27 July 2006

Company Announcements Officer
Australian Stock Exchange Limited
Level 4
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

Re: Annual Report 2006

Following pages are the Notice of Meeting for the Annual General Meeting to be held on 31 August 2006, Explanatory Memorandum and Proxy form for Metcash Limited. These documents, along with the Annual Report will be posted to shareholders on Friday, 28 July 2006. The 2006 Annual Report was lodged electronically earlier today.

Yours faithfully

[Signature]

J A Randall
Company Secretary
Notice is given that the 2006 annual general meeting of Metcash Limited (Company) will be held at the Heritage Ballroom, The Westin Sydney, No. 1 Martin Place, Sydney, New South Wales on Thursday 31 August 2006 at 2.30 pm:

AGENDA ITEMS

ORDINARY BUSINESS

1 Financial report
To receive and consider the financial report of the Company and the reports of the directors and auditors for the year ended 30 April 2006.

2 Ordinary resolutions to re-elect directors
Shareholders are asked to consider, and if thought fit, to pass each of the following resolutions as ordinary resolutions:

(a) To re-elect Michael Jablonski as a director
   “That Michael Jablonski, being a director of the Company who retires by rotation under rule 8.1(d) of the Company’s constitution, and being eligible, is re-elected as a director of the Company.”

(b) To re-elect Lou Jardin as a director
   “That Lou Jardin, being a director of the Company who retires by rotation under rule 8.1(d) of the Company’s constitution, and being eligible, is re-elected as a director of the Company.”

(c) To re-elect Richard Longes as a director
   “That Richard Longes, being a director of the Company who retires by rotation under rule 8.1(d) of the Company’s constitution, and being eligible, is re-elected as a director of the Company.”

(d) To re-elect Bruce Hogan, AM, as a director
   “That Bruce Hogan, AM, being a director of the Company who was appointed by the directors on 23 November 2005 and who retires under rule 8.1(d) of the Company’s constitution, and being eligible, is re-elected as a director of the Company.”

3 Ordinary resolution to adopt remuneration report
Shareholders are asked to consider, and if thought fit, to pass the following resolution as an ordinary resolution:

   “That the remuneration report that forms part of the directors report of the Company for the financial year ended 30 April 2006 be adopted.”

The remuneration report is set out on pages 28 to 34 of the 2006 annual report. Please note that the vote on this resolution is advisory only, and does not bind the directors or the Company.

EXPLANATORY MEMORANDUM
Shareholders are referred to the Explanatory Memorandum accompanying and forming part of this notice of meeting.

ENTITLEMENT TO VOTE

1 Snapshot time
It has been determined that under the Corporations Regulations 7.11.37, for the purposes of the annual general meeting, shares will be taken to be held by the persons who are the registered holders at 7 pm on Wednesday 30 August 2006. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

PROXIES
A shareholder entitled to attend and vote has a right to appoint a proxy to attend and vote instead of the shareholder. A proxy need not be a shareholder and can be either an individual or a body corporate. If a shareholder appoints a body corporate as a proxy, that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at the meeting, in accordance with section 250D of the Corporations Act; and
- provides satisfactory evidence of the appointment of its corporate representative.

If such evidence is not received at least 48 hours prior to the appointed time for the meeting, then the body corporate (through its representative) will not be permitted to act as a proxy.

A shareholder that is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the shareholder’s votes.

A Proxy Form accompanies this Notice and to be effective must be received at the Company’s corporate registry:

- Registries Limited
  PO Box R67
  Royal Exchange
  Sydney NSW 1223
- OR by facsimile: +61 2 9279 0664

at least 48 hours before the appointed time of the meeting.

By Order of the Board
Dated: 26 July 2006

John Randall
Company Secretary
This Explanatory Memorandum has been prepared to assist shareholders to understand the business to be put to shareholders at the annual general meeting.

ORDINARY BUSINESS

1 Annual financial report
The Corporations Act requires:
• the reports of the directors and auditors; and
• the annual financial report, including the financial statements of the Company for the year ended 30 April 2006, to be laid before the annual general meeting.
Neither the Corporations Act nor the Company’s constitution requires a vote of shareholders on the reports or statements (other than the non-binding vote in respect of the remuneration report forming part of the directors report – see the resolution in item 3). However, shareholders will be given ample opportunity to raise questions or comments on the reports and statements at the meeting.
Also, a reasonable opportunity will be given to members as a whole at the meeting to ask the Company’s auditor questions relevant to the conduct of the audit and the preparation and content of the auditor’s report.

2 Ordinary resolutions to re-elect directors
Michael Jablonski, Lou Jardin and Richard Longes each retire by rotation as directors of the Company in accordance with rule 8.1(d) of the Company’s constitution and, being eligible, offer themselves for re-election as directors of the Company in accordance with rule 8.1(f).

Bruce Hogan, AM was appointed as a director by the directors of the Company on 23 November 2005, in accordance with rule 8.1(c) of the Company’s constitution. In accordance with rule 8.1(d), Mr Hogan retires from office at the annual general meeting, and being eligible, offers himself for re-election as a director of the Company in accordance with rule 8.1(f).

