Amcor Limited ABN 62 000 017 372

Notice of Annual General Meeting 2005

Notice is hereby given that the 69th Annual General Meeting of the Company will be held in the Savoy Ballroom of the Grand Hyatt Melbourne, 123 Collins Street, Melbourne at 11.00am on Thursday 27 October 2005.

Business

1. Financial Statements and Reports

To receive and consider the Financial Report and the Reports of the Directors and the Auditors in respect of the year ended 30 June 2005.

2. Election of Directors

(a) In accordance with Rule 50 of the Company's Constitution the following two Directors, having been appointed to the Board since the last Annual General Meeting and being eligible, offer themselves for election:

(i) J.G. (John) Thorn; and

(ii) K.N. (Ken) MacKenzie.

(b) E.J.J. (Ernest) Pope offers himself for election as a Director.

The following two Directors retire by rotation in accordance with the Company's Constitution and do not offer themselves for re-election:

(i) E.A. (Elizabeth) Alexander; and

(ii) D.C.K. (Charles) Allen.

3. Issue of Options and Performance Rights to Managing Director

To consider and, if thought fit, pass the following resolution as an ordinary resolution.
"That the Company approves the acquisition by the Managing Director and Chief Executive Officer, Mr K.N. MacKenzie, of options and performance rights to acquire ordinary shares in the capital of the Company in accordance with the terms set out in the Explanatory Notes accompanying this Notice of Annual General Meeting and any issue of ordinary shares upon the exercise of those options and performance rights."

4. Remuneration Report

To consider and, if thought fit, pass the following resolution as an ordinary resolution:
"That the Remuneration Report for the Company (included in the Report of the Directors) for the year ended 30 June 2005 be adopted."

Please note that the vote on this resolution is advisory only and does not bind the Directors or the Company.

Notes

For the purpose of voting at the meeting, the Directors have determined that all shares of the Company are taken to be held by the persons who are registered as holding them at 7.00pm (AEST) on Tuesday 25 October 2005. The entitlement of members to vote at the meeting will be determined by reference to that time.

A proxy form accompanies this Notice of Annual General Meeting. A member who is entitled to attend and vote at the meeting is entitled to appoint no more than two proxies (who need not be members of the Company) to attend and vote in their place.

A single proxy exercises all voting rights. Where a member wishes to appoint two proxies, an additional proxy form may be obtained by contacting the Amcor Share Registry, or the member may copy the enclosed proxy form. A member appointing two proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a member appoints two proxies and does not specify each proxy's voting rights, the rights are deemed to be 50% each. Fractions of votes are to be disregarded. Where two proxies are appointed, neither may vote on a show of hands.

Proxy forms must be received by the Amcor Share Registry at Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford, Victoria, 3067, Australia or by facsimile to (03) 9473 2555 within Australia or +61 3 9473 2555 from outside Australia or at the Company's registered office by 11.00am (AEST) on Tuesday 25 October 2005. Proxy forms received after that time will be invalid.

A member or proxy which is a corporation and entitled to vote may appoint an individual to act as its representative. Evidence of the appointment of a representative must be in accordance with the Corporations Act and lodged with the Company before the meeting or at the registration desk on the day of the meeting.

If any instrument (including an appointment of corporate representative or proxy form) returned to the Company is completed by an individual or a corporation under power of attorney, the power of attorney under which the instrument is signed, or a certified copy of that power of attorney, must accompany the instrument unless the power of attorney has previously been noted by the Company.

By order of the Board.

J McPherson

J F McPherson

Company Secretary

Melbourne

25 September 2005

Explanatory Notes

Business

Resolution 1

Financial Statements and Reports

The Financial Report of the Company and its controlled entities for the year ended 30 June 2005 and the Reports of the Directors and the Auditors are set out in the 2005 Full Year Financial Report – Concise and Financial.

Resolution 2

Election of Directors

Summary biographical data of John Thorn, Ken MacKenzie and Ernest Pope, who offer themselves for election, are set out below.

J.G. (John) Thorn FCA

Independent Non-Executive Director

A partner with PricewaterhouseCoopers for over 20 years, serving major local and international companies. National Managing Partner of the Australian firm of PWC since 2001, retiring from that position in September 2003. Extensive global experience, in particular in the Asia Pacific region, in audit, accounting, corporate governance and international management groups. Director of Caltex Australia Limited (since June 2004), National Australia Bank Limited (Audit Committee Chairman) (since October 2003) and Salmat Limited (since September 2003). Chairman Audit and Compliance Committee (since February 2005) and member of the Nomination Committee. Director since December 2004.

