



NOTICE OF ANNUAL GENERAL MEETING 2007

TOLL HOLDINGS LIMITED ABN 25 006 592 089

Incorporated in Victoria. Registered office:
Level 7, 380 St Kilda Road, Melbourne, Victoria 3004

NOTICE OF ANNUAL GENERAL MEETING

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Notice is hereby given that the Annual General Meeting of members of Toll Holdings Limited will be held at Sofitel Melbourne, 25 Collins Street, Melbourne, on Thursday 25 October 2007 at 11.00 am.

BUSINESS

Item 1 – Accounts and Reports

To receive and consider the financial statements of the Company and its controlled entities for the year ended 30 June 2007 and the related Directors' Report, Directors' Declaration and Auditors' Report.

Item 2 – Remuneration Report

To consider and, if thought fit, to pass the following resolution as a non-binding resolution:

'That the Remuneration Report be adopted.'

Item 3 – Re-election of Mr Neil Chatfield as a Director

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

'That Mr Neil Chatfield, who retires by rotation in accordance with the Company's Constitution, be re-elected as a Director of the Company.'

Item 4 – Election of Mr Harry Boon as a Director

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

'That Mr Harry Boon, who was appointed as an additional Director to the Board and retires in accordance with the Company's Constitution, be elected as a Director of the Company.'

Item 5 – Election of Mr Mark Smith as a Director

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

'That Mr Mark Smith, who was appointed as an additional Director to the Board and retires in accordance with the Company's Constitution, be elected as a Director of the Company.'

Item 6 – Election of Mr Barry Cusack as a Director

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

'That Mr Barry Cusack, who is to be appointed as an additional Director to the Board on 1 October 2007 and retires in accordance with the Company's Constitution, be elected as a Director of the Company.'

Item 7 – Approval to issue of shares to employees under the Employee Share Ownership Plan

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

'That the Company approves the issue of ordinary shares under the Employee Share Ownership Plan to employees of the Company as described in the Explanatory Memorandum accompanying the Notice convening this meeting for the purpose of exception 9 of ASX Listing Rule 7.2.'

PERSONS PRECLUDED FROM VOTING

The Company shall disregard any votes cast in respect of Item 7 by a Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and their respective associates.

However, the Company will not disregard a vote if:

- it is cast by such a person as proxy for a person who is entitled to vote, in accordance with the directions 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 the direction on the proxy form to vote as the proxy decides.

By Order of the Board

B McInerney
Company Secretary

Dated this 11th day of September 2007

SEE IMPORTANT NOTES ON PAGE 5

EXPLANATORY MEMORANDUM FOR SHAREHOLDERS

TOLL HOLDINGS LIMITED ABN 25 006 592 089

Introduction

This Explanatory Memorandum provides information for shareholders in respect of Items 1 to 7 to be considered at the Annual General Meeting of the Company to be held at Sofitel Melbourne, 25 Collins Street, Melbourne, on Thursday 25 October 2007 at 11.00 am.

The Directors believe that it is in the interests of the Company that the resolutions set out in Items 1 to 7 be passed and recommend that you vote in favour of each resolution.

Item 1 – Accounts and Reports

The *Corporations Act 2001* (Cth) ('Corporations Act') requires the Financial Report, Directors' Report and Auditor's Report to be laid before the meeting. There is no requirement in the Corporations Act or the Company's Constitution for shareholders to vote on, approve or adopt these Reports. Shareholders will have a reasonable opportunity at the meeting to ask questions and make comments on these Reports and on the management of the Company.

The Auditor of the Company is required to attend the meeting and will be available to take shareholders' questions about the conduct of the audit, and the preparation and content of the Auditor's Report. Members may forward written questions to the Auditor on these matters for response at the meeting. These should be emailed to company_secretary@toll.com.au or mailed to the Company Secretary, Level 7, 380 St Kilda Road, Melbourne, Victoria 3004 and may be submitted up to 5 business days before the meeting. The Company is required by law to forward all questions to the Auditor and the Auditor is required to prepare a list of questions that the Auditor considers are relevant to the conduct of the audit and the content of the Auditor's Report. The Auditor may omit questions that are the same in substance to other questions and questions that are not received in a timely manner. At the meeting the Chairman will give the Auditor a reasonable opportunity to answer the questions on the question list. The list of questions prepared by the Auditor will be available on the Company's website, www.toll.com prior to the meeting. In addition copies of the list of questions will be available at the meeting.

The Auditor of the Company will also be available to take shareholders' questions at the meeting relevant to accounting policies adopted by the Company in relation to the preparation of the financial statements, and the independence of the auditor in relation to the conduct of the audit.

Item 2 – Remuneration Report

The Corporations Act requires that a resolution in relation to the Remuneration Report, included within the Directors' Report, be included in the Notice of Meeting, so that shareholders have the opportunity to comment and ask questions on the content of the Remuneration Report, and exercise a vote for its adoption. The vote on the resolution is advisory only and does not bind the Directors or the Company.

