

# NOTICE OF ANNUAL GENERAL MEETING

CALTEX AUSTRALIA LIMITED  
ACN 004 201 307

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The 2010 Annual General Meeting (AGM) for Caltex Australia Limited (Caltex) will be held at 10.00am on Thursday, 22 April 2010 at the Wesley Conference Centre, 220 Pitt Street, Sydney, New South Wales, Australia.

## BUSINESS OF THE AGM

### 1. OPERATIONAL EXCELLENCE MOMENT

The Chairman will present an operational excellence moment to the meeting.

### 2. ADDRESSES

The Chairman and the Managing Director & CEO will make presentations to shareholders.

### 3. SHAREHOLDER ISSUES

The Chairman will discuss key issues raised by shareholders prior to the meeting and will invite questions and comments from shareholders on these key issues and any other matters that shareholders would like to raise at the meeting.

### 4. FINANCIAL REPORTS

The financial report, the directors' report and the auditor's report for Caltex (and the Caltex Australia Group) for the year ended 31 December 2009 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 Caltex (and the Caltex Australia Group) for the year ended 31 December 2009.

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

### 6. BOARD REMUNERATION POOL

Shareholders will be asked to consider and, if thought fit, pass an ordinary resolution to approve an increase of \$400,000 in the total remuneration pool available for Board fees paid to non-executive directors of Caltex from \$1,600,000 to \$2,000,000 (inclusive of statutory entitlements) with effect from 1 May 2010.

#### Voting exclusion statement

Caltex will disregard any votes cast on this resolution by a director or by an associate of a director.

However, Caltex 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 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 entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Note: A reference to a director in the voting exclusion statement includes all Caltex directors, including directors who are standing for re-election or election at the AGM.

### 7. ELECTION OF DIRECTORS

Shareholders will be asked to consider and, if thought fit, pass ordinary resolutions to:

- (a) re-elect Mr Brant Fish as a director
- (b) re-elect Mr John Thorn as a director, and
- (c) elect Mr Robert Otteson as a director,

in accordance with, and on the terms set out in, the company's Constitution.

Note: Each re-election or election will be open for discussion as a separate item of business and voted on as a separate ordinary resolution.

By order of the Board of Caltex Australia Limited

Helen Conway  
Company Secretary

22 March 2010

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## IMPORTANT NOTES

### 2010 ANNUAL GENERAL MEETING (AGM) FOR CALTEX AUSTRALIA LIMITED (CALTEX)

#### Voting

Individual shareholders may vote in person or by proxy. A corporate shareholder may vote by proxy or through a body corporate representative.

If your shares are held jointly, please note that the holder appearing first in the share register is entitled to attend and vote the shares to the exclusion of the other holder(s).

The Board has determined that, for the purposes of the meeting, Caltex shares will be deemed to be held by those shareholders who held shares at 7.00pm (Sydney time) on Tuesday, 20 April 2010, as recorded in the company's share register (Computershare).

#### Proxies

A shareholder entitled to attend and vote at the meeting may appoint a proxy to attend and vote in their place.

Shareholders should note that:

- all shareholders have the right to appoint a proxy
- a proxy does not have to be a Caltex shareholder
- 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, is included with this notice of meeting.

If you are appointing a body corporate as a proxy, then, in addition to lodging your proxy form, you or that body corporate will need to provide satisfactory evidence of the appointment of a representative of the body corporate to exercise the proxy at the meeting. Please refer to the section titled "Body corporate representatives" for further information.

If you are appointing a second proxy, you will need to complete a second proxy form. Please contact the share registry (Computershare) for an additional proxy form. If the two 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).

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.

Please note that a proxy form for the AGM must be received by no later than 10.00am (Sydney time) on Tuesday, 20 April 2010.

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 received by no later than 10.00am (Sydney time) on Tuesday, 20 April 2010, unless you have previously lodged the original or a certified copy with the share registry (Computershare).

If you have appointed a proxy for the AGM and you later decide to attend the meeting, please note that your attendance at the meeting will result in the proxy's authority to speak and vote for you being suspended while you are present at the meeting.

#### Body corporate representatives

A corporate shareholder entitled to attend and vote at the meeting may appoint a body corporate representative to attend and vote for the shareholder. Also, as noted previously, a body corporate may be appointed as a proxy.

