CCI HOLDINGS LIMITED
ACN 000 680 740

- ANNOUNCEMENT TO ASX -

Board rejects Campbell Brothers Proposed Offer

The Board of CCI Holdings Limited ("CCI") has met and discussed Friday's announcement that Campbell Brothers Limited ("Campbell") intends to make a 31 cent per share offer to acquire all the shares in CCI.

The Board has been informed by shareholders holding in excess of 35% of CCI's capital that they have no intention of accepting the offer. Such a rejection rules out the important 90% minimum acceptance condition of the proposed offer and renders it incapable of completion.

In addition, the Directors are confident that the important improvements implemented over the last eighteen months at CCI have created a profitable group with considerable potential. They point out that it is only in recent months that the stock market has started to re-rank CCI's shares. It appears quite clear that the proposed offer from Campbell is designed to take advantage of the lagging nature of this re-ranking process and is opportunistic. The Directors also note that much of Campbell's announced shareholding of 8.55% in CCI has been secured through option agreements and is further evidence of Campbell's opportunistic and predatory attitude to CCI.

In the circumstances, the Board unanimously rejects the proposed offer and advises shareholders to do likewise. Together with numerous other shareholders, the Directors advise that they intend to reject the offer in respect of their own shareholdings.

CCI has been preparing a Shareholder Update for some time, its despatch delayed, pending the settlement of one of the outstanding matters. This matter should be resolved later this week and the Shareholder Update circulated then.

For and on behalf of the Board

B Milton

Brian G Milton
Company Secretary

13 June 2006

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