carsales.com ltd
ABN 91 074 444 018

Lodge your vote:

Online:
www.investorvote.com.au

By Mail:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 651 575
(outside Australia) +61 3 9415 4694

000001 000 CRZ
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

Vote online or view the annual report, 24 hours a day, 7 days a week:

www.investorvote.com.au

☑ **Cast your proxy vote**

☑ **Access the annual report**

☑ **Review and update your securityholding**

Your secure access information is:
Control Number: 999999

SRN/HIN: I9999999999 **PIN: 99999**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

For your vote to be effective it must be received by 1.00pm (AEDT) 19th October 2009

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.
Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.
Power of Attorney: If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.computershare.com.

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

GO ONLINE TO VOTE,
or turn over to complete the form ➔

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

I 9999999999 I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of carsales.com Limited hereby appoint

☐ **the Chairman of the Meeting** **OR** ______________________

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

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 carsales.com Limited to be held on 21st October 2009 at the Garden Rooms 2&3, Level 1, Crown Entertainment Complex, 8 Whiteman Street, Southbank, Melbourne at 1.00pm (AEDT) and at any adjournment of that meeting.

Important for Item 5: If the Chairman of the Meeting is your proxy and you have not directed him/her how to vote on Item 5 below, please mark the box in this section. If you do not mark this box and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Item 5 and your votes will not be counted in computing the required majority if a poll is called on this item. The Chairman of the Meeting intends to vote undirected proxies in favour of Item 5 of business.

☐ I/We acknowledge that the Chairman of the Meeting may exercise my proxy even if he/she has an interest in the outcome of that Item and that votes cast by him/her, other than as proxy holder, would be disregarded because of that interest.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

		For	Against	Abstain
Item 2.	Adopt the Remuneration Report of the Company	☐	☐	☐
Item 3.	Re-elect Mr Ian Law as a Director of the Company	☐	☐	☐
Item 4.	Re-elect Mr Pat O'Sullivan as a Director of the Company	☐	☐	☐

SPECIAL BUSINESS

		For	Against	Abstain
Item 5.	Remuneration payable to non-executive Directors of the Company	☐	☐	☐
Item 6.	Grant of share options to Managing Director	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

Contact Name ______________________ Contact Daytime Telephone ______________________ Date ___ / ___ / ___

carsales.com ltd

carsales.com Limited
ABN 91-074-444-018
Registered Office Level 1, 109 Burwood Road, Hawthorn, Victoria, 3122

Notice of Annual General Meeting.

Notice is hereby given that an Annual General Meeting of shareholders of carsales.com Limited will be held in Victoria on 21st October 2009 at the Garden Rooms 2&3, Level 1, Crown Entertainment Complex, 8 Whiteman Street, Southbank, Melbourne at 1pm.

Please note that the default option for receiving your Annual Report is now online. To access your online Annual Report please visit http://shareholders.carsales.com.au and click on "Financial Reports" on the left hand side of the screen. You have the option of receiving, free of charge, a printed copy of the Annual Report. Please contact Computershare on 1300 651 575 (or outside Australia +613 9415 4694) or complete the Computershare form attached to this Notice if you wish to receive a printed copy of the Annual Report.

Agenda
Financial report and directors' and audit reports

1. To receive and consider the financial report, including the directors' declaration, the related directors' report and audit report of the Company and the Company's controlled entities for the year ended 30 June 2009.

Remuneration Report

2. To receive, consider and adopt the Remuneration Report of the Company for the year ended 30 June 2009 (contained in the 2009 Annual Report).

Election of Directors
To consider and if thought fit, pass the following resolutions

In accordance with the Company's Constitution and Listing Rule 14.4:

3. Mr Ian Law, retires by rotation and, being eligible, offers himself for re-election as Director of the Company.

4. Mr Pat O'Sullivan, retires by rotation and, being eligible, offers himself for re-election as Director of the Company.

Special Business

5. Remuneration of Non Executive Directors.
To consider and if thought fit, pass the following resolution

That for the purposes of Article 20.1(a)(i) of the Company's Constitution and for all other purposes, the aggregate remuneration payable to non-executive Directors of the Company for the year ending 30 June 2010 comprise a maximum cash amount of $650,000.

