

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to how to deal with it, please consult your legal or financial adviser immediately

Target's Statement

**York Group Limited
ACN 010 693 919**

In Response to the Bidder's Statement by

**Plaspak Group Limited
ACN 003 964 181**

**Your Directors recommend that you
ACCEPT the Plaspak Group Limited Offer
in the absence of a superior offer**

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Key Dates

Offer opens	29 December 2004
Offer closes	31 January 2005

Important Notice

A copy of this Target's Statement has been lodged with ASIC. Neither ASIC nor any of its officers take any responsibility for the contents of this Statement.

You should read this Target's Statement and the Bidder's Statement prepared by Plaspak Group Limited (**Plaspak**) in their entirety before making a decision about what to do with your York Group Limited (**York**) Shares.

The information on York contained in this Target's Statement, including financial information, the recommendation of the Directors and the intentions of the York Directors has been provided by York or its Directors. The information on Plaspak contained in this Target's Statement has been obtained by York from Plaspak's Bidder's Statement and other publicly available information, except where disclosed otherwise. York and its Directors are unable to verify the accuracy or completeness of the information on Plaspak.

York has not engaged in procedures to verify the accuracy or completeness of the information contained in the Bidder's Statement (commonly known as due diligence procedures). You should note that except where expressly stated, neither York, its Directors nor their advisers have any knowledge of or make any representation as to the accuracy or completeness of any of the information contained in the Bidder's Statement and each disclaims any liability to any person who acts in reliance on that information.

This Target's Statement and the recommendations contained in it should not be taken as personal financial advice as they do not take into account your individual objectives, financial and tax situation, and particular needs. You should obtain independent financial and tax advice before making a decision about the Offer.

This Target's Statement uses a number of capitalised terms that are defined in the Glossary in Section 6

Contact For Further Information

For further information, please consult your professional adviser or call Tony Connell (Finance Director) on (02) 9262 3938.

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20 December 2004

Dear Shareholder

As you are now aware, Plaspak Group Limited has made a takeover offer for all the issued shares of York.

By now you should have received a bidder's statement from Plaspak. Plaspak is offering you 42 cents cash on market for every York Share (and the Rights attached to those York Shares).

Plaspak is also offering to acquire York Shares on-market at the Offer Price from 10 December 2004 to 24 December 2004.

Your Directors believe that the Offer Price is reasonable and recommend that York Shareholders accept the Offer in the absence of a superior offer, for the reasons contained in Section 2 of this Target's Statement.

In the absence of a higher offer Directors intend to accept the Offer for their own shareholdings and for those York Shares in which they have an interest.

In response to the recent takeover bid from Blue Chip Equities Limited (Blue Chip) York commissioned BDO Corporate Finance Pty Limited to prepare an Independent Expert's Report on the fairness and reasonableness of the Blue Chip offer of 35 cents cash for every York Share. The BDO Report was lodged with ASIC on 20 October 2004. York will provide a copy of the report, free of charge, to any York Shareholder requesting a copy.

In addition to the material included in the attached Target's Statement, you should consider the material set out in the Plaspak Bidder's Statement. You should carefully consider the information disclosed in this Target's Statement when formulating your decision.

Your Directors recommend that you consult your legal, financial or tax adviser regarding the impact that acceptance or rejection of the Offer may have on your own circumstances.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Graham Lenzner', is written over a light blue horizontal line.

Graham Lenzner
Chairman

1. Offer

Plaspak is offering to acquire all of your York Shares for \$0.42 cash per York Share (**Offer**).

The Offer is a market bid for all your York Shares. This bid is unconditional. The Offer will be open for acceptance from the start of trading on the ASX on Wednesday 29 December 2004 to the close of trading on the ASX on Monday 31 January 2005 (unless withdrawn or extended). It is possible that Plaspak may extend this offer period in accordance with the Corporations Act.

Plaspak is also offering to acquire York Shares on-market at the Offer Price from 10 December 2004 to 24 December 2004.

