

WOOLWORTHS LIMITED

A.B.N. 88 000 014 675

NOTICE OF ANNUAL GENERAL MEETING 2005

Notice is hereby given that the eightieth Annual General Meeting of members of Woolworths Limited will be held on Friday, 25 November 2005 at Sydney Town Hall, 483 George Street, Sydney, NSW, commencing at 11:00am.

AGENDA

Ordinary Business

1. Financial Statements and Reports

To receive and consider the Financial Reports of the Company and the consolidated entity and the Declaration by the Directors and Reports of the Directors and Auditors thereon for the financial period ended 26 June 2005.

2. Remuneration Report

To adopt the Remuneration Report of the Company for the financial year ended 26 June 2005.

3. Election of Directors

- (a) To elect as a Director Mr Leon Michael L'Huillier who retires by rotation in accordance with Article 10.3 of the Company's Constitution and being eligible offers himself for re-election.
- (b) To elect as a Director Dr Roderick Sheldon Deane who retires by rotation in accordance with Article 10.3 of the Company's Constitution and being eligible offers himself for re-election.

Special Business

4. Fees payable to non-executive Directors

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

"THAT in accordance with Australian Stock Exchange Limited Listing Rule 10.17 and the Company's Constitution the aggregate maximum amount of remuneration of the non-executive Directors be increased by \$500,000 per annum to \$1,750,000 per annum."

Voting exclusion statement

The Company will disregard any votes cast on Resolution 4 by any of the Directors and any associate of a Director. However, the Company need not disregard a vote if:

- a it is cast by a Director or an associate of a Director as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- b it is cast by a Director who is 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.

NOTES ON ORDINARY BUSINESS

Resolution 1: Financial Statements and Reports

As required by section 317 of the Corporations Act 2001 (Cth) the Financial Report, Directors' Report and Auditors' Report of the Company and the consolidated entity for the most recent financial year will be laid before the meeting. There is no requirement for a formal resolution on this item. However, in accordance with the Company's previous practice, a formal resolution is proposed and shareholders will have the opportunity to vote on this item.

The Board unanimously recommends that Members vote in favour of receiving and considering the Financial Statements and Reports.

Resolution 2: Remuneration Report

Recent changes to the Corporations Act 2001 (Cwlth) ("Corporations Act") have expanded disclosure requirements for listed companies applying to director and executive remuneration. Under those changes the annual statutory Directors' Report must include a section called the "Remuneration Report".

Whilst these new remuneration disclosure requirements do not apply to the Company's 2005 Annual Report and will first apply to the Company for its 2006 Annual Report, Woolworths is committed to adhering to the highest standards of corporate governance and has therefore chosen to comply with the new requirements in the 2005 Annual Report on a voluntary basis. The Company's Remuneration Report is set out on pages 38 to 47 of the Annual Report.

Additionally, the Corporations Act now requires listed companies to put the Remuneration Report for each financial year to a resolution of members at the Company's Annual General Meeting.

Whilst the Company is not required to put its Remuneration Report to a non-binding resolution until the 2006 Annual General Meeting, consistent with its commitment to best practice corporate governance, Woolworths has chosen to put the Remuneration Report to a vote of Members this year. The Corporations Act provisions specify that the vote on this resolution is advisory only and does not bind the Directors or the Company.

At Woolworths, all of our employees play an important role in delivering the Company's financial performance and our remuneration policies have been developed to provide market competitive remuneration in order to sustain Woolworths' competitive advantage and protect the interests of shareholders.

Woolworths has an achievement and performance oriented culture which our remuneration policies serve to drive and support. In recognising the importance of our people to our success, in excess of 45,000 current Woolworths' employees participate in various equity based schemes, sharing in the Company's success and aligning their experience with that of other shareholders.

Remuneration policy is aligned with both our financial and strategic business objectives and recognises that people are a major contributor to sustained improvements in performance.

Woolworths' remuneration policy for all executives ensures:

- Remuneration is market competitive and designed to attract, motivate and retain key executives;
- Demanding performance measures are applied to both short and long-term "at risk" remuneration;
- Short term performance is linked to both financial and non-financial performance measures; and
- Long term performance is measured through shareholder value creation.

