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ASX / Media release

CP1 Limited Half Year Result

Financial Results

CP1 Limited announced today a profit after tax (NPAT) of \$638,104 for the half year ended 31 December 2006 achieved on revenues of \$13 million.

Martha Cove

Delayed property settlements at Martha Cove have limited earnings to \$3.3 million for the half. CP1 Director Peter Trathen says the unique life-style, residential and marina development should still achieve forecast settlements of around \$160 million for the year ending 30 June 2007.

“Sales in the first half are in line with expectations and most of these will settle in the second half. It is usual for most settlements to occur in the second half of the year due to seasonal weather constraints on construction.”

“The first residents move in to Martha Cove next month. This will markedly change the marina and waterways development from what was purely a construction site to a residential community which will ultimately be a preferred destination for the boating fraternity,” said Mr. Trathen.

Paradise Resort

The multi-award winning Paradise Resort has continued to perform well with revenue earnings of \$9.7 million in the December half compared to \$9 million in the previous comparative period. This resulted in an operating profit of \$2.26 million.

An application for the first stage of the redevelopment of the site has been lodged.



Lakeviews

Lakeviews industrial land subdivision south-east of Melbourne is on track and good presales have been recorded.

Gold Coast International

CP1 Limited has confirmed its status as a positive and proactive development company with the recent acquisition of the Gold Coast International Hotel and northern adjacent development land.

Mr. Trathen said the Gold Coast International site immediately opposite CP1's Paradise Resort, reflects the importance of position and timing and signals a new growth phase for the Company.

"The Gold Coast International site with our joint venture partner Raptis Group, provides us with a unique opportunity to build a bigger, stronger portfolio whilst we continue to develop our existing projects."

CP1 Limited will manage the Gold Coast International with Raptis Group to undertake the future development of the site in the 50-50 joint venture.

CPK shares

Following the exercise of 88,086,542 options there were 228,788,892 shares on issue as at 31 December 2006.

A further 7,944,377 options were exercised before their closing date on 31 January 2007 resulting in a total capital raising of \$76.8 million and market capitalisation of approximately \$200 million.

Net Tangible Assets

Net Tangible Assets at 31 December 2006 were \$109.5 million, up 110% from \$52.1 million at 30 June 2006.

Dividend

Dividends were paid on 31 May and 30 November 2006. The directors expect to maintain this dividend timetable in the current year.

About CP1 Limited

Property development company CP1 Limited is listed on the Australian Stock Exchange (ASX code: **CPK**) and is 50.5% owned by financial services company City Pacific Limited.

CP1 Limited has exposure to a combination of industrial, commercial and residential property developments in geographical areas that are expected to experience above average growth rates.