

19 February 2020

RECEIPT OF NON-BINDING, INDICATIVE AND CONDITIONAL ACQUISITION PROPOSAL FROM EG GROUP

Caltex Australia Limited (ASX:CTX) (**Caltex**) confirms that it has received a non-binding, indicative and conditional proposal from EG Group Limited (**EG**) to acquire all of the shares in Caltex via a scheme of arrangement for a combination of:

- \$3.9 billion cash; and
- securities to be issued in (or convertible into securities in) an entity to be listed on the ASX (**Ampol**) which will own the remaining assets of Caltex, including the existing Fuel & Infrastructure business, including Caltex's international trading and shipping operations.

The effect of the proposal, if implemented, would be for EG to acquire Caltex's convenience retail business for \$3.9 billion cash (on a cash and debt-free basis with a normal level of working capital) and for Caltex shareholders to receive approximately \$15.62 cash¹ and a security in Ampol for each Caltex share they hold.

The proposal provides for Caltex to continue paying dividends to its shareholders in the ordinary course of business prior to implementation of the transaction.

The proposal also provides for Caltex to pay a fully-franked special dividend to Caltex shareholders to distribute the balance of the company's franking credits. This special dividend would be funded by using Caltex's balance sheet.

EG has indicated that it is also prepared to consider acquiring up to 10% of Ampol for additional cash consideration.

The proposal is subject to a number of conditions, including due diligence, arranging debt financing for the transaction, agreeing the form of transaction documentation to implement the transaction and to separate Caltex's convenience retail business and Ampol (including a new fuel supply agreement between EG and Ampol), the unanimous recommendation of the Caltex Board, approval of the EG Board and receipt of all necessary regulatory approvals (including Foreign Investment Review Board, Overseas Investment Office, Australian Competition and Consumer Commission and tax rulings from the Australian Taxation Office).

The Caltex Board is currently considering the proposal, including obtaining advice from its financial and legal advisers.

¹ Assumes 249,706,947 ordinary shares on issue

The proposal is subject to various conditions and there is no certainty that it will result in a change of control transaction.

Authorised for release by: the Chairman of Caltex Australia Limited

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Caltex Australia

A proud and iconic Australian company, Caltex [ASX: CTX] has grown to become the nation's leading transport fuel supplier, with a network of approximately 1,900 Company-owned or affiliated sites. Caltex aims to be the market leader in complex supply chains and the evolving convenience marketplace by delivering the fuel and other everyday needs of its diverse customers through its networks. Caltex has safely and reliably fuelled the needs of Australian motorists and businesses since 1900. It operates as a refiner, importer and marketer of fuels and lubricants. Follow us on LinkedIn, Twitter and Facebook, and for more information visit www.caltex.com.au.