



**Chairman's Address
Annual General Meeting
21 October 2005**

Colorpak Limited has completed a very pleasing first full year of trading as a publicly listed company. Sales have grown and measures of customer satisfaction place the Company as the leading packaging provider in its field. Profits have grown and all the financial targets set down in the Prospectus of March 2004 have been met or exceeded.

Growth Path

The Company is continuing on its growth path and we are very encouraged by recent developments. In December 2004 we acquired the assets and trading activities of Castle Graphics. This has broadened Colorpak's product offer, customer base and geographic spread. The integration of this business into the Colorpak operations was carefully considered from the outset and we are now confident that this acquisition will yield a sustainable increase in returns to shareholders.

Throughout the year the management team has expended considerable effort understanding customer needs and translating these needs into Colorpak's business plans. Responding to these customer demands the Company expanded production capacity in Melbourne and has set in place the development of a new factory in Sydney which will house sophisticated new printing and converting equipment for that market.

Sales increased by 18.6% to \$58.3 million in the year ended 30 June 2005. The Managing Director will describe the initiatives that he and his team are undertaking to deliver shareholder value from this growth path.

Profit and Dividend

Net profit after tax amounted to \$3.1 million for the year ended 30 June 2005. This was pleasingly ahead of the Prospectus forecast of \$2.9 million and ahead of our internal targets for that year.

For 2005, net profit included the amortisation of goodwill of \$2.4 million. The accounting approach is now moving to the Australian International Financial Reporting Standards (AIFRS) where there is no adjustment to goodwill unless there is a deterioration in the value of the business below its carrying value. The restated result for 2005, taking into account other minor AIFRS adjustments, will be \$5.39 million which better reflects the Company's cash generation and now provides us with the target which we plan to exceed in the year ahead.

Revenue for the first quarter has been stronger than for the corresponding period last year and at this stage we have no reason to doubt that 2006 earnings will be ahead of last year.

Your Board was very pleased to declare a final dividend of 1.5 cents per share, taking the payout in respect of the 2005 year to 2.5 cents fully franked. The dividend payout is a significant proportion of the year's earnings but still allows for the crucial reinvestment of funds into the Company's development plans.

Financial Strength

The financial results for 2005 served to strengthen the Company's financial position. Cashflow from trading activities amounted to \$7.9 million. This was primarily used to purchase new assets and to retire debt. The cash portion of the consideration for Castle Graphics was debt funded.

The overall level of interest bearing liabilities was reduced in the year to 30 June 2005 whilst total equity rose by some \$4.3 million.

The Company's gearing ratio is well balanced and future cashflows can be earmarked for the development plans which I have already mentioned and for the continuation of a rewarding dividend stream.

Executive Remuneration

This year for the first time, shareholders in listed companies will be asked for an informal vote on the Remuneration Report which sets out the scale and structure of remuneration for the senior executives of the Company. Later in the meeting I will invite that vote.

In advance of that process I will provide some introductory remarks.

Colorpak, like all soundly managed companies, seeks to develop and retain key executives through an appropriate reward system. The Board has a Nomination and Remuneration Committee, which David Heaney chairs, to consider and assess the reward system. This company is run by a senior executive team, each of whom carries discrete and substantial responsibility. The base salaries appropriately reflect these responsibilities. Additionally

each can be rewarded with a short-term incentive should the Company reach pre-determined targets set by the Board to deliver improved shareholder returns. The Board considers that the remuneration framework in place is working to deliver increased shareholder value.

Corporate Governance

The work of the Board and its connection with the management team is soundly anchored by the full adoption of the Corporate Governance principles. Last year the Audit and Risk Committee of the Board formalised a risk management program into the company's operating systems. The company now fully complies with the guidelines set out by the ASX Corporate Governance Council.

In a business environment where the demands of the supply chain management is driving customers and suppliers closer and closer together, the need for trust and co-operation is higher than ever before. The Company considers that its commitment to ethical practices and strict adherence to corporate governance guidelines is an attribute which builds that trust and strengthens customer relationships.