Caltex will accept the original appointment, a certified copy of the appointment or a certificate from the company giving notice of the appointment as satisfactory evidence of the appointment.

You can lodge your body corporate representative appointment document before the AGM (in which case, the document should be received by 10.00am (Sydney time) on Tuesday, 20 April 2010) or present the document at the registration desk at the meeting.

#### Where to send proxy forms and appointment of body corporate representative documents (and related documents)

You can send your proxy form or appointment of body corporate representative document (and any related appointment documents or authorities) to Caltex:

- in the reply paid envelope (which is included in the AGM material)
- by mail to:  
Caltex Australia Limited  
c/- Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001 Australia
- by delivery to:  
Caltex Australia Limited  
c/- Computershare Investor Services Pty Limited  
Level 4, 60 Carrington Street  
Sydney NSW 2000 Australia
- by mail or delivery to:  
The Company Secretary  
Caltex Australia Limited  
Level 24, 2 Market Street  
Sydney NSW 2000 Australia
- by facsimile to:  
within Australia: 1800 783 447 or (02) 9250 5018  
outside Australia: +61 3 9473 2555 or +61 2 9250 5018

Please note that a proxy form for the AGM (and any related appointment documents or authorities for a proxy) must be received by no later than 10.00am (Sydney time) on Tuesday, 20 April 2010.

# EXPLANATORY STATEMENT

The 2010 Annual General Meeting (AGM) for Caltex Australia Limited (Caltex) will be held at 10.00am on Thursday, 22 April 2010 at the Wesley Conference Centre, 220 Pitt Street, Sydney, New South Wales, Australia.

Shareholders unable to attend the AGM will be able to watch and listen to the business of the meeting via a webcast. Viewing the webcast does not count as attendance at the AGM and you will not be able to submit a vote or ask questions via the webcast. For further information about the webcast, please visit the Caltex website ([www.caltex.com.au](http://www.caltex.com.au)).

## 1. OPERATIONAL EXCELLENCE MOMENT

Ms Elizabeth Bryan (Chairman) will present an operational excellence moment to the meeting.

## 2. ADDRESSES

Ms Bryan (Chairman) and Mr Julian Segal (Managing Director & CEO) will make presentations to shareholders.

## 3. SHAREHOLDER ISSUES

Ms Bryan (Chairman) will discuss key issues raised by shareholders prior to the meeting and will invite questions and comments from shareholders on these key issues and any other matters that shareholders would like to raise at the meeting.

Shareholders will also be able to ask questions of KPMG, Caltex's external auditor.

If you have an issue or question that you would like discussed at the meeting, or you would like to submit a written question to KPMG before the meeting, please send your issue or question to Caltex:

- in the reply paid envelope (which is included in the AGM material)
- by mail to:  
Caltex Australia Limited  
c/- Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001 Australia
- by delivery to:  
Caltex Australia Limited  
c/- Computershare Investor Services Pty Limited  
Level 4, 60 Carrington Street  
Sydney NSW 2000 Australia
- by mail or delivery to:  
The Company Secretary  
Caltex Australia Limited  
Level 24, 2 Market Street  
Sydney NSW 2000 Australia
- by facsimile to:  
within Australia: 1800 783 447 or (02) 9250 5018  
outside Australia: +61 3 9473 2555 or +61 2 9250 5018
- by email to:  
[secretariat@caltex.com.au](mailto:secretariat@caltex.com.au)

Written shareholder issues and questions submitted before the AGM must be received by 5.00pm (Sydney time) on Thursday, 15 April 2010.

## Issues and questions for Caltex

A document summarising issues and questions raised by shareholders before the AGM and Caltex's responses, including Ms Bryan's responses to key issues, will be available at the meeting. This document will be lodged with the Australian Securities Exchange (ASX) on the morning of the meeting and made available from the Caltex website ([www.caltex.com.au](http://www.caltex.com.au)).

## Questions for KPMG

A list of written questions received for KPMG, as Caltex's external auditor, will be available at the meeting. KPMG may answer a question submitted in writing before the AGM by addressing the question at the meeting or by tabling a written response at the meeting. Any answers tabled at the meeting will be lodged with the ASX as soon as possible after the meeting and made available from the Caltex website ([www.caltex.com.au](http://www.caltex.com.au)).

## 4. FINANCIAL REPORTS

Under the *Corporations Act*, the directors of Caltex must lay the financial report, the directors' report and the auditor's report for Caltex (and the Caltex Australia Group) for the year ended 31 December 2009 before the meeting.

