Amcor Limited ABN 62 000 017 372

Notice of Annual General Meeting 2008

Notice is hereby given that the 72nd Annual General Meeting of the Company will be held at the Park Hyatt, 1 Parliament Square, Melbourne at 11.00am (AEST) on Thursday 23 October 2008.

Business

1. Financial and Other Reports

To receive and consider the Financial Report of the Company and the Reports of the Directors and the Auditor in respect of the year ended 30 June 2008.

2. Election of Directors

(a) To re-elect as a Director Mr Ernest John James Pope who retires by rotation in accordance with Rule 63 of the Company's Constitution and, being eligible, offers himself for re-election.

(b) To re-elect as a Director Mr John Gordon Thorn who retires by rotation in accordance with Rule 63 of the Company's Constitution and, being eligible, offers himself for re-election.

3. Grant of Performance Rights and Options to Managing Director (Long Term Incentive Plan)

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

> That approval is given, for all purposes under the *Corporations Act 2001* (Cth) and the Australian Securities Exchange Listing Rules (including Listing Rule 10.14), for the issue to the Managing Director and Chief Executive Officer of the Company, Mr K N MacKenzie, of 170,000 Performance Rights and 280,000 Options pursuant to the Company's Long Term Incentive Plan, as more fully described in the Explanatory Notes to the Notice convening this meeting, and for the issue of ordinary shares in the Company upon the exercise of those Options and Performance Rights.

The Company will disregard any votes cast on this resolution by a Director or an associate of a Director (other than a Director who is ineligible to participate in any employee incentive plan in relation to the Company). However, the Company need not disregard a vote if:

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

4. Grant of Share Rights to Managing Director (Management Incentive Plan - Equity)

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

> That approval is given, for all purposes under the *Corporations Act 2001* (Cth) and the Australian Securities Exchange Listing Rules (including Listing Rule 10.14), for the issue to the Managing Director and Chief Executive Officer of the Company, Mr K N MacKenzie, of up to 150,000 Share Rights pursuant to the Company's Management Incentive Plan - Equity, as more fully described in the Explanatory Notes to the Notice convening this meeting, and for the issue of ordinary shares in the Company upon the vesting of those Share Rights.

The Company will disregard any votes cast on this resolution by a Director or an associate of a Director (other than a Director who is ineligible to participate in any employee incentive plan in relation to the Company). However, the Company need not disregard a vote if:

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

5. Adoption of Remuneration Report

To consider and, if thought fit, to 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 2008 be adopted.

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

6. Remuneration of Non-Executive Directors

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

> That the maximum aggregate amount available for payment to the non-executive Directors of the Company in accordance with Rule 51 of the Company's Constitution and Australian Securities Exchange Listing Rule 10.17, as remuneration for their services, be increased by $500,000 from an amount not exceeding $2,000,000 per annum to an amount not exceeding $2,500,000 per annum.

The Company will disregard any votes cast on this resolution by a Director or an associate of a Director. However, the Company need not disregard a vote if:

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

Eligibility to Vote
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 21 October 2008. The entitlement of members to vote at the meeting will be determined by reference to that time.

Proxies
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.

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 2001* (Cth) (***Corporations Act***) and must be 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.

To be valid, Proxy Forms must be lodged by 11.00am (AEST) on 21 October 2008 by one of the following methods:

(a) by facsimile to the Company's Share Registry on 1800 783 447 within Australia or +61 3 9473 2555 from outside Australia; or

(b) electronically, by visiting www.amcor.com and clicking on 'AGM Proxy Voting' and following the instructions provided. A proxy cannot be appointed online if they are appointed under Power of Attorney or similar authority; or

(c) by mail or in person at the registered office of the Company* or to the Company's Share Registry, Computershare Investor Services Pty Limited:

- By mail: GPO Box 242, Melbourne, Victoria 3001, Australia; or
- In person: Yarra Falls, 452 Johnston Street, Abbotsford, Victoria 3067, Australia;

