

INVITATION TO CSR'S AGM

 **DEAR
SHAREHOLDER,**

IT GIVES ME GREAT PLEASURE TO INVITE YOU TO ATTEND CSR'S ANNUAL GENERAL MEETING BEING HELD AT A NEW VENUE THIS YEAR, THE BALLROOM, THE FOUR SEASONS HOTEL, 199 GEORGE STREET, SYDNEY, AT 10.00 AM ON THURSDAY 5 JULY 2007.

The new venue, the Four Seasons Hotel (formerly the Regent Hotel), is located at 199 George Street, between Essex Street and the Cahill Expressway overpass on the left hand or western side of George Street if you head north from Wynyard towards The Rocks.

The notice of meeting (following pages) details the business to be dealt with at the AGM.

If you choose to attend the meeting, please bring the enclosed proxy form with you to speed your registration for entry to the AGM. If you do not plan to be at the meeting, you are encouraged to appoint someone to attend and vote on your behalf as your proxy. Instructions on how to appoint a proxy are on the back of the proxy form.

Proxy forms must be received by 10.00 am Sydney time on Tuesday 3 July 2007 to be valid for the meeting. Your proxy may be appointed in a variety of ways described on page 1 of the notice of meeting under 'Proxies'.

The AGM will be an opportunity for you to meet our new Managing Director, Jerry Maycock, and new Non-executive Director, Ray Horsburgh.

The AGM will be webcast live on the internet at www.csr.com.au. Also available on the CSR internet site are:

- a link to register your e-mail address to receive all shareholder information electronically
- the *CSR Annual Report 2007* and *Notice of Meeting 2007*
- a link to standard shareholder forms, including a change of address advice, direct dividend advice, and a request to consolidate holdings
- copies of news releases and financial presentations

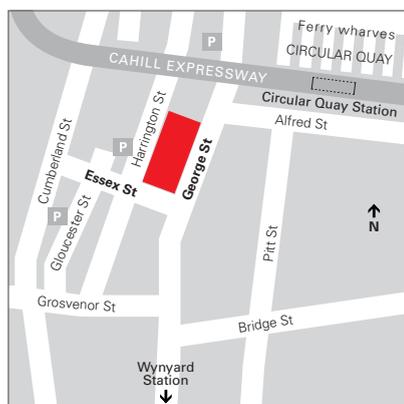
I look forward to seeing you at the AGM.

Yours sincerely



IAN BLACKBURNE
CHAIRMAN

1 June 2007



The Ballroom
The Four Seasons Hotel
199 George Street
Sydney




THE ANNUAL GENERAL MEETING OF CSR LIMITED WILL BE HELD IN:
THE BALLROOM
THE FOUR SEASONS HOTEL
199 GEORGE STREET
SYDNEY
AT 10.00 AM ON
THURSDAY 5 JULY 2007

NOTICE OF MEETING 2007

AGENDA

ORDINARY BUSINESS

1. To receive and consider

the financial report and the reports of the directors and of the auditor for the financial year ended 31 March 2007.

2. To adopt

the remuneration report for the financial year ended 31 March 2007.

Note that the vote on this item is advisory only and does not bind the directors or the company.

3. To elect directors

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

- a. That Ian Blackburne, who will retire by rotation at the close of the meeting in accordance with clause 55 of the company's constitution, be re-elected as a director of the company.
- b. That the appointment of Jerry Maycock as an executive director during the year be ratified in accordance with clause 59 of the company's constitution.
- c. That Ray Horsburgh, who was appointed during the year and will retire at the close of the meeting in accordance with clause 53 of the company's constitution, be elected as a director of the company.

Separate resolutions will be considered in respect of each of the above directors.

DETERMINATION OF ENTITLEMENT TO ATTEND AND VOTE

For the purposes of the meeting, shares will be taken to be held by the persons who are registered as shareholders as at 7.00 pm Sydney time on Tuesday 3 July 2007.

Proxies

If you are a shareholder entitled to attend and vote, you are entitled to appoint one or two proxies. Where two proxies are appointed, you may specify the number or proportion of votes that each may exercise, failing which each may exercise half of the votes. A proxy need not be a shareholder of the company.

If you want to appoint one proxy, you can use the form provided. If you want to appoint two proxies, please follow the instructions in point 4 on the reverse of the proxy form.

The company's constitution provides that, on a show of hands, every person present and qualified to vote shall have one vote. If you appoint one proxy, that proxy may vote on a show of hands, but if you appoint two proxies, neither proxy may vote on a show of hands.

If you appoint a proxy who is also a shareholder or is also a proxy for another shareholder, your directions may not be effective on a show of hands. Your directions will be effective if a poll is required and your proxy votes.

You may lodge a proxy online at Computershare's internet address below by following the instructions set out on the website. Shareholders who elected to receive their notice of meeting and proxy electronically will have received an e-mail with a link to the Computershare site.

To be effective, the proxy form or electronic proxy appointment must be received by Computershare Investor Services Pty Limited at the address, facsimile number or internet address below, or by CSR at its registered office, Level 1, 9 Help Street, Chatswood, New South Wales 2067 Australia, not later than 10.00 am Sydney time on Tuesday 3 July 2007.

Where to lodge a proxy

CSR Limited share registry
 Computershare Investor Services Pty Limited
 GPO Box 242
 Melbourne Victoria 3001 Australia
 (Please use the enclosed reply envelope)

Facsimile (03) 9473 2118
 International +61 3 9473 2118

Lodge proxy electronically at:
www.computershare.com/au/proxy/csr

You can arrange to receive shareholder information electronically, or obtain a replacement or second proxy form, by contacting Computershare on 1800 676 061 (within Australia) or +61 3 9415 4033 (outside Australia) or go to www.computershare.com.au (Investor Centre).