Profiles of directors standing for re-election

Michael Jablonski
Mr Jablonski was an executive director of Metcash Trading Limited from May 1998 to January 2006 and has been an executive director of the Company since 18 April 2005.
Mr Michael Jablonski has 34 years experience in the food industry both in Australia and South Africa. His previously held positions include: 1984 – Merchandise Executive Foods, OK Bazaars; 1987-1991 – Merchandise and Marketing Director, Score Food Holdings Ltd; 1992-1996 - Deputy Group Merchandise Director, Metco Holdings Limited; 1996-1998 – Director of Distribution and Retail Development, Metco Holdings Limited. Mr Jablonski was the Group Merchandise Director of Metcash Trading Limited from May 1998 and has been a director of Metcash Limited from April 2005 to date. He is responsible for the Group’s Merchandise and Supplier relationships, and the income derived therefrom.

Lou Jardin
Mr Jardin was an executive director of Metcash Trading Limited from May 2002 to January 2006 and has been an executive director of the Company since 18 April 2005.

Mr Jardin has extensive industry experience, including owning and operating independent supermarkets and holding senior positions within a chain store environment, as well as warehouse and distribution operations. He held a senior position with Coles Myer for 11 years before joining Metcash in 1997 as the National Manager of company owned stores. In 1998, Mr Jardin moved to Queensland as the State General Manager until his current appointment in May 2000 to the role of CEO IGA Distribution.

Richard Longes
Mr Longes was a non-executive director of Metcash Trading Limited from January 2000 to January 2006 and has been a non-executive director of Metcash Limited since 18 April 2005.

He is the Chairman of the Audit Risk & Compliance Committee.

Mr Richard Longes has been a director of a number of public companies and a member of various government bodies and enquiries for more than 20 years. He is currently Chairman of Austbrokers Holdings Ltd and a Director of Boral Limited, Viridis Energy Capital Pty Ltd and Investec Bank (Australia) Ltd.

Mr Longes was formerly a co-founder and principal of the corporate advisory and private equity firm, Wentworth Associates and prior to that a partner of Freehill Hollingdale & Page, solicitors.

Bruce Hogan, AM
Mr Bruce Hogan was a non-executive director of Metcash Trading Limited from November 2005 to January 2006 and has been a non-executive director of Metcash Limited since 23 November 2005. He is a member of the Audit Risk & Compliance Committee.

Mr Hogan is currently the Chairman of State Super Financial Services Limited and a director of NSW Treasury Corporation and Snowy Hydro Limited. Mr Hogan was formerly Joint Managing Director of Bankers Trust Australia Limited until 1994 and was previously a director of Coles Myer Limited, Adelaide Casino, Funds South Australia, Energy Australia and GIO Australia Limited.

Recommendation
The directors (Michael Jablonski, Lou Jardin, Richard Longes and Bruce Hogan not participating) recommend that shareholders vote in favour of the resolutions to re-elect each of Michael Jablonski, Lou Jardin, Richard Longes and Bruce Hogan as directors of the Company.

SPECIAL BUSINESS

3 Ordinary resolution to adopt the remuneration report
Shareholders are asked to adopt the Company’s remuneration report. The remuneration report is set out on pages 28 to 34 of the 2006 annual report and is also available on the Company’s website www.metcash.com. The remuneration report:
• describes the policies behind, and structure of, the remuneration arrangements of the Company and the link between the remuneration of employees and the Company’s performance;
• sets out the remuneration arrangements in place for each director and for specified senior executives of the Company; and
• explains the differences between the bases for remunerating non-executive directors and executives, including the executive directors.
A reasonable opportunity for discussion of the remuneration report will be provided at the annual general meeting. The vote on the resolution in item 3 is advisory only, and does not bind the directors or the Company,
Appointment of Proxy

I/We being a member/s of Metcash 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 Metcash Limited to be held at Heritage Ballroom, The Westin Sydney, No. 1 Martin Place, Sydney New South Wales on Thursday, 31 August 2006 at 2.30pm and at any adjournment of that meeting.

Voting directors to your proxy – please mark ☒ to indicate your directions

ORDINARY BUSINESS

| Item 2 | (a) To re-elect Michael Jablonski as a director |
| Item 2 | (b) To re-elect Lou Jardin as a director |
| Item 2 | (c) To re-elect Richard Longes as a director |
| Item 2 | (d) To re-elect Bruce Hogan, AM, as a director |
| Item 3 | To adopt the remuneration report |

In addition to the intentions 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 Security Holder 1

Security Holder 2

Security Holder 3

Sole Director and Sole Company Secretary

Director

Director/Company Secretary

Contact Name _________________________________  Contact Daytime Telephone Number ___________________________  Date ______/____/____
HOW TO COMPLETE THE 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. Security holders sponsored by a broker 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. 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 security holder 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 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 security holders should sign.
Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney 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.

LODGERMENT 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 at 2:30pm on Thursday, 31 August 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 Share Registry – Registries Limited, Level 2, 28 Margaret Street, Sydney NSW 2000 Australia
BY MAIL Share Registry – Registries Limited, PO Box R67, Royal Exchange, Sydney NSW 1223 Australia
BY FAX 61 2 9279 0664