



Howard

I am very pleased to inform the Meeting that finance has been approved for the GoodLife RV & Lifestyle Village. This finance approval has only been possible because of Rod Macleod's dogged persistence with the help of Katie. I can say this finance was only possible as the Directors were prepared to give personal Guarantees and Dundowran Industrial Park was added as security. The Board has informed the shareholders at previous AGM's that it was our policy that we would enter the Lifestyle Village Investment area after extensive research into the whole investment opportunity. We would like this finance to have been approved earlier to allow a start at the beginning of the year not the end. Development approvals have been slower than we would have liked, but our ambition to get into the Lifestyle Resort Investment area is finally a reality. The Board and I are very pleased to have achieved this. We have a wonderful site, finance approval and Government approvals. The Courier Mail on 23rd October reported on Page 23 that the hot spots in Queensland are The Gold Coast, Sunshine Coast, Brisbane, Hervey Bay and Cairns. Hervey Bay is now very hot property and has now been discovered by the Southern buyers

Dundowran Industrial Park

When we first purchased this land, we informed that the Director's projected a handsome profit over the life of the project. With the current sales and enquiry rate we believe this is a realistic if not conservative projection. The first stage of 11 lots is now sold out and this has defied all the sceptics. We are looking at an income stream from this project for years to come and there is no doubt that it will produce a reasonable profit overall. It is interesting that the Council have invested in the Airport Industrial Park and we are in competition with Council. We have always considered this site was superior to the Council Industrial Park and present sales would agree with this. Hervey Bay is experiencing the benefit of a sub-tropical climate, it's a Safe Boating Paradise and the Burrum Heads Beach township are all being discovered by the Southern migration and booming as a result.

Parkhurst Town Centre

Rod Macleod our Managing Director will update regarding the operation and management of the Centre, but I can say that the new Roadworks have and will increase the foot traffic to the Centre by a considerable margin. The Centre will be the first stop after the long drive from Mackay and the last stop after exiting Rocky. The funding going into the Rockhampton bypass is considerable by Main Roads and Parkhurst will benefit from this work. Central Queensland is as you would know is experiencing a Coal Boom with prices that have not been seen before this is feeding to the Rockhampton economy and is a boom for Parkhurst.

A handwritten signature in black ink, appearing to read 'I Macleod', is located below the text of the Parkhurst Town Centre section.

Ian Macleod
Chairman AHC LIMITED