On this note it is my pleasure to invite Mr Alex Commins, Managing Director of Colorpak Limited, to address the meeting.



CEO'S ADDRESS – ANNUAL GENERAL MEETING – 21 OCTOBER 2005

Ladies & Gentlemen,

It gives me great pleasure to present to you today.

Slides 1 & 2

Colorpak's strategic direction remains firmly focused on the pharmaceutical/healthcare sectors, with those industries representing some 57% of total turnover. These industries typically generate higher margins because of the requirement for greater attention to detail and value-add. Customer wins during the year has seen growth in other sectors, largely out of FMCG (fast moving consumer goods) and food.

Slide 3

Colorpak has many household brand names and major blue-chip companies as customers. Notable customer wins in the past 12 months are denoted with an asterisk. In the case of Patties, they have been a customer for over 10 years, but we have expanded our business with them following a tender win for the Four and Twenty range of products.

Slide 4

BIS Shrapnel conducts the key annual independent study of the folding carton industry. It ranks each participant according to their performance in the opinion of the customer. Colorpak has ranked strongly in the past 6 surveys of the folding carton industry. The key measures that customers assess us on, in order of importance to them are:

1. Reliable Delivery;
2. Ability to respond to customer needs;
3. Consistent quality and machineability;
4. General print and carton quality; and
5. Response time for urgent orders.

These are the factors which drive our customers' decision making on suppliers and these are the factors which also drive Colorpak on a day to day basis.

Colorpak has been consistently ranked at the top of the table for the past six years.

Slide 5

Also coming from the BIS Shrapnel industry study is data on market share. Following the acquisition of Wadepak by CHH in February 2005, Colorpak effectively now ranks 3rd in the \$600 million folding carton industry. Anzpac may be about our size, with turn over approximating \$60 million, but they produce around two thirds of its their revenues for the cigarette industry via their parent entity being British American Tobacco. In reality Colorpak rarely come into competition with this company.

The next few slides will give you a brief overview of our operational and financial highlights for the 2005 year:

Slide 6

From an operational perspective:

- We commissioned a new forme-making facility at Braeside in June 2005. This represents another value added process that we now perform in-house. We are now able to supply, as distinct from contracting out, cutting forme tools to both our Melbourne and Sydney carton divisions.
- In March this year we announced to the market our intention to purchase a new die cutting machine and 6 colour printing press for the Braeside site. I am pleased to report that they were commissioned in June and September respectively. Both machines are working to their expected capability and have helped us absorb recent growth at improved efficiencies.
- We have continued to invest in the front end technology of our business by a further update to our CAD system. Colorpak's customers are now enjoying enhanced design capabilities of the new software implemented.
- On the industrial relations front, I am pleased to report a smooth and commercially sensible result to our EBA renewals in both our Melbourne and Sydney carton divisions. The agreements have a term of 3 years and have been ratified by the IRC in their respective states.
- In our Sydney carton division we have strengthened the sales team and operations with experienced people, including an engineer from one of our global partners in Germany.
- Finally, a comprehensive business risk review was independently facilitated by Deloitte with Colorpak's senior management as part of our commitment to sound corporate governance principles. Any issues highlighted during this process, of which there were nothing major, are being or have been progressively addressed in an ongoing systemic manner.

Slide 7

Now to some of the financial highlights:

- It was very satisfying to achieve a 10.5% increase in revenues over our prospectus forecasts and a strong 18.6% increase on last year. Since 1985 the Colorpak business has been able to maintain a growth rate of 20%, and over the past 10 years the CAGR has been 15% per annum.
- As we saw on slide 3, many of the new clients secured are blue chip names and emanate from industries including pharmaceutical, food, beverage, multimedia and telecommunications.
- Some strong cross selling opportunities have been realised as a result of the Castle Graphics acquisition.

Slide 8

We are pleased to report that our NPAT exceeded prospectus forecasts by 6.9% and last year, on a normalised basis, by 20.9%. We did experience some slight margin compression which was expected with the significant growth achieved and the nature of the client base that we are now expanding into. Overall, our margins remain solid and continue to hold up very well.

