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1 August 2011

Company Announcements Office
Australian Securities Exchange Limited

For Release to the Market

Dear Sir and Madam

Market Update

PPK Group Limited (**PPK**) advises that consequent upon the appointment of an Administrator by Intelligent Solar Limited on 16 July 2011, PPK will write-down to nil its shareholding and convertible noteholding in Intelligent Solar Limited as at 30 June 2011.

PPK will accordingly incur a loss of approximately \$1.7 million before tax for the year ended 30 June 2011.

PPK is however pleased to advise that Rambor Pty Ltd, the mining equipment manufacturer which is wholly owned by PPK, has had a solid year in 2011, exceeding its profit target and substantially improving on its 2010 result. In addition, Rambor has a solid order book going into the 2012 year.

Positive progress is also being made in relation to realisation of the real estate asset of Frigrite Limited (In Administration) (**FRR**) with the sale contract in respect of the property due to complete in early October 2011. On completion of the property sale and recapitalisation/relisting of FRR, PPK will recover in full the \$2 million investment in convertible notes issued by FRR and held by PPK.

The Kiah - Willoughby Residential Development Project in which PPK holds an 18% interest is also progressing well. 13 of the 14 houses in Stage 1 have been presold. The Development Approval and Construction Certificate have issued in relation to Stage 1 and construction work has commenced. Preliminary civil works have also commenced on Stage 2 with the Development Application for the 15 Stage 2 homes now progressing through Council. The sales programme for Stage 2 will commence in September 2011 with 5 of the 15 homes presold and strong ongoing interest in the Project.

Changes have taken place at Board level with Mr Colin Ryan retiring as a Director and Chairman effective 1 August 2011. Colin has acted as PPK's Chairman since 1999 and the Directors thank him for his contribution and wish him well in his retirement.

Mr Graeme Webb has been appointed as a Director on 1 August 2011. Graeme's biography is **attached** and the Directors look forward to working with Graeme and to his input.



Consideration is being given in relation to the appointment of a Chairman of PPK and a further announcement will be lodged once a decision is made in this regard.

For further information, contact Jury Wowk on 02 9334 8455.

Yours faithfully

PPK GROUP LIMITED



Jury Wowk
Director



Graeme Webb

Date of Birth: 8 January 1950

Graeme is a substantial shareholder of PPK Group Limited controlling 6,618,320 shares.

Graeme is Chairman of EDG Capital Limited and has over 40 years experience in building, construction and property development undertaking over \$200 million of projects during his career to date.

In addition, Graeme has a broad range of business experience having acted as a director and/or chairman of a number of private and public companies engaged in a range of industries including plastics packaging, merchant banking, aluminium fabrication, glazing and glass toughening.