

Notice of Meeting

Coca-Cola Amatil Limited ABN 26 004 139 397

Notice is hereby given that the Annual General Meeting of Coca-Cola Amatil Limited will be held in the City Recital Hall, Angel Place, Sydney on Thursday, 19 May 2005 at 2.00pm for the purpose of transacting the business set out in this notice.

Meeting of Ordinary Shareholders

ORDINARY BUSINESS

1. Accounts

To receive and consider the accounts for the year ended 31 December 2004 and the reports of the Directors and Auditors.

2. Election of Directors

Mr W.M. King AO will retire in accordance with Article 81 of the Constitution and offers himself for re-election.

Mr H.A. Schimberg will retire in accordance with Article 75 of the Constitution and offers himself for re-election.

Mr D. E. Meiklejohn will retire in accordance with Article 85 of the Constitution and offers himself for re-election.

An explanatory note to the above items appears on page 4.

SPECIAL BUSINESS

3. Adoption of New Constitution

To consider and, if thought fit, to pass the following resolution as a special resolution:

“That effective at the conclusion of the Annual General Meeting the Constitution contained in the document submitted to this Meeting and signed by the Chairman for the purpose of identification be approved and adopted as the Constitution of the Company in substitution for the existing Constitution of the Company, which is repealed.”

An explanatory note to the above item appears on page 5.

Meeting of Ordinary Shareholders

4. Variation of Rights of Non-Participating Shares

To consider and, if thought fit, to pass the following resolution as a special resolution:

“That:

- (a) for the purposes of section 136 of the Corporations Act 2001, and for all other purposes, and with effect from the earliest date on which the variation becomes effective in accordance with law; and
- (b) subject to approval or written consent of the members whose rights are to be varied,

the Constitution of the Company adopted pursuant to Resolution 3 be amended by deleting Article 2.9 and substituting the following:

2.9 Non-Participating Shares

The Non-Participating Shares have no rights, powers or privileges of any nature except the following:

- (a) *the right, in the event of the Company being wound up, to participate, pari passu with the holders of Shares in the capital of the Company, in the surplus assets of the Company remaining after payment or repayment of the capital paid up on and the dividends payable in respect of the Shares and \$1,000,000 in respect of each such Share (or, if the capital and premium payable in respect of the issue of such Share has not been fully paid, a proportion of \$1,000,000 equal to the proportion of the capital and premium so payable in respect of the Share which has been paid) to a maximum amount of one dollar for each such Non-Participating Share held by that holder, and Article 12.1 shall apply subject to the provisions of this Article 2.9 accordingly;*
- (b) *the right to vote on any resolution to consider a reduction of capital and cancellation of the Non-Participating Shares which the Directors determine is fair and reasonable to the Company's shareholders as a whole. At a meeting of the holders of Non-Participating Shares:*
 - *any person present may demand a poll;*
 - *on a poll at any such meeting, every Member present shall have one vote for each Non-Participating Share that the Member holds;*
 - *on a show of hands, every Member present shall have one vote.*

So much of these Articles as relates to general meetings and voting thereat shall mutatis mutandis apply to every meeting of the holders of Non-Participating Shares save that a quorum shall be 2 persons holding or representing one third of the issued Non-Participating Shares.”

An explanatory note to the above item appears on page 13.

5. Reduction of Capital

To consider and, if thought fit, pass the following resolution as a special resolution:

“That:

- (a) for the purposes of section 256B of the Corporations Act 2001, and for all other purposes, and with effect from the date when approval of the members whose shares are to be cancelled is obtained; and
- (b) subject to approval of the members whose shares are to be cancelled,

the issued share capital of the Company be reduced by \$43,650, and that reduction be effected and satisfied by the cancellation of 43,650,755 non-participating shares and the payment to the holders of the non-participating shares on the Record Date in consideration for that cancellation of 1 cent for each 10 non-participating shares held by them (with any fractional entitlements rounded down), and otherwise on the terms and conditions set out in the Explanatory Statement to this Notice.”

For the purposes of Resolution 5:

“**Non-Participating Shares**” means the Non-Participating Shares in the capital of the Company described in Article 2.9 of the Constitution of the Company adopted pursuant to Resolution 3.

“Record Date” means the date which is 5 business days after the date on which the Company tells the ASX that 14 days has elapsed after the Company lodged the resolution approving the reduction with ASIC (anticipated to be Monday, 11 July 2005).

An explanatory note to the above item appears on page 14.

6. Increase in Directors’ Fees

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

“That, pursuant to Article 79 of the Constitution, the maximum amount of Directors’ fees for their services as Directors be increased from the present limit of \$1,000,000 per annum in aggregate to a limit of \$1,500,000 per annum in aggregate.”

An explanatory note to the above resolution appears on page 17.

7. Participation by Executive Director in the Long Term Incentive Share Plan

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

“That the Directors be permitted to invite Mr T.J. Davis to participate in the Coca-Cola Amatil Limited Long Term Incentive Share Plan by offering him rights to acquire up to 324,750 fully paid ordinary shares in the Company in the manner set out in the Explanatory Notes to this Notice of Meeting.”

An explanatory note to the above resolution appears on page 17.

Dated 19 April 2005

By order of the Board,

D.A. Wylie
Secretary

71 Macquarie Street, Sydney

Note:

- a) Pursuant to Regulation 7.11.37 of the Corporations Regulations 2001, the Directors have determined that for the purpose of the meeting all shares in the Company shall be taken to be held by the persons who were registered as shareholders at 2.00pm on 17 May 2005;
- b) a member entitled to attend and vote is entitled to appoint a proxy;
- c) a proxy need not be a member;
- d) a member entitled to cast 2 or more votes may appoint 2 proxies;
- e) where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the member’s voting rights. If a member appoints 2 proxies and the appointment does not specify the proportion or number of the member’s votes each proxy may exercise, each proxy may exercise half the votes; and
- f) appointments of proxies must be received by the Company by 2.00pm on 17 May 2005. Appointments may be returned in the enclosed reply-paid envelope to the Company’s Share Registrar, ASX Perpetual Registrars Limited, Locked Bag A14, Sydney South NSW 1235 or by fax on (02) 9287 0309 or lodged online at www.asxperpetual.com.au.

Explanatory Notes

ORDINARY BUSINESS

Resolution 2 – Election of Directors

Under the provisions in the Company's Constitution for the rotation of Directors, Mr King will retire at the Annual General Meeting and will offer himself for re-election.

As Mr Schimberg has attained the age of 70, he will retire at the Annual General Meeting in accordance with the Constitution and will offer himself for re-election.

Mr Meiklejohn was appointed to the Board by the Directors following the Company's acquisition of SPC Ardmona Limited. Under Article 85 of the Constitution he is required to retire at the Annual General Meeting and will offer himself for re-election.

The Board is currently comprised of 7 Non-Executive Directors and one Executive Director. The Board is conscious of the requirement to have a mixture of business talents, outlooks and backgrounds. Presently, the Non-Executive Directors are comprised of 2 lawyers, 2 engineers, a banker, an accountant and a marketing expert. All Directors have an immense amount of business experience both in their chosen fields of endeavour and generally. 6 of the Directors live in Australia (4 in Sydney and 2 in Melbourne). 2 Directors live overseas.

The Board considers that 5 of the 8 Directors (including the Chairman) are independent Directors. Of the other 3, 2 are nominees of the major shareholder and one is the Managing Director.

Background information on each Director who is seeking re-election is provided below.

Wal King, AO

Mr King joined the Board in February 2002. Mr King has a Bachelors degree in Engineering, a Masters degree in Engineering Science and Honorary Doctor of Science from the University of New South Wales. He has worked in the construction industry for almost 35 years and since 1987 has been the Chief Executive Officer of Leighton Holdings Ltd, a company with substantial operations in Australia and Asia.

Mr King is also on the Board of Leighton Holdings Ltd; a Director of the University of New South Wales Foundation Ltd; Co-Chair of the AFTA-CER Business Council; Board Member of the Australian Research Council; Member of the Advisory Council, Australian Graduate School of Management; Foundation Member, New South Wales Infrastructure Council; Founding Councillor, Australian Business Arts Foundation; President, Australian Constructors Association. Mr King is also a member of the CCA Related Party Committee.