A final fully franked dividend of 1.5 cents per share was declared and paid on 5 October. This brings our total annual dividend to 2.5 cents fully franked for 2005, in line with our prospectus forecasts.

Additionally, to be financially prudent, we introduced a second bank to participate in our debt facilities. We are pleased to report that the ANZ was selected as our second bank, with the NAB remaining our primary and transactional banker.

Our gearing, in terms of debt/debt equity, fell during the 2005 fiscal year from 42.4% to 39.6% as a result of our strong cash flow from operations and an increased equity base.

Slide 9

As a consequence of the acquisition of the Castle Graphics business in May this year, we launched our service model for the pharmaceutical industry, known as "PHARMAKIT".

This service provides many benefits for our customers, including reduced QA testing and audits, streamlined supply direct to line in smaller production batch lots, and reduced number of vendors.

In addition to delivering major supply chain efficiencies for our clients, PHARMAKIT enables Colorpak to develop the full potential of an integrated model of printed components in all of its manufacturing locations.

At this early stage there has been much interest and acceptance of our “one stop shop” model by the pharmaceutical industry.

Slide 10

The major activities that we can expect to see in the coming 12 months include:

- Finalisation of our Regent Park greenfield factory which is now well underway and is expected to be in operation by around May 2006. Based on the experience in Melbourne when we purpose built such a factory, we are quietly confident to maintain our growth momentum for deeper penetration of the NSW market.
- In line with the timing of the new factory opening in the April/June quarter of 2006, we will be commissioning our next Roland 700 6-colour printing press. This machine is a necessary component to accommodate our expected growth in NSW.
- Also well underway is a new finished goods warehouse for our Melbourne carton business. This project was undertaken to separately house finished goods in a 2,500 square metre facility, immediately adjacent to the existing carton facility. The new premises will enable improved logistics and allow for further expansion and is expected to be in operation in December 2005.
- Our PHARMAKIT model is still in its infancy and we intend to actively promote and implement it over the next 12 months and beyond to our existing and potential customer base.
- Management and the Board are conscious of the fact that we have a relatively hard working balance sheet. Capital expenditures for 2005 and proposed for 2006 are completely necessary to capitalise on unique organic growth opportunities. Having said that, the expected gearing level at June 2006 is anticipated to be at a lower level than at the time of listing in April 2004 and we will be very much better equipped than we were at that date.
- We are continuing to experience strong demand for our products and expect to achieve strong top line growth of between 10% and 15% for this financial year. EPS is expected to grow about 5%, after taking account of our estimate of the one-off costs of moving the Sydney operation to Regents Park. Profit growth in 2007 is expected to more closely track revenue growth.

And finally, growth opportunities remain firmly on our agenda. Organic growth opportunities are part of our modus operandi and our sales team is committed to identifying, negotiating and executing new deals. Consolidation remains a feature of this industry as we have seen recently with CHH's purchase of Wadepack and the subsequent purchase of CHH by Rank Investments. We remain alert for any bolt-ons that would create value for our shareholders and bolster our strategic position.

Slide 11

Ladies and gentlemen, thank you for your attendance today. I will leave you with an architectural impression of our new facility in Regents Park which, as we speak, is emerging from the earth.

THANK YOU

Alex Commins

PACKAGING BRINGS
YOUR BRAND
TO LIFE.

