

Developer offer to buy Air Services Australia site Shanes Park off Commonwealth for \$10 million

Correspondence from Mark Regent of Buildev Developments NSW (MR) Pty Ltd to Jane Convey,
Manager Property Operations National Property, Finance - Air Services Australia

11th April 2006

Air Services Australia
25 Constitution Avenue
Canberra City ACT 2601

Via email: jane.convey@airservicesaustralia.com

COMMERCIAL IN CONFIDENCE

ATT: Jane Convey, Manager Property Operations,
National Property, Finance

RE: Shans Park Air Services Site

Dear Jane

Reference is made to our letter of offer dated 16th February 2006 to Paul Duncan of Raine and Horne Special Projects and your response dated 29th March 2006.

I have asked Mr. Duncan if we could respond to you directly which he has agreed.

Firstly we would like to advise that Mr. Duncan is retained by us and will be remunerated by us if any successful transaction proceeds on this property. We had engaged Mr. Duncan to make an approach on our behalf.

Secondly the property is of appeal to us as we have been seeking an opportunity to undertake and "eco-logically friendly" low density development.

I have had experience in Biodiversity issues and development in Western Sydney and am fully aware of the current environmental significance of this property.

It was our hope to discuss with Air Services directly the opportunity to acquire the property as we understood it maybe considered for future disposal.

This site would fit the style of property we have been searching for.

With respect to the environmental sensitivities of the site we understand the disposal may raise potential issues with Air Services Australia.

We have a very good understanding of Federal and State legislations that affect the property along with the National Estate listing.

We are prepared to enter a contract that includes a restrictive covenant/conservation plan that protects the core Cumberland Woodplain areas in perpetuity via a legal restriction registered on land title.

This is commonly known as a Section 88B Instrument in New South Wales and we would be happy to utilize the National Parks and Wildlife model provisions. This would be the highest level of protection in New South Wales.

Our interest in the property is the protection of the environment and the ability to deliver a unique ecological sustainable development.

It is my opinion that the site, if dealt with incorrectly, could be quarantined for an extended period of time and reduces its overall value.

We are prepared to pay a fair market value and strongly believe our initial offer of \$10,000,000 is close to market levels. This has regard to the existing strict environmental restrictions, current legislation, existing vegetation, lack of any services and ongoing bush land management.

Our initial offer included a due diligence period in which we could rescind. We would be happy to waive that request and offer to purchase the property unconditionally.

We would appreciate the opportunity to meet at your office and discuss the property and our intentions.

Buildex would also be pleased to discuss our past experience, credentials and demonstrated experience dealing with government at all levels.

We propose to meet you or a representative of Air Services at your earliest convenience and we will travel to Canberra or Brisbane to suit your schedule.

Yours sincerely,
Buildex Developments NSW (MR) Pty Ltd



Mark Regent
Development Partner