The Board has determined that Mr King is an independent Director.

Henry Schimberg

Mr Schimberg joined the Board in 2000 following a 41 year career in the soft drink industry during which he rose to the position of President and Chief Operating Officer of Coca-Cola Enterprises, the largest soft drink bottler in the world. Mr Schimberg is a Director of Coca-Cola Hellenic Bottling Company and is highly respected within the beverage industry throughout the world.

An important element which he brings to the Board is his strong understanding of marketing issues and the dynamics of competition in the beverage industry. Mr Schimberg is also a member of the Compensation Committee.

The Board has determined that Mr Schimberg is a Non-Executive Director but is not an independent Director as he is a nominee of a substantial shareholder, The Coca-Cola Company.

David Meiklejohn

Mr Meiklejohn joined the Board in February 2005. Mr Meiklejohn has a degree in Commerce from the University of Queensland. He has a strong background in finance and accounting and had a distinguished career at Amcor Limited where he was Chief Financial Officer from 1981 to 2000 and Executive Director from 1985 to 2000.

Mr Meiklejohn is Chairman of PaperlinX Limited, a director of WMC Resources Limited and a director of Australia & New Zealand Banking Group Limited. His previous directorships include SPC Ardmona Ltd, Amcor Limited, Kimberly-Clark Australia Limited, Colonial Limited, GasNet Australia Limited, Treasury Corporation of Victoria and OneSteel Limited.

Mr Meiklejohn brings to the Board his strong knowledge of the business of SPC Ardmona Ltd. He has also agreed to be a member of the Audit Risk & Compliance Committee.

The Board has determined that Mr Meiklejohn is an independent Director.

SPECIAL BUSINESS

The Directors propose that the Company's Constitution be amended to reflect changes in the law, and to ensure that it remains relevant to the Company today. At the same time as the adoption of a new Constitution, and as part of that initiative, the Directors are proposing a selective capital reduction and cancellation of the Non-Participating Shares in the Company. In order to ensure that the capital reduction transaction can occur, the rights attached to the class of Non-Participating Shares will need to be varied.

Resolution 3 – Adoption of new constitution

Shareholder approval is sought to the adoption of a new Constitution for the Company ("New Constitution"). If the special resolution seeking these approvals is passed, the New Constitution will be effective immediately following the Annual General Meeting.

The Board believes that the Constitution of the Company should be brought up to date with the current provisions of the Corporations Act and the Listing Rules and Business Rules of Australian Stock Exchange Limited ("ASX"). In addition, the new Constitution will be in a modern, plain-English style reflecting emerging industry practices and guidelines. Adopting a New Constitution rather than making numerous changes to the existing Constitution is a more practical means of achieving this.

Set out below is a summary which highlights and explains the key provisions in the New Constitution which are materially different to those in the existing Constitution. This summary is not exhaustive and does not constitute a definitive summary of all differences between the New Constitution and the existing Constitution.

Copies of the proposed new Constitution are available free of charge from the Company Secretary, Coca-Cola Amatil Limited, 71 Macquarie Street, Sydney NSW 2000 or on the Company's website at www.ccamatil.com.

1. Memorandum of Association

The Company Law Review Act 1998 removed the requirement for a memorandum of association. Therefore, it is proposed that the Memorandum of Association not be included in the New Constitution.

Historically, the memorandum of association of a company was required to set out (among other things) the objects for which the company was formed. The law has been changed so that companies no longer need an object clause. The law now gives a company all the powers of a natural person and an objects clause has no point unless it is desired to restrict the objects or powers of the company. This is not the purpose of the lengthy objects clause currently in the Company's Memorandum of Association. Consistent with general corporate practice, it is proposed that it not be included in the New Constitution. Instead, proposed Article 8.1 of the New Constitution allows the Company to exercise in any manner permitted by the Corporations Act any power which a public company limited by shares may exercise under the Corporations Act.

Explanatory Notes

2. Exclusion of replaceable rules

The old Table A (which was set out in previous Companies Acts) has been abolished and replaced by the replaceable rules which are set out in the Corporations Act. The replaceable rules will not apply to the Company. Proposed Article 1.3 of the New Constitution reflects this change. In addition to the replaceable rules, the changes to the Corporations Act also introduced mandatory rules which apply to public companies. A number of these mandatory rules for public companies have been explicitly included in the New Constitution, for example:

- (a) proposed Article 5.2(b) – business of annual general meetings; and
- (b) proposed Article 6.3(h) – removal of a director by ordinary resolution of members.

3. Use of new technology at meetings

Proposed Articles 5.5 and 9.2(b) of the New Constitution allow the use of modern technology (including electronic technology) to conduct meetings of members and Board meetings. Such meetings may also be held at 2 or more venues.

4. General Meetings

The New Constitution:

- (a) contains revised general meeting provisions consistent with the Corporations Act, including but not limited to:
 - reducing the number of Directors required to call a meeting of members from 2 to 1 Director (proposed Article 5.1(b));
 - increasing the amount of notice to be given to shareholders of a general meeting from 14 days' notice to 28 days' notice (this brings the notice provisions into line with the Corporations Act) (proposed Article 5.3(a));
 - outlining persons entitled to a notice of a meeting of members as well as those persons entitled to attend a meeting of members (proposed Article 5.3(b) and 5.4(a) and (c));
 - setting the procedures for the appointment of a body corporate representative (proposed Article 5.14(a)(i));
 - setting a snapshot time for determining those members who are entitled to vote at a meeting of members (proposed Article 5.3(e));
 - setting out the business of annual general meetings (proposed Article 5.2(b)). Proposed Article 5.2(b) replicates the wording in section 250R(1) of the Corporations Act and states that even if any of the following items are not referred to in the notice of meeting, a member may raise them at an Annual General Meeting:
 - the consideration of the annual financial report, director's report and auditor's report for the Company;
 - the election of Directors;
 - the appointment of the auditor of the Company; and
 - the fixing of the remuneration of the auditor of the Company.

Some of the above reflect changes in the law since the existing Constitution was drafted.

- (b) deems the quorum of a meeting of members to be present throughout the meeting as long as the quorum is met at the commencement of the meeting, unless the chairperson determines otherwise (proposed Article 5.6(c));
- (c) does not reduce the quorum at an adjourned meeting of members from 3 members to 2 members as is the case under the existing Constitution (proposed Article 5.6(e));
- (d) contains no procedures in the case of an equality of votes at a meeting of members. As a result, under such a situation, the resolution would not be passed. Under the existing Constitution the chairperson has a casting vote;

- (e) distinguishes between the voting rights attached to partly paid shares and fully paid shares. Proposed Article 5.12(b) states that on a poll, each member has one vote for each fully paid share and a fraction of one vote for each partly paid share (the fraction being equal to the proportion paid in relation to that share). The existing Constitution does not make such a distinction; and
- (f) outlines the specific powers of a chairperson to regulate conduct of a meeting of members (proposed Article 5.8).

5. How Notice is Given

It is proposed that article 124 of the existing Constitution (encompassed by the proposed Article 11.1 of the New Constitution) be amended to permit the service of notices by electronic mail where the member nominates an electronic address. Proposed Articles 11.2 and 11.3 of the New Constitution also extends the ability to serve notices by email address to Directors and the Company.

Proposed Article 11.1(h) of the New Constitution clarifies the manner in which notices may be sent to members via advertisement in newspapers. It allows the Company to deliver notices to members by advertising once in a daily newspaper circulating in all states and territories of Australia.

6. Adjournment of members meeting

Proposed Article 5.11(a) of the New Constitution allows the Chairman to adjourn a meeting of members. The Chairman may, but is not required to, ask for the consent of the meeting.

7. Entitlement to vote

Proposed Article 5.12(j) of the New Constitution allows the Company to disregard votes cast by a member where the Corporations Act or the ASX Listing Rules require that member not to vote. This avoids conflicts arising between the rights of members to vote given under the Constitution and under the Corporations Act and ASX Listing Rules.