***Change to Registered Office of the Company – from 6 October 2008, the Registered Office of Amcor Limited is Ground Floor 109 Burwood Road, Hawthorn, Victoria, 3122 Australia.**

Questions

The Chairman of the meeting will allow a reasonable opportunity for shareholders to ask questions about or make comments on the management of the Company and on the Remuneration Report. Questions can also be sent by email to web.queries@computershare.com.au or by mail to GPO Box 242 Melbourne, Victoria, 3001 by no later than 5.00pm (AEST) Friday, 17 October 2008. While it is likely that not all the questions can be addressed in the time available at the meeting, the more frequently asked questions will be addressed to the extent possible. The Chairman will exercise his discretion to determine whether a particular question will be answered at the meeting, having regard to whether it is an appropriate question for that forum.

Shareholders will also be given a reasonable opportunity at the meeting to ask the Company's auditor, PricewaterhouseCoopers, questions about its audit report, the conduct of its audit of the Company's financial report for the year ended 30 June 2008, the preparation and content of its audit report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of PricewaterhouseCoopers in relation to the conduct of the audit. Shareholders may submit written questions to PricewaterhouseCoopers to be answered at the meeting, providing the question is relevant to the content of PricewaterhouseCoopers' audit report or the conduct of its audit of the Company's financial report for the year ended 30 June 2008.

Written questions must be received no later than 5.00pm (AEST) on Thursday, 16 October 2008. A list of qualifying questions will be made available to shareholders attending the meeting. Responses will not be individually sent.

Any written questions to PricewaterhouseCoopers can be sent to the Company's Share Registry, Computershare Investor Services Pty Limited, at GPO Box 242, Melbourne, Victoria 3001, Australia.

By order of the Board.

J McPherson

J F McPherson
Company Secretary
Amcor Limited
Melbourne
15 September 2008

Explanatory Notes

Item 1
Financial and Other Reports

As required by section 317 of the Corporations Act, the Financial Report, Directors' Report and Auditor's Report of the Company and the consolidated entity for the financial year ended 30 June 2008 will be laid before the meeting.

There is no requirement for a formal resolution on this item. Accordingly, there will be no formal resolution put to the meeting.

Item 2
Election of Directors

Summary biographical data of Ern Pope and John Thorn, who offer themselves for re-election, is as follows:

E.J.J. (ERN) POPE
Independent Non-Executive Director
BSc.

Broad international experience over 38 years in the food and beverage manufacturing industries, including senior executive positions based in Australia, the Philippines, USA, New Zealand and Switzerland, plus extensive business travel and direct responsibilities over many years throughout Europe, Asia, South Africa and the Middle East. This includes 22 years with the Nestlé Group (1983 – 2005) and 16 years with Kraft Foods Limited (1967 – 1982).

Currently director of Alesco Corporation Ltd (since December 2004).

Member of the Human Resources and Nomination Committees. Director since October 2005.

J.G. (JOHN) THORN
Independent Non-Executive Director
FCA.

A partner with PricewaterhouseCoopers for over 20 years, serving major local and international companies. National Managing Partner of the Australian firm of PwC until 2003. Extensive global experience, in particular in the Asia Pacific region, in audit, accounting, corporate governance, risk management and international management groups.

Currently a director of Caltex Australia Limited (since June 2004), National Australia Bank Limited (since October 2003) (Audit Committee Chairman) and Salmat Limited (since September 2003).

Chairman of the Audit and Compliance Committee (since February 2005) and Member of the Superannuation Committee. Director since December 2004.

Item 3
Grant of Performance Rights and Options to Managing Director (Long Term Incentive Plan)

Item 3 relates to the proposed participation of the Managing Director and Chief Executive Officer, Mr K N MacKenzie, in the Company's Long Term Incentive Plan (***LTIP***) for the 2008/09 financial year.