In summary, the Remuneration Report:

- explains the Board's policy for determining the nature and amount of remuneration of Directors and senior managers of the Company;
- explains the relationship between the Board's remuneration policy and the Company's performance;
- details and explains any performance conditions applicable to the remuneration of Directors and senior managers of the Company; and
- sets out remuneration details for each Director and the 5 Specified Executives of the Company (including the value of any options granted to those persons).

The Board unanimously recommends that Members vote in favour of adopting the Remuneration Report.

Resolution 3: Retirement and re-election of Directors

In accordance with Article 10.3 of the Company's Constitution, which provides for the retirement by rotation at each annual general meeting of one-third of the Directors and in accordance with Australian Stock Exchange Limited Listing Rule 14.4, which prohibits Directors from holding office (without re-election) past the third annual general meeting following the Director's appointment or 3 years, whichever is longer, Mr L.M. L'Huillier and Dr R S Deane are to retire at the Annual General Meeting on 25 November 2005 ('Annual General Meeting').

In accordance with Article 10.5, of the Company's Constitution, both Mr L'Huillier and Dr Deane are eligible for re-election and have submitted themselves for re-election at the Annual General Meeting.

The Board's policy on Board composition is to ensure that the Board comprises an appropriate mix of skills so as to provide the necessary breadth and depth of knowledge and experience which is required to meet the Company's responsibilities and objectives.

Details of the Board's structure to add value to the Board's responsibilities and objectives are set out on page 50 of the 2005 Annual Report.

NOTES ON SPECIAL BUSINESS

Details of the candidates are set out below:

Leon Michael L'Huillier

B Com (Hons), MBA, M Phil

Chairman Audit Committee, Member Corporate Governance Committee, Director & Chairman Audit Committee of Bruandwo Pty Ltd.

Mr L'Huillier is a Director of Repco Limited since January 2002 and the Chairman of its Remuneration Committee and the former Chairman of its Audit Committee.

He is an experienced Chief Executive and Company Director in the grocery manufacturing and liquor industries, previously as the Chief Executive Officer of Lion Nathan. He has broad experience as an independent director of major organisations in retailing, logistics, property and financial services. He was previously a Director and Audit Committee Chairman of Fortis Limited, a Director of MPG Logistics (formerly part of Mayne Logistics) and was the former Chairman of the Australian Prime Property Fund, a major retail shopping centre group. He is a former Director of MLC Limited, and Challenge Bank Limited. He was appointed a Director in September 1997. Age 62.

Roderick Sheldon Deane

PhD, BCom (Hons), FCA, FCIM, FNZIM.
Dr Deane has an honorary LLD from Victoria University of Wellington.

Member Corporate Governance Committee and Audit Committee

Dr Deane is the Chairman of Telecom Corporation of New Zealand Limited since October, 1999 (having previously held the position of Chief Executive and Managing Director). He is also the Chairman of Fletcher Building Limited, since March 2001, Te Papa Tongarewa (The Museum of New Zealand) since July 2000, ANZ National Bank Limited since February 1999, the NZ Seed Fund since May, 2000 and a Director of ANZ Banking Group Limited since 1994. Dr Deane is a board member and Patron of New Zealand's largest charitable organisation, the IHC, Chairman of the City Gallery Wellington Foundation, and a trustee of MOTU Economic and Social Policy Research. He was previously Chief Executive of the Electricity Corporation of NZ Limited, Chairman of the State Services Commission, and Deputy Governor of the Reserve Bank of NZ. He was appointed a Director of Woolworths Limited in April 2000. Age 64.

Resolution 4: Fees payable to non-executive Directors

In accordance with Australian Stock Exchange Limited Listing Rule 10.17 and the Company's Constitution any proposed increase in the total amount of fees payable to the non-executive Directors of the Company must be approved by ordinary resolution of the Company in general meeting.

It is important for shareholders to note that this is a proposal which will provide the Board with the scope to increase non-executive Directors' fees within a maximum aggregate amount over time. It is normal practice for the Board, using external advice, to review Directors' fees periodically. If shareholders approve the proposed maximum aggregate amount of non-executive Directors' fees, the actual fees paid will not increase to this maximum in one step. Rather, there will be a series of adjustments over time, based on appropriate external advice and the Company's remuneration policy. When the new maximum aggregate amount approved by shareholders is reached after a period of some years, shareholder approval will be necessary for any further increase in that amount.