8. Demand for a poll

In line with changes to the Corporations Act, proposed Article 5.10(b) of the New Constitution provides that members with at least 5%, or such other percentage as prescribed under the Corporations Act, of votes may call for a poll. Under the existing Constitution, only members with at least 10% of votes or 10% of the paid up capital of the Company may call for a poll.

9. Proxies

The New Constitution:

- (a) contains revised provisions regarding proxy appointments to ensure they are consistent with the Corporations Act, including but not limited to:
 - if the member appoints two proxies and the appointment does not specify the proportion of the appointor's voting rights to be exercised by each proxy, each proxy may exercise one-half of the appointor's rights;
 - the form and content of a proxy form (proposed Article 5.14(d)); and
 - whether appointments of proxies are valid even if the proxy form contains only some of the required information (proposed Article 5.14(e));
 - the powers of a proxy or attorney regarding meetings of members and resolutions and motions at meetings of members (proposed Article 5.14(i)(i)-(iii) and proposed Article 5.14(j)); and
- (b) allows votes cast by a proxy to be counted as long as the Company has not received notice of an intervening event, such as if the appointing member dies or becomes mentally incapacitated, 48 hours before the meeting (proposed Article 5.14(r)). Under the existing Constitution, a vote cast by a proxy is valid if notice of the intervening event was not received by the Company or the chairperson before the vote is given.

Explanatory Notes

10. Minimum number of Directors

The minimum and maximum number of Directors under the New Constitution has been set at 7 and 16, respectively, which is consistent with the existing Constitution (proposed Article 6.1(a) of the New Constitution). Under proposed Article 6.1(a), the Company in general meeting may by ordinary resolution alter the maximum or minimum number of Directors provided that the minimum number of Directors is not less than 3 (which is the minimum number set by the Corporations Act). Proposed Article 6.1(c) allows the Directors to determine the number of Directors at any time except that the Directors cannot reduce this number so that it is below the number of Directors in office at that time.

Also, under the existing Constitution, the majority of Directors must be Australian citizens. The New Constitution is silent on this issue in which case section 201A(2) of the Corporations Act applies which states that at least 2 Directors must ordinarily reside in Australia. The resulting existing article requiring Directors to disclose changes in citizenship, has not been included in the New Constitution. The existing article reflected the Australian Government's view in relation to foreign investment in Australia at that time. This is no longer relevant as this particular policy is no longer in place.

11. Nominations periods for election of Director

Proposed Article 6.2(e) reflects Listing Rule 14.3 and reads as follows:

“(e) Nominations for the election of a Director (other than a Director retiring under Article 6.3(c)) must be received by the Company:

- in the case of a meeting of Members called under Article 5.1(c), 30 Business Days; or
- otherwise, 35 Business Days,

before the date of the meeting of Members at which the Director may be elected.”

Although the ASX has recently announced that it proposes to delete Listing Rule 14.3 with effect from 1 March 2005, the concept of a notification cut-off period has been retained to facilitate the preparation of notices of meeting and to allow members adequate time to consider the candidature of the nominees.

12. Written resolution of Directors

Proposed Article 9.1(a) of the New Constitution modifies the requirements for written resolutions of Directors. In order for a resolution to pass without a directors' meeting, all Directors entitled to vote on a resolution must sign a document containing a statement that they are in favour of the resolution. Under the existing Constitution, written resolutions are valid if signed by all Directors for the time being in Australia.

13. Retirement of Directors

Proposed Article 6.3(b) is new and replicates Listing Rule 14.4. Under proposed Article 6.3(b), no director, except a managing director, is to hold office for more than 3 years, or until the third annual general meeting after appointment (whichever is the longer), without submitting for re-election.

Most listed companies satisfy Listing Rule 14.4 by requiring that one third of the directors of the company must retire at each annual general meeting (“**One Third Retirement Rule**”). Both the New Constitution and the existing Constitution have a similar Article. The main difference between the New Constitution and the existing Constitution is that those Directors which have been appointed to fill a casual vacancy and which must retire at the next Annual General Meeting are included in the One Third Retirement Rule calculations. The other difference relates to rounding – under the New Constitution the number obtained from the One Third Retirement Rule calculation is rounded down to the nearest whole number whereas under the existing Constitution this number was rounded to the nearest whole number.

14. Directors' interests

Directors' interests are dealt with under proposed Article 6.6 and is similar to the current articles in the existing Constitution dealing with the same issue. The only substantive changes relate to the following areas:

- (a) under the existing Constitution, a director cannot vote on a matter in which he/she has a material personal interest. However, under the New Constitution, the director will not be able to vote only if it is contrary to any applicable law. This amendment reflects changes in the Corporations Act.
- (b) proposed Article 6.6(c) incorporates the requirements under the ASX Listing Rules for a Director to disclose to the Company all Notifiable Interests and changes in Notifiable Interests so that the Company can satisfy its obligations under the ASX Listing Rules to disclose these interests to the ASX. Notifiable Interests are defined under the ASX Listing Rules as a relevant interest (as defined under the Corporations Act) in securities of the Company or a related body corporate or interests in contracts to which a Director is a party or under which a Director is entitled to a benefit, and that confer a right to call for or deliver shares in, debentures of, or interests in a managed investment scheme made available by, the Company or a related body corporate.

15. Remuneration of Directors

Consistent with ASX Listing Rule 10.17:

- (a) the New Constitution clarifies that it is the total remuneration of non executive directors that is capped by a maximum aggregate amount set by members at a general meeting (proposed Articles 6.5(a) to (e)); and
- (b) under proposed Article 6.5(e), executive director remuneration cannot include a commission on, or percentage of, operating revenue. Under the existing Constitution, executive director remuneration could not include a commission on, or a percentage of, turnover. This article reflects a change in the ASX Listing Rules.

16. Payment of expenses to Directors and Alternate Directors

Proposed Article 6.5(g) adds an additional requirement that the expenses of a Director must be properly incurred which reflects section 202A of the Corporations Act (which is a replaceable rule). The Company must also pay all reasonable expenses properly incurred by an Alternate Director. Under the existing Constitution, an Alternate Director was only allowed to receive remuneration of reimbursement of expenses for special services.

17. Term of Appointment of Chairperson or Deputy Chairperson

Under the existing Constitution, if the terms of appointment of the chairperson or deputy chairperson are not specified, then the term is 1 year. Under proposed Article 9.6(a) of the New Constitution, if no term is specified, then the period of appointment is until the person ceases to be a Director or is removed by the Directors as chairperson.

18. Delegation of Directors' powers

Consistent with section 198D of the Corporations Act, the Directors may delegate any of their powers (including the power to delegate) to an attorney or agent (proposed Article 8.4(b)).

19. Quorum for meetings of Directors

The New Constitution:

- (a) has reduced the quorum required for a meeting of Directors from 3 to 2 Directors unless otherwise fixed by the Directors (proposed Article 9.5(a)). This is consistent with the section 248F of the Corporations Act (which is a replaceable rule). The New Constitution has not included the constraint under the existing Constitution that if the quorum of a meeting of Directors was fixed at 2 Directors, the chairperson did not have a casting vote;
- (b) contains provisions which clarify when Alternate Directors are included when determining the quorum (proposed Article 9.5(b)); and
- (c) requires that the quorum be present at all times during any meeting of Directors (proposed Article 9.5(c)).

Explanatory Notes

20. Managing Director

Under the New Constitution, there is no time limit placed on the term of appointment of the Managing Director. This is left to be dealt with by the executive service agreement between the Company and the Managing Director. Under the existing Constitution, the appointment of a Managing Director is restricted to a term of 5 years.

Proposed Article 7.1(d) of the New Constitution gives the Directors the power to revoke or vary:

- (a) the appointment of a Managing Director; or
- (b) any power delegated to a Managing Director.

This is consistent with section 198C(2) and 203F(2) of the Corporations Act (which are replaceable rules). Also, consistent with section 203F(1) of the Corporations Act (a replaceable rule), a person ceases to be a Managing Director if the person ceases to be a Director (proposed Article 7.1(g) of the New Constitution).

