

The Board of Hudson is currently engaged in the development of the Company's 44 hectare property holding in Warnervale, NSW (**the Hudson Property**) which currently has a 10,000m² factory and a 500m² office complex occupying 5 hectares of the land.

The Hudson Property is strategically located in the centre of the Wyong Employment Zone under the Central Coast Council, where it is expected that within the next 20 years, \$1.5 billion in investment will be made, generating over 40,000 jobs.

The Hudson Property is situated in close proximity to Central Coast Airport, the proposed Amphibian Aerospace Facility, educational facilities and a train station.

The vision the Board has for the Hudson Property is to create an asset that will provide shareholders with sustainable revenue streams, further capital appreciation through rezoning and development, and the unlocking of access to the entire land to further diversify income.

The Board has identified several projects of significance which underpin the Company's progress being the proposed development applications for the Western Land and Lot 3 (Option to purchase Lot 3), and the rezoning application for the Eastern Land.

HUDSON INVESTMENT GROUP LTD

