

CP1 Limited Annual General Meeting

Shareholder Presentation

8 October 2007

Slide 1 CP1 logo

I am pleased to report FY2007 was another very successful year for CP1. We delivered record results from our current projects and exceeded profit guidance. We also continued to build a pipeline of new opportunities and have set the stage for the next phase of CP1's growth. We are on the verge of an exciting era, as you will see from my later comments.

Financial Highlights

Profit after Tax of \$36.8 million for CP1 was an increase of 20.6 per cent on the previous year, with second half settlements at Martha Cove being a major contributor.

In our hotel division the part-sale of Paradise Resort to Azzura Constructions for \$45 million also boosted profits.

The Directors declared a final dividend of 6 cents a share partly franked, lifting the full year dividend to 9 cents partly franked.

The Ex Dividend Date is November 15 and the final dividend will be paid on November 30, 2007.

Other financial highlights during the year were the exercise of more than 96 million options, which raised \$76.8 million. This is helping to fund the future growth of the Company. The enlarged capital base resulted in CP1's market capitalisation increasing 30% to more than \$150 million with net assets almost tripling from \$52 million to \$145 million.

Martha Cove

slide 2 boats & houses 1/Q

We are pleased to report that construction is now ahead of schedule at Martha Cove, which became a community during the year with the first residents moving into their waterfront homes.

They say their new lifestyles are every bit as good, if not better, than they expected.

Their enthusiasm, along with the market's growing awareness of the 92 hectare marina residential development, will continue to accelerate demand for the Mornington Peninsula project

It is important for shareholders to note that whilst we have already booked revenues of over \$250 million from Martha Cove, we will benefit from further revenues in excess of \$250 million over the next 3 financial years.

Slide 3 Martha Cove aerial artists perspective

Many of the remaining lots are waterfront with a freehold berth.

Marketing is yet to commence on these premium lots which we expect will command premium prices.

Last financial year Martha Cove produced settled sales of \$120 million and a pre-tax profit of \$40.5 million. We now have only one stage of earthworks to be completed and work on the commercial centre will commence once development approval is received.

Seasonal weather has been a key factor at Martha Cove, with the winter wet season affecting construction activity each year. Hence the bulk of sales take place in the second half. That is why half yearly results are not necessarily an appropriate indication of expected full year results for a property development business which is impacted by seasonal effects.

Paradise Resort

Slide 4 019 GCI & Para resort

Paradise Resort at Budds Beach again performed well in 2007, adding \$3.8 million to the operating profit.

The Resort's performance and its award-winning status as one of Australia's top family destinations has been outstanding and we have every confidence it will continue to be a major drawcard.

As flagged previously, the resort's blue-chip site is to be redeveloped into a master-planned four-tower family resort with a nautical theme, including a pirate extravaganza. This \$800 million project will start in February 2008 and will be built in stages over five years. We do not expect the resort's business flows to be disrupted while this is in progress.

The redevelopment of Paradise Resort will be undertaken as a joint venture between CP1 and Azzura Construction following the sale of a 49% interest in the site to Azzura last financial year.

Slide 5 Tower 1

Stage one will involve construction of a 30-level tower on the cleared land fronting Oak and Norfolk Avenues. Signed contracts and expressions of interest indicate that the \$120 million tower's

240 apartments may well all be sold by the time construction starts in early 2008.

Gold Coast International

Slide 6 GCI International hotel

Across the road from Paradise Resort is this five-star Gold Coast International Hotel and a parcel of adjoining land, which we acquired in April in a joint venture with Raptis Group.

Slide 7 Aerial photo 2007

The \$85 million purchase, involving a total of 2.28 hectares, gives CP1 a significant holding in the Budds Beach area, when you include the 2.5 hectare Paradise Resort. Budds Beach is predicted to become one of the premier locations on the Gold Coast.

The 50-50 joint venture agreement with Raptis, through special purpose vehicle CIRA International, has CP1 managing the GCI Hotel and Raptis responsible for the project delivery. Architectural company DBI, which has an international reputation and designed the GCI in the mid-80s, is preparing a masterplan for the land. It is intended to lodge the plan for development approval by year's end.

Other Activities

In other activities and in keeping with our strategy for timing, we believe now is the time to sell the land at Lake Views Estate in Victoria, where CP1 has a 50-50 partnership with Melbourne Property Developments.

Slide 8 Lake Views aerial with lots marked

Lake Views consists of 32 hectares at Braeside south-east of Melbourne. The land, comprising six lots, is expected to fetch more than \$50 million.

We have also made initial arrangements to refurbish the Waves Hotel in Byron Bay which is 50% owned by CP1 in a joint venture with MP Management (Australia) Pty Ltd.

Grocon

Slide 9 CP1 logo

A key factor in the exciting new era for CP1 that I alluded to at the start of this address will be the presence of construction and development company Grocon as a major shareholder. In June Grocon acquired a 17.9% interest in CP1 for \$34 million as part of a deconsolidation move by City Pacific. City Pacific, which floated CP1 and has guided it to success, retains 30.6% of CP1. City Pacific remains the cornerstone shareholder but the management apron strings are being cut and CP1 is being shaped into an independent company.

A step forward in this direction is the inclusion of Grocon CEO Daniel Grollo and CFO Stephen Scanlon on the CP1 Board as non-executive directors, a move which provides CP1 with construction expertise. Equally important will be the ability of Grocon to help CP1 identify and unlock new opportunities in a range of property sectors.

The future

CP1 is now in a strong position to develop its own independent management team and accelerate the scale and scope of its developments, and for that purpose we are undertaking a strategic review of the company.

As part of that development we have appointed KPMG to source a new CEO and CFO for the Company. We will also be appointing an independent Chairman and announcing a proposed name change for the Company.

We have no doubt our alliances, joint ventures and established relationships provide this Company with the ideal platform to accelerate its next growth phase.

CP1 has the opportunity to capitalise on a pipeline of exceptional opportunities as we continue to target those regions identified for future growth and those projects which are a match with our successful, long term focus in the leisure and lifestyle property sector.

Forecasts

We expect our 2007-08 result to match that of the 2006-2007 year and to maintain our dividend payout ratio. Martha Cove will again be a major contributor and other projects will start making contributions.

I think it is fair to say that the share-market, at this point in time, is not giving due recognition to your company's profit performance, its development portfolio, or its prospects. Indeed, CP1's shares have been trading on a price-earnings ratio of little more than 3.5 and a dividend yield in excess of 13 per cent.

The best way your board and management can gain due recognition of your company is to maintain a strong and consistent performance. We believe CP1 is well positioned to do just that and to justify the faith that you, our shareholders, have shown by investing in the company.

Thank you, are there any questions?