21. Company Secretary

Proposed Article 7.2 of the New Constitution details new procedures for the appointment and removal of the Company Secretary.

22. Seals

The Corporations Act no longer requires that a company has a common seal, but provides that it may do so. Proposed Article 8.2(b) of the New Constitution has been drafted accordingly and provisions dealing with the use of share seals have been deleted and replaced with an article which allows signatures to be affixed by mechanical means on certificates for securities of the Company (proposed Article 8.2(d) of the New Constitution).

23. Dividends

The New Constitution:

- (a) allows dividends to be paid as the Directors resolve as permitted by law (proposed Article 10.1(a)). There is no explicit requirement in the New Constitution that dividends must be paid out of profits of the Company only. This flexibility will accommodate any future possible change in law;
- (b) allows dividends to be paid in forms other than cash (proposed Article 10.1(b) and (c) of the New Constitution);
- (c) clarifies persons who are entitled to dividends (proposed Articles 10.1(e) of the New Constitution);
- (d) clarifies when dividends are payable in respect of restricted securities (proposed Article 10.1(f) of the New Constitution); and
- (e) gives Directors the power to determine different rates of dividends on different classes of shares (proposed Article 10.2 of the New Constitution).

24. Indemnity

The indemnity for Directors, company secretaries and executive officers (existing Article 134) has been redrafted in the New Constitution (proposed Article 7.3 of the New Constitution) so as to be identical to the wording of the new indemnification provisions in the Corporations Act.

The new indemnity provides that:

- (a) except to the extent prevented by the Corporations Act, Directors and company secretaries, past and present, of the Company or its subsidiaries may be indemnified by the Company against:
 - liability incurred by the person in that capacity; and
 - legal costs incurred in defending or resisting or otherwise in connection with an action for a liability incurred by the person in that capacity; and

(b) except to the extent prevented by the Corporations Act, the Company may pay a premium for a contract insuring a Director or company secretary of the Company or a subsidiary of the Company against liability incurred by that person in that capacity, including a liability for legal costs.

The Corporations Act limits the scope of such indemnities by prohibiting indemnification for a liability for certain pecuniary penalty orders or compensation orders under the Corporations Act.

It should be noted that under the New Constitution, executive officers and employees have been removed from the scope of the indemnity because it is not necessary to set out the Company's power to indemnify its executive officers and employees in its constitution.

25. Records

Proposed Article 13 deals with minute books, registers and financial records. This Article restates the Corporations Act requirements.

26. Sale or Disposal of “Unmarketable Parcels”

The New Constitution permits the Company to procure the disposal of shares where a shareholder holds less than a marketable parcel of securities within the meaning of the ASX Listing Rules. To invoke this procedure, the Company must first give notice to the relevant shareholder that the Company intends to sell or dispose of his or her shares. The shareholder may then elect not to have his or her shares sold by notifying the Company.

In addition, the Company also has the right to divest shareholders of shares comprising less than a marketable parcel where that unmarketable parcel was created by a transfer on or after 1 September 1999 of a parcel of shares that was less than a marketable parcel at the time of transfer. In these circumstances, the Company must give the relevant shareholder a notice stating that the shares have been sold or disposed of and the proceeds of the sale or disposal (less any amounts due and unpaid in respect of the shares and the expenses of the sale or disposal) must be sent to the shareholder after the sale. In addition, the Directors may resolve to remove or vary the rights of a shareholder holding less than a marketable parcel to vote, or to receive dividends, in respect of some or all of the shares liable to be sold or disposed of, however, any dividends withheld in these circumstances must be paid to the relevant shareholder following the sale or disposal (as the case may be).

27. Conversion of Shares

The New Constitution allows shares to be converted into larger or smaller numbers of shares (proposed Article 2.3). The existing Constitution only allows conversion of shares into smaller numbers of shares.

28. Forfeiture

For the purposes of clarity, the New Constitution contains an article relating to what constitutes sufficient evidence of forfeiture of share (proposed Article 4.6 of Schedule 3). The Company is also given the right to waive its rights in relation to forfeiture of a share or cancel the forfeiture of a share prior to its sale, disposition, reissue or cancellation (proposed Article 4.7 of Schedule 3).

29. Reductions of capital and buy-backs

Under the New Constitution the Company's share capital may be reduced and the Company may buy-back shares in itself on any terms and at any time, subject to the Corporations Act and the ASX Listing Rules.

30. Restricted Securities

Under ASX Listing Rules 3.10.5 and 3.10A, the Company is required to notify the ASX of any shares which are subject to voluntary escrow arrangements and any shares which are to be released from voluntary escrow arrangements. Proposed Article 2.8 of the New Constitution enables the Company to comply with its disclosure obligations by compelling a member whose shares are subject to voluntary escrow arrangements to give to the Company all information it is required to disclose to ASX.

Explanatory Notes

31. Transfer of shares

The Article regulating the transfer of shares generally have been simplified in line with current market practice. The procedure set out in the ASTC settlement rules for electronic transfer of shares have been incorporated in the New Constitution (proposed Articles 4.1 to 4.4). Proposed Article 4.5(e) gives the Directors the power to request ASTC to apply a holding lock or decline to register a transfer in circumstances in which the ASX Listing Rules permit them to do so.

32. Preference Shares

ASX Listing Rules 6.3 and 6.7 sets out voting rights and other additional rights which preference shares must be given. Although the Company does not currently have any preference shares on issue, all future issues of preferred shares must have rights consistent with these Listing Rules. Proposed Articles 5.3(c), 5.4(b) and 5.12(e) reflect the requirements of ASX Listing Rules 6.3 and 6.7.

33. Other Changes

The following is a list of articles in the existing Constitution which have been excluded from the New Constitution on the basis that binding provisions already exist in the Corporations Act or the ASX Listing Rules or that they are no longer relevant or have become outdated:

- Memorandum of Association (see explanation under point 1);
- top-up arrangements in relation to San Miguel Corporation's aggregate shareholding in the Company (current Article 7A) are no longer relevant as all of San Miguel Corporations' shares held in the Company were cancelled as part of the sale of Coca-Cola Bottlers Philippines Inc to The Coca-Cola Company and San Miguel Corporation;
- issues of shares to employees (current Article 8(a));
- payment of commission to any person for subscribing or agreeing to subscribe for shares (current Article 9);
- share and debenture certificates to be issued under common seal or share seal (current Article 13);
- transfer of stapled shares (current Article 34A was inserted during the demerger of the Company's European operations);
- maximum number of days register may be closed (current Article 39);
- procedures for transferring of shares (current Article 40);
- conversion of shares into stock (current Articles 43 to 46);
- variation of class rights through new issue of shares (current Article 51(b));
- interest paid on preference shares (current Article 52);
- all general meetings other than annual general meetings to be called "Extraordinary General Meetings" (current Article 54);
- Directors to be natural persons (current Article 73(b));
- minimum shareholding requirement for Directors and Alternate Directors (current Article 74);
- Director to vacate office if minimum shareholding requirement not met during term (current Article 75(d));
- maximum age of Directors (current Article 75(a));
- Directors not to dispose of Company's main undertaking (current Article 87(a));
- non-executive Directors superannuation (current Articles 89(b) to 89(e));
- Company's power to borrow (current Article 90);
- notice of meeting need not be given to Directors who are reasonably believed at the time of giving notice to be absent from Australia (current Article 91);

- management of the affairs of the Company abroad and delegation of powers Directors to local boards (current Articles 104(a) to (c));
- reserves (current Article 106);
- Directors declaration of net profits to be conclusive (current Article 111);
- Company's powers to declare dividends in a general meeting (current Article 112);
- place where records to be kept (current Article 119);
- financial reporting (current Articles 121 and 122);
- appointment of auditors (current Articles 123);
- notices to overseas members able to be sent to address in Australia if notified (current Article 125);
- calculation of notice periods (current Article 128); and
- members to set remuneration of a liquidator if the Company is voluntarily wound up (current Article 133).