These reports are set out in the *2009 Annual Report*. Shareholders who have elected to receive a printed copy of annual reports have been sent the *2009 Annual Report* with this notice of meeting. The *2009 Annual Report* is available from the Caltex website ([www.caltex.com.au](http://www.caltex.com.au)).

Ms Bryan (Chairman) will open the meeting to questions and comments on the financial report, the directors' report and the auditor's report.

## 5. REMUNERATION REPORT

Under the *Corporations Act*, Caltex is required to include, in the directors' report, a detailed remuneration report including prescribed information in relation to the remuneration of directors and executives of Caltex (and the Caltex Australia Group) and Caltex's remuneration practices.

The remuneration report for the year ended 31 December 2009 is incorporated in the *2009 Annual Report* (as part of the directors' report). As noted previously, the *2009 Annual Report* has been sent with this notice of meeting (to shareholders who have elected to receive a printed copy) and is available from the Caltex website ([www.caltex.com.au](http://www.caltex.com.au)).

Ms Bryan (Chairman) will open the meeting to questions and comments on the remuneration report.

The remuneration report is required to be submitted for adoption by a resolution of shareholders at the meeting. The vote on this resolution is advisory only and does not bind the directors or Caltex.

## Board recommendation

The Board recommends the adoption of the remuneration report by shareholders. The Chairman of the meeting intends to vote open proxies in favour of this resolution.

## 6. BOARD REMUNERATION POOL

The Board seeks approval for an increase of \$400,000 in the total annual remuneration pool for non-executive directors to \$2,000,000 (inclusive of statutory entitlements) with effect from 1 May 2010. Fees paid to non-executive directors are currently subject to a maximum pool of \$1,600,000 (inclusive of statutory entitlements), which was approved by shareholders at the annual general meeting held on 24 April 2008.

In accordance with the ASX Listing Rules and Caltex's Constitution, a proposed increase in the total remuneration pool for non-executive directors requires shareholder approval.

Fees for non-executive directors are set at a level 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. The Board also seeks to attract directors with different skills, experience and abilities that allow it to oversee and challenge the performance of management. Additionally, when setting fee rates, the Board takes into account factors such as external market data on fees and the size and complexity of Caltex's operations.

In 2009, Caltex engaged the Godfrey Remuneration Group Pty Ltd (Godfrey), an independent specialist on non-executive director remuneration, to carry out a review of Board and committee fees and the Board remuneration pool for non-executive directors. In its report, Godfrey outlined the results of benchmarking Caltex's remuneration practices for non-executive directors to two comparator groups of companies listed on the ASX. The report recommended an increase in the total remuneration pool to \$2 million.

The report was considered by the Human Resources Committee and then by the Board in December 2009, when the following new fee rates for 2010 were approved (with comparative rates for 2008 and 2009 set out for reference):

	2010*	2008 and 2009*
<b>Board</b>		
Chairman (inclusive of committee fees)	\$397,500	\$378,500
Non-executive directors	\$144,000	\$137,000
<b>Audit Committee</b>		
Chairman	\$35,000	\$30,000
Member	\$17,500	\$15,000
<b>Human Resources Committee</b>		
Chairman	\$30,000	\$20,000
Member	\$15,000	\$10,000
<b>Nomination Committee</b>		
Chairman	–	–
Member	–	–
<b>OHS &amp; Environmental Risk Committee</b>		
Chairman	\$25,000	\$20,000
Member	\$12,500	\$10,000

\* Note: Superannuation (at 9%) is paid as an additional amount and is included in the total remuneration pool approved by shareholders.

In setting the new fee rates, the Human Resources Committee and the Board took into account the increased workload and demands placed on the Caltex non-executive directors in recent years and the Board's freeze on non-executive director remuneration for 2009 (with Board and committee fees in 2009 paid at the same rates as in 2008).

As noted previously, the current fee pool of \$1,600,000 was approved on 24 April 2008. In 2009, the Board increased the total number of directors to eight (seven of whom are non-executive directors) when it appointed Mr Robert Otteson, a Chevron executive, as an additional non-executive director. To maintain the level of industry experience on the Board, and in accordance with the Board's policy in relation to board composition, Mr Otteson was appointed after Mr Desmond King (the former Managing Director & CEO) left Caltex at the end of his secondment from Chevron. The fee pool did not include remuneration paid in relation to Mr King, as he was an executive director.

