



# Wesfarmers Limited

ABN 28 008 984 049

Dear Shareholder

## **ANNUAL GENERAL MEETING - 1 NOVEMBER 2006 AT 2.00 PM**

Enclosed is the Notice for our 2006 Annual General Meeting, which is being held in the Grand Ballroom, Burswood Convention Centre, Great Eastern Highway, Burswood, Western Australia (see map on reverse) on Wednesday 1 November 2006 at 2.00 pm. The meeting will also be webcast on the company's website [www.wesfarmers.com.au](http://www.wesfarmers.com.au) for those who are unable to attend.

For your convenience there is free parking near the Burswood Dome as shown on the map. Undercover parking (\$10.00 per day) or monitored parking (\$5.00 per day) are also available at the venue.

If you will be attending the meeting *please bring this letter with you*. The coding at the top will enable us to complete your registration as quickly as possible.

If you are unable to attend the meeting but wish to vote on the resolutions to be considered, you are encouraged to complete and return the enclosed proxy form in accordance with the instructions on the back of the form. Alternatively, you can submit your proxy instructions online by going to our share registry's website at [www.computershare.com/au/proxy/wes](http://www.computershare.com/au/proxy/wes).

Any questions that you may have in relation to Wesfarmers or the matters to be considered at the Annual General Meeting will be welcome. A form to assist you in submitting your questions is enclosed.

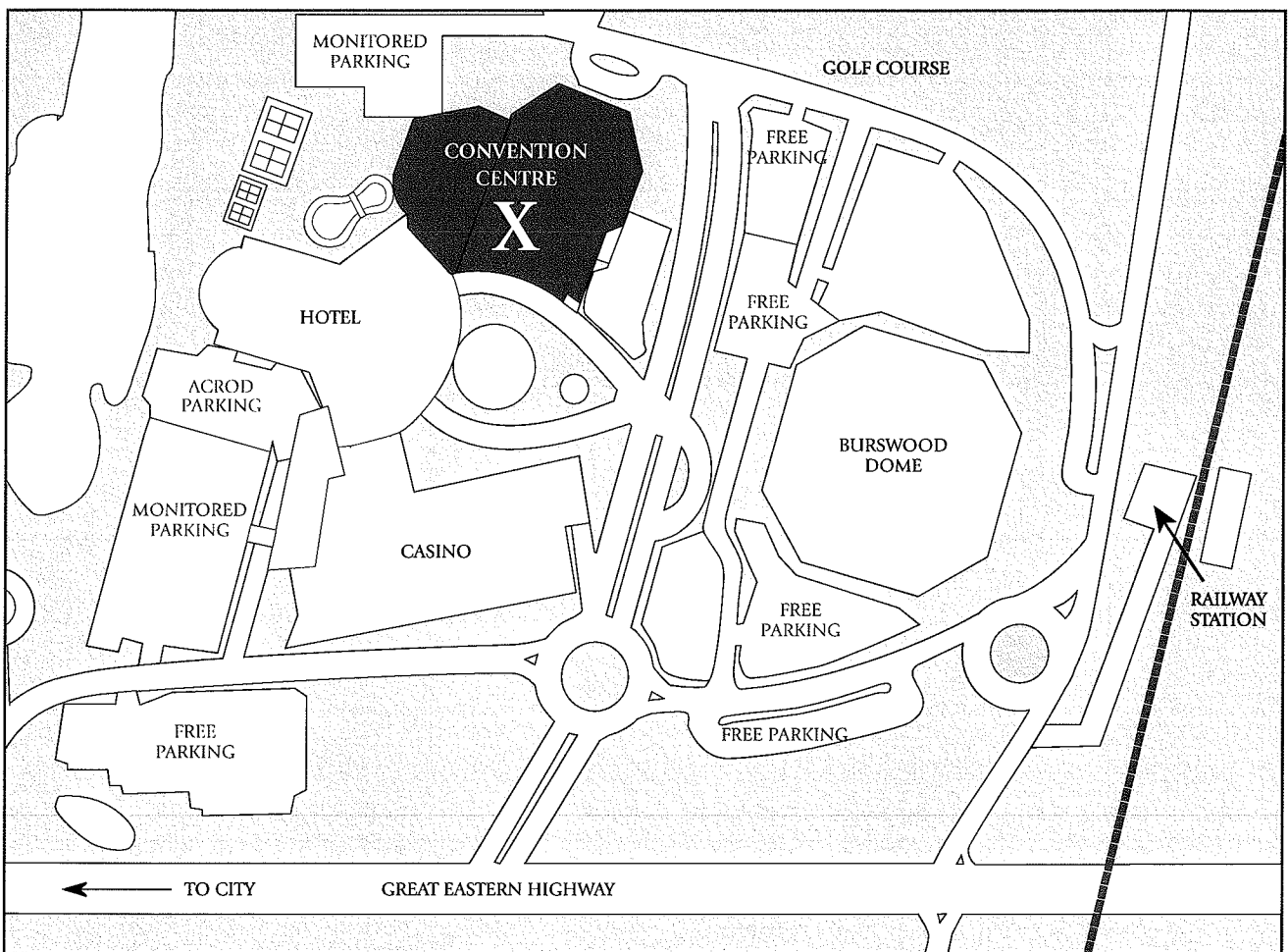
We look forward to seeing you at the meeting.