DIRECTORS' RECOMMENDATION

The Directors consider that the proposed changes to the Company's Constitution are in the best interests of the shareholders. They recommend that shareholders vote in favour of the resolution adopting the New Constitution primarily for the purpose of bringing the Constitution up to date.

Resolution 4 – Variation of rights of non-participating shares

At the same time as the adoption of a new constitution, the Company is proposing a transaction in which all its Non-Participating Shares will be cancelled through a selective capital reduction (see resolution 5 below). Section 256C of the Corporations Act provides that a selective capital reduction which involves a cancellation of shares must be approved by a special resolution passed at a meeting of holders of the shares which are to be cancelled.

Pursuant to Article 51(a) of the existing Constitution of the Company (which will be Article 2.9 in the new Constitution of the Company adopted pursuant to Resolution 3), the Non-Participating Shares of the Company have no rights (including any voting rights), other than a right to a return of capital of \$1 per share on a winding up of the Company, but only after the paid up capital on ordinary shares plus \$1 million per ordinary share has been repaid to holders of ordinary shares.

Accordingly, there is some uncertainty as to whether a resolution regarding the selective capital reduction and cancellation can be passed by the holders of the Non-Participating Shares. This resolution, which proposes an amendment to Article 2.9 of the Constitution to add limited voting rights, will ensure that there is no uncertainty in relation to whether the holders of Non-Participating Shares are entitled to vote, and how they are to vote, at a meeting of those holders to approve a selective capital reduction and cancellation.

Section 246B of the Corporations Act provides that where a company has a constitution that sets out the procedure for varying or cancelling the rights attached to shares in a class of shares, those rights may be varied or cancelled only in accordance with that procedure. Pursuant to Article 2.2 of the Constitution of the Company, the rights attached to a class of shares may only be varied with the sanction of a special resolution passed at a general meeting of the holders of shares of that class. That Article further provides that if the necessary majority is not obtained at the meeting, the variation may be made if the consent in writing of the holders of at least 75% of the issued shares of the class is obtained within 2 months from the date of the meeting.

Explanatory Notes

Other information

The Non-Participating Shares were created in 1989 as a part of a reconstruction of the Company. Shareholders were given a number of choices at the time, one of which was to receive a special dividend of \$12.60 and have their shares converted to Non-Participating Shares.

B.A.T Australia Pty Limited (“BATA”) which owns 97.2% of the class of Non-Participating Shares, has indicated that it will give to a representative of the Company a proxy to vote at the general meeting of the holders of Non-Participating Shares in favour of a resolution to vary the rights attached to those shares. BATA will also give the Company its written consent to the variation.

There is no further information known to the Company that is material to the decision on how to vote on this resolution. If any member is in doubt as to how to vote on the resolutions and/or as to how the resolution may affect the member, he/she should seek advice from his/her accountant, solicitor or other professional advisor as soon as possible.

DIRECTORS' RECOMMENDATION

The Directors recommend that shareholders vote in favour of the resolution.

Resolution 5 – Reduction of capital

1. Background and reasons for reduction of capital

The Non-Participating Shares were issued in 1989 as part of the reconstruction of the Company's capital at the time. The holders of the Non-Participating Shares do not have any rights, other than a right to a return of capital of \$1 per share on a winding up of the Company, but only after the paid up capital on ordinary shares plus \$1 million per ordinary share has been repaid to the holders of ordinary shares. Consequently, the Non-Participating Shares have no value and their continued existence is anomalous. Accordingly, the Company proposes to reduce its issued share capital by cancelling the Non-Participating Shares in the Company at the time of the adoption of a new Constitution. The Company will pay 1 cent per 10 shares to the holders of the Non-Participating Shares in consideration for the cancellation of their shares.

2. Key Dates

Set out below is an indicative timetable for the capital reduction. These indicative dates are subject to change:

Meeting of Members	19 May 2005
Class Meeting of members whose shares are to be cancelled	20 June 2005
Record Date	11 July 2005
Anticipated date of distribution of funds	11 July 2005

3. Amount of capital to be returned

The issued share capital of the Company will be reduced by \$43,650.

4. Entitlement to participate

Members who hold non-participating shares on the date which is 5 business days after the Company tells the ASX that it is 14 days after the Company lodged the resolution approving the reduction with ASIC (“Record Date”) will be entitled to participate in the return of capital.

5. Basis of entitlement

Each member who is entitled to participate in the return of capital will receive 1 cent for each 10 Non-Participating Shares held by them as at the Record Date.

For example, for a member holding 5327 Non-Participating Shares prior to the capital reduction the effect of participating in the capital reduction will be as follows:

	Current Holding	New Holding Post Capital Reduction	Amount received from capital reduction
Number of Shares	5327	0	\$5.32

6. Fractional Entitlements

Fractional entitlements resulting from the capital reduction will be rounded down to the nearest multiple of 10.

7. Effect on creditors

The capital reduction involves a reduction in the Company's paid-up share capital (contributed equity). However, in the opinion of the Directors, this will not materially prejudice the Company's ability to pay its creditors as the Company has sufficient cash flow from its business which, together with existing cash reserves, are sufficient to pay its creditors.

8. Effect on members

The capital reduction will result in the cancellation of 43,650,755 Non-Participating Shares. The cancelled shares represent 100% of the issued Non-Participating Shares.

The capital reduction will have no effect on the number of ordinary shares held by members.

9. Effect on Company's capital structure

The capital reduction will result in the cancellation of 43,650,755 Non-Participating Shares. After the capital reduction is effected, the Company will have no Non-Participating Shares on issue.

10. Effect on Company's contributed equity

At completion of the capital reduction, the contributed equity of the Company will be reduced by \$43,650.

11. Effect on Company's financial position

The Company has cash reserves which are sufficient to fully fund the return of capital. The return of capital will have no material impact on the cash reserves of the Company.

12. Effect on future dividends

The capital reduction will have no effect on the Company's ability to pay future dividends.

13. Tax Implications

Members should obtain their own independent advice regarding the possible tax consequences of the capital reduction. Different tax implications may arise for share traders or other taxpayers whose shares are held on revenue account. Members who are tax resident of a country outside Australia should obtain independent tax advice regarding the tax effect of the capital reduction in their jurisdiction.

14. Stamp Duty Consequences

There will be no stamp duty implications arising out of the cancellation of the Non-Participating Shares.

15. Independent Expert's Report

Deloitte Corporate Finance Pty Limited ("**Independent Expert**") has considered the capital reduction and the report confirms that the Non-Participating Shares currently have no value. The Independent Expert further concluded that the capital reduction is fair and reasonable to members whose shares are being cancelled and to members whose shares are not being cancelled. A copy of the Independent Expert's report accompanies this Explanatory Statement. Members are encouraged to read it.

Explanatory Notes

The Independent Expert has consented to the inclusion of its Independent Expert's report with this Explanatory Statement in the form and context in which it is included and the Independent Expert has not withdrawn that consent as at the date of preparation of this Explanatory Statement. The Independent Expert has not caused or authorised the issue of the Notice of Meeting nor this Explanatory Statement and takes no responsibility for any part of it other than the Independent Expert's report and references to its name.

16. Directors' Interests

None of the directors of the Company hold or have any interest in the Non-Participating Shares. Accordingly, the Directors will not participate in the selective capital reduction.

17. Reasons for approval

The proposed capital reduction by way of payment of cash to members is a selective reduction.

Under section 256B of the Corporations Act, the Company may only reduce its capital if:

- (a) it is fair and reasonable to members as a whole;
- (b) it does not materially prejudice the Company's ability to pay its creditors; and
- (c) it is approved by members in accordance with section 256C of the Corporations Act.

Section 256C of the Corporations Act requires that a selective reduction be approved by a special resolution of the company's shareholders passed at a general meeting of the company, with no votes being cast in favour of the resolution by any person who is to receive consideration as part of the reduction, or by their associates. As the capital reduction involves a cancellation of shares, the reduction must also be approved by a special resolution passed at a meeting of the members whose shares are to be cancelled.

The Directors consider that the capital reduction:

- (a) is fair and reasonable to the Company's members as a whole; and
- (b) will not materially prejudice the Company's ability to pay its creditors.