Item 3 – Re-Election of Neil Chatfield as a Director

In accordance with the procedure for the election of Directors in the ASX Listing Rules and the Constitution of the Company, Neil Chatfield retires from the Board and offers himself for re-election.

Neil Chatfield joined Toll in 1997 as Chief Financial Officer of the Company and currently holds that position. On 29 July 1998 he was appointed to the Board.

In his role as Chief Financial Officer of the Toll Group ('Group'), Neil has primary responsibility for financial management across the Group. In particular, he has overseen the financial strategy, due diligence and integration of the Group's numerous acquisitions and its recently completed restructure. Neil's role also includes debt and equity capital market management for the Group.

Neil is currently Chairman of the Group's 62.4% owned subsidiary, ASX listed company Virgin Blue Holdings Ltd, a Director of the majority of Toll controlled entities and since 2005 has been an independent Non-Executive Director of ASX listed company, Seek Ltd and Whitehaven Coal Limited.

Neil has a Masters of Business in Finance and Accounting, has undertaken post-graduate studies in information technology and accounting, and is a Fellow of CPA Australia (FCPA) and member of the Australian Institute of Company Directors.

Item 4 – Election of Harry Boon as a Director

In accordance with the procedure for the election of Directors in the ASX Listing Rules and the Constitution of the Company, Harry Boon retires from the Board and offers himself for re-election.

Harry Boon (B Laws (Hons) and B Com (Melb)) was appointed to the Board on 1 November 2006 as a Non-Executive Director. Harry is Chairman of the Remuneration and Succession Planning Committee and a member of the Nomination and Corporate Governance and Audit and Financial Risk Committees of the Board.

Harry retired in 2004 as Chief Executive Officer and Managing Director of ASX listed Ansell Limited, capping a 28 year career with the Ansell Group. Harry has lived and worked in senior positions in Australia, Europe, the USA and Canada and has broad based experience in global marketing and sales, manufacturing and product development. He is multilingual and has a strong track record in delivering business results through setting ambitious goals, building the appropriate organisation and relationships and relentlessly pursuing objectives.

Harry is currently Chairman of Tattersall's Limited and Gale Pacific Limited and is a Non-Executive Director of Hastie Group Limited, all of which are ASX listed companies.

Item 5 – Election of Mark Smith as a Director

In accordance with the procedure for the election of Directors in the ASX Listing Rules and the Constitution of the Company, Mark Smith retires from the Board and offers himself for re-election.

Mark was appointed to the Board on 1 July 2007 as a Non-Executive Director. Mark is Chairman of the Audit and Financial Risk Committee and a member of the Remuneration and Succession Planning, Nomination and Corporate Governance committees of the Board.

Mark is currently the Managing Director of Cadbury Schweppes Australia and New Zealand, a position he has held since 2003. Prior to 2003, Mark occupied several other senior positions in the Cadbury Schweppes group

EXPLANATORY MEMORANDUM FOR SHAREHOLDERS

CONTINUED

with responsibilities in Australia, New Zealand, UK and North America. Prior to joining Cadbury Schweppes in 1991, Mark's career path included senior marketing roles with Unilever and Uncle Toby's.

Mark is a Fellow of the Australian Marketing Institute, a Certified Practising Marketer (CPM), is Chairman of the Board of Confectionery Manufacturers of Australia (CMA), a Board member of the Australian Food & Grocery Council (AFGC), a Director of the Humour Foundation and Chairman of SIFE Australia (Students in Free Enterprise).

Item 6 – Election of Barry Cusack as a Director

In accordance with the procedure for the election of Directors in the ASX Listing Rules and the Constitution of the Company, Barry Cusack retires from the Board and offers himself for re-election.

As previously announced, Barry's appointment to the Board is to be effective on 1 October 2007 as a Non-Executive Director. Following his appointment, Barry will be appointed as a member of the Remuneration and Succession Planning, Nomination and Corporate Governance and Audit and Financial Risk Committees of the Board.

In an executive career of 40 years in the minerals industry with the Rio Tinto Group, Barry held positions of Managing Director of Dampier Salt, Hls melt Corporation, Hamersley Iron Operations and Rio Tinto Australia and was Chairman of Rio Tinto Asia and Rio Tinto Shipping.

Barry is currently Chairman of Oxiana Limited and a Non-Executive Director of MacMahon Holdings Limited, both of which are ASX listed companies and a member of the Board of the Global Foundation and Future Directions International. Barry was previously Chairman of Coal and Allied Limited, ERA Limited, Bouganville Copper Limited and Australia's Department of Defence Business Improvements Board, is a past President of the Minerals Council of Australia and was a Non-Executive Director of Smorgon Steel Group Limited. Barry is also an honorary Life Member of the Chamber of Minerals and Energy of Western Australia Inc.

Barry is a graduate of Melbourne University with Honours degrees in Engineering and Engineering Science.

Item 7 – Approval to issue of shares to employees under the Employee Share Ownership Plan

Approval is sought pursuant to ASX Listing Rule 7.2 exception 9 for the future issue of ordinary shares to employees of the Company pursuant to the Employee Share Ownership Plan (the 'Ownership Plan').

