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31 December 2009

Company Announcement
Australian Stock Exchange Limited

For Release to the Market

Dear Sir/Madam

Lead Manager Role and Investment in Major Property Development Project

PPK Group Limited (**PPK**), through a specific purpose entity, PPK Willoughby Holdings Pty Ltd as trustee for the Willoughby Market Gardens Purchaser Unit Trust (**Trust**) has:

- (a) accepted the role as lead manager of a syndicate of investors which includes PPK Investment Holdings Pty Limited (**PPK-IH**) as a participant; and
- (b) successfully tendered for the purchase of a 4.013 hectare parcel of undeveloped residential land at Willoughby Sydney.

PPK-IH is investing \$4 million, of a total \$17.5 million raised from investors, which entitles PPK-IH to an 18.2% interest and profit share in the project.

The Trust will be proceeding to complete the purchase of the land on 20 January 2010 and will thereafter implement a staged subdivision together with the construction and sale of 76 residential dwellings over a term of three to four years. The estimated gross end value of the project is approximately \$110 million dependent on final sale prices of the project homes.

Funding for the project has been arranged on a stand alone basis through the contribution of \$17.5 million by the syndicate of investors with limited recourse to external financiers to fund the balance of the purchase price of \$28.5 million including on costs and stamp duty.

The participation of PPK in the project as the lead manager and PPK-IH as an investor is expected to be earnings per share positive during the three to four year term of the project.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Colin Ryan', written over a light blue horizontal line.

Colin Ryan
Chairman

Contact regarding Announcement: Mr Jury Wowk - Director – (02) 9334 8455