K.N. (Ken) MacKenzie BEng

Managing Director and Chief Executive Officer

Extensive experience across all major packaging business segments in the Americas, Australia, Asia and Europe. Joined Amcor 1992. Former positions: Group Managing Director, Amcor Rentsch and Closures 2001-2005; Group General Manager Amcor Flexibles Australasia 1999-2001; General Manager Corporate Sales and Marketing, Amcor Containers Packaging 1997-1999; Senior Finance and Operational roles, Amcor PET Packaging North America 1992-1997; Prior to joining Amcor, Manager Manufacturing Strategy Practice, Accenture 1987-1992. Member of Executive, Nomination and Human Resources Committees. Appointed Managing Director & CEO July 2005.

E.J.J. (Ernest) Pope BSc

Proposed Independent Non-Executive Director

Extensive experience in the international food industry. Currently Chairman of Golden Circle Limited and a director of Alesco Limited. Recently retired from the Nestlé Group after 38 years in the food industry. Roles at Nestlé included President and Chief Executive Officer of Nestlé Purina for the Asia-Pacific, Africa and Middle East region and Managing Director of Nestlé Australia Ltd and other senior international executive positions based in Switzerland, New Zealand, the U.S.A. and the Philippines. He is a past Director of Southcorp Limited, The Grocery Manufacturers of Australia and a founder and past Director of the Australian Food and Grocery Council.

Resolution 3

Issue of Options and Performance Rights to the Managing Director

Background

When the Board approved the appointment of the Company's new Managing Director and Chief Executive Officer, Mr Ken MacKenzie in early May 2005, the Board agreed to grant 750,000 options and 300,000 performance rights to Mr MacKenzie as part of his remuneration package.

ASX Listing Rule 10.11 provides that a company may not issue shares, options or other forms of "equity securities" to a director without shareholder approval. In addition, if shareholder approval is given in accordance with ASX Listing Rule 10.11, approval is not required for the purposes of ASX Listing Rule 7.1 (which imposes a 15% limit on the number of equity securities that a company may issue without shareholder approval).

Although approved in-principle by the Board at the time of the CEO's appointment, the grant of the options and performance rights is subject to the prior approval of the Company's shareholders and is the subject of Resolution 3.

If Resolution 3 is approved by the Company's shareholders, the options and performance rights will be granted to Mr MacKenzie on or before 27 November 2005.

Any funds received by the Company in connection with the exercise of the options or the performance rights will be used by the Company for general corporate purposes.

The terms of issue of the options and the performance rights are set out below.

Terms of Issue

1. <u>Options and Performance Rights</u>

1.1 Each option (an **Option**) carries the right, upon exercise and payment of the exercise price of A$6.78, to the issue or transfer of one fully-paid ordinary share in the capital of the Company (a **Share**) (subject to adjustment in accordance with these terms of issue).

1.2 Each performance right (a **Right**) carries the right, upon exercise, to the issue or transfer of one Share (subject to adjustment in accordance with these terms of issue).

2. <u>Issue to CEO</u>

2.1 Subject to receiving the approval of the Company's shareholders in accordance with ASX Listing Rule 10.11, the Company will issue 750,000 Options and 300,000 Rights to Mr Ken MacKenzie (the **CEO**).

2.2 The Options and Rights will be issued in three equal tranches (each, a **Tranche**). Each Tranche will comprise 250,000 Options and 100,000 Rights, and will:

(a) be subject to the performance conditions described in these terms of issue;

(b) have separate vesting periods; and

(c) have separate expiry dates.

The vesting periods and expiry dates for each Tranche are set out in the following table:

Tranche	Vesting Period	Expiry Date
1	1 October 2006 – 31 October 2008	30 September 2009
2	1 October 2007 – 31 October 2009	30 September 2010
3	1 October 2008 – 31 October 2010	30 September 2011

3. Total Shareholder Return (**TSR**) performance condition and vesting

3.1 Subject to clauses 3.2, 3.3 and 3.8, the Options and Rights in each Tranche may only be exercised if the Average Amcor TSR (see clause 3.4) on the first day of any calendar month during the vesting period applicable to that Tranche (as set out in the table in clause 2.2) (each a **Determination Date**) exceeds the Average Comparator TSR (see clause 3.4) on that Determination Date. If the Average Amcor TSR on a Determination Date exceeds the Average Comparator TSR on that Determination Date, the Options and Rights in that Tranche:

(a) will become vested on the sixteenth business day after that Determination Date (the **Vesting Date**); and

(b) may be exercised on and from the first trading day immediately after the Vesting Date until 5.00pm on the expiry date relating to that Tranche as set out in the table in clause 2.2 (subject to lapse in accordance with these terms of issue).