(a) Background

The Board has resolved that, as part of Mr MacKenzie's remuneration package, the Company will, subject to obtaining the necessary shareholder approval, invite Mr MacKenzie to participate in the LTIP, pursuant to which Performance Rights and Options may be issued to him. Performance Rights are conditional rights to acquire ordinary shares in the Company. Options are conditional rights to acquire ordinary shares in the Company upon payment of an exercise price.

As a Director of the Company, approval of shareholders is required for Mr MacKenzie to participate in the LTIP. In particular, ASX Listing Rule 10.14 requires shareholder approval for Mr MacKenzie to participate in an employee incentive scheme under which he acquires, or may acquire, equity securities in the Company otherwise than by transfer of existing securities. Apart from Mr MacKenzie, no Directors or associates of Directors are participants in the LTIP or have been invited to participate in the LTIP.

(b) Date the Performance Rights and Options will be provided

If approved by shareholders, the Performance Rights and Options will be issued to Mr MacKenzie as soon as practicable after the meeting, and in any event by 3 November 2008.

(c) Maximum number of Performance Rights and Options to be provided

The number of Performance Rights and Options that may be acquired by Mr MacKenzie under the LTIP pursuant to the resolution on item 3 is 170,000 Performance Rights, and 280,000 Options. The number of Performance Rights and Options to be awarded to Mr MacKenzie has been determined by reference to Mr MacKenzie's base salary such that the value of the award will equate to 60% of Mr MacKenzie's base salary effective at the date of the award.

The number of those Performance Rights and Options in the award to be made to Mr MacKenzie (subject to shareholder approval being obtained) that will vest will be determined in accordance with the vesting conditions applicable to the award, as outlined below.

(d) Price of the Performance Rights and Options

No amount is payable on the grant of an award of Performance Rights or Options under the LTIP.

In addition, no amount is payable to exercise a Performance Right once it vests. If the applicable vesting conditions are met, and Mr MacKenzie wishes to exercise any Performance Rights granted to him, he will be entitled to receive one fully paid ordinary share in the Company in respect of each vested Performance Right (subject to adjustment in the case of any bonus issues, rights issues or other capital reorganisations that occur after the Performance Right is granted).

To exercise an Option under the LTIP, the holder must pay an exercise price. Options issued to Mr MacKenzie will be issued by 3 November 2008. If the applicable vesting conditions are met, and Mr MacKenzie wishes to exercise any Options granted to him, he must pay an exercise price that will be equivalent to the volume weighted average price of ordinary shares in the Company traded on ASX over the five trading days immediately before 3 November 2008. Upon exercise and payment of the exercise price, Mr MacKenzie will be entitled to acquire one fully paid ordinary share in the Company in respect of each exercised Option. However, the exercise price of Options, and the number of shares acquired upon exercise are subject to adjustment in the case of any bonus issues, rights issues or other capital reorganisations that occur after the Option is granted.

The Company intends that where Performance Rights and Options vest under the LTIP, the holder's right to acquire a share in respect of each Performance Right or Option will be satisfied by the Company arranging to acquire existing shares on-market on behalf of Mr MacKenzie and transferring them to him. However, the Company may instead issue new ordinary shares to the holder.

(e) Vesting conditions

The vesting conditions applicable to Performance Rights and Options are described below. Different vesting conditions apply to Performance Rights compared to those which apply to Options.

Performance Rights

The Performance Rights to be issued to Mr MacKenzie will be issued by 3 November 2008 and may vest during a 4 year period until 31 October 2012 (the ***Vesting Period***), subject to the satisfaction of the performance hurdles described below. Any Performance Rights that have not vested at the end of the Vesting Period will expire (subject to the discretion of the Board).

The performance hurdle which will apply in respect of the grant of the Performance Rights to Mr MacKenzie is relative Total Shareholder Return (***TSR***) (the ***TSR Hurdle***).

The TSR Hurdle measures the Company's TSR ranking against the TSR of a peer group of companies comprising Australian listed companies and international industry peers (the ***Peer Group***). The Company's TSR ranking has been chosen as the performance measure for the Performance Rights as it directly aligns with the interests of shareholders and reflects the Company's performance as measured against the Peer Group.