Admission to meeting

Shareholders who will be attending the CSR annual general meeting and who will not be appointing a proxy, are asked to bring the proxy form (if they have one) to the meeting to help speed admission.

Shareholders who do not plan to attend the meeting are encouraged to complete and return a proxy form or lodge a proxy online, for each of their holdings of CSR shares.

Questions and comments by shareholders at the meeting

In accordance with the Corporations Act 2001 and the company's past practice, a reasonable opportunity will be given to shareholders at the meeting to ask questions about, or make comments on, the management of the company.

Similarly, a reasonable opportunity will also be given to shareholders at the meeting to ask Deloitte Touche Tohmatsu, CSR's auditor, or their representative, questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the 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.

Written questions for Deloitte Touche Tohmatsu relevant to the conduct of the audit and the content of the auditor's report must be received no later than 5.00 pm (Sydney time) on Thursday 28 June at Computershare (at the address or fax number for lodgement of proxies). Alternatively, the questions may be sent to the company secretary, CSR Limited, Level 1, 9 Help Street, Chatswood NSW 2067 or by e-mail to investorrelations@csr.com.au. A list of questions to the auditor will be available at the meeting.

EXPLANATORY NOTES

1. Receive and consider the reports for the year ended 31 March 2007

The *CSR Annual Report 2007* has been made available to shareholders and can be found on the company's website (www.csr.com.au) under Investors. There will be an opportunity for shareholders at the meeting to comment on and ask questions about CSR's management, operations, financial position, business strategies and prospects.

The directors recommend that shareholders vote in favour of agenda item 1.

2. Adopt the remuneration report for the year ended 31 March 2007

There will be an opportunity for shareholders at the meeting to comment on and ask questions about the remuneration report which commences on page 33 of the *CSR Annual Report 2007*.

The vote on the proposed resolution in agenda item 2 is advisory only and will not bind the directors or the company, however, the board will take the outcome of the vote into consideration when reviewing remuneration practices and policies.

The directors recommend that shareholders vote in favour of agenda item 2.

3. Elect directors

Information about the directors standing for election:

Ian Blackburne

BSC(HONS), PHD, MBA, AGE 61.

Chairman, chairs the Remuneration and Nominations Committee and is a member of the Audit Committee and the Safety, Health and Environment Committee.

An independent director, Ian is a former managing director of Caltex Australia Limited, with 25 years' experience in petroleum refining, distribution and marketing. He has been a director of both Suncorp-Metway Limited and Teekay Shipping Corporation for six years and of Symbion Health Limited for two years. Resides in Sydney.

CSR's chairman for the past four years, Ian joined the board in September 1999 and was re-elected in 2002 and 2004. Having served for a further three years, he now retires by rotation and stands for re-election.

Jerry Maycock

BENG(MECH)(HONS), AGE 55.

Appointed as an executive director on 13 February 2007 and as managing director on 1 April 2007, Jerry has extensive experience in manufacturing businesses and a strong global perspective. For three years until recently, he led the successful restructure and growth of Hastie Group Limited, the last two years as managing director of the ASX-listed entity. This followed a 23 year career with Holcim Limited, one of the world's leading construction materials companies, most recently as senior vice president, responsible for operations in a number of South East Asian countries, as well as Australia, New Zealand and the Pacific region. In this role he led a number of mergers and acquisitions. Jerry has been a director of AGL Energy Limited since October 2006. Resides in Brisbane.

A summary of the main elements and terms of Jerry's executive service agreement can be found on the company's website (www.csr.com.au) under Investors / News Releases, attached to the announcement of his appointment on 2 November 2006. There is also information in the remuneration report on page 36 of the *CSR Annual Report 2007*.

Having joined the board during the year, under the company's constitution, Jerry can only continue in office if his appointment as a director is ratified by shareholders at the next general meeting following his appointment. No further ratification is required for the managing director.

Ray Horsburgh AM

BENG(CHEM), AGE 64.

Chairs the Safety, Health and Environment Committee and is a member of the Remuneration and Nominations Committee. He joined the board in October 2006 as an independent director. Ray has a distinguished record of managing manufacturing businesses in Australia, Asia, the UK and New Zealand, including leading a number of mergers and acquisitions. For eight years, he has been managing director of Smorgon Steel Group Limited, following a 31 year career with the Australian Consolidated Industries group, primarily in glass and packaging businesses. Ray has been a director of Toll Holdings Limited for two years and last year joined the board of Traffic Technologies Limited. He is a member of the Business Council of Australia, a director of Epworth Hospital and chairman of Essendon Football Club. Resides in Melbourne.

Having joined the board during the year, under the company's constitution, Ray holds office until the next general meeting, when he is eligible to stand for election by shareholders.

The directors (in each case excluding the relevant director) recommend that shareholders vote in favour of items 3a, 3b and 3c.



GRAHAM HUGHES
COMPANY SECRETARY

1 June 2007



Ian Blackburne
CHAIRMAN



Jerry Maycock
MANAGING DIRECTOR



Ray Horsburgh
DIRECTOR

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E-mail investorrelations@csr.com.au

CSR internet site www.csr.com.au

SHAREHOLDER INFORMATION AND INQUIRIES

All inquiries and correspondence regarding shareholdings should be directed to CSR's share registry:

Computershare Investor Services Pty Limited
Level 3, 60 Carrington Street, Sydney NSW 2000 Australia

GPO Box 2975, Melbourne Vic 3001 Australia

Telephone within Australia 1800 676 061

International +61 3 9415 4033

Facsimile (03) 9473 2500

International +61 3 9473 2500

Internet site www.computershare.com.au

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