The Offer does not extend to York Options but does extend to York Shares that are issued and quoted on the ASX during the offer period following conversion of York Options.

You may not withdraw your acceptance of the Offer once accepted. Plaspak may only withdraw unaccepted Offers with the written consent of ASIC if certain events happen during the offer period as prescribed under the Corporations Act.

2. Recommendation of the Directors

2.1 Recommendation of Directors

The Directors have formed the view that under the circumstances, the Offer is fair and reasonable. The Directors recommend that York Shareholders **ACCEPT** in the absence of a superior offer.

2.2 Relevant Considerations for York Shareholders

Reasons to accept Plaspak's Offer

- (a) The Offer represents a premium to the recent share price of York Shares

The 6 month volume weighted average market price for York Shares from 7 June 2004 to 7 December 2004 was \$0.354. The Offer of \$0.42 per York Share represents a premium of 19% to this weighted average market price.

- (b) Plaspak's Offer represents a premium to the Blue Chip's recent takeover offer of \$0.35 per York Share

Blue Chip's recent on-market takeover bid that closed on 22 November 2004 offered \$0.35 per York Share. Plaspak's Offer represents a premium of 20% to the Blue Chip offer.

- (c) York's Share price could fall in the short term

Given York's recent share trading, if the Offer is unsuccessful and in the absence of another takeover bid, it is possible that York Shares will trade at a discount to the Offer Price.

- (d) Reduced liquidity in York Shares

Liquidity in York Shares is likely to be significantly reduced if Plaspak acquires a majority but not all of York's Share capital.

As noted in Section 2.5 of this Target's Statement, Blue Chip (of which York Director Iain Gray is a director) and The Whiskey Hill Cattle Company Pty Ltd (**Whiskey**) (of which Director Ian Carter is a director) have indicated that they will accept the Offer, in the absence of a superior offer, in relation to their respective relevant interests in York of, in aggregate, 49.02%. Consequently Plaspak will hold at least 79.7% of York on completion of the Offer. The absence of liquidity may restrict your ability to trade your York Shares.

- (e) Certainty of cash value

The Offer Price of \$0.42 per York Share represents a certain cash value for your entire holding. The Directors cannot guarantee that York Shares will trade above \$0.42 in the absence of the Offer.

- (f) Delisting

Plaspak has indicated in the Plaspak Bidder's Statement that it intends to procure that York be removed from the official list of the ASX if it acquires 100% of York Shares or if

it does not acquire 100% of York Shares but York fails to meet the requirements for official quotation.

These factors could affect the market price for your York Shares and also reduce the price that you could subsequently realise for your York Shares.

Reasons to reject Plaspak's Offer

- (a) The Offer represents a discount to the Independent Expert's valuation of York at 20 October 2004.

The Independent Expert determined in its report dated 20 October 2004 that the valuation of York was between \$13,201,285 and \$14,228,496. This values York Shares at between \$0.46 and \$0.50 per York Share.

Therefore, the Offer of \$0.42 per York Share represents a discount of between approximately 8% and 16% to the Independent Expert's valuation.

- (b) Net asset backing.

As at 30 June 2004 the net tangible asset backing per York Share was 30.8 cents. The net asset backing per York Share including goodwill and intangibles was 62.8 cents at that time.

The Offer Price is greater than the net tangible asset backing per York Share but it is lower than the net asset backing including goodwill and intangibles for York Shares.

- (c) The outlook for York is positive

The Directors believe that York:

- has excellent opportunities to build on the recent acquisition of Rambor;
- York Precision Plastics has been a consistent performer which trend should continue as it grows its distribution base in Australia and New Zealand;
- Advanced Power is beginning to benefit from management changes over the last 12 months; and
- ERT continues to benefit from the strength in the Australian dollar and direct access to product recently negotiated.

The Offer does not attribute any value to the positive outlook for York.

If you choose to accept the Offer, you will forgo the opportunity to participate in the benefits of the Company's future.

