

BY ELECTRONIC LODGEMENT

ASX ANNOUNCEMENT



CALTEX AUSTRALIA LIMITED
ACN 004 201 307

LEVEL 24, 2 MARKET STREET
SYDNEY NSW 2000 AUSTRALIA

16 May 2016

Company Announcements Office
Australian Securities Exchange

CALTEX AUSTRALIA LIMITED
APPENDIX 3B – ISSUE OF PERFORMANCE RIGHTS

Caltex Australia Limited (Caltex) gives notice of the issue of performance rights under the 2016 Caltex Equity Incentive Plan offer, as contained in the attached *Appendix 3B – New issue announcement, application for quotation of additional securities and agreement*.

Details of the Caltex Equity Incentive Plan are set out in the Remuneration Report contained in the 2015 Annual Report.

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

Peter Lim
Company Secretary

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 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Caltex Australia Limited

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 | 2016 Performance rights grant for MD&CEO and four executives (under the Caltex Equity Incentive Plan) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 131,405 |
| 3 | Principal terms of the +securities (e.g. 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) | <ul style="list-style-type: none"> • An entitlement to one fully paid ordinary Caltex share (or the payment of the cash value of a Caltex share) for each performance right that vests. • Subject to the achievement of performance conditions and a service condition, the performance rights will vest on 1 April 2019. |

- 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 S&P/ASX 100 (60% weighting); and
 - earnings growth from mergers and acquisitions (core and non-core) and step out ventures, excluding refining (40% weighting).
- The service condition is that the holder of the performance right is still employed by the Caltex Group on 1 April 2019.
- Any performance rights that do not vest on 1 April 2019 will lapse.
- All performance rights have a zero exercise price.
- Participants will be restricted from trading 25% of the shares allocated on vesting for a further period of 4 years (unless participants already hold Caltex shares equivalent to 100% of their base salary)
- It is the Board's current intention that any shares that may be awarded upon vesting of Performance Rights will be purchased on-market, although the Board also wishes to retain flexibility to satisfy vested Performance Rights with newly issued shares if that is considered appropriate at the time of vesting.

4 Do the +securities rank equally in all respects from the +issue date 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

No.
 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.

5 Issue price or consideration

Nil

+ See chapter 19 for defined terms.

6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The performance rights are issued under the Caltex Equity Incentive Plan (an incentive plan applying to certain senior Caltex executives).
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	No
6b	The date the security holder resolution under rule 7.1A was passed	N/a
6c	Number of +securities issued without security holder approval under rule 7.1	N/a
6d	Number of +securities issued with security holder approval under rule 7.1A	N/a
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/a
6f	Number of +securities issued under an exception in rule 7.2	N/a
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/a
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/a
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/a

7	+Issue dates	13 May 2016.											
	Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.												
	Cross reference: item 33 of Appendix 3B.												
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>• 260,810,519</td> <td>• Fully paid ordinary shares</td> </tr> <tr> <td>• 5,500,000</td> <td>• Floating rate notes</td> </tr> </tbody> </table>	Number	+Class	• 260,810,519	• Fully paid ordinary shares	• 5,500,000	• Floating rate notes					
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• 260,810,519	• Fully paid ordinary shares												
• 5,500,000	• Floating rate notes												
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>1,361,553 comprising:</td> <td>Performance rights</td> </tr> <tr> <td>• 2016: 448,700</td> <td></td> </tr> <tr> <td>• 2015: 388,240</td> <td></td> </tr> <tr> <td>• 2014: 524,613</td> <td></td> </tr> </tbody> </table>	Number	+Class	1,361,553 comprising:	Performance rights	• 2016: 448,700		• 2015: 388,240		• 2014: 524,613		
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10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/a											

Part 2 - Pro rata issue

11	Is security holder approval required?	N/a
12	Is the issue renounceable or non-renounceable?	N/a
13	Ratio in which the +securities will be offered	N/a
14	+Class of +securities to which the offer relates	N/a
15	+Record date to determine entitlements	N/a
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/a
17	Policy for deciding entitlements in relation to fractions	N/a

+ See chapter 19 for defined terms.

18	Names of countries in which the entity has security holders who will not be sent new offer documents	N/a
	Note: Security holders must be told how their entitlements are to be dealt with.	
	Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	N/a
20	Names of any underwriters	N/a
21	Amount of any underwriting fee or commission	N/a
22	Names of any brokers to the issue	N/a
23	Fee or commission payable to the broker to the issue	N/a
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/a
25	If the issue is contingent on security holders' approval, the date of the meeting	N/a
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/a
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	N/a
28	Date rights trading will begin (if applicable)	N/a
29	Date rights trading will end (if applicable)	N/a
30	How do security holders sell their entitlements in full through a broker?	N/a
31	How do security holders sell part of their entitlements through a broker and accept for the balance?	N/a
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/a

33 +Issue date

N/a

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

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

N/a

39 +Class of +securities for which quotation is sought

N/a

+ See chapter 19 for defined terms.

40 Do the ⁺securities rank equally in all respects from the ⁺issue date 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

N/a

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)

N/a

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

Number	⁺ Class
N/a	N/a

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 is not available now, we 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: 16 May 2016
Company Secretary

Print name: Peter Lim

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+ See chapter 19 for defined terms.