Colorpak Limited

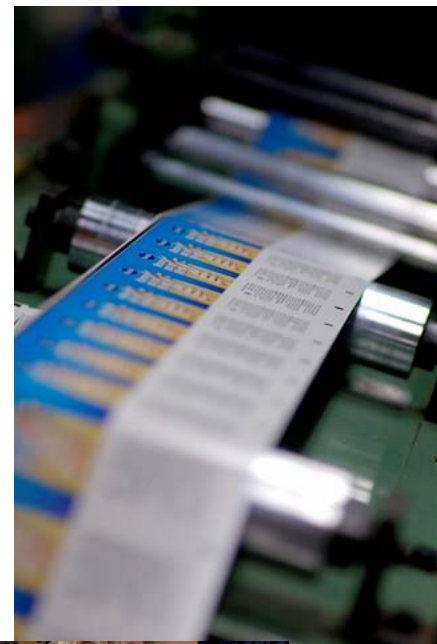
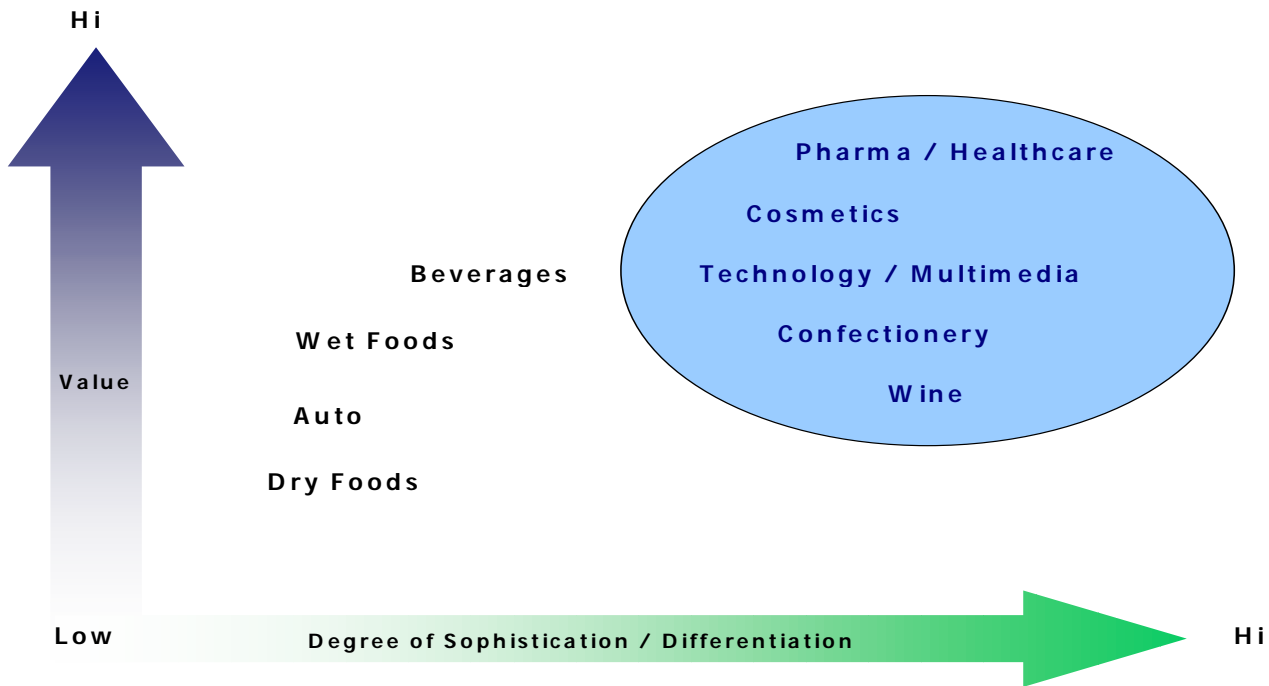
AGM Presentation
October 2005