Yours sincerely

LINDA KENYON  
COMPANY SECRETARY  
29 September 2006



## MAP OF BURSWOOD





ABN 28 008 984 049



## NOTICE OF MEETING

**TIME:**

2.00 pm

**DATE:**

Wednesday 1 November 2006

**PLACE:**

Grand Ballroom  
Burswood Convention Centre  
Great Eastern Highway  
Burswood, Western Australia

Notice is hereby given that the 25th annual general meeting of Wesfarmers Limited will be held in the Grand Ballroom, Burswood Convention Centre, Great Eastern Highway, Burswood, Western Australia on Wednesday 1 November 2006 at 2.00 pm.

### **BUSINESS OF THE MEETING**

#### **1. Financial statements and reports**

To receive and consider the financial statements and the reports of the directors and of the auditors for the year ended 30 June 2006.

#### **2. Ordinary business**

(a) To elect three directors, each of:

- (i) Mrs P A Cross,
- (ii) Mr C Macek,  
who both retire by rotation in accordance with the company's constitution and, being eligible, offers themselves for re-election; and
- (iii) Dr R L Every,  
having been appointed as a director of the company since the last annual general meeting, retires in accordance with the company's constitution and being eligible, offers himself for election.

(b) To consider and, if thought fit to pass, the following as an ordinary resolution:

"That the Remuneration Report for the year ended 30 June 2006 be adopted."

*Note - the vote on this resolution is advisory only and does not bind the directors or the company.*

#### **3. Special business**

To consider and, if thought fit to pass, the following resolution as an ordinary resolution:

"That the Non-executive Director Share Plan as described in the Explanatory Notes to the Notice of Meeting, and the acquisition of securities of the company by non-executive directors under that plan, be and is hereby approved for the purposes of Exception 9 of Listing Rule 7.2 and Listing Rule 10.14 of the ASX Listing Rules and for all other purposes."

#### **Persons precluded from voting**

Wesfarmers Limited will disregard any votes cast on resolution 3 by:

- any director of the company (except one who is ineligible to participate in any employee incentive scheme in relation to the company); and
- any associates of those persons.

#### **By order of the Board**

A handwritten signature in black ink, appearing to be 'Linda Kenyon'.

LINDA KENYON  
COMPANY SECRETARY  
29 September 2006

## **MEMBERS ENTITLED TO ATTEND AND VOTE AT THE MEETING**

In accordance with the company's constitution and the Corporations Regulations 2001 the Board has determined that the members entitled to attend and vote at the meeting shall be those persons who are recorded in the register of members at 6.00 am on Tuesday 31 October 2006.

## **PROXIES**

Where a member is unable to attend the meeting, we encourage that member to complete and return the enclosed proxy form. Each member is entitled to appoint a proxy.

A member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. If the appointment does not specify the proportion or number of the member's voting rights, each proxy may exercise half the votes. A proxy need not be a member. To be effective, duly completed proxy forms, together with any relevant power of attorney, must be received not less than 48 hours before the time for holding the meeting (i.e. by 2.00 pm (Perth time) on Monday 30 October 2006). Please direct proxy forms and any relevant power of attorney to the company's share registry, Computershare Investor Services Pty Limited, Level 2, 45 St George's Terrace, Perth (facsimile: within Australia (08) 9323 2033 outside Australia (+61 8) 9323 2033).

Members can also submit their proxy voting instructions online by going to the company's share registry's internet site, [www.computershare.com/au/proxy/wes](http://www.computershare.com/au/proxy/wes).

A body corporate member may elect to appoint a representative, rather than appoint a proxy, in accordance with section 250D of the Corporations Act 2001 (Cth). Where a body corporate appoints a representative the company requires written proof of the representative's appointment to be lodged with or presented to the company before the meeting.

