



**CHARTER
PACIFIC**
Corporation Limited

A.B.N. 12 003 344 287

28 November, 2007

Chairperson's Address 2007

Ladies and Gentlemen.

I would like to welcome all of you today to our Annual General Meeting. I would also like to take this opportunity to thank you, as our shareholders, for your ongoing support.

The past year has been an eventful one for Charter Pacific. It was a year of development, investment and positioning for future growth for your Company.

RESULTS

Under Australian International Financial Reporting Standards (AIFRS), your Company recorded an operating profit of \$4 million before income tax and significant items in 2007.

With interest income of \$0.7 million, income tax expense of \$0.9 million, equity accounting losses of \$0.5 million, combined with significant items of \$1.8 million relating to share-based payments, as well as impairment losses of \$6 million, resulted in a consolidated loss of \$4.5 million for the year.

It is important to emphasise to all of our shareholders that long-term growth in shareholder value requires commitment to strategy and investment in the future.

DIRECT INVESTMENT PORTFOLIO

Bollywood.TV – during the year we acquired the assets of Opus Media Plc, a leading provider of Bollywood video content. The business has in excess of 2,600 movies and 2,000 hours of video clips and music content.

ChemGenex – in February 2007 we successfully exited our investment in ChemGenex Pharmaceuticals realising a consolidated profit of \$9 million and \$17.9 million in cash to the Group during the 2007 year.

The Charter Pacific management team continues to work with our other direct investments – Global Markets Capital Group, Monteray and OEM NuTech – to develop and implement their growth strategies.

OPERATING BUSINESSES

Charter Pacific Funds Management, launched the Charter Pacific Financial Services Fund in January 2007, seeded with a \$25 million investment from Charter Pacific Corporation. The Fund continues to perform well and we are looking closely at bringing new funds to the market in the year ahead.

Charter Pacific Capital provides specialist independent corporate advice to small-to-mid cap public and private companies in Australia. This business is a logical extension to our strategy to leverage our extensive network of business relationships in the corporate advisory field.

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CONCLUSION

2007 has been an active year for your Company. The steps we have taken to align the Group more closely to the financial services sector underscores our commitment to diversify our revenue streams and to position Charter Pacific for long-term growth.

Thank you for your support in 2007.

I now hand over to our Managing Director, Kevin Dart.

BRIAN SPROD

Chairman

Managing Director's Address 2007

Good afternoon Ladies and Gentlemen.

I would like to expand on some of the matters outlined by our Chairman.

2007 was a year in which we took significant steps in our growth strategy to build a stronger presence in the financial services sector.

This is governed by our overall corporate strategy - to create and deliver consistent revenue and profit flows for our shareholders.

CHARTER PACIFIC CAPITAL

Charter Pacific Capital provides specialist, independent, corporate advice to mostly small to mid cap public and private companies in Australia. Its strength will come from working with its clients in determining –

- Mergers and acquisitions;
- Divestments;
- IPOs
- Corporate restructurings.

I am particularly pleased that Bruce McMeniman has recently joined the Charter Pacific Team as Executive Chairman of our corporate advisory house. Bruce joins us from Horwaths and has substantial experience in structuring IPO's, mergers, acquisitions and divestments.

With 35 years experience, he brings REAL DEPTH to the Charter Pacific Capital team and will drive the growth of the business.

Bruce will be leading the Charter Pacific Capital team from the new Melbourne office. It means we now have a presence in Melbourne Sydney and Brisbane.

CHARTER PACIFIC FUNDS MANAGEMENT

Our Funds Management business launched its Financial Services Fund in January this year. The Fund invests in Australian and overseas financial services stocks. It continues to perform well, and from inception to 31 October it outperformed its benchmark return by 195 basis points - achieving 18.54%.

The Company intends to introduce a number of new investment funds to the wholesale and professional investor market.

We are confident the combination of funds management and corporate advisory will generate synergies and provide new opportunities for the Group as a whole. In particular it will enable us to take advantage of the extensive network of business relationships across the Group, a key part of our overall strategy.

We would like to thank Stephen Cleugh and his Team for their efforts.

DIRECT INVESTMENTS

BOLLYWOOD.TV

Let's look at our Direct Investments for the year.

Last December we finalised the acquisition of the Bollywood.TV library for internet streaming and digital downloading. It's part of an exciting new direction for Charter Pacific in the media sector.

The current library owned by Bollywood.TV provides a huge quantity of content for video and internet distribution. The library consists of almost 3000 movies, with another thousand movies currently under consideration, and 2,000 hours of music and music video clips.

Since acquisition we have rebuilt the platform and redeveloped the website. We are looking to launch the Bollywood.TV website at the 2008 StarDust Awards (the Indian Oscars) in Mumbai.

We are examining avenues to ensure new content is added on a regular basis and we are currently in discussions with potential joint venture partners with Bollywood Movie Houses.

How do we make money?

Revenues will be derived from downloads, pay and view, subscriptions, and banner advertising.

FUTURE GROWTH

Among our future strategies is the opportunity to list on London's Stock Exchange, AIM - the world's leading stock market for young growing companies.

Global Markets, NY based investment bank - specialising in servicing a substantial global client base of life science and healthcare companies, has advised on the following deals during the last financial year

- on Panbio's sale to Inverness Medical Innovations, Inc for a total consideration of A\$41 million,
- It advised Ansell Ltd on its acquisition of a Brazilian company,
- It assisted Novozymes on the acquisition of Australian company GroPep Ltd, and
- and it advised GeneMedix on its restructure following a proposed a \$80 million investment by a subsidiary of the Reliance Group.

Monteray Group has continued to work on commercialising its GPen superannuation administration platform. Revenues during the 2007 year increased substantially to \$2.3 million, compared to \$32,567 in 2006.

In the last 12 months our paint application company, OEM NuTech, has consolidated its position as a market leader in the powder coating industry in Australasia. The business continues to grow revenues from its existing client base - up in '07 by more than 60% to \$2.3 million. This turnover is expected to increase at a greater rate in 2008, due to new projects coming on line.

One such project is the establishment of a powder coating facility that will be established in Australia using state of the art technology from NuTech's European based supplier, DuPont and Triab.

Mike McCormick, CEO of OEM NuTech is currently in France in discussions with DuPont.

CHEMGENEX

We exited our ChemGenex Pharmaceutical investment in February.

Initially, we acquired an effective controlling interest in Chemgenex and used our skills to turn it around, merging it with a US company and listing it on the Nasdaq.

Our investment was diluted to 18 percent after capital raisings and while the company was making strides in its research programs it became apparent a further major capital investments would be required.

Charter Pacific was not inclined to inject further capital... so we found a compatible investor who was prepared to acquire our holding in a single line.

There have been media reports that we sold too cheaply... Let me say selling to one investor when we did avoided long term pressure on the share price and has realised \$18.1 million in cash to date.

In the past 12 months we have built a foundation for the future, transforming the company from a general investment company to a specialist advisory Group.

Our new Team is focussed and has the ability to deliver renewed value to our Company. We will now have the opportunity to extract the value from our investments and promote the Company. This in turn will increase the strength of our share price.

I would like to thank all our staff for their contributions to building the foundations for a strong, prosperous Company.

Thank you again for attending today, we look forward to keeping you updated on the progress of our businesses and our investments during the year ahead.

KEVIN DART
Managing Director