Colorpak Packaging Pty Ltd

Business Operations

Industry

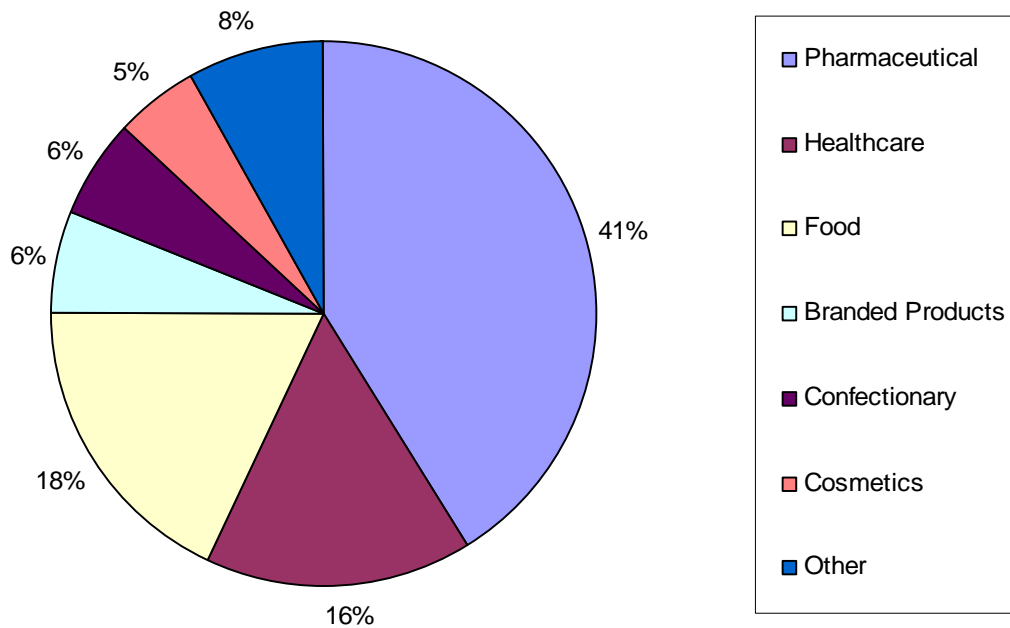


Business Operations

Markets



Revenues by industry



Business Operations

Customers

➤ Pharmaceuticals and healthcare

- Sigma
- Astra Zeneca
- Pfizer
- Bayer (incl. Roche)
- CSL
- Cardinal Health
- Ensign Laboratories
- MSD *
- GSK
- Alphapharm

➤ Premium branded products

- Cussons
- L'Oreal
- Gillette (Procter & Gamble)
- Wella (Procter & Gamble)
- PB Foods*
- Lindt*
- Nestle
- Patties (incl. Four'nTwenty)*