## **EXPLANATORY NOTES**

### **Item 1 – Financial statements and reports**

The Corporations Act 2001 (Cth) requires the company's financial statements and reports for the last financial year to be laid before the annual general meeting. The financial statements and reports are contained in the company's 2006 Annual Report a copy of which accompanies this notice (unless you have elected not to receive a copy of the report).

While no resolution is required in relation to this item, shareholders will be given the opportunity to ask questions and make comments on the financial statements and reports.

The company's auditor will also be present at the meeting and shareholders will have an opportunity to ask the auditor questions in relation to the conduct of the audit, the auditor's report, the company's accounting policies and the independence of the auditor.

### **Item 2(a) – Election of directors**

Mrs P A Cross and Mr C Macek retire by rotation and offer themselves for re-election. Dr R L Every was appointed a director since the last annual general meeting. Under the constitution he holds office only until this meeting and therefore offers himself for election.

The experience, qualifications and other information about the candidates appear below.

### **Profiles**

**Mrs P A Cross**, Non-executive director; member of the Nomination and Remuneration Committee; age 47  
Joined the Board in 2003. Patricia holds a Bachelor of Science (Econ) with Honours from Georgetown University. She is also a director of Qantas Airways Limited and National Australia Bank Limited. Patricia has 25 years experience in

international banking and finance, having served two years with the U.S. government, over 15 years in management and executive roles with Chase Manhattan Bank, Banque Nationale de Paris, National Australia Bank and eight years as a non-executive director with organisations including the Transport Accident Commission (Deputy Chairman) and Suncorp-Metway Limited. She was previously a director of AMP Limited and Chairman of Qantas Superannuation Limited. Patricia has also served on a variety of not-for-profit boards including the Murdoch Children's Research Institute, of which she continues to be a director and as an honorary advisor to the Federal Treasurer on the Financial Sector Advisory Council and the Companies and Securities Advisory Committee.

**Mr C Macek**, Non-executive director; member of the Audit Committee; age 59

Joined the Board in 2001. Charles holds a Bachelor of Economics degree and a Master of Administration from Monash University. He is Chairman of the Financial Reporting Council and Sustainable Investment Research Institute Pty Ltd and was formerly the Chairman of the Centre for Eye Research Australia Limited. Charles is also a director of Telstra Corporation Limited, Living Cell Technologies Ltd and Williamson Community Leadership Program Limited. He was previously the Chairman of IOOF Holdings Ltd. Charles is also a member of the New Zealand Accounting Standards Review Board, the Victorian Council of the Australian Institute of Company Directors and the Investment Committee of UniSuper Limited.

**Dr R L Every**, Non-executive director; age 61

Was appointed to the Board in February 2006. Bob holds a Bachelor of Science degree and a Doctorate of Philosophy (Metallurgy) from the University of New South Wales.

He is also a director of Iluka Resources Limited and Sims Group Limited. He was the Chairman of the New Zealand based listed company Steel & Tube Holdings Limited from 1 November 1988 to 1 May 2005 and the other positions he has held include Managing Director of Tubemakers of Australia Limited, President of BHP Steel and Managing Director and Chief Executive Officer of OneSteel Limited, a position from which he retired in May 2005. He was also a director of CARE Australia.

**Mr LA Giglia**, will also retire by rotation at the meeting but will not be offering himself for re-election. The constitution requires the directors to fix the maximum number of directors. Earlier in the year the directors were required to increase the number of directors to accommodate the appointment of Dr Every and accordingly they have resolved that contemporaneously with Mr Giglia's retirement, the maximum number of directors will be reduced to 10.

#### **Item 2(b) - Adoption of the Remuneration Report**

The Remuneration Report is required to be considered for adoption in accordance with section 250R of the Corporations Act 2001 (Cth).

The Remuneration Report which details the company's policy on the remuneration of non-executive directors, executive directors and senior executives is set out on pages 131 to 142 of the company's 2006 Annual Report. It is also available on the Wesfarmers internet site [www.wesfarmers.com.au](http://www.wesfarmers.com.au).

The vote on the resolution is advisory only and does not bind the directors or the company.

#### **Item 3 - Non-executive Director Share Plan ("NED Share Plan")**

It is proposed that, subject to shareholder approval of this resolution, each present and future non-executive director of the company will be able to elect to sacrifice part of their directors' fees to acquire shares in the company ("NED Shares") under the NED Share Plan. The provision of NED Shares will not involve any additional remuneration for the non-executive directors. If the resolution is approved, it is anticipated that participation in the NED Share Plan will be made available from 1 December 2006. Securities will be issued under the NED Share Plan up and until 30 October 2009 unless shareholder approval for the acquisition of shares under the NED Share Plan is refreshed prior to that date.