2.4 Other Relevant Considerations

- (a) Limited likelihood of superior offers

The Directors have not received any information suggesting that an alternative offer for York Shares will be undertaken in the foreseeable future. Plaspak's current holding (together with its associates) of 30.7% may limit the prospects of an alternative offer being made for your York Shares in the case where the bidder wishes to achieve a

minimum level of acceptance enabling it to achieve the thresholds necessary to undertake compulsory acquisition.

(b) Potential increase in Offer

In the event that Plaspak increases its Offer Price and you have already accepted the Offer at a lower price, you will not be entitled to the price increase.

In addition, if you have already accepted the Offer, you will not be entitled to participate in any higher offer for your York Shares in the event that a higher offer is made for your York Shares through a rival bid or other offer.

(c) Risks relating to holding York Shares

You should note that by retaining York Shares you will continue to be exposed to the inherent risks of holding equity securities such as:

- fluctuations in the equity market conditions and market ratings of companies and industries; and
- changes in economic, business, taxation and regulatory conditions.

(d) Optionholders

Plaspak has not extended its Offer to options to acquire York Shares. York currently has 35 optionholders holding in aggregate 1,694,000 York Options. All York Options on issue were issued pursuant to the York Employee and Executive Option Plans. If York is subject to a takeover bid, all optionholders are entitled, pursuant to the terms of the York Option Plans to exercise their York Options during the Offer period. See Section 5.6 of this Target's Statement for details of exercise price and period for York Options on issue.

(e) Tax implications

There are important tax implications in accepting the Offer. The Directors recommend that you obtain your own professional advice with respect to the taxation implications of accepting the Offer in relation to your specific circumstances.

(f) Other potential bidders

Since the date of the Bidder's Statement, no other party has approached York with an alternative offer.

If you accept the Offer you may forfeit the opportunity to benefit from any higher offer made by another bidder for York should an alternative offer eventuate in the future.

2.5 Status of Major York Shareholders

The largest York Shareholder as at the date of this Target's Statement is Blue Chip, which has a relevant interest in York of 40.14%. Iain Gray, a director of Blue Chip, has indicated that Blue Chip will accept the Offer in the absence of a superior offer. The next largest Shareholder is Whiskey, which has a relevant interest in York of 8.88%. Ian Carter, a director of Whiskey, has indicated that Whiskey will also accept the Offer in the absence of a superior offer.

Should Blue Chip and Whiskey accept the Offer, Plaspak would hold a relevant interest in at least 79.7% of York.

3. Frequently Asked Questions

This Section answers some commonly asked and very important questions about the Offer. It is not intended to address all relevant issues for York Shareholders and should be read together with all other parts of this Target's Statement.

Q1. What choices do I have as a York Shareholder?

As a York Shareholder, you have the following choices in respect of all of your York Shares:

- You may accept the Offer;
- You may reject the Offer and remain a York Shareholder (unless Plaspak compulsorily acquires your York Shares); or
- You may sell all of your York Shares on the ASX.

You are encouraged to consider your personal financial circumstances and seek professional advice before making any decision about your York Shares.

Q2. How much time do I have to make a decision whether or not to accept the Offer?

Unless the Offer is withdrawn or extended, it is open from 29 December 2004 until 31 January 2005.

You may also sell your York Shares to Plaspak on market between 10 December and 24 December at 42 cents per York Share.

Section 5.1 of this Target's Statement describes the circumstances in which the Offer may be withdrawn or extended.

Q3. What do I do if I want to accept the Offer?

Section 1.4 of the Plaspak Bidder's Statement explains how you can accept the Offer. You should read this Section carefully.

Q4. How can I get updates on the York Share price?

If you have access to the internet, you can access the latest York Share Price by visiting the ASX website at www.asx.com.au.

Q5. When will I receive payment if I accept the Offer?

On accepting the Offer, you will receive payment three days after the sale of your York shares.

Q6. What are the tax implications of accepting the Offer?

