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30 March 2007

Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

2007 NOTICE OF MEETING AND PROXY FORM

We attach Notice of Meeting and Proxy Form for the Adelaide Brighton Ltd Annual General Meeting to be held on Thursday 10 May 2007 for release to the market.

Yours faithfully

MRD Clayton
Company Secretary

Adelaide Brighton Ltd Notice of Annual General Meeting

The 2007 Annual General Meeting of Adelaide Brighton Ltd will be held on Thursday 10 May 2007 at 11.00 am at The Ballroom, Hyatt Regency, North Terrace, Adelaide, South Australia 5000.



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Ordinary business

Financial Report

- 1 To consider the financial reports, the Directors' Report and the Auditor's Report for the financial year ended 31 December 2006.

Election of Directors

- 2 Mr C L Harris retires by rotation in accordance with the Company's constitution and, being eligible, offers himself for re-election.
- 3 Mr M A Kinnaird AO retires by rotation in accordance with the Company's constitution and, being eligible, offers himself for re-election.

Special business

Issue of Awards to the Managing Director

- 4 To consider, and if thought fit, pass the following resolution as an ordinary resolution: "That approval be given to the grant of 1,305,000 Awards to Mr Mark Chellev, the Managing Director of the Company, under the Adelaide Brighton Executive Performance Share Plan (Plan) on the terms set out in the Explanatory Notes to this Notice of Annual General Meeting".

Voting restriction on resolution 4

The Company will disregard any votes cast on resolution 4 by the Managing Director or any of his associates unless the vote is cast by:

- A person as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form.
- 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.

5 Remuneration Report

To adopt the Remuneration Report for the financial year ended 31 December 2006.

The Remuneration Report is set out on pages 34 to 46 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.

By Order of the Board
Marcus Clayton
Company Secretary
30 March 2007

Voting information

1 For the purposes of the meeting, shares will be taken to be held by the persons who are the registered holders at 10.00pm (Adelaide time) on 8 May 2007. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

2 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 2001 (Cth)*; and
- provides satisfactory evidence of the appointment of its corporate representative.

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

A form of appointment of proxy is enclosed. To be effective the document appointing the proxy (and the power of attorney, if any, under which it is signed) must be received by the Company at least 48 hours before the meeting. The documents should be lodged with the Company:

- by delivery, or by mail, to the Company's registered office at Level 1, 157 Grenfell Street, Adelaide, SA 5000; or
- by facsimile to the company on (08) 8215 0030 (international +(618) 8215 0030).

A shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. Where more than one proxy is to be appointed or where voting intentions cannot be adequately expressed using the enclosed proxy form, an additional form of proxy is available on request from the Company.

3 A representative of a company attending the meeting must present satisfactory evidence of his or her appointment to attend on its behalf, unless previously lodged with the Company.

4 Please refer to other notes appearing on the enclosed form of proxy.

Explanatory notes to shareholders

Resolutions 2 and 3 Election of Directors

Mr C L Harris and Mr M A Kinnaird AO retire by rotation and offer themselves for re-election.

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

Mr C L Harris

Mr Harris, 60 years of age, joined the Board as an independent non-executive Director in March 1995. He is Chairman of the Remuneration and Nomination Committee, Superannuation Policy Committee and Member of the Audit, Risk and Compliance Committee, Corporate Governance Committee and Independent Directors' Committee.

Mr Harris is an economics graduate, qualified accountant and former CEO and Managing Director of FH Faulding & Co Ltd and Deputy Chairman of Adelaide Bank Ltd.

He is currently Chairman of Argo Investments and EvoGenix Ltd and a Director of McGuigan Simeon Wines Ltd, United Water International Pty Ltd and JM Financial Group Ltd.

The Board has reviewed the performance of Mr Harris and confirmed its support for his re-election as a Director of the Company.

Mr M A Kinnaird AO

Mr Kinnaird, 73 years of age, joined the Board as an independent non-executive Director in September 1996 and was Deputy Chairman until his appointment as Chairman in January 1997. He is Chairman of the Independent Directors' Committee and a Member of the Audit, Risk and Compliance Committee, Nomination and Remuneration Committee, Corporate Governance Committee and SH&E Committee.

Mr Kinnaird is a civil engineer, founder and past Executive Chairman of former engineering firm Kinhill Pty Ltd, now known as KBR. Mr Kinnaird is a Consultant with KBR and is involved in the wider professional and business community.

He is currently Chairman, Asia Pacific Transport Pty Ltd and Freight Link Pty Ltd and a Director of National Electricity Market Management Company Ltd (NEMMCO), United Water International Pty Ltd, Macmahon Holdings Ltd and a Member of the Defence Procurement Advisory Board.

Mr Kinnaird is an Officer in the General Division of the Order of Australia for services to engineering and the community.