#### **NED Share Plan**

The NED Share Plan will allow the company's non-executive directors the flexibility of sacrificing part of their fees to acquire ordinary shares in the company rather than receiving all of their annual directors' fees in cash. NED Shares will normally be acquired on a six monthly basis, and will either be issued as new shares or purchased on the Australian Stock Exchange ("ASX").

The NED Share Plan will operate through the existing trust structure of the Wesfarmers Employee Share Plan ("the Plan") and will form part of the Plan. Accordingly, the trustee would be CPU Share Plans Pty Limited ("Trustee").

The non-executive directors will be able to sacrifice between 10 per cent and 90 per cent of their annual fees to acquire NED Shares.

#### **Principal Terms**

The principal terms of the NED Share Plan are as follows:

- participation will be open only to current and future non-executive directors of the company in office from time to time. Currently, there are nine non-executive directors: Mr Colin Carter, Mrs Patricia Cross, Mr Trevor Eastwood, Dr Bob Every, Mr Lou Giglia, Mr James Graham, Mr Richard Lester, Mr Charles Macek and Mr David White;
- the non-executive directors who elect to participate in the NED Share Plan will be required to sacrifice not less than 10 per cent of their fees and can elect to sacrifice up to a maximum of 90 per cent of their annual fees;
- the number of shares to be allocated to participants will be based on the weighted average price at which the company's shares were traded on the ASX in the one week period up to and including the day of allocation;
- NED Shares will be issued or acquired by the Trustee, and allocated to participants at six monthly intervals currently expected to be in February and August each year;
- if the Board determines that the allocation of NED Shares would result in the company breaching its constitution, any law or rule of the ASX or is otherwise inappropriate in the circumstances, the Board may defer the allocation of shares until a more suitable time;
- shares acquired will not be transferred to a participant until the earliest of:
  - the expiration of a period of 10 years from the acquisition of the NED Shares unless after the third anniversary of the acquisition of the NED Shares, the participant has made an application to the Board for the cessation of the restriction and the Board in its discretion has determined that the restriction applying to the shares should cease; or
  - the time the participant ceases to hold office;
- where a participant ceases to hold office pursuant to the Corporations Act 2001 (Cth) or in the Board's opinion, resigns from or is removed from office for reasons of fraud, theft or gross misconduct, that participant will forfeit all interests in any NED Shares held pursuant to the restrictions under the NED Share Plan;
- shares acquired by participants under the NED Share Plan will rank equally (in respect of dividends and other rights) in all respects with other issued fully paid shares, except for the restriction on dealing;
- no loan will be made available by the company in connection with the acquisition of shares under the NED Share Plan; and
- nothing in the NED Share Plan restricts in any way the right of the shareholders of the company to remove a director from his or her office or in any way qualifies the provisions of the law or the company's constitution relating to the termination of office of non-executive directors.

## Number of Shares

The number of shares which may be acquired by participants cannot be precisely calculated, as it depends on the extent to which each director participates in the NED Share Plan and the price at which the shares are allocated to participants.

Where shares acquired are pursuant to a new issue, the number of shares to be issued to a participant will be calculated by dividing the amount of fees the individual non-executive director has elected to sacrifice by the weighted average price at which the company's shares were traded on the ASX in the one week period up to and including the day of allocation (rounding down to the nearest whole share).

Where shares acquired are pursuant to an on-market acquisition, the number of shares that will be allocated to a participant will be calculated by dividing the amount of fees the individual non-executive director has elected to sacrifice by the price paid for the shares acquired and allocated to that participant for the purposes of the NED Share Plan, or such other price as the Board determines.

The maximum dilutionary effect of the acquisitions that may be made in the first year of allocations under the NED Share Plan, if all directors forfeit 90 per cent of their fees to acquire NED Shares, is 0.01 per cent, at share prices and total capitalisation levels current at the date of preparation of this notice. To the extent that shares are acquired on-market, rather than issued by the company, the dilutionary effect will be lower than as set out above.

No shares have yet been issued under the NED Share Plan.

Details of any shares issued under the NED Share Plan will be published in each annual report of the entity relating to a period in which shares have been issued, and that approval for the issue of shares was obtained under ASX Listing Rule 10.14.