The tax consequences of accepting the Offer depend on a number of factors. You should consult your professional tax adviser for advice regarding the tax implications of accepting the Offer before making a decision in relation to your York Shares. No stamp duty is payable in respect of the disposal of a York Share.

Q7. What do I do if I want to remain a York Shareholder?

If you wish to keep your York Shares, you do not need to take any action in respect of those York Shares. However, you should be aware that Plaspak may compulsorily acquire any York Shares it does not own if it becomes entitled to do so. You should read Section 5.2 of this Target's Statement and Section 4.2 of the Plaspak Bidder's Statement for further information.

Q8. Can I sell my York Shares on the ASX?

You can sell your York Shares on the ASX at any time. If you sell your York Shares on the ASX:

- You will not benefit from any possible increase in the value of York Shares; and
- You will not benefit from any possible increase in the consideration that may be provided under the Offer.

Q9. Will York remain listed on the ASX?

York will only remain listed on ASX if York retains a sufficient spread of shareholders to maintain its listing in accordance with the Listing Rules after the Offer closes.

If York remains listed after the Offer closes, the level of trading liquidity in York Shares will not necessarily be as high as has been the case since York listed on ASX. A lower level of trading liquidity in York Shares may adversely affect the market price of York Shares.

4. York

4.1 Business and Operations

For the financial year ended 30 June 2004 York recorded a net profit of \$1,965,000, after recording a tax benefit of \$964,000 resulting from forming a tax consolidated group (**significant item**). Before the significant item the profit rose 9% to a record of \$1,001,000 compared to \$915,000 in the previous financial year.

Turnover for the 4 months ended 31 October 2004 is up 12% on the corresponding period last year. Profit before tax is 17% higher than the corresponding period last year. It should be noted that the one off significant costs incurred by York in relation to responding to the takeover bid made by Blue Chip in October this year had not been accounted for at 31 October 2004. These costs will have a one off adverse impact on the Company's profit.

The performance of the 4 operating divisions that make up York for the financial year ended 30 June 2004 is summarised below:

- (a) York Precision Plastics (**YPP**): this division is the most profitable of all the York divisions. YPP saw the opening of a New Zealand branch in April 2004 and on 1 July 2004 it acquired the business of J&S Plastics Pty Limited, which provides a distribution base with experienced management covering South Australia. These two strategic opportunities provide the division with a distribution platform for growth in sales in financial year 2005;
- (b) Advanced Power: this division is a well established business with a highly regarded range of products. 2004 saw a disappointing result but one that was in line with the Company's expectations. Management changes have been made and the division is budgeting for improved profitability in the current year;
- (c) ERT Products: ERT's profitability has increased considerably in the 2 years to 30 June 2004. In the 2004 financial year turnover increased by \$600,000 or 7.4% to \$8.6 million. Further, profit before tax more than doubled. The outlook for the current year is more subdued. Currency movements will also have an important bearing on final profitability; and
- (d) Rambor: this is the newest member of the York group of companies having become a wholly owned subsidiary from February 2004. It designs and manufactures underground hand held portable mining equipment and ancillary products. This division produces attractive margins and the directors are of the view that this division has considerable growth potential in both local and overseas markets.

4.2 Directors of York

The Directors of York are as follows:

Graham Lenzner – Chairman
 Robert Stovold
 Iain Gray
 Ian Carter
 Anthony Connell

4.3 Directors' Interests in York

The number of York Shares and York Options held by or on behalf of the Directors or over which they have a power of disposal are set out below:

Director	York Shares	York Options
Graham Lenzner	1,412,618	200,000
Robert Stovold	112,347	100,000
Iain Gray ¹	11,400,835	100,000
Ian Carter ²	2,521,649	nil
Anthony Connell	nil	200,000

1. Interest in York Shares held by Blue Chip, Sydney Fund Managers Limited and Primdonn Nominees Pty Ltd. All of these entities are associated with Iain Gray.
2. Interest in York Shares held by Whiskey as trustee for Jellicoe Investment Account, controlled by Ian Carter.