The Peer Group comprises the following Australian and international companies:

Australian companies

AGL Energy Limited, Aristocrat Leisure Limited, Asciano Group, Billabong International Limited, Boart Longyear Limited, Boral Limited, Caltex Australia Limited, Coca-Cola Amatil Limited, Cochlear Limited, Computershare Limited, Crown Limited, CSR Limited, Harvey Norman Holdings Limited, Lion Nathan Limited, Macquarie Airports, Macquarie Infrastructure Group, Metcash Limited, Oil Search Limited, Paladin Energy Limited, Qantas Airways Limited, Queensland Gas Company Limited, Sonic Healthcare Limited, Tabcorp Holdings Limited, Tatts Group Limited, Toll Holdings Limited, Transurban Limited.

International industry peers

Ball Corp, Bemis Co Inc, Constar International Inc, Crown Holdings Inc, Huhtamaki, MeadWestvaco Corp, Owens-Illinois Inc, Pactiv Corp, Rexam plc, RPC Group plc, Sealed Air Corp, Silgan Holdings Inc, Smurfit-Stone Container Corp, Sonoco Products Co.

The companies comprising the Peer Group are companies of a similar size and international nature to the Company that are in the ASX/S&P 100 and global companies within a similar industry which provides a wider range of companies against which to test the Company's TSR. The Australian listed companies in the Peer Group are companies in the ASX/S&P 100 Index with a market capitalisation between 50% and 200% of that of the Company, excluding companies in the following industry categories:

- GICS Sector 'Financial';
- GICS Sector 'Telecom services';
- GICS Industry Name 'Metals and mining';
- GICS Industry Name 'Media'; and
- GICS Industry Name 'Chemicals'.

TSR is the percentage difference between the market price of the relevant shares (being the Company's and those in the Peer Group) at:

- 1 July 2008; and
- 30 June 2012,

plus dividends earned (and assumed to be reinvested in shares) over the same period. To reduce the impact of share price fluctuations, TSR will be calculated on each trading day during the calendar quarter ending 30 June 2012. The Company's relative TSR performance against the Peer Group will be tested on the 10_{th} business day after the end of that period (the ***Test Date***).

The Company will be given a percentile ranking having regard to its TSR performance relative to the performance of other companies in the Peer Group. The proportion of Performance Rights that vest will be based on the Company's ranking as follows:

TSR ranking	Percentage of the Performance Rights that will vest
Below the 50th percentile	0% of the Performance Rights will vest
At the 50th percentile	50% of the Performance Rights will vest
Above the 50th percentile and below the 75th percentile	50% of the Performance Rights will vest plus an additional 2% for each 1 percentile increase above the 50th percentile
At or above the 75th percentile	100% of the Performance Rights will vest

Following the Test Date, the Company will issue a vesting notice to Mr MacKenzie notifying him of the percentage of his Performance Rights that have vested.

The Board may, in its discretion, disregard any changes to the Company's TSR or a Peer Group company's TSR due to an anomaly, distortion or other event which is not directly related to the financial performance of the Company or a company in the Peer Group, in order to ensure equity between the Company and Mr MacKenzie.

Options

The Vesting Period in respect of Options to be issued to Mr MacKenzie will be the same as for the Performance Rights, as described above.

The performance hurdle which will apply in respect of the grant of the Options to Mr MacKenzie is improvement in Return on Average Funds Employed calculated on a continuing basis (***RoAFE***).

The Company's RoAFE is essentially a measure of the Company's return on assets. Specifically, the Company's RoAFE measures the annualised profit before interest, tax and significant items (***PBIT***) earned by the Company during a reporting period, as a percentage of the average funds employed by the Company during the reporting period. 'Funds Employed' is a balance sheet measure for management reporting, and is the sum of:

- working capital;
- other current assets (excluding cash and short term deposits);
- non current assets;
- other current liabilities (excluding borrowings); and
- non current liabilities (excluding borrowings).

