltex Australia Group) for the year ended 31 December 2007 before the AGM.

5. Remuneration Report

Under the *Corporations Act 2001 (Cth)*, Caltex Australia Limited is required to include, in the directors' report, a detailed remuneration report setting out prescribed information relating to directors' and executives' remuneration. The remuneration report is required to be submitted for adoption by resolution of shareholders at the AGM.

The remuneration report for the year ended 31 December 2007 is set out in the directors' report on pages 44 to 65 of the 2007 Annual Report. The Annual Report is included with this Notice of Annual General Meeting or available on the Caltex Australia web site, www.caltex.com.au

The vote on this resolution is advisory only and does not bind the directors or Caltex Australia Limited.

Board Recommendation

The Board recommends that shareholders vote in favour of this resolution.

6. Board Remuneration Pool for Non-executive Directors

The Board seeks approval for an increase of \$200,000 in the total annual remuneration pool for non-executive directors to \$1,600,000 (inclusive of statutory entitlements) with effect from 1 January 2008. In accordance with ASX Listing Rules and Caltex Australia Limited's Constitution, a proposed increase in the total remuneration pool for non-executive directors requires shareholder approval.

Fees paid to non-executive directors are currently subject to a maximum pool of \$1,400,000 (inclusive of statutory entitlements) approved by shareholders at the AGM held in April 2006.

In accordance with Caltex Australia Limited's Constitution, the allocation of fees to non-executive directors within the total remuneration pool is a matter for the Board. Accordingly, the Board reviews the fees paid to non-executive directors on an annual basis. When the fees were last reviewed in December 2007, it was decided to alter the composition of the OHS & Environmental Risk Committee and, given the responsibilities of the Committee, to commence paying fees to its members. Approval of an increase in the remuneration pool for non-executive directors will enable fees to be paid at the proposed rates for the entire year. The proposed annual rates are as follows:

	01/01/2008 onwards
Chairman's fee (inclusive of all committee fees)	\$378,500
Non-executive directors' fees	\$137,000
Audit Committee fees	
• Chairman	\$30,000
• Member	\$15,000
Human Resources Committee fees	
• Chairman	\$20,000
• Member	\$10,000

OHS & Environmental Risk Committee fees

- Chairman \$20,000
- Member \$10,000

In 2008, part of the remuneration pool will be exhausted by paying additional amounts arising from the appointment of a new Chairman and a new non-executive director in late 2007. In order to ensure a smooth transition, Mr Warburton, the previous Chairman, agreed to remain on the Board for a short period. He is being paid at the same rate as the current Chairman until his retirement at the conclusion of this AGM and, until that time, the Board will also consist of an additional non-executive director. The Board believes this additional expenditure was appropriate in the interests of Board continuity and succession.

Fees for non-executive directors are set at a level appropriate to attract and retain directors with the necessary skills and experience to allow the Board to have a proper understanding of, and competence to deal with, current and emerging issues for Caltex's business and to effectively review and challenge the performance of management. In setting fees, the Board has regard to such factors as external data on fees and the size and scale of Caltex's operations.

It is not the intention of the Board to utilise all of the increase in the remuneration pool immediately. It is envisaged that the increase in the remuneration pool will be used to take account of increases in current levels of remuneration over the next few years and to provide the Board with the flexibility to manage any future changes in the Board's membership and composition.

Board Recommendation

The Board does not make any recommendation in respect of this resolution, given the interest of the non-executive directors in the resolution. The Chairman intends to vote undirected proxies in favour of this resolution.

7. Election of Greig Gailey

In accordance with the ASX Listing Rules and Caltex Australia Limited's Constitution, any non-executive director who is appointed to the Board as a casual vacancy or as an addition to the Board during a year holds office until the end of the next AGM. The director is eligible for election by shareholders at that meeting.

On 11 December 2007, Mr Gailey was appointed to the Board as an addition to the Board. In accordance with the ASX Listing Rules and Caltex Australia Limited's Constitution, Mr Gailey holds office until the end of the AGM.

Mr Gailey has offered himself for election by shareholders at the AGM and will address shareholders before the resolution for his election as a director is put to the meeting.

Director Profile

Greig Gailey

Director (Non-executive)

Bachelor of Economics - Economics and Politics (University of Queensland)

Mr Gailey brings to the Board extensive Australian and international oil industry experience and broad management expertise acquired in industrial and capital intensive industries.

From 1964 to 1998, Mr Gailey worked at the British Petroleum Company, where he held various positions throughout Australia and offshore including management of refining, supply and distribution in Australia and Europe.

Mr Gailey was subsequently appointed Chief Executive Officer of Fletcher Challenge Energy, New Zealand, a position he held from 1998 to 2001. In August 2001, Mr Gailey joined Pasmenco Limited as Chief Executive Officer. Pasmenco Limited was subsequently transformed and relisted

as Zinifex Limited on the Australian Stock Exchange in April 2004. Mr Gailey became Chief Executive Officer and Managing Director of Zinifex Limited from that date until standing down in June 2007.

Mr Gailey is currently the president of the Business Council of Australia.

Board Recommendation

The Board supports the election of Mr Gailey as a director and the other directors intend to vote in favour of Mr Gailey's election at the AGM.

8. Forum for Shareholder Questions and Comments

At the conclusion of the formal business of the AGM, Ms Bryan (Chairman) will open the meeting to shareholder questions and comments.

Shareholders may also ask questions of KPMG, Caltex Australia Limited's external auditor, about:

- the conduct of its external audit (of Caltex Australia Limited's financial statements for the year ended 31 December 2007);
- the preparation and content of its audit report;
- the accounting practices adopted by Caltex Australia Limited in relation to the preparation of the financial statements of Caltex Australia Limited; and
- the independence of KPMG in relation to the audit of the financial statements of Caltex Australia Limited.

If you would like to submit a written question to KPMG in relation to its conduct of the external audit of Caltex Australia Limited's financial statements for the year ended 31 December 2007 or the content of its audit report, please send your question to Caltex Australia in the reply paid envelope (which is included in the AGM material) or:

by mail or delivery to:

Caltex Australia Limited
C/- Computershare Investor Services
Pty Limited, Level 2, 60 Carrington Street,
Sydney NSW 2000, Australia

or

The Company Secretary,
Caltex Australia Limited,
Level 24, 2 Market Street,
Sydney NSW 2000, Australia

by facsimile to:

(03) 9473 2118 or
(02) 9250 5018 (within Australia)

or

61 3 9473 2118 or
61 2 9250 5018 (outside Australia)

by email to:

secretariat@caltex.com.au

Written questions to the auditor must be received by no later than **5.00 pm (Sydney time) on Thursday 17 April 2008**. A list of the written questions submitted and relevant to the above two matters will be prepared and the list made available to shareholders attending the AGM.

KPMG may answer submitted relevant questions at the AGM or may table a written answer to those questions at the AGM. Any written answers tabled will be made available to the shareholders as soon as practicable after the AGM.