4.4 Intention of Directors who hold York Shares

All the Directors who hold or control York Shares intend to accept the Offer for those York Shares in the absence of a superior bid.

4.5 Substantial Shareholders in York

The substantial shareholders in York as disclosed to York immediately prior to the lodgement of this Target's Statement with ASIC on 20 December 2004 are:

Name	York Shares	% of York Shares
Blue Chip ¹	11,400,835	40.14%
Plaspak	8,723,278	30.7%
The Whiskey Hill Cattle Company Pty Ltd ²	2,521,649	8.88%

1. Includes holdings of Primdonn Nominees Pty Ltd and Sydney Fund Managers Ltd. All these entities are associated with Iain Gray.
2. As trustee for Jellicoe Investment Account, controlled by Ian Carter.

4.6 Effect of Offers on York's material contracts

York and its subsidiaries are parties to contracts which are, or may be, material to the operations of York's business. The Offer, if successful, may result in the other parties to some of those contracts exercising certain rights, such as the right to terminate the contract or the right to accelerate York's payment or other obligations under the contract. The material contract which York considers could be effected by the Offer or any competing takeover offer which may be made, is outlined below.

ANZ Banking Facility

A change of control in York amounts to an event of default under the Company's facility with the ANZ Bank unless the event of default is waived by the ANZ Bank. In the event that the ANZ Bank declines to waive the event of default occurring on change of control,

the Company would be obliged to seek alternative funding. The amount of bank loans with the ANZ Bank is \$7,050,000. The bank overdraft facility, documentary credit facilities and lease facilities are also provided by the ANZ Bank.

The ANZ Bank has advised that should a change of control occur as a result of the Offer that the current facilities provided to York will be maintained for a period of 90 days to enable finalisation of any proposed refinancing that may be required by Plaspak.

5. Other Important Information

5.1 Offer Period

Unless the Offer is withdrawn or extended, it is open for acceptance from 29 December 2004 until 31 January 2005. For an acceptance of the Offer to be valid, it must be received before the end of the offer period for the Offer. See Section 1.4 of the Plaspak Bidder's Statement for more information.

You may also sell your York Shares to Plaspak on market at \$0.42 per York Share from 10 December 2004 to 24 December 2004.

Extension of the Offer period

Under the Corporations Act, Plaspak must extend the offer period under its Offer, within the last 7 days of the Offer period if its voting power in York increases to more than 50%.

If this event occurs, the Offer must be extended so it ends 14 days after the event.

In addition, Plaspak may (but need not) extend its offer period at any time before the end of that offer period provided it is done in accordance with Section 649C(2) of the Corporations Act.

Withdrawal of the Offer

Plaspak may not withdraw its Offer made to you if you have already accepted that offer. Before you accept its offer, Plaspak may withdraw its Offer with the written consent of ASIC.

5.2 Compulsory Acquisition

The Plaspak Bidder's Statement states that Plaspak intends to compulsorily acquire any York Shares it does not own if during or before the end of the offer period of the Offer it becomes entitled under the Corporations Act to do so.

Plaspak will be entitled to compulsorily acquire York Shares on the same terms as in its Offer if, before or at the end of the offer period :

- Plaspak has a relevant interest in at least 90% (by number) of the total number of York Shares; and
- Plaspak and its associates have acquired at least 75% (by number) of the York Shares that the bidder offered to acquire under its offer.

Under the Corporations Act, if Plaspak is entitled to proceed with compulsory acquisition, Plaspak has from that time until 1 month from the end of the relevant offer period within which to give compulsory acquisition notices to York Shareholders who have not accepted the relevant offer.

If you do not accept the Offer and your York Shares are compulsorily acquired, you will face a delay in receiving the consideration for your York Shares compared with York Shareholders who have accepted the Offer.