Average funds employed is calculated in respect of a reporting period as the total of the month end funds employed each month from 1 July to the end of the relevant period, divided by the number of months from (and including) July to the end of the relevant period.

The performance hurdle for the Options will be based on improvement in the Company's RoAFE for the year ending 30 June 2012, relative to RoAFE for the year ended 30 June 2008. Once again, that will be tested on the Test Date.

The table below sets out the percentage of the Options that will vest depending on the relative improvement in the Company's RoAFE.

Percentage point improvement in RoAFE	Percentage of Options that will vest
Less than 1%	0% of the Options will vest
Equal to or greater than 1% but less than 1.5%	50% of the Options will vest
Equal to or greater than 1.5% but less than 3.0%	75% of the Options will vest
3% or more	100% of the Options will vest

(f) Exercise and lapse of Performance Rights and Options

As mentioned above, no exercise price is payable in respect of Performance Rights, while Options may be exercised upon payment of an exercise price. Upon the vesting and exercise of Performance Rights or Options granted to him, Mr MacKenzie will acquire fully paid ordinary shares in the Company and will receive full voting and dividend rights corresponding to the rights of all other holders of ordinary shares in the Company.

Performance Rights and Options that have not vested by the end of the Vesting Period will expire. Performance Rights and Options that have vested during the Vesting Period will be exercisable until their expiry date of 30 June 2013 (subject to the special circumstances set out below). Following this time, any vested Performance Rights or Options that remain unexercised will lapse.

The termination of the employment of Mr MacKenzie will have different consequences on the ability of Mr MacKenzie to exercise vested Performance Rights or Options depending on the circumstances of the termination. Upon performance-related termination of employment initiated by the Company, all vested Performance Rights and Options will be exercisable for a period of 90 days following termination, following which they will lapse. Vested Performance Rights and Options will also be exercisable for a period of 90 days following termination in various other circumstances including the resignation of Mr MacKenzie, death or permanent disablement, retirement, retrenchment or expiry (and non-renewal) of contract.

In the event of the summary termination of Mr MacKenzie's employment (for gross misconduct), vested Performance Rights and Options will expire immediately.

For unvested Performance Rights and Options, the consequences of termination of employment of Mr MacKenzie will also differ depending on the circumstances involved. Specifically, in the event of the retirement, retrenchment or expiry (and non-renewal) of contract, the treatment of unvested Performance Rights and Options will be subject to the discretion of the Board. In any other case, they will expire immediately, subject to the discretion of the Board in a particular case.

Where a change of control of the Company occurs, vested Performance Rights and Options will be exercisable until the change of control event, while the treatment of unvested Performance Rights and Options will be subject to the discretion of the Board.

(g) Other matters

There are no loans to be granted by the Company to Mr MacKenzie in relation to the acquisition of the Performance Rights or the Options.

The LTIP was first introduced in 2006. The only Performance Rights and Options to date granted to a Director or an associate under the LTIP are the 100,000 Performance Rights and 165,000 Options that were granted in 2007 to Mr MacKenzie, following shareholder approval at the 2007 AGM. No amount was paid by Mr MacKenzie under the terms of the LTIP in respect of those grants, as explained above, although an exercise price of $7.07 is payable by Mr MacKenzie upon exercise of each Option granted to him.

(h) Recommendation

The Directors (other than Mr MacKenzie) unanimously recommend that shareholders vote in favour of the resolution proposed on item 3. Mr MacKenzie makes no recommendation.

Item 4
Grant of Share Rights to Managing Director (Management Incentive Plan - Equity)

Item 4 relates to the proposed participation of the Managing Director and Chief Executive Officer, Mr K N MacKenzie, in the Company's Management Incentive Plan - Equity (***EMIP***) for the 2008/09 financial year.