ASX Listing Rules

ASX Listing Rule 7.1 requires shareholder approval for an issue of equity securities if, over a 12 month period, the amount of equity securities issued is more than 15% of the number of ordinary shares on issue at the start of that 12 month period. ASX Listing Rule 7.2 exception 9 provides that an issue under an employee incentive scheme does not detract from the available 15% limit under Listing Rule 7.1 if shareholders approved the issue of securities under an employee incentive scheme as an exception to Listing Rule 7.1 no more than three years before the date of issue. The Company wishes for the issue of shares under the Ownership Plan not to be included when undertaking the calculation pursuant to ASX Listing Rule 7.1.

Accordingly, it is seeking shareholder approval in respect of the Ownership Plan as required under exception 9 to ASX Listing Rule 7.2.

Summary of the Ownership Plan

The Board is committed to maintaining and incentivising executives and employees. Under the Ownership Plan, which enables participation by all eligible employees as determined by the Board, employees may be offered the opportunity to subscribe for ordinary shares in the Company. These shares may be offered either at their market value or at a discount to market. If a discount is offered it will be up to a maximum of \$1,000 for each employee, which amount will potentially be tax free to the employee.

Loans

To assist employees to participate in the Ownership Plan, the Company may offer loans to employees to finance the acquisition price of the shares. The Company will have the discretion to determine whether to offer a loan and also to determine how much the employee should subscribe using their own funds and how much of the total purchase price will be made available by a loan.

Loans made by the Company, at the discretion of the Board, may be interest free. The loans will be of a limited recourse nature such that the Company will accept in full satisfaction of repayment of a loan the amount of the market value of the shares at the time the loan is due to be repaid (less any transaction costs relating to the disposal of the shares) in the event that the market value of the shares is less than the amount of the loan outstanding.

Rights and entitlements

From the date shares are acquired under the Ownership Plan, employees will have full entitlements to all dividends and bonus shares, and voting rights, although, unless otherwise determined by the Board, the amount of any cash dividend will be applied against repayment of any loan which may have been made available to assist the acquisition of the shares.

Restrictions on disposal of shares

To qualify for the tax concessions available to employees under the Ownership Plan, amongst other things, participants may be prohibited from selling shares acquired under the Plan until the earlier of the time when they terminate employment with the Company, a subsidiary or an Associated Company (as defined in the Ownership Plan Rules), or 3 years from the date of acquisition of the shares.

Forfeiture conditions

Participants may have their shares forfeited if the Board determines they have committed any act of fraud, defalcation or gross misconduct in relation to the affairs of the Company or a subsidiary.

Disclosure

In addition to the above information, in accordance with the ASX Listing Rules, the Company is also required to inform shareholders of the number of shares issued under the Ownership Plan since the date of the approval most recently given by shareholders. The last approval occurred at the Annual General Meeting held on 30 October 2003. Since that approval 963,800 ordinary shares have been issued under the Ownership Plan.

IMPORTANT NOTES

VOTING ENTITLEMENTS

Pursuant to regulation 7.11.37 of the Corporations Regulations 2001, the Directors have determined that the shareholding of each shareholder for the purposes of ascertaining voting entitlements for the Annual General Meeting will be as it appears in the Share Register at 7pm on Tuesday 23 October 2007.

Holders of Reset Preference Shares ('RPS') issued by the Company on 12 November 2003 may attend the Annual General Meeting but, in accordance with the terms of issue of the RPS, are not entitled to speak or vote at the meeting.

PROXIES

A member who is entitled to attend and cast a vote at the Annual General Meeting has the right to appoint a proxy (an individual or a body corporate) who need not be a member of the Company. If a member is entitled to cast two or more votes they may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half of the votes. If a member appoints two proxies, neither may vote on a show of hands.

For the appointment of a proxy to be effective, the Proxy Form, together with any authority under which the Proxy Form was executed or a certified copy of that authority, must be deposited at the Share Registry of the Company, Computershare Investor Services Pty Limited, located at Yarra Falls, 452 Johnston Street, Abbotsford, Victoria, 3067 or at the Company's Registered Office, Level 7, 380 St Kilda Road, Melbourne, Victoria 3004, or returned in the enclosed Reply Paid envelope to GPO Box 242, Melbourne, Victoria 3001, or sent by facsimile to Computershare on (03) 9473 2555 or to the Company on (03) 9694 2880 at least 48 hours before the meeting.

Shareholders desiring to lodge electronic proxies on-line, may do so by first registering on the Company's website at www.toll.com and clicking on 'Shareholder Information' and then 'AGM Proxy Voting'.

Corporate representative

If a representative of either a corporate member or a proxy which is a body corporate is to attend the meeting pursuant to section 250D of the Corporations Act, a certificate of appointment of the representative must be produced prior to admission to the meeting.



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For further information please contact

Principal Registered Office in Australia

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Share Register

Computershare Investor Services

Yarra Falls

452 Johnston Street

Abbotsford Vic 3067

Telephone: Australia 1300 850 505

Telephone: Overseas +61 3 9415 4000

Facsimile: +61 3 9473 2500

Website: www.computershare.com