The Board has reviewed the performance of Mr Kinnaird and confirmed its support for his re-election as a Director of the Company.

Resolution 4 Issue of Awards to the Managing Director

Shareholder approval is sought for the grant of Awards to the Managing Director, Mr Mark Chellew, under the Company's long term incentive arrangements.

On 31 December 2006, the Company issued Awards to members of the senior executive team on similar terms to those set out below. As the Company was required to seek shareholder approval for an issue of Awards to the Managing Director, the Company was unable to grant Awards to the Managing Director at that time. The Board considers that it is important that the remuneration of the Managing Director and members of the senior executive team, including any long term incentive, be on the same terms to ensure a co-ordinated and consistent approach.

If approval is obtained, Mr Chellew will be issued with 1,305,000 Awards (at no cost to the Managing Director) under the Plan. If shareholder approval of the grant of Awards is not obtained, the Company has agreed to provide the Managing Director with a cash benefit that will place him, insofar as possible, in the same after tax financial position as he would have been had he been issued with the Awards.

The maximum number of shares in respect of which the Awards may be exercised is 1,305,000 shares, subject to the satisfaction of exercise conditions, which are outlined below.

The 1,305,000 Awards will be divided into 3 tranches of shares as follows:

- Tranche 1: 435,000 - earliest exercise date is 1 May 2009.
- Tranche 2: 435,000 - earliest exercise date is 1 May 2010.
- Tranche 3: 435,000 - earliest exercise date is 1 May 2011.

These Awards will be granted no later than 30 days after the date of the meeting and will expire on 30 September 2011.

The exercise conditions comprise two performance hurdles, one based on Total Shareholder Return (TSR), the other on Earnings Per Share (EPS). The Board considers these performance hurdles to be appropriate because they will ensure that a proportion of the Managing Director's remuneration is linked to company performance and the generation of shareholder value. The Board will apply and evaluate either or both of these performance hurdles (as it deems appropriate in light of all relevant factors relating to the Company, including the impact of any takeover bid) in order to determine whether the Managing Director is entitled to exercise a tranche or any part of a tranche on the relevant date.

If the performance hurdle for a particular tranche is met, then on exercise of the Award in respect of that tranche, the relevant number of shares will be issued to the Managing Director for no payment. The price of the shares resulting from the exercise of the Award will be accounted for by the Company in accordance with the relevant accounting standards. A trustee may acquire shares for the purposes of the Plan by subscription or on the market.

The two performance hurdles are outlined in greater detail below:

- (a) 50% of each tranche under the 2007 Award will be subject to the following TSR hurdle.

This performance hurdle compares the TSR performance of the Company (broadly, growth in share price plus dividends notionally reinvested, rounded to not less than three decimal places) with the TSR performance of entities in a comparator group of entities. Specifically, the TSR of the Company must equal or exceed the growth in the returns of at least 2 of the 3 following indices plus the applicable percentage premium set out after the name of each index:

- S&P/ASX Small Ordinaries Accumulation Index (XSO AI) plus 2% premium.
- S&P/ASX 200 Materials Accumulation Index (XMJ AI) plus 2% premium.
- S&P/ASX 200 Accumulation Index (XJO AI) plus 3% premium.

- (b) 50% of each tranche under the 2007 Award will be subject to the following EPS hurdle.

This performance hurdle requires that the average annual growth in the EPS of the Company (as disclosed in the audited annual accounts of the Company and before any write downs and capital management initiatives) over the period from 1 January 2007 until the end of the financial year immediately prior to the performance date must equal or exceed 7% per annum compound growth measured against the EPS for the financial year ended 31 December 2006.

Once the 7% threshold is reached, the relevant tranche of Awards subject to the EPS hurdle will progressively vest in accordance with the following scale:

<i>Average Annual Growth in EPS</i>	<i>Percentage of Awards subject to EPS hurdle which will vest</i>
Below 7%	Nil
7%	40%
between 7% and 9%	Prorata up to 70%
9%	70%
between 9% and 11%	Prorata up to 100%
11%	100%

Any shares allocated to the Managing Director on exercise of an Award will not be subject to any restrictions on dealing.

If the Managing Director ceases employment with the Company, the Awards in respect of any tranche that is not exercisable will be forfeited, except in limited circumstances. These circumstances include death, retirement, or Separation (as defined in the Plan Rules), redundancy, or such other circumstances as the Board in its discretion permits, provided the Exercise Condition is met or the Board exercises its discretion to waive the Exercise Condition. In these circumstances, where an Award is permitted to be exercised at an earlier date, in respect of any tranche, the number of shares available will be reduced in accordance with a formula to reflect the shorter performance period.

The Managing Director's entitlement to Company shares under an Award may also be adjusted to take account of capital reconstructions and bonus issues.