(a) Background

The Board has resolved that, as part of Mr MacKenzie's remuneration package, the Company will, subject to obtaining the necessary shareholder approval, invite Mr MacKenzie to participate in the EMIP, pursuant to which Share Rights may be allocated to him. Share Rights are conditional rights to acquire ordinary shares in the Company.

The EMIP builds on the Company's Management Incentive Plan (***MIP***), under which participating Amcor executives (including Mr MacKenzie) are eligible to receive a cash bonus if they achieve certain performance standards during the relevant financial year. Depending on the level of cash bonus achieved by an executive in respect of the financial year, the executive may also be entitled to receive Share Rights under the EMIP that relate to a number of ordinary shares equivalent in value to a percentage of the cash bonus, as determined by the Board.

As a Director of the Company, approval of shareholders is required for Mr MacKenzie to participate in the EMIP. In particular, ASX Listing Rule 10.14 requires shareholder approval for Mr MacKenzie to participate in an employee incentive scheme under which he acquires, or may acquire, equity securities in the Company otherwise than by transfer of existing securities. Apart from Mr MacKenzie, no Directors or associates of Directors are participants in the EMIP or have been invited to participate in the EMIP.

(b) Date the Share Rights will be provided

If approved by shareholders, the Share Rights will be allocated to Mr MacKenzie by no later than 30 September 2009, assuming he becomes eligible under the EMIP to receive those Share Rights, as explained below.

(c) Number of Share Rights to be provided

Shareholder approval is being sought, pursuant to the resolution on item 4, for the grant to Mr MacKenzie of up to 150,000 Share Rights under the EMIP. The precise number of Share Rights to be allocated to MacKenzie (if any) will be calculated as follows.

Once the 2008/09 financial year has ended, Mr MacKenzie's performance against pre-determined key performance indicators will be assessed by the Board for the purpose of determining what, if any, cash bonus will be paid to Mr MacKenzie for that financial year under the MIP. The key performance indicators include key financial metrics such as earnings per share, free cash flow and Return on Average Funds Employed as well as key strategic and business goals for the financial year. The maximum amount that may be paid to Mr MacKenzie under the MIP is $2,612,926, or 120% of his total fixed remuneration.

If Mr MacKenzie achieves a cash bonus at least equal to 25% of the maximum cash bonus that he could have received for the financial year, he will be entitled (subject to shareholder approval being granted) to be allocated Share Rights under the EMIP for the 2008/09 financial year. The number of Share Rights to be allocated will be determined by:

- calculating an Australian dollar amount that is equal to a nominated percentage of the actual cash bonus paid or payable to Mr MacKenzie under the MIP for the 2008/09 financial year, and then
- dividing that amount by the volume weighted average price of Amcor shares on ASX during the five trading days prior to the final day of the 2008/09 financial year (as determined by the Board).

If necessary, the number of Share Rights will be rounded down to the nearest whole number.

The 'nominated percentage' for most participants in the EMIP for the 2008/09 financial year will be 50%. However, as Mr MacKenzie is participating in the Managing Director and Chief Executive Officer Medium Term Incentive Plan until 31 December 2008, the Board has determined that Mr MacKenzie's potential entitlement to Share Rights under the EMIP will be halved, and the 'nominated percentage' for Mr MacKenzie will be 25%.

Given that the precise number of Share Rights that may be allocated to Mr MacKenzie is dependent on variables that are not currently known, and that will not be known until after the end of the 2008/09 financial year, shareholder approval is being sought for the allocation of a number of Share Rights that will be sufficient to satisfy any actual allocation to Mr MacKenzie that is determined in accordance with the principles outlined above.

(d) Price of the Share Rights

No amount is payable on the grant of an award of Share Rights under the EMIP.

In addition, no amount is payable on vesting of a Share Right. If the applicable vesting conditions are met, Mr MacKenzie will be entitled to receive one fully paid ordinary share in the Company in respect of each vested Share Right (subject to adjustment in the case of any rights issue, bonus issue or other distribution of capital, reduction of capital or other capital reconstruction that occurs after the Share Right is granted).