6. Grant of share options to Managing Director to consider and if thought fit, pass the following resolution

As part of the long term retention and remuneration of the Managing Director, the board recommends the granting of 500,000 options to subscribe for ordinary shares to be issued in the Company at an exercise price to be determined based on the volume weighted average price of the Company's ordinary shares for the 10 trading day period prior to the Annual General Meeting. If approved, the options will have an Expiry Date of 30 June 2014. Rule 10.14 of the Listing Rules requires the approval of shareholders to the grant of these options. The vesting of the options will be based on an earnings per share growth target set by the Board that exceeds the Prospectus target ("**EPS**") with a Testing Date of 30 June 2010.

Other business

To deal with any other business which may be brought forward in accordance with the Company's Constitution and the Corporations Law.

During the meeting, a presentation covering the status of the Company will be made by Greg Roebuck (Managing Director). Shareholders will be able to put questions to the Directors. Tea and coffee will be served before the meeting.

By Order of the Board.

Cameron McIntyre
Company Secretary
21st September 2009

VOTING EXCLUSION STATEMENT:

1. In accordance with the Listing Rules the Company will, except as provided in paragraph 2 below, disregard any votes cast on:
   (a) **Resolution 5**, by any Director or by any associate of any Director; and
   (b) **Resolution 6**, by the Managing Director, Mr Greg Roebuck, or any associate of Mr Greg Roebuck.

2. The Company will not disregard a vote if it is cast:
   (a) by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
   (b) by the Chairman of 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:

Proxies

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a person as the member's proxy to attend and vote for the member at the meeting.
2. A member 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. 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 one half of the member's votes. If the member appoints two proxies, neither may vote on a show of hands if both proxies are present at the meeting.
3. A proxy need not be a member of the Company.
4. The proxy form must be signed by the member or the member's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act 2001.
5. To be valid, a duly completed proxy form and the power of attorney or other authority (if any) under which it is signed (or an attested copy of it) must be:
   (a) given electronically, by visiting www.investorvote.com.au and following the instructions provided but a proxy cannot be appointed online if appointed under power of attorney or similar authority; **or**
   (b) deposited with the Share Registry of the Company, Computershare Investor Services, PO Box 242 Melbourne, VIC 3001; **or**
   (c) successfully transmitted by facsimile to (61 3) 9473 2555; **or**
   (d) deposited at the registered office of carsales.com Limited at Level 1, 109 Burwood Road, Hawthorn, Vic, 3122. Specific questions please contact the Shareholder information line on 1300 651 575 or from overseas (61 3) 9415 4694 not later than 48 hours before the holding of the meeting or any adjournment of that meeting.
   (e) relevant custodians may lodge their proxy form online by visiting www.intermediaryonline.com
6. The Company has determined that the shareholding of each shareholder for the purposes of ascertaining the voting entitlements for the meeting will be as it appears in the share register at 7pm on Monday, 19 October 2009**.**

Explanatory Memorandum

This explanatory memorandum contains information relevant to the business referred to in the Notice of Annual General Meeting of carsales.com. Ltd ABN 91-074-444-018 (hereafter carsales.com or the Company). The Directors recommend that you read this document prior to the Annual General Meeting.

Item 1 Financial Statements.

The Corporations Act 2001 (Cth) requires the Financial Report, Directors' Report and Auditor's Report of the Company and the Company's controlled entities to be laid before the meeting. There is no requirement 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 business, operations and management of the Company.

The Chairman will give shareholders the opportunity to ask the Auditor questions relevant to the Auditor's Report or conduct of the audit. If a shareholder wishes to put written questions to the Auditor, a shareholder is entitled to submit questions relevant to the content of the Auditor's Report or the conduct of the audit, in writing, to the Company, up to five business days prior to the meeting. The Company will pass the questions on to the Auditor prior to the meeting. The Auditor may, but is not obligated to, answer any written or oral questions that are put to it by shareholders.

