

BY ELECTRONIC LODGEMENT

ASX ANNOUNCEMENT



CALTEX AUSTRALIA LIMITED
ACN 004 201 307

LEVEL 24, 2 MARKET STREET
SYDNEY NSW 2000 AUSTRALIA

3 April 2014

Company Announcements Office
Australian Securities Exchange

CALTEX AUSTRALIA LIMITED
APPENDIX 3B – ISSUE OF PERFORMANCE RIGHTS

Caltex Australia Limited proposes to issue performance rights for 2014 to certain senior executives under the Caltex Equity Incentive Plan.

Details of the Caltex Equity Incentive Plan are set out in the Remuneration Report in the 2013 Annual Report.

An Appendix 3B is attached under ASX Listing Rule 3.10.

A handwritten signature in black ink, appearing to be "Peter Lim", written in a cursive style.

Peter Lim
Company Secretary

Phone: (02) 9250 5562 / 0414 815 732

Attach.

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Caltex Australia Limited (Caltex)

ABN

40 004 201 307

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1 +Class of +securities issued or to be issued

Performance Rights
(under the Caltex Equity Incentive Plan)

2 Number of +securities issued or to be issued (if known) or maximum number which may be issued

676,620

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New issue announcement

- 3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)

The principal terms of the Performance Rights are:

- An entitlement to one fully paid ordinary Caltex share for each Performance Right that vests (or the payment of the Cash Value of a Caltex share).
- Vesting will occur on 1 April 2017, subject to the achievement of performance conditions and a service condition.
- The number of Performance Rights that will vest depends on the following performance conditions:
 - total shareholder return performance for Caltex relative to the companies in the ASX 100 Accumulation Index (60% weighting);
 - the delivery of the cumulative Free Cash Flow targets for the three year period ending on 31 December 2016 (20% weighting); and
 - the delivery of targets based on outcomes achieved through key strategic projects (20% weighting).
- The service condition is that the holder of the Performance Right is still employed by the Caltex Group on 1 April 2017.
- Any Performance Rights that do not vest on 1 April 2017 will lapse.
- All Performance Rights have a zero exercise price.
- On vesting, participants will be restricted from trading 25% of the vested rights for a further period of 4 years.

+ See chapter 19 for defined terms.

4	<p>Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>No.</p> <p>Prior to vesting, the Performance Rights do not carry a right to vote, receive dividends, or generally participate in other corporate actions. However, in certain circumstances, the Caltex Board may adjust the number of Performance Rights to which a person is entitled so that there is no dilution of the percentage of total equity in respect of which each holder's Performance Rights exist.</p> <p>Where the Performance Rights have vested and are to be satisfied as Shares, fully paid ordinary Caltex shares are acquired on market (with one fully paid ordinary share acquired for each Performance Right that has vested).</p>													
5	Issue price or consideration	Nil													
6	<p>Purpose of the issue</p> <p>(If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The Performance Rights are issued under the Caltex Equity Incentive Plan (an incentive plan applying to certain senior Caltex executives).</p>													
7	Dates of entering ⁺ securities into uncertificated holdings or despatch of certificates	7 April 2014													
8	Number and ⁺ class of all ⁺ securities quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>⁺Class</th> </tr> </thead> <tbody> <tr> <td>270,000,000</td> <td>Fully paid ordinary shares</td> </tr> <tr> <td>5,500,000</td> <td>Floating rate notes</td> </tr> </tbody> </table>	Number	⁺ Class	270,000,000	Fully paid ordinary shares	5,500,000	Floating rate notes	<table border="1"> <thead> <tr> <th>Number</th> <th>⁺Class</th> </tr> </thead> <tbody> <tr> <td>270,000,000</td> <td>Fully paid ordinary shares</td> </tr> <tr> <td>5,500,000</td> <td>Floating rate notes</td> </tr> </tbody> </table>	Number	⁺ Class	270,000,000	Fully paid ordinary shares	5,500,000	Floating rate notes
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⁺ See chapter 19 for defined terms.

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	Number	+Class	
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	2,413,699 comprising: 2014: 676,620 2013: 652,567 2012: 1,084,512	Performance Rights
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable	

+ See chapter 19 for defined terms.

Part 2 - Bonus issue or pro rata issue

- | | | |
|----|---|--|
| 11 | Is security holder approval required? | |
| 12 | Is the issue renounceable or non-renounceable? | |
| 13 | Ratio in which the ⁺ securities will be offered | |
| 14 | ⁺ Class of ⁺ securities to which the offer relates | |
| 15 | ⁺ Record date to determine entitlements | |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents

<small>Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.</small> | |
| 19 | Closing date for receipt of acceptances or renunciations | |

+ See chapter 19 for defined terms.

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New issue announcement

- | | | |
|----|---|--|
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders | |
| 25 | If the issue is contingent on ⁺ security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |
| 28 | Date rights trading will begin (if applicable) | |
| 29 | Date rights trading will end (if applicable) | |
| 30 | How do ⁺ security holders sell their entitlements <i>in full</i> through a broker? | |
| 31 | How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | |
| 32 | How do ⁺ security holders dispose of their entitlements (except by sale through a broker)? | |
| 33 | ⁺ Despatch date | |

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

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New issue announcement

Entities that have ticked box 34(b)

38 Number of securities for which
 +quotation is sought

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39 Class of +securities for which
 quotation is sought

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40 Do the +securities rank equally in all
 respects from the date of allotment
 with an existing +class of quoted
 +securities?

If the additional securities do not
 rank equally, please state:

- the date from which they do
- the extent to which they
 participate for the next dividend,
 (in the case of a trust,
 distribution) or interest payment
- the extent to which they do not
 rank equally, other than in
 relation to the next dividend,
 distribution or interest payment

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41 Reason for request for quotation
 now

Example: In the case of restricted securities, end of
 restriction period

(if issued upon conversion of
 another security, clearly identify that
 other security)

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	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

 - There is no reason why those +securities should not be granted +quotation.

 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Date:
(Director/Company secretary)

Print name:

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+ See chapter 19 for defined terms.