18. Other information

BATA has indicated that it will give a representative of the Company a proxy to vote at the meeting of holders of the Non-Participating Shares in favour of a selective capital reduction resolution.

There is no further information known to the Company that is material to the decision on how to vote on this resolution. If any member is in doubt as to how to vote on the resolutions and/or as to how the resolution may affect the member, he/she should seek advice from his/her accountant, solicitor or other professional advisor as soon as possible.

19. Voting exclusions

The Company will disregard any votes cast on this resolution by:

- any person holding both ordinary shares and Non-Participating Shares; and
- any associate of those persons.

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 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.

DIRECTORS' RECOMMENDATION

The Directors recommend that shareholders vote in favour of the resolution.

Resolution 6 – Increase in Directors' fees

At present the maximum amount available for payment of non-executive Directors' fees in aggregate each year is \$1m. This amount was established at a General Meeting held in July 1997.

Since 1997, annual total non-executive Directors' fees have increased at an annual compound rate of 4.45%.

Based on advice received from external remuneration consultants (via the Compensation Committee), Directors fees are reviewed annually and set and approved by the executive Directors. The next review is scheduled to be effective from 1 January 2006.

The proposed increase of \$500,000 is the first increase in 8 years. It will provide the flexibility to cater for increases in the fees paid to each non-executive Director as and when such increases are appropriate and also reflects the appointment of Mr David Meiklejohn to the Board. It is emphasised that this is a maximum limit and does not indicate that fees will be increased immediately to that limit.

Voting Exclusions

The Company will disregard any votes cast on this resolution by:

- any Director; and
- any associate of those persons.

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 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.

Resolution 7 – Participation by Mr Davis in the Long Term Incentive Share Plan

Approval is being sought in accordance with the ASX Listing Rules to allow Mr Davis to participate, as an executive Director of the Company, in the Long Term Incentive Share Plan (“LTISP”).

The LTISP is a performance-based share plan that was established in 2002 replacing both a cash long term incentive plan and subsequently a non hurdle based option plan. The 2005-2007 LTISP has been reviewed to better align company performance with executive reward specifically in the determination of the peer group, vesting of shares and retesting.

There are 3 components to Mr Davis' potential allocation of shares under the 2005-2007 LTISP (as set out in the table below) which are subject to 2 separate performance measures.

Component	Shares Threshold	Maximum
A	58,250)
B	58,250) 174,750
C	100,000	150,000
Total	216,500	324,750

Explanatory Notes

Component A:

Component A of Mr Davis' participation in the LTISP is subject to measurement of the Company's Total Shareholder Return (TSR) from 1 January 2005 to 31 December 2007 versus the ASX 100 Companies minus banks, financial services companies and mining resource companies plus S&P's Consumer Staples Index Companies with market capitalisation greater than \$300 million (the ASX 100). The peer group is determined at the start of the performance period and will be adjusted to remove any companies that are not members of the peer group at the end of the performance period, with 15 companies on the reserve list to replace those which are removed. If the Company's TSR ranking is less than the 50th percentile of the ASX 100 over the performance period, no shares will be issued to Mr Davis. If the Company's TSR ranking equals the 50th percentile of the ASX 100, Mr Davis will be awarded 58,250 shares. To the extent that the Company's TSR ranking exceeds the 50th percentile of the ASX 100 (up to the 70th percentile), then the shares awarded to Mr Davis will be increased in proportion to a maximum of 87,375, being 150% of the threshold number. To the extent that the Company's TSR exceeds the 70th percentile of the ASX 100 (up to the 75th percentile), then the shares awarded to Mr Davis will be increased proportionately to 99,025, being 170% of the threshold number provided that the combined number of shares to be awarded under this Component A together with those awarded under Component B cannot exceed 174,750, being 150% of the threshold number of shares.

If the TSR performance measure is not achieved at the end of the 3 year period to the extent necessary to allocate the maximum allocation for this Component A of the award, then it may be re-tested at the end of each quarter up to the end of year 5.

Component B:

Component B of Mr Davis' participation in the LTISP is subject to measurement of the Company's average growth in Net Operating Profit After Tax (NOPAT) from 1 January 2005 to 31 December 2007. If average growth in NOPAT is less than 8% per annum, no shares will be awarded to Mr Davis. If average growth in NOPAT is 8% per annum, Mr Davis will be awarded 80% of the threshold number of shares. If average growth in NOPAT is 9% per annum, Mr Davis will be awarded the threshold number of shares, being 58,250. If average growth in NOPAT is 10% per annum, Mr Davis will be awarded 120% of the threshold number of shares. To the extent that average growth in NOPAT exceeds 10% per annum (up to 15% per annum), then the shares awarded to Mr Davis will be increased in proportion to a maximum of 99,025, being 170% of the threshold number. No re-testing applies to this component. The combined awards under Components A and B cannot exceed 174,750 shares, being 150% of the threshold number of shares.

If the TSR ranking exceeds the 70% percentile or if average growth in NOPAT is 15% per annum, a minimum of the threshold award of both component A and B will be awarded.

Component C:

As part of Mr Davis' conditions of employment it had been agreed that Mr Davis would be granted an award of options under the Executive Option Plan on 12 November 2004 being the third anniversary of his employment with the Company. Because the Board has determined not to issue further non-hurdle based options to executives and executive Directors under the Executive Option Plan, it is proposed to make a further offer of 100,000 shares to Mr Davis under the 2005-2007 LTISP.

50,000 of the shares will be subject to the same performance measures as apply to Component A above and the other 50,000 shares will be subject to the performance measures which apply to Component B above. The number of shares to be allocated will not exceed 150% of the threshold number of shares.

Any allocation of shares in respect of Component C is subject to the following further provisions:

- a. the performance period will commence on 1 January 2005;
- b. the performance hurdles will be tested 12 months after the commencement of the performance period and, if the performance hurdles have been achieved at that date, the shares will be allocated to Mr Davis; and
- c. if the performance hurdles have not been met at that date, the standard performance period applicable under the 2005-2007 LTISP will apply.

All shares to which Mr Davis may become entitled as a result of his participation in the 2005-2007 LTISP will be allocated in respect of the 2005-2007 performance period by no later than 28 February 2010.

The shares will be acquired by the Trustee of the LTISP on behalf of Mr Davis either by purchase of shares at the prevailing market price or by subscription for new shares in the Company at no cost to Mr Davis. Potential entitlements under the Plan will be expensed over the vesting period.

Since the 2004 Annual General Meeting, 169,892 shares have been acquired on behalf of Mr Davis under the LTISP at no cost to him.

The proposal by the Board to offer shares under the LTISP to Mr Davis has been recommended by the Compensation Committee following detailed reviews and advice from external remuneration consultants. The cost to the Company in relation to the acquisition of any shares by the Trustee on behalf of Mr Davis will be expensed in the financial statements in accordance with the relevant accounting standards.

Details of any shares issued to executive Directors under the LTISP will be published in each annual report of the Company relating to the performance period in which the shares have been issued, together with a statement that approval for the issue of the shares was obtained under ASX Listing Rule 10.14.

No Director of the Company other than Mr Davis will be entitled to participate in the LTISP after the date of this meeting, until approval of their participation has been obtained from shareholders under ASX Listing Rule 10.14.

Voting Exclusions

The Company will disregard any votes cast on this resolution by:

- Mr Davis; and
- any associate of Mr Davis.

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 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.

DIRECTORS' RECOMMENDATION

The Directors, other than Mr Davis, recommend that shareholders vote in favour of this resolution. Mr Davis makes no recommendation in light of his personal interest in this resolution.



Independent expert's report

7 April 2005

Coca-Cola Amatil Limited

Financial services guide

7 April 2005

What is a Financial Services Guide?

This Financial Services Guide ("FSG") is an important document the purpose of which is to assist you in deciding whether to use any of the general financial product advice provided by Deloitte Corporate Finance Pty Limited (ABN 19 003 833 127). The use of "we", "us" or "our" is a reference to Deloitte Corporate Finance Pty Limited as the holder of Australian Financial Services Licence ("AFSL") No. 241457. The contents of this FSG include:

- who we are and how we can be contacted
- what services we are authorised to provide under our AFSL
- how we (and any other relevant parties) are remunerated in relation to any general financial product advice we may provide
- details of any potential conflicts of interest
- details of our internal and external dispute resolution systems and how you can access them.