- Huhtamaki
- Telstra*
- Graphic Packaging International (Riverwood)*



*denotes significant customers who have been secured in the last twelve months.

Business Operations

Market Reputation

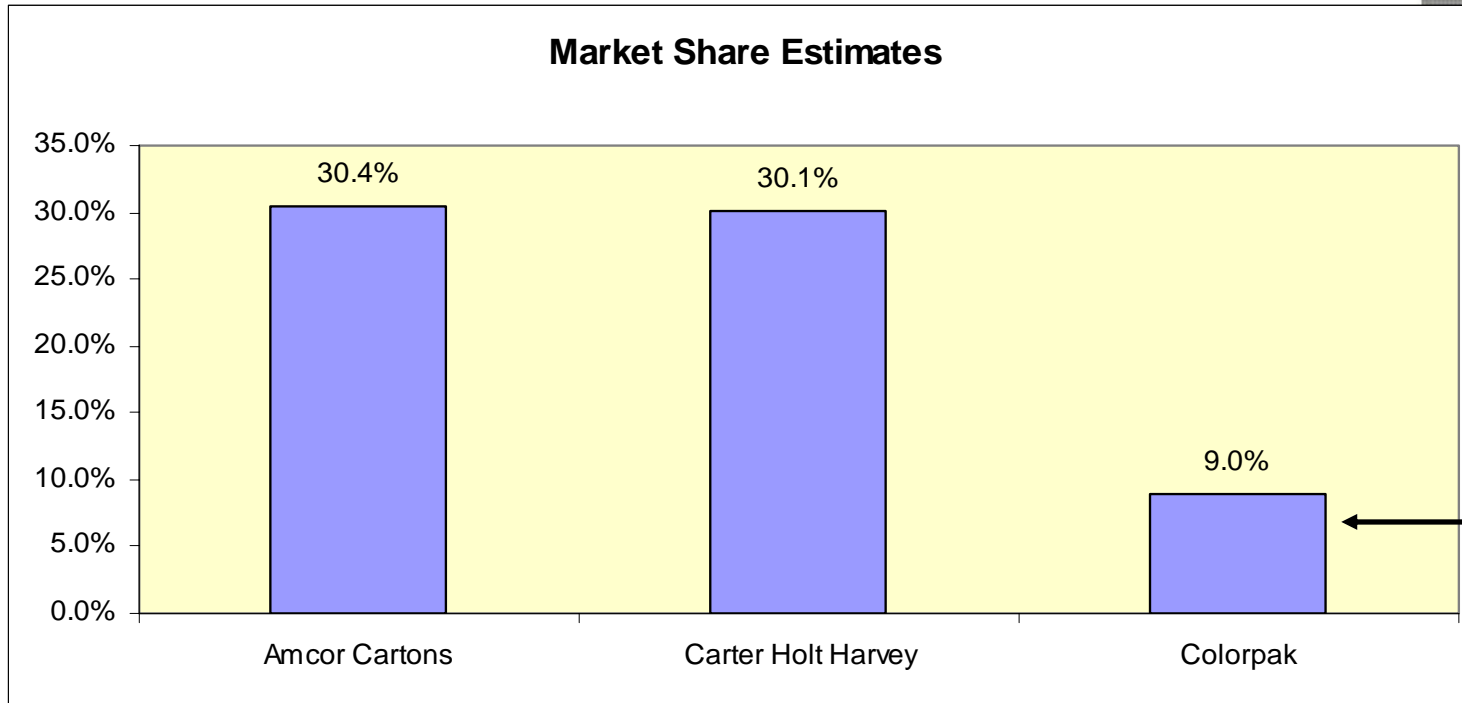
- Consistently ranked at the top of table by BIS Shrapnel for the past six years for:
 - Reliable delivery;
 - Ability to respond to customer needs;
 - Consistent Quality and Machineability;
 - General Print and Carton Quality; and
 - Response Time For Urgent Orders.