The Company intends that where Share Rights vest under the EMIP, Mr MacKenzie's right to acquire a share in respect of each Share Right will be satisfied by the Company arranging to acquire existing shares on or off-market on behalf of Mr MacKenzie and transferring them to him. However, the Company may instead issue new ordinary shares to Mr MacKenzie.

(e) Vesting conditions

The Share Rights that may be allocated to Mr MacKenzie will be allocated by 30 September 2009 and will vest automatically in the event that Mr MacKenzie continues to be employed by the Company or any of its related bodies corporate for two years after the allocation of the Share Rights.

(f) Vesting and lapse of Share Rights

As mentioned above, no exercise price is payable in respect of Share Rights. Upon vesting of the Share Rights, Mr MacKenzie will acquire fully paid ordinary shares in the Company and will receive full voting and dividend rights corresponding to the rights of all other holders of ordinary shares in the Company.

The termination of the employment of Mr MacKenzie will have different consequences in relation to unvested Share Rights depending on the circumstances of the termination. In the event of redundancy, retirement, expiry (and non-renewal) of contract, death or permanent disablement, the Board may in its discretion determine to vest the Share Rights immediately. In any other case, the Share Rights will be forfeited immediately, subject to the discretion of the Board in a particular case.

Where a change of control of the Company occurs, the treatment of the Share Rights will be subject to the discretion of the Board.

(g) Other matters

There are no loans to be granted by the Company to Mr MacKenzie in relation to the acquisition of the Share Rights.

The EMIP was first introduced in 2007/08. No other Share Rights have yet been granted under the EMIP to any Director or an associate.

(h) Recommendation

The Directors (other than Mr MacKenzie) unanimously recommend that shareholders vote in favour of the resolution proposed on item 4. Mr MacKenzie makes no recommendation.

Item 5
Remuneration Report

The Remuneration Report for the financial year ended 30 June 2008 is set out in the Report of the Directors on pages 24 to 37 of the Annual Report 2008. 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.

Recommendation

The Directors unanimously recommend that shareholders vote in favour of the resolution on item 5.
Whilst the Corporations Act requires the resolution on item 5 to be put to the vote, the resolution is advisory only and does not bind the Directors or the Company.

Item 6
Remuneration of Non-Executive Directors

Rule 51 of the Company's Constitution provides that the aggregate remuneration payable by the Company to non-executive Directors for their services may not exceed the amount fixed by the shareholders in general meeting. As advised in the Annual Report, the policy on Directors' fees is reviewed annually by the Board, taking into account advice from independent remuneration consultants. Following the most recent review, your Board seeks approval to increase the maximum aggregate amount out of which Directors' fees may be paid from $2,000,000 per annum to $2,500,000 per annum.

The amount of non-executive Directors' remuneration has not been considered by shareholders since 2003. It is noted that, following occasional adjustments, the remuneration payments are now approaching the maximum set in 2003. It is not intended to fully utilise the proposed increase in the immediate future but rather to allow additional capacity to address factors such as:

- The possibility of adding an additional non-executive director to assist in the corporate governance of the complex and diverse issues arising from the international nature of Amcor's operations. This would also allow orderly succession planning for the Board.
- Scheduled Board and committee meetings and Board visits to Amcor's international operations place increasing demands on the time of Directors.
- The responsibilities of public company directors are more onerous and demanding given the wide-ranging requirements of corporate legislation, governance and regulatory authorities. The cost of attracting individuals of the highest calibre has risen accordingly.
- To provide additional remuneration capacity given the 2006 decision by the Board to discontinue the provision of further retirement allowances.
- To provide scope for future adjustments in Directors' remuneration in line with market conditions.

Recommendation

The Directors do not make a recommendation as to how shareholders should vote on the resolution on item 6, as each non-executive Director has a personal interest in the subject matter of the resolution.

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