Information about us

We have been engaged by Coca-Cola Amatil Limited to give general financial product advice in the form of a report to be provided to you. You are not the party or parties who engaged us to prepare this report. We are not acting for any person other than the party or parties who engaged us. We are required to give you an FSG by law because our report is being provided to you. You may contact us using the details located on the first page of this FSG.

Deloitte Corporate Finance Pty Limited is ultimately owned by the Australian partnership of Deloitte Touche Tohmatsu. The Australian partnership of Deloitte Touche Tohmatsu and its related entities provide services primarily in the areas of audit, tax, consulting, and financial advisory services. Our directors may be partners in the Australian partnership of Deloitte Touche Tohmatsu.

The Australian partnership of Deloitte Touche Tohmatsu is a member firm of the Deloitte Touche Tohmatsu Verein. As the Deloitte Touche Tohmatsu Verein is a Swiss Verein (association), neither it nor any of its member firms has any liability for each other's acts or omissions. Each of the member firms is a separate and independent legal entity operating under the names "Deloitte", "Deloitte & Touche", "Deloitte Touche Tohmatsu", or other related names.

The financial product advice in our report is provided by Deloitte Corporate Finance Pty Limited and not by the Australian partnership of Deloitte Touche Tohmatsu, its related entities, or the Deloitte Touche Tohmatsu Verein.

We do not have any formal associations or relationships with any entities that are issuers of financial products. However, you should note that we and the Australian partnership of Deloitte Touche Tohmatsu (and its related bodies corporate) may from time to time provide professional services to financial product issuers in the ordinary course of business.

What financial services are we licensed to provide?

The AFSL we hold authorises us to provide the following financial services to both retail and wholesale clients:

- to provide financial product advice in respect of securities, debentures, stocks or bonds issued or proposed to be issued by the government and interests in managed investment schemes including investor directed portfolio schemes
- to deal in a financial product by arranging for another person to apply for, acquire, vary or dispose of financial products in respect of securities and debentures, stocks or bonds issued or proposed to be issued by the government.

Information about the general financial product advice we provide

The financial product advice provided in our report is known as “general advice” because it does not take into account your personal objectives, financial situation or needs. You should consider whether the general advice contained in our report is appropriate for you, having regard to your own personal objectives, financial situation or needs.

If our advice is being provided to you in connection with the acquisition or potential acquisition of a financial product issued by another party, we recommend you obtain and read carefully the relevant Product Disclosure Statement (“PDS”) or offer document provided by the issuer of the financial product. The purpose of the PDS is to help you make an informed decision about the acquisition of a financial product. The contents of the PDS will include details such as the risks, benefits and costs of acquiring the particular financial product.

How are we and our employees remunerated?

Our fees are usually determined on an hourly basis; however they may be a fixed amount or derived using another basis. We may also seek reimbursement of any out-of-pocket expenses incurred in providing the services.

Fee arrangements are agreed with the party or parties who actually engage us, and we confirm our remuneration in a written letter of engagement to the party or parties who actually engage us.

Neither Deloitte Corporate Finance Pty Limited nor its directors and officers, nor any related bodies corporate or associates and their directors and officers, receives any commissions or other benefits, except for the fees for services rendered to the party or parties who actually engage us. Our fee is \$15,000 exclusive of GST and will also be disclosed in the relevant PDS or offer document prepared by the issuer of the financial product.

All of our employees receive a salary. Our employees are eligible for annual salary increases and bonuses based on overall performance but do not receive any commissions or other benefits arising directly from services provided to you. The remuneration paid to our directors reflects their individual contribution to the company and covers all aspects of performance. Our directors do not receive any commissions or other benefits in connection with our advice.

We do not pay commissions or provide other benefits to other parties for referring prospective clients to us.



What should you do if you have a complaint?

If you have any concerns regarding our report, you may wish to advise us. Our internal complaint handling process is designed to respond to your concerns promptly and equitably. Please address your complaint in writing to:

The Complaints Officer
Practice Protection Group
PO Box N250
Grosvenor Place
Sydney NSW 1220

If you are not satisfied with the steps we have taken to resolve your complaint, you may contact the Financial Industry Complaints Service ("FICS"). FICS provides free advice and assistance to consumers to help them resolve complaints relating to members of the financial services industry. Complaints may be submitted to FICS at:

Financial Industry Complaints Service
PO Box 579
Collins Street West
Melbourne VIC 8007
Telephone: 1300 780 808
Fax: +61 3 9621 2291
Internet: <http://www.fics.asn.au>

If your complaint relates to the professional conduct of a person who is a Chartered Accountant, you may wish to lodge a complaint in writing with the Institute of Chartered Accountants in Australia ("ICAA"). The ICAA is the professional body responsible for setting and upholding the professional, ethical and technical standards of Chartered Accountants and can be contacted at:

The Institute of Chartered Accountants
GPO Box 3921
Sydney NSW 2001
Telephone: +61 2 9290 1344
Fax: +61 2 9262 1512

Specific contact details for lodging a complaint with the ICAA can be obtained from their website at <http://www.icaa.org.au/about/index.cfm>.

The Australian Securities and Investments Commission ("ASIC") regulates Australian companies, financial markets, financial services organisations and professionals who deal and advise in investments, superannuation, insurance, deposit taking and credit. Their website contains information on lodging complaints about companies and individual persons and sets out the types of complaints handled by ASIC. You may contact ASIC as follows:

Info line: 1 300 300 630
Email: infoline@asic.gov.au
Internet: <http://www.asic.gov.au/asic/asic.nsf>

7 April 2005

The Directors

Coca-Cola Amatil Limited
71 Circular Quay East
Sydney NSW 2000

Dear Directors

Independent expert's report

1. Introduction

As outlined in the Notices of Meeting, Coca-Cola Amatil Limited ("CCA") has scheduled two shareholder meetings to be held on 19 May 2005 to consider, inter-alia, the following business:

- Ordinary business of CCA
- Special business of CCA, comprising:
 - Adoption of a new Constitution
 - Increase in Directors fees
 - Participation by the Chief Executive Officer in the Long Term Incentive Plan
 - Variation of rights of non-participating shares ("NP Shares")
 - Reduction of capital

In addition there will be a meeting of NP Shareholders on 20 June 2005 to consider the proposed reduction of capital.

The reduction of capital relates to a proposed transaction in which all the NP Shares would be cancelled by way of a selective capital reduction ("Proposed Transaction").

As set out in the Explanatory Statements, the consideration for the cancellation of the 43,650,755 NP Shares currently on issue is \$0.01 cash for every 10 NP Shares, representing \$0.001 for each NP Share.

2. Scope and Purpose of the report

Under Section 256B(1) of the Corporations Act 2001 ("Corporations Act"), one of the conditions of a capital reduction is that it must be fair and reasonable to the company's shareholders as a whole. Whilst an independent expert's report ("IER") is not required to meet any statutory obligations, the directors of CCA have engaged Deloitte Corporate Finance Pty Ltd ("Deloitte Corporate Finance") to prepare an IER to provide an opinion as to whether the Proposed Transaction is fair and reasonable to CCA's shareholders as a whole.

We understand that our IER is to accompany the Notices of Meeting and Explanatory Statements to be sent to CCA shareholders, including holders of the NP Shares ("NP Shareholders").

We have prepared this report having regard to the relevant Australian Securities and Investments Commission ("ASIC") Policy Statements and Practice Notes.

This report should be read in conjunction with the declarations outlined in Appendix 3.

Our procedures and enquiries do not include verification work nor constitute an audit in accordance with Australian Auditing Standards ("AUS"), nor do they constitute a review in accordance with AUS 902 applicable to review engagements.

This report has been prepared exclusively for the purpose of assisting CCA shareholders in their consideration of the Proposed Transaction. The report should not be used for any other purpose.