Based on the current fee rates and the Board's composition (with seven non-executive directors), the Board will utilise \$1,529,880 of the total fee pool (including superannuation) in 2010.

The Board does not propose any further increases in non-executive remuneration for 2010 and does not propose to further increase the number of directors. However, an increased remuneration pool will allow the Board to continue to retain and attract appropriately qualified directors and provide the Board with flexibility to manage any future changes in its membership and composition, as appropriate.

### Important note

Caltex will disregard any votes cast on this resolution by a director or by an associate of a director.

However, Caltex 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 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 entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

A reference to a director includes all Caltex directors, including directors who are standing for re-election or election at the AGM.

## 7. ELECTION OF DIRECTORS

Under the ASX Listing Rules and Caltex's Constitution, the company must hold an election of directors each year.

Directors are elected for a period of three years or three annual general meetings since last being elected (whichever is longer). Additionally, any non-executive director who has been appointed as a casual vacancy or as an addition to the Board during a year holds office until the end of the next annual general meeting.

The following directors will seek re-election or election at the AGM:

- Mr Brant Fish, who was last elected by shareholders at the annual general meeting on 24 April 2007
- Mr John Thorn, who was last elected by shareholders at the annual general meeting on 24 April 2007, and
- Mr Robert Otteson, who was appointed as an additional director with effect from 17 July 2009.

Mr Fish, Mr Thorn and Mr Otteson will each address the meeting before the vote on their re-election or election. Board profiles for each director are included in this notice of meeting.

Each re-election or election will be open for discussion as a separate item of business and voted on as a separate ordinary resolution.

### Board profiles

#### Mr Brant Fish

Director (Non-executive)

*Date of appointment:*  
27 July 2006

*Board committees:*  
Human Resources Committee and Nomination Committee

Brant brings significant downstream oil industry experience to Caltex, particularly in the areas of supply chain, refining and marketing. He currently serves as the Global Vice President of Joint Ventures & Affiliates for Chevron Global Manufacturing and as Chevron's Downstream Regional Leader for Asia Pacific. Brant is based in Singapore and has accountability for overall Chevron Downstream earnings in Asia Pacific – from refinery crude supply to a consumer or export sale. He was previously the General Manager of Supply Chain Optimization – Asia Pacific for Chevron U.S.A. Inc.

Brant holds a Bachelor of Science (Mechanical Engineering) from the University of Florida (US).

Brant previously served as an alternate director of Caltex Australia Limited (April 2005 to July 2006).

#### Mr John Thorn

Director (Non-executive/Independent)

*Date of appointment:*  
2 June 2004

*Board committees:*  
Audit Committee (Chairman), Human Resources Committee and Nomination Committee

John is a chartered accountant and brings expertise to the Board in accounting, financial and business advisory services and risk and general management. He has over 37 years of professional experience with PricewaterhouseCoopers, where he was a partner from 1982 to 2003, and was responsible for major international and local companies. During this period, he served as the Managing Partner of PricewaterhouseCoopers' Assurance and Business Advisory Service practice from 1998 to 2001. He was the National Managing Partner of PricewaterhouseCoopers until 2003.

John is a director of Amcor Limited (appointed December 2004), National Australia Bank Limited (appointed October 2003) and Salmat Limited (appointed September 2003).

John is a Fellow of the Institute of Chartered Accountants in Australia.

#### Mr Robert (Rob) Otteson

Director (Non-executive)

*Date of appointment:*  
17 July 2009

*Board committees:*  
Nomination Committee

Rob brings considerable oil industry and financial management experience to the Board. He is Chevron's Regional Finance Officer for the Asia Pacific Region and is responsible for financial and management reporting, credit approval, local cash management, local tax matters and risk management for Chevron operations in the region. Since joining Chevron in 1982, he has served in various finance roles before being appointed to his current role in June 2009. He is based in Singapore.

Rob is a licensed Certified Public Accountant (US) and holds a Bachelor of Arts (Accounting) from the University of Utah (US). He is a director of Chevron Lubricants Lanka PLC (in Sri Lanka).

### Board recommendations

The Board supports the re-election of Mr Fish and Mr Thorn and the election of Mr Otteson. The Chairman of the meeting intends to vote open proxies in favour of each resolution.