The Company will calculate the Average Amcor TSR and the Average Comparator TSR on each Determination Date on the sixteenth trading day after that Determination Date, and notify the CEO of those calculations on that day.

3.2 Where the CEO ceases to be employed by the Company or any of its related bodies corporate as a result of retrenchment, redundancy, business restructure, total and permanent disablement or death (an **Involuntary Cessation**), the Board of Directors of the Company (the **Board**) may, in its discretion, determine in relation to the Options and Rights in a Tranche which at the time of the Involuntary Cessation have not yet vested in accordance with clause 3.1 or 3.3 that some or all of those Options and Rights will become vested at the time of the Involuntary Cessation.

3.3 Where:

(a) a takeover bid is made for the Company and the Board recommends acceptance by the Company's shareholders;

(b) a Court orders that a meeting of shareholders of the Company be held to consider a scheme of arrangement between the Company and its shareholders; or

(c) the Board determines that some other transaction has occurred, or is likely to occur, which involves a change of control of the Company,

any Option or Right that has not become vested in accordance with clause 3.1 or 3.2 will become vested on, and may be exercised on and from, the date determined by the Board until 5.00pm on the expiry date relating to that Tranche as set out in the table in clause 2.2 (subject to lapse in accordance with these terms of issue).

3.4 (a) The Average Amcor TSR on any Determination Date will be equal to the sum of the Amcor TSR on each of the 15 trading days immediately prior to that Determination Date and the 15 trading days immediately after that Determination Date, divided by 30.

(b) The Average Comparator TSR on any Determination Date will be equal to the sum of the Comparator TSR on each of the 15 trading days immediately prior to that Determination Date and the 15 trading days immediately after that Determination Date, divided by 30.

(c) Both the Amcor TSR and the Comparator TSR will be based on ASX closing share price movements plus dividends paid on the shares (on a pre-tax basis) notionally reinvested to purchase additional shares at the closing market price prevailing on the date the shares begin trading ex the relevant dividend. As far as possible, this will be determined in the same way as changes in the ASX Accumulation Indices are determined.

3.5 (a) The Comparator TSR will be based on the arithmetic mean of the percentage TSR of those stocks in the S&P/ASX100 Index as at 1 July 2005 (excluding the Company and stocks in the following sectors and industry groups: Financials ex-Property Trusts, Property Trusts, Resources, Telecom Services and Media) (the **Relevant Stocks**).

(b) Subject to paragraph (c), each Relevant Stock will be used to calculate the Comparator TSR notwithstanding that one or more Relevant Stocks may cease to be included in the S&P/ASX100 Index after 1 July 2005.

(c) To the extent that any Relevant Stock ceases to be quoted on ASX after 1 July 2005, the Comparator TSR will be based on the remaining Relevant Stocks which continue to be quoted on ASX.

3.6 The Board may, in its discretion, disregard any changes in the Amcor TSR or the Comparator TSR due to an anomaly, distortion or other event which is not directly related to the financial performance of the Company or another company in the Comparator TSR. This is intended to preserve equity between the Company and the CEO.

3.7 The TSR base date will be 1 July 2005.

3.8 Any Option or Right that has not become vested in accordance with clause 3.1, 3.2 or 3.3 may not be exercised, provided that the Board may in any circumstances where they consider it to be in the best interests of the Company:

(a) vary or waive the satisfaction of the relevant performance condition and declare the Options or Rights to be vested; or

(b) bring forward the date upon which Options and Rights may be exercised.

4. Lapse

4.1 Any Options and Rights held by the CEO which have not vested in accordance with clause 3:

(a) by the last date on which those Options and Rights are able to vest in accordance with clause 3.1 – will lapse at 12.01am on the day immediately following that date; or

(b) by close of business on the sixteenth business day after the CEO ceases to be employed by the Company or any of its related bodies corporate – subject to clause 3.2, will lapse at 11.59pm on the sixteenth business day after the CEO ceases to be so employed.