3. Basis of evaluation

In order to assess whether the Proposed Transaction is fair and reasonable to CCA's shareholders as a whole we have:

- assessed whether the Proposed Transaction is fair by estimating the fair market value of an NP Share and comparing that value to the estimated fair market value of the consideration to be received by NP Shareholders pursuant to the Proposed Transaction. In addition, we have considered the economic impact of the Proposed Transaction on CCA shareholders as a whole.
- assessed the reasonableness of the Proposed Transaction by considering other advantages and disadvantages of the Proposed Transaction to all CCA shareholders, irrespective of whether or not they are NP Shareholders.

4. Summary and conclusion

In our opinion the Proposed Transaction is fair and reasonable to CCA's shareholders as a whole. In arriving at this opinion, we have had regard to the following factors:

The Proposed Transaction is fair

Set out in the table below is a comparison of our assessment of the fair market value of an NP Share with the consideration offered by CCA.

Evaluation of fairness

	Value
Estimated fair market value of an NP Share	Nil
Estimated fair market value of consideration offered per NP Share	\$0.001

The consideration offered by CCA is above our estimate of the fair market value of an NP Share. Accordingly it is our opinion that the Proposed Transaction is fair to NP Shareholders.

Valuation of an NP Share

We have estimated the fair market value of an NP Share based on the following considerations:

- As set out in the CCA Constitution, the NP Shares have no rights, powers or privileges of any nature except the right, in the event of CCA being wound up, to a return of capital of \$1 per NP Share only after satisfaction of any preference shareholders and after ordinary shareholders have received a return of capital of \$0.50 plus \$1 million in respect of each ordinary share.
- The NP Shares are not quoted on the Australian Stock Exchange ("ASX") and there is no active market in which they can be sold.
- For the reasons mentioned above, CCA disclosed in their audited financial statements for the year ended 31 December 2004 that the NP Shares effectively had no value. Accordingly, only a nominal consideration has been proposed for the cancellation of the NP Shares.

In our opinion, the fair market value of each NP Share is nil based on the absence of any realistic prospect of an economic return to NP Shareholders and the lack of any current voting rights. As discussed later in our report, the holder of the majority of NP Shares has indicated that it will vote in favour of the Proposed Transaction, which supports the assessment of a nil value for each NP Share.

Impact on CCA shareholders

We have considered the economic impact of the Proposed Transaction on CCA shareholders as a whole and determined that it is immaterial.

Valuation of consideration

We have valued the consideration offered to NP Shareholders under the Proposed Transaction at \$0.001 per NP Share based on the consideration outlined in the Explanatory Statements, being \$0.01 cash for every 10 NP Shares.

The Proposed Transaction is reasonable

We have considered the advantages and disadvantages to all CCA shareholders of the Proposed Transaction as well as any other relevant considerations in our assessment of its reasonableness.

Advantages of the Proposed Transaction

- It gives NP Shareholders an opportunity to exit a security which is highly illiquid.
- It provides CCA with certain qualitative and limited quantitative benefits which should benefit all CCA shareholders. In relation to the quantitative benefits to CCA, these largely relate to reduced share registry and compliance costs.

Disadvantages of the Proposed Transaction

- The Proposed Transaction may crystallise tax liabilities for individual NP Shareholders as a result of receiving consideration for cancelling their NP Shares. NP Shareholders should consult their tax adviser regarding their personal circumstances.

Other Considerations

- BAT Australia Pty Limited currently holds 97.15% of the NP Shares and, as set out in the Explanatory Statements, has indicated that it will give a representative of CCA a proxy to vote at the meeting of NP Shareholders in favour of the Proposed Transaction.

5. Opinion

In our opinion, the Proposed Transaction is fair and reasonable to all CCA shareholders. An individual shareholder's decision in relation to the Proposed Transaction may be influenced by his or her particular circumstances. If in doubt the shareholder should consult an independent adviser.

Yours faithfully

Deloitte Corporate Finance Pty Limited



M J Pittorino
Director



R A Foley-Lewis
Director

Appendix 1: Glossary

Reference	Definition
ASIC	Australian Securities and Investments Commission
ASX	Australian Stock Exchange
AUS	Australian Auditing Standards
CCA	Coca-Cola Amatil Limited
Corporations Act	The Corporations Act 2001
Deloitte Corporate Finance	Deloitte Corporate Finance Pty Limited
Explanatory Statements	The statement which explains the items of business to be considered at the Annual General Meeting of shareholders of CCA and the statement which explains the items of business to be considered at the General Meeting of NP Shareholders
IER	Independent Expert's Report
Notices of Meeting	The notice in relation to the Annual General Meeting of shareholders of CCA and the notice in relation to the General Meeting of NP Shareholders, both of which meetings are scheduled to be held on 19 May 2005
NP Share(s)	The 43,650,750 non-participating shares that were created as part of the 1989 capital reorganisation of CCA
NP Shareholders	Existing holders of NP Shares
Proposed Transaction	CCA's offer to acquire and cancel all of the NP Shares



Appendix 2: Sources of information

In preparing this report we have had access to the following principal sources of information:

- the draft and final Notices of Meeting and Explanatory Statements in relation to the Proposed Transaction
- relevant extracts from the existing Constitution of CCA and other supporting legal summaries detailing the rights and obligations attaching to the NP Shares
- summaries of the events leading to the creation of the NP Shares as part of the CCA capital reorganisation in 1989
- discussions with management of CCA as to the benefits to CCA, both quantitative and qualitative, of undertaking the Proposed Transaction.



Appendix 3: Qualifications, declarations and consents

The report has been prepared at the request of the directors of CCA and will accompany the Explanatory Statements to be sent to CCA shareholders. Accordingly, it has been prepared only for the benefit of the directors of CCA and those persons entitled to receive the Explanatory Statements to assist in their assessment of the Proposed Transaction outlined in the report and should not be used for any other purpose. Further, recipients of this report should be aware that it has been prepared without taking account of their individual objectives, financial situation or needs. Accordingly, each recipient should consider these factors before acting on the Proposed Transaction.

The report represents solely the expression by Deloitte Corporate Finance of its opinion as to whether the Proposed Transaction is fair and reasonable to CCA's shareholders as a whole. Deloitte Corporate Finance consents to this report accompanying the Explanatory Statements.

Statements and opinions contained in this report are given in good faith but, in the preparation of this report, Deloitte Corporate Finance has relied upon the information provided by the directors and executives of CCA which Deloitte Corporate Finance believes, on reasonable grounds, to be reliable, complete and not misleading. Deloitte Corporate Finance does not imply, nor should it be construed, that it has carried out any form of audit or verification on the information and records supplied to us. Drafts of our report were issued to CCA management for confirmation of factual accuracy.

Furthermore, recognising that Deloitte Corporate Finance may rely on information provided by CCA and its officers and/or associates, CCA has agreed to make no claim against Deloitte Corporate Finance to recover any loss or damage which CCA may suffer as a result of that reliance and also has agreed to indemnify Deloitte Corporate Finance against any claim arising out of the assignment to give this report, except where the claim has arisen as a result of any proven wilful misconduct by Deloitte Corporate Finance.

Deloitte Corporate Finance holds the appropriate Australian Financial Services licence to issue this report and is owned by the Australian Partnership Deloitte Touche Tohmatsu. The employees of Deloitte Corporate Finance principally involved in the preparation of this report were Mark Pittorino, B.Com, M.App.Fin, CA, Rachel Foley-Lewis, B.Comm., CA, ASIA and Stephen Ferris, B.Ec, CA, ASIA. Each has many years experience in the provision of corporate financial advice, including specific advice on valuations, mergers and acquisitions, as well as the preparation of expert reports.

Neither Deloitte Corporate Finance, Deloitte Touche Tohmatsu, nor any partner or executive or employee thereof has any financial interest in the outcome of the proposed transaction which could be considered to affect our ability to render an unbiased opinion in this report. Deloitte Corporate Finance will receive a fee of \$15,000 exclusive of GST in relation to the preparation of this report. This fee is based upon time spent at our normal hourly rates and is not contingent upon the success or otherwise of the Proposed Transaction.

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