In the event of a takeover bid (or other transaction likely to result in a change in control of the Company), the Managing Director will only be allowed to exercise his Awards to the extent determined by the Board as provided for in the Plan Rules.

In order to safeguard shareholders' interests, the Awards (to the extent that they have not been exercised) will lapse if the Board considers that the Managing Director has acted fraudulently, dishonestly or in breach of his obligations to the Company.

There is no loan to the Managing Director associated with the grant of Awards or the allocation of shares upon exercise of Awards.

Since the last shareholder approval on 19 May 2005, no other Awards have been made under the Plan to any Director.

Mr Mark Chellew is the only Director entitled to participate in the Plan.

Details of the number of Awards issued under the Plan, and the extent to which they have vested and been exercised, are disclosed by the Company in its Annual Report in accordance with the requirements of the Corporations Act and relevant accounting standards. Additional information is also set out in the Annual Report regarding the remuneration package of the Managing Director.

A copy of the Plan Rules is available (at no cost) to any shareholder on request to the Group Corporate Affairs Adviser, Luba Przedworski, on (08) 8223 8005.

The Board, excluding Mr Chellew, recommend that shareholders vote in favour of Resolution 4.

Resolution 5

Adoption of Remuneration Report - Non-binding advisory vote

As required by the Corporations Act, the Board is presenting the Company's Remuneration Report to shareholders for consideration and adoption by a non-binding vote. The Remuneration Report is set out on pages 34 to 46 of the 2006 Annual Report.

The Remuneration Report:

- Describes the policies behind, and the 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 during the year and for certain key members of the senior management team, including performance conditions applicable to 'at risk' remuneration for certain senior executives.
- Explains the differences in approach for remunerating Non-Executive Directors and executives of the Company, including the Managing Director.

A reasonable opportunity for discussion of the Remuneration Report will be provided at the Annual General Meeting. The vote on resolution 5 is advisory only and does not bind the Directors or the Company. Nevertheless, the Board will take into account the outcome of the vote when considering the future remuneration arrangements of the Company.

The Board recommends that shareholders vote in favour of resolution 5.



Appointment of Proxy

Adelaide Brighton Ltd
ABN 15 007 596 018

All correspondence to:
Adelaide Brighton Ltd
GPO Box 2155
Adelaide SA 5001
Telephone 61 8 8223 8000
Facsimile 61 8 8215 0030
Email: adelaidebrighton@adbri.com.au

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

I/We being a member/s of Adelaide Brighton Ltd and entitled to attend and vote hereby appoint

The Chairman
of the Meeting
(Mark with an 'X')

OR

Write here the name of the individual or body corporate you are appointing as proxy if you are not appointing the Chairman of the Meeting

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 Adelaide Brighton Ltd to be held at the Ballroom, Hyatt Regency, North Terrace, Adelaide SA 5000 on Thursday 10 May 2007 at 11:00 am and at any adjournment of that meeting.

Voting directions to your proxy - please place a mark



In the appropriate box below to indicate your directions

	For	Against	Abstain*
Resolution 2 Re-elect C L Harris	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Re-elect M A Kinnaird AO	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Issue of Awards to the Managing Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Adoption of Remuneration Report (non binding resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If the Chairman of the Meeting is to be your proxy, you should be aware that he intends to vote undirected proxies in favour of all 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.

Appointing a second Proxy

I/We wish to appoint a second proxy

Mark with an 'X' if you wish to appoint a second proxy.

AND

 %

OR

State the percentage of your voting rights or the number of securities for this Proxy Form.

Authorised Signature/s

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

Individual/Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact daytime telephone

Date

A B C

8 P R



How to complete the Proxy Form

1 Your name and address

This is your name and address as it appears on the share register of Adelaide Brighton Ltd. If this information is incorrect, please mark the box and make the correction on the form. Securityholders sponsored by a broker should advise their 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 person 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 Adelaide Brighton Ltd.

3 Votes on items of business

You may direct your proxy how to vote or to abstain from voting by placing a mark in the appropriate box 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

If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Adelaide Brighton Ltd or you may copy this form. If two proxies are appointed, neither is entitled to vote on a show of hands.

To appoint a second proxy you must:

- (a) Indicate that you wish to appoint a second proxy by marking the box.
- (b) 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.
- (c) 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 holders must sign.
- Power of Attorney:** if signed under a Power of Attorney, you must have already lodged it with the Company. 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:** a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. A sole Director of a corporation without a Company Secretary can sign. 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 or the share registry at www.computershare.com.au.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting at 11.00am on 10 May 2007. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged:

- By mail** In the reply paid envelope - Reply Paid 70306, Adelaide SA 5000
Registered Office - Level 1, 157 Grenfell Street, Adelaide SA 5000
- In Person** Level 1, 157 Grenfell Street, Adelaide SA 5000
- By Fax** 61 8 8215 0030