A copy of the Trust Deed for the Wesfarmers Employee Share Plan, which includes the NED Plan Rules, can be obtained from the office of the Company Secretary or on the company's website [www.wesfarmers.com.au](http://www.wesfarmers.com.au).

The company will disregard any votes cast on the resolution by any director of the company (except one who is ineligible to participate in any employee incentive scheme in relation to the company) and any associate of that director.

The company need not disregard a vote, however, if it is cast by a person as proxy for a person who is entitled to vote in accordance with the direction on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.

### Waiver of ASX Listing Rules

Wesfarmers has obtained the following waivers from ASX in respect of the NED Share Plan:

- waiver of ASX Listing Rule 10.15A.2 to permit this notice of meeting to omit the maximum number of shares that may be issued under the NED Share Plan; and
- waiver of ASX Listing Rule 10.15A.8 to permit this notice of meeting to state that the NED Share Plan applies to the non-executive directors in office from time to time.

Mark this box with an 'X' if you have made any changes to your address details (see reverse)



**All correspondence to:**

Computershare Investor Services Pty Limited  
 GPO Box D182 Perth  
 WA 6840 Australia  
 Enquiries (within Australia) 1300 557 010  
 (outside Australia) 61 3 9415 4000  
 Facsimile 61 8 9323 2033  
 www.computershare.com

### Appointment of Proxy

I/We being a member/s of Wesfarmers Limited and entitled to attend and vote hereby appoint



the Chairman  
of the Meeting  
(mark with an 'X')

OR

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Wesfarmers Limited to be held at the Burswood Convention Centre on Wednesday 1 November 2006 at 2.00 pm and at any adjournment of that meeting.



**IMPORTANT: FOR ITEM 3 BELOW**

If the Chairman of the Meeting is your nominated proxy, or may be appointed by default, and you have not directed your proxy how to vote on item 3 below, please place a mark in this box. By marking this box you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of that item and that votes cast by him, other than as proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on item 3 and your votes will not be counted in computing the required majority if a poll is called on this item. The Chairman of the Meeting intends to vote undirected proxies in favour of item 3.

### Voting directions to your proxy - please mark to indicate your directions

Item

- 2(a) (i) To re-elect Mrs P A Cross as a director
- (ii) To re-elect Mr C Macek as a director
- (iii) To elect Dr R L Every as a director
- 2(b) To adopt the Remuneration Report
- 3 To approve the Non-executive Director Share Plan

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

In addition to the intention advised above, the Chairman of the Meeting intends to vote undirected proxies in favour of each of the other items of business.

\* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### PLEASE SIGN HERE This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 2

Sole Director and Sole Company Secretary/  
Individual

Securityholder 1

Director

Securityholder 3

Director/Company Secretary

In addition to signing the Proxy Form in the above box(es) please provide the information below in case we need to contact you.

Contact Name

Contact Daytime Telephone

Date



# How to complete this Proxy Form

## 1 Your Address

This is your address as it appears on the company's share register. If this information is incorrect, please mark the box and make the correction on the form. Securityholders sponsored by a broker (in which case your reference number overleaf will commence with an 'x') should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

## 2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the full name of that individual or body corporate in the space provided. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

## 3 Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

## 4 Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

## 5 Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged the Power of Attorney with the registry. If you have not previously lodged the Power of Attorney for notation, please attach a certified photocopy to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of a corporate securityholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry or at [www.computershare.com.au](http://www.computershare.com.au).

## Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the meeting i.e. by 2.00 pm (Perth time) on Monday 30 October 2006. Any Proxy Form received after that time will not be valid for the scheduled meeting. **Documents may be lodged using the reply paid envelope or:**

IN PERSON	Registered Office - 11th Floor, Wesfarmers House, 40 The Esplanade, Perth WA 6000, Australia Share Registry - Computershare Investor Services Pty Limited, Level 2, 45 St George's Terrace, Perth WA 6000, Australia
BY MAIL	Registered Office - GPO Box M978, Perth WA 6843, Australia Share Registry - Computershare Investor Services Pty Limited, GPO Box D182, Perth WA 6840, Australia
BY FAX	61 8 9323 2033

Proxies can also be lodged online by going to the internet site, [www.computershare.com/au/proxy/wes](http://www.computershare.com/au/proxy/wes). To use this online facility you will need your Shareholder Reference Number (SRN) or Holder Identification Number (HIN) and postcode. You will be taken to have signed or authenticated your proxy form if it is submitted in accordance with the instructions on the internet site. Proxies lodged through the online facility must be received by 2.00 pm (Perth time) on Monday 30 October 2006.