There are currently six non-executive Directors of the Company – Messrs J A Strong; J F Astbury; L M L'Huillier; Professor A E Clarke; Ms D J Grady and Dr R S Deane.

The current maximum aggregate amount which may be paid to non-executive Directors per annum is \$1,250,000. This amount has not been increased for 5 years having been fixed since November 2000, when it was approved by shareholders at the Annual General Meeting that year.

The purpose of Resolution 4 is to approve an increase in the maximum aggregate amount of remuneration which may be paid to non-executive Directors by \$500,000 per annum to \$1,750,000 per annum. If approved, this would be the total amount that could be divided among all of the non-executive Directors and would not be the amount payable to each non-executive Director.

In determining the proposed increase in aggregate fees to non-executive Directors, the following issues are considered relevant:

- (i) the increases in the key performance indicators for the Company over the period since the previous increase in non-executive Directors fees shows:
 - total Group sales have increased by more than 50% to \$31.4 billion;
 - the Group's earnings before interest and tax ("EBIT") has increased by in excess of 80%;
 - Market capitalisation (broadly, the market value of the Company's issued share capital) has increased in excess of 55%;
 - the Company's earnings per share ("EPS") has increased in excess of 85%; and
 - the Company's Total Shareholder Return (or "TSR") has increased in excess of 160%

(These results are taken from the audited financial statements for the Company and the Group for the 2000 to 2005 financial years);

- (ii) the significant increase in the workload of standing Board Committees;
- (iii) the additional Board Committees activities arising from strategic initiatives (eg "Project Refresh"; and the Australian Leisure and Hospitality and Foodland acquisitions); and
- (iv) advice from an independent expert as to the current and projected level of non-executive director fees for Australia's leading 50 companies.

The remuneration of the non-executive Directors for the year ended 26 June 2005 is detailed on page 47 of the Company's Annual Report.

With the non-executive Directors noting their interest in the matter, the Board unanimously recommends that Members approve the increase in the maximum aggregate fees for non-executive Directors.

PROXIES

A Member entitled to attend and vote is entitled to appoint not more than two proxies.

A proxy need not be a Member of the Company. A Member who is entitled to cast two or more votes may appoint two persons and may specify the proportion or number of votes which each proxy is appointed to exercise.

If you wish to appoint a proxy, you can use the Proxy Form accompanying this Notice.

You can also submit your proxy appointment online by visiting the webpage: <<http://www.computershare.com/au/proxy/wow>>. To use this online facility, you will need your Shareholder Reference Number (SRN) or Holder Identification Number (HIN) and postcode, as shown on your proxy form. You will be taken to have signed the proxy form if you lodge it in accordance with the instructions on the website. A proxy cannot be appointed electronically if they are appointed under a power of attorney or similar authority.

The online proxy facility may not be suitable for some members who wish to split their votes on an item of business or appoint two proxies with different voting directions. Please read the instructions for the online proxy facility carefully before you lodge your proxy using this facility.

On a show of hands, every person present and qualified to vote shall have one vote. If you have appointed a proxy and the proxy appointed is also a Member, or a proxy for another Member, any direction to the proxy on how to vote may not be effective on a show of hands. Your directions will be effective if a poll is held.

To be effective, your online proxy appointment must be lodged through the above webpage by no later than 48 hours prior to the Meeting.

To be effective, your Proxy Form and the Power of Attorney or other authority (if any) under which it is signed or a copy of the Power of Attorney or other authority, certified as a true copy by Statutory Declaration, must be received no later than 48 hours prior to the Meeting by Woolworths' Share Registrar, Computershare Investor Services Pty Ltd, (using the reply-paid envelope enclosed) or by facsimile (03) 9473 2118 or at the Registered Office of Woolworths Limited, 1 Woolworths Way, Bella Vista NSW 2153

Dated: 4 October 2005

By order of the Board



R K S Jeffs

Company Secretary