4.2 Where the CEO ceases to be employed by the Company or any of its related bodies corporate as a result of the retirement or resignation by the CEO (or such other reason as the Board and CEO may agree), any Options and Rights held by the CEO which have vested in accordance with clause 3:

(a) may be exercised by the CEO during the 12 month period following the date on which the CEO ceases to be so employed; and

(b) will lapse at 12.01am on the day immediately following the last day of that 12 month period.

4.3 Where the CEO ceases to be employed by the Company or any of its related bodies corporate as a result of the termination of the CEO's employment for cause, any Options and Rights held by the CEO, whether or not those Options and Rights are vested, will lapse immediately on the CEO ceasing to be so employed.

4.4 Where the CEO ceases to be employed by the Company or any of its related bodies corporate as a result of an Involuntary Cessation, any Options and Rights held by the CEO which have vested in accordance with clause 3:

(a) may be exercised by the CEO (or his legal personal representative, as applicable) during the 12 month period following the date on which the CEO ceases to be so employed; and

(b) will lapse at 12.01am on the day immediately following the last day of that 12 month period.

5. Exercise

5.1 The exercise of any Option or Right may only be effected in such form and manner as the Board may prescribe.

5.2 An Option or Right may only be exercised if at the time of exercise:

(a) the Option or Right has become vested in accordance with clause 3;

(b) the Option or Right has not lapsed under clause 4; and

(c) in relation to an Option – the exercise price of the Option has been paid to the Company.

5.3 Following the exercise of an Option or Right, the Company must, within such time as the Board determines:

(a) issue to the CEO; or

(b) procure the transfer to the CEO of,

the number of Shares in respect of which the Option or Right has been exercised.

5.4 Any shares issued on the exercise of Options or Rights will rank equally in all respects with all existing Shares from the date of issue.

5.5 Without limiting the manner in which the Company may satisfy its obligation to:

(a) issue to the CEO; or

(b) procure the transfer to the CEO of,

Shares on the exercise of the Options or Rights, the Company may, among other things, issue Shares to, or at the direction of, the trustee of an employee share trust established at any time by the Company to facilitate the grant of the Options and Rights and the acquisition of Shares by the CEO on the exercise of the Options and Rights. The transfer of a Share to the CEO from any such employee share trust will satisfy the obligation of the Company to issue or procure the transfer of a Share to the CEO under these terms of issue.

6. Non-transferable

The Options and Rights are non-transferable.

7. Share Issues

(a) The Options and Rights carry no right to participate in rights issues or bonus issues.

(b) The Board will:

(i) reduce the exercise price of the Options in the event of a new issue; and

(ii) change the number of underlying Shares to which the Options and the Rights relate in the event of a bonus issue;

in accordance with the ASX Listing Rules.

(c) If Shares are issued pursuant to the exercise of an Option or a Right prior to determination of entitlements to a new issue, the Shares so issued will be entitled to participate in the new issue.

8. Dividends

The Options and Rights will not give any right to participate in dividends until Shares are issued or transferred pursuant to the exercise of the relevant Option or Right.

9. Governing law

The terms of issue of the Options and Rights are governed by, and will be construed in accordance with, the laws of the State of Victoria.

10. References to Time

All references to time in these terms of issue are references to time in Melbourne, Australia.

Directors' Recommendation

The Directors (other than Mr MacKenzie) unanimously recommend that shareholders vote in favour of Resolution 3.

Voting Restrictions

The Company will disregard any votes cast on Resolution 3 by Mr MacKenzie or any of his associates.

However, the Company need not disregard a vote cast by any of those persons if:

(a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or

(b) it is cast by 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 (and the acknowledgement box on the proxy form is marked).

Resolution 4

Remuneration Report

The Remuneration Report for the financial year ended 30 June 2005 is set out in the Report of the Directors on pages 36 to 47 of the 2005 Full Year Financial Report – Concise Report. It is also available on the Company's website, www.amcor.com.

The Remuneration Report sets out, in detail, the Company's policy for determining remuneration for Directors and Senior Executives. It includes information on the elements of remuneration that are performance based, the performance hurdles that apply and the methodology used to assess satisfaction of those performance hurdles.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting. Whilst the Corporations Act requires Resolution 4 to be put to the vote, the Resolution is advisory only and does not bind the Directors or the Company.