See Section 4.2 of the Plaspak Bidder's Statement for more information on compulsory acquisition.

5.3 Changes in Financial Position of York

So far as is known to any Director, the financial position of York has not materially changed between 30 June 2004 (the date of the Company's last audited financial report) and the date of this Target's Statement except as described in the notes to that financial report. A copy of the Company's audited financial report for the year ended 30 June 2004 is available free of charge on request from the registered office of York.

5.4 Directors' Interests in Plaspak

No Director has an interest in the securities of Plaspak.

To the knowledge of York or any Director, no Director or Associate of York has bought or sold any Plaspak shares or other securities of Plaspak in the four month period immediately preceding the date of this Target's Statement.

5.5 Taxation Issues

You should consult your professional tax adviser as to the implications of accepting the Offer before making any decision in relation to your York Shares.

5.6 York Options

As at the date of this Target's Statement, York has 1,694,000 York Options currently on issue. These have all been granted to Directors and senior management pursuant to the York employee or executive option plans and are subject to exercise restrictions.

Set out below are details of the price at which York Options may be exercised and the date by which the York Options must be exercised.

Number of York Options	Expiry Date	Exercise Price
1,111,000	21.11.05	\$0.60
183,000	21.11.05	\$0.55
200,000	30.06.07	\$0.40
200,000	31.12.07	\$0.40

5.7 Material Information

This Target's Statement is required to include all the information that York Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer but:

- (a) only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in this Target's Statement; and
- (b) only if the information is known to any of the Directors.

The Directors are of the opinion that the relevant information reasonably required to make that informed assessment is:

- (a) the information contained in the Plaspak Bidder's Statement;

- (b) the information contained in York's 2004 Annual Report; and

The Plaspak Bidder's Statement has already been sent to the York Shareholders. York's 2004 Annual Report was sent to the York Shareholders on or about 28 September 2004.

York and Plaspak are, for the purposes of Section 111AC(1) of the Corporations Act, disclosing entities and as such are subject to regular reporting and disclosure obligations.

Copies of documents lodged at ASIC in relation to York and Plaspak may be obtained from, or inspected at, an office of the ASIC. Copies of documents lodged with the ASX in relation to York and Plaspak may be obtained from, or inspected at, an office of the ASX.

York will provide a copy of any of the following documents free of charge to any Shareholder who requests a copy before the expiry of the Offer:

- (a) the financial statements of York for the year ended 30 June 2004, being the last financial statements for a financial year lodged with ASIC by York before the issue of this Target's Statement;
- (b) the York target's statement and BDO Report dated 20 October 2004; and
- (c) any other document or financial statement lodged by York with ASIC or the ASX under the continuous disclosure reporting requirements in the period after lodgement of the 30 June 2004 financial statements referred to above being:

Date	Announcement
14/12/2004	Change of Director's Interest Notice
13/12/2004	Response to Plaspak Group Ltd T/O Offer
29/11/2004	Trent Capital Ltd T/O offer for York Group Ltd
24/11/2004	Change of Director's Interest Notice
18/11/2004	Trent Capital Takeover Offer for York Group Ltd
29/10/2004	Results of AGM
20/10/2004	Corr: Target's Statement – On-Market bid
20/10/2004	Target's Statement – Off-market bid
15/10/2004	Change of Directors Interest Notice
12/10/2004	Change of Directors Interest Notice
8/10/2004	Response to Blue Chip Equities Limited Takeover Offer

5.8 Consents

Each of the Directors has consented to:

- (a) the statements made by them in this Target's Statement and the documents which accompany this Target's Statement; and

- (b) the statements based on statements made by them in this Target's Statement and the documents which accompany this Target's Statement,

being included in the form and context in which they appear. None of these consents has been withdrawn prior to this Target's Statement being lodged with ASIC.

The ANZ Bank has given and before lodgement of this Target's Statement with ASIC has not withdrawn its written consent to be named in the form and context in which it is named and the statements attributed to it in the form and context in which they are included.

5.9 ASIC Modification

ASIC Class Order 01/1543 issued under ASIC Policy Statement 171 applies to this Target's Statement to allow York, without obtaining specific consent, to include in this Target's Statement statements which are made in, or based on statements made in, any document lodged with ASIC or the ASX provided that:

- (a) the Target's Statement fairly represents the statement; or
- (b) includes, or is accompanied by, a correct and fair copy of the document or the part of the document that contains the statement.

If the Target's Statement is not accompanied by a copy of the document or part of the document that contains the statement:

- (a) York gives a copy of the document or part of the document containing the statement to a Shareholder who requests it during the bid period; and
- (b) the Target's Statement:
 - (i) identifies the document or the part of the document that contains the statement; and
 - (ii) informs Shareholders of their right to obtain a copy of the document (or part) free of charge.

6. Glossary & Interpretation

6.1 Glossary

In this Target's Statement, unless the contrary intention appears:

ASIC means the Australian Securities and Investments Commission.

ASX means Australian Stock Exchange Limited.

BDO means BDO Corporate Finance Pty Limited (ABN 91 003 946 030).

BDO Report means the Independent Expert's report prepared by BDO dated 20 October 2004 in relation to the Blue Chip takeover bid.

Blue Chip means Blue Chip Equities Limited (ACN 003 707 622).

Blue Chip Bidder's Statement means the bidder's statement dated 6 October 2004.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means all the directors of York.

Independent Expert means BDO Corporate Finance Pty Limited.

Offer means the offer by Plaspak for all of the issued capital of York.

Offer Price means \$0.42 per York Share.

Plaspak means Plaspak Group Limited (ACN 003 964 181).

Plaspak Bidder's Statement means the Plaspak's bidder's statement dated 10 December 2004.

Rights means all accretions, rights or benefits of whatever kind attaching to or arising from the York Shares directly or indirectly on or after the commencement of the Offer period (including, but without limiting the generality of the foregoing, all rights to receive dividends and to receive or subscribe for shares, notes, options or other securities declared, paid, or issued in relation to York).

Whiskey means the Whiskey Hill Cattle Company Pty Ltd (ACN 003 461 863).

York means York Group Limited (ACN 010 683 918) a company incorporated in Australia and taken to be registered in Queensland and having its registered office at level 7, 301 George Street, Sydney, NSW, 2000.

York Option means an option to acquire one York Share.

York Shareholder means a registered holder of a York Share.

York Share means a fully paid ordinary share in the capital of York.

6.2 Interpretation

In this Target's Statement, the following principles of interpretation apply unless the context otherwise requires:

- (a) words and phrases have the same meaning that is given to them in the Corporations Act (if any);
- (b) a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or any legislative provision substituted for, and any subordinate legislation issued under, that legislation or legislative provision;
- (c) the singular includes the plural and vice versa;
- (d) a reference to an individual or person includes a corporation, partnership, joint venture, association, authority, trust, state or government, and vice versa;
- (e) a reference to any gender includes both genders;
- (f) where an expression is defined, another part of speech or grammatical form of that expression has a corresponding meaning;
- (g) a reference to "dollars" or "\$" is to Australian currency;
- (h) a reference to a time is to that time in Sydney, Australia;
- (i) a reference to a period of time (including without limitation a year, a quarter, a month and a day) is to a calendar period;
- (j) schedules and annexures to this Target's Statement each form a part of it;
- (k) a statement made in this Target's Statement is made as at the date of this Target's Statement; and
- (l) a reference to the Corporations Act is a reference to the Corporations Act as modified in its application to York or an offer by ASIC under Section 655A of the Corporations Act.

7. Approval and Date of Target's Statement

7.1 Approval of Target's Statement

This Target's Statement was approved by a unanimous resolution of the Directors.

7.2 Date of Target's Statement

This Target's Statement is dated 20 December 2004.

Signed on behalf of York



Graham Lenzner
Chairman



Anthony Connell
Director