To access your online Annual Report please visit http://shareholders.carsales.com.au and click on "Financial Reports" on the left hand side of the screen. You have the option of receiving, free of charge, a printed copy of the Annual Report. Please contact Computershare on 1300 651 575 (or outside Australia +613 9415 4694) or complete the Computershare Form attached to this notice if you wish to receive a printed copy of the Annual Report.

Item 2 Remuneration Report

The Remuneration Report (which forms part of the Director's Report in the 2009 Annual Report) contains information in relation to a number of issues relating to remuneration policy and its relationship to the Company's performance. As required pursuant to the Corporations Act, a resolution will be put to Shareholders to adopt the Remuneration Report. Shareholders should be aware that the vote on this resolution is advisory only and is not binding on the Board.

Item 3 Re-election of Director

In accordance with the Company's constitution and Listing Rule 14.4, Mr Ian Law's position as Director requires confirmation. Accordingly, Mr Law retires and being eligible, offers himself for re-election.

Mr Law is the Chief Executive Officer of PBL Media and prior to that was Chief Executive Officer of Australian Consolidated Press, and prior to that Managing Director and Chief Executive Officer of West Australian Newspaper Holdings Limited. Mr Law has been involved in various senior roles in the media for more than 25 years. Mr Law is a member of the Australian Institute of Company Directors.

The Directors, other than Mr Law, recommend that Shareholders vote in favour of resolution 3. Mr Law makes no recommendation in relation to resolution 3.

Item 4 Re-election of Director

In accordance with the Company's constitution and Listing Rule 14.4, Mr Pat O'Sullivan's position as Director requires confirmation. Accordingly, Mr O'Sullivan retires and being eligible, offers himself for re-election.

Mr O'Sullivan is the Chief Financial Officer of PBL Media Group and prior to that was the Chief Financial Officer of Optus. Mr O'Sullivan is a member of the Institute of Chartered Accountants in Ireland and Institute of Chartered Accountants in Australia and is a graduate of the Harvard Business Schools Advanced Management Program.

The Directors, other than Mr O'Sullivan, recommend that Shareholders vote in favour of resolution 4. Mr O'Sullivan makes no recommendation in relation to resolution 4.

Item 5 Remuneration of Non-Executive Directors

There are six Non Executive Directors of the Company being Mr W Pisciotta, Mr A MacKenzie, Mr I Law, Mr R Collins, Mr J Browne, and Mr P O'Sullivan.

Under the Company's constitution, the remuneration payable to Non Executive Directors must not be more than the aggregate fixed sum which is determined by Shareholders at a general meeting.

It is proposed that the aggregate remuneration for the Non Executive Directors for the year ending 30 June 2010 comprise a maximum cash pool of $650,000.

Remuneration for non-executive Directors is considered at each Annual General Meeting and is set from year to year.

For the year ending 30 June 2009, non-executive Director Remuneration comprised a maximum cash amount of $218,000 and the issue of 625,000 share options. The change in remuneration is being recommended for the following reasons:-

(a) For the year ended 30 June 2010, non-executive directors are not entitled to share options. Share options for non-executive directors formed part of last year's remuneration and it is therefore appropriate to increase the cash component; and

(b) the Board believes the change in remuneration will ensure that the Company will continue to attract a high calibre of new candidates to the Board (as required), as well as retain high quality Board members.

The cash remuneration shall be shared between the Non Executive Directors as determined by the Board and includes superannuation.

Item 6 Issue of Options to Managing Director

Resolution 6 set out in the Notice seeks Shareholder approval to the grant of Options to Mr Greg Roebuck (being the Managing Director and Chief Executive Officer of the Company) for the purpose of Listing Rule 10.14.

The Board believes the grant of the Options to Mr Roebuck is consistent with the Company's remuneration policies and objectives, reflects good market practice in remuneration and effectively aligns the interests of Mr Roebuck with those of the Company.

If the performance criteria on the date of testing is met then options will immediately vest and alternatively if the test is not met, options will lapse. No amount will be payable on the grant of these options. If approved the proposed grant of options will be made immediately following the meeting, but in any event, not more than one month following the meeting.

It is the intention of the Board to put to Shareholders at the next Annual General Meeting a more comprehensive and longer term option plan for the Executive Director(s).