*source BIS Shrapnel Paper and Board Packaging - 31th edition 05/06



Business Operations



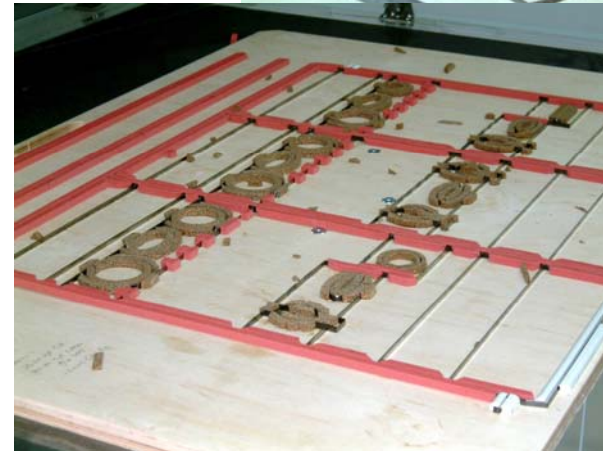
Revenue growth of 18.6% in 2005.

➤ Source : BIS Shrapnel : Survey into Paper and Board Packaging in Australia 31th Edition 2005-2006.

Highlights

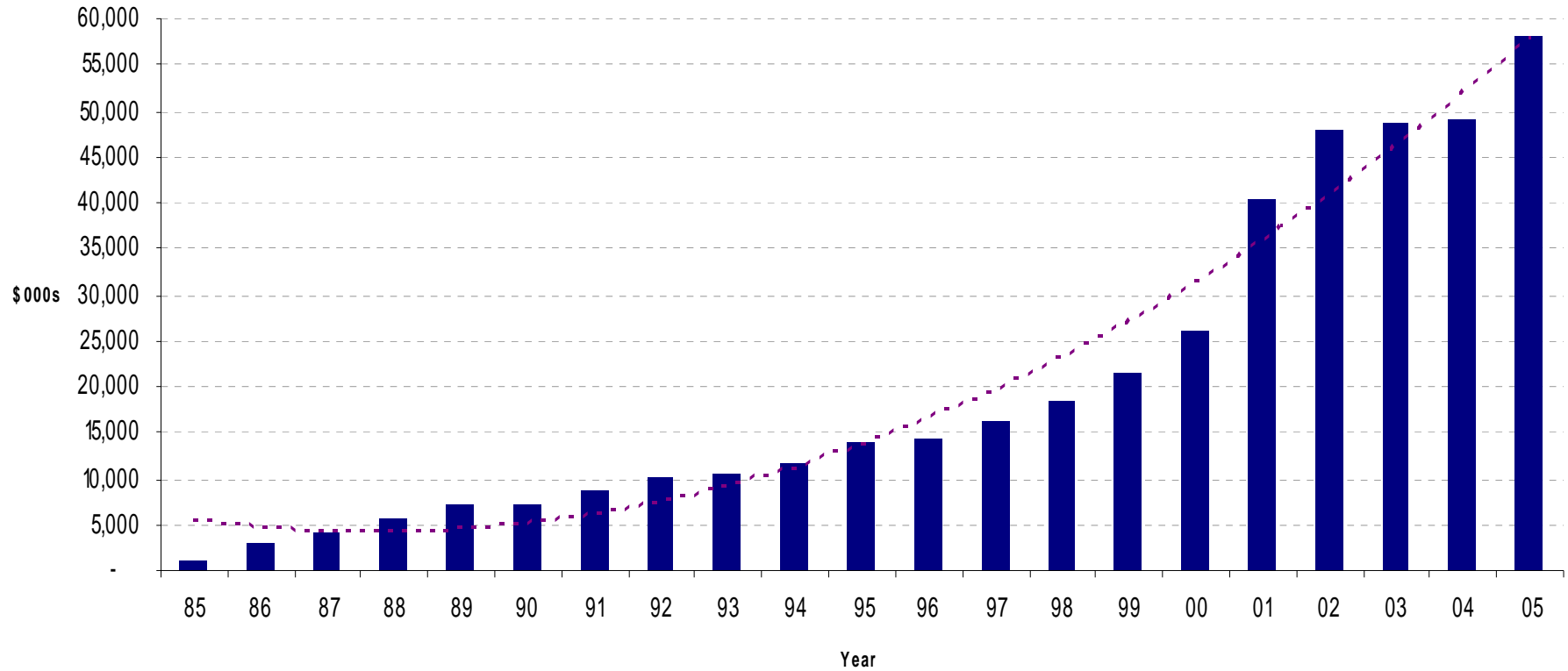
Operations:

- Completion of die shop;
- Commissioning of a new equipment;
- Implementation of renewed EBA's at main sites; and
- Continued strengthening of management team.



Highlights

Sales Growth



Highlights

Profit:

- 6.9% up on prospectus forecasts and 20.9% up on PCP (normalised);
- Solid margins retained.

Dividends:

- Final Dividend of 1.5 cents;
- Full year Dividend of 2.5 cents.

Balance Sheet:

- ANZ introduced as 2nd bank;
- Reduction in gearing.



Highlights



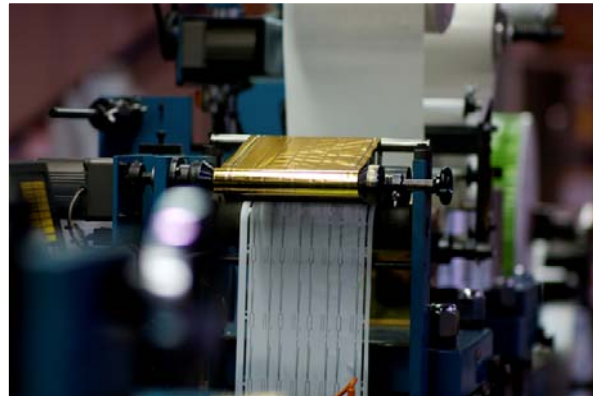
PharmaKit
by Colorpak

Launched our new Pharmaceutical service model

May 2005

Outlook

- Development of greenfield facility in Regents Park – NSW;
- Installation of new Roland 700 press;
- A new Finished Goods Warehouse for Melbourne;
- Continue implementation of PharmaKit Model;
- Debt retirement;
- Growth Opportunities.



Business Operations
Architectural plan – Front elevation
Colorpak – Regents Park.



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