

ASX/MEDIA RELEASE

AVJennings and BOS International Joint Venture Acquire Prime In-Fill Development Site on Queensland's Sunshine Coast

Melbourne, 6 December 2007: Leading residential property developer AVJennings Ltd (ASX:AVJ), today announced it has entered into a joint venture with BOS International for the acquisition and development of a 44.2 hectare site on Queensland's Sunshine Coast.

The site, with a potential yield of some 600 residential dwellings, is immediately adjacent to an existing AVJennings residential development project, Creekwood at Caloundra, which is already well advanced in its development.

The estimated end value of the Meridan Plains development is some \$190 million. Construction is planned to commence by July 2009. The purchase price for the site was \$38m.

The recently acquired site is five kilometres North West of the municipality of Caloundra central business district and approximately one hour's drive north of Brisbane.

The site is currently zoned as suitable for residential development. The proposed development will result in the sale of some 330 vacant allotments and some 270 completed dwellings.

The project is to be undertaken as a joint venture with BOS International (Australia) Ltd (BOSI), a subsidiary of HBOS Australia and is the second such joint venture with BOSI. The first was the previously announced Eastwood development in Sydney's highly sought after northern suburbs.

AVJennings Managing Director, Mr. Louis Milkovits said the latest joint venture continues to build on the already strong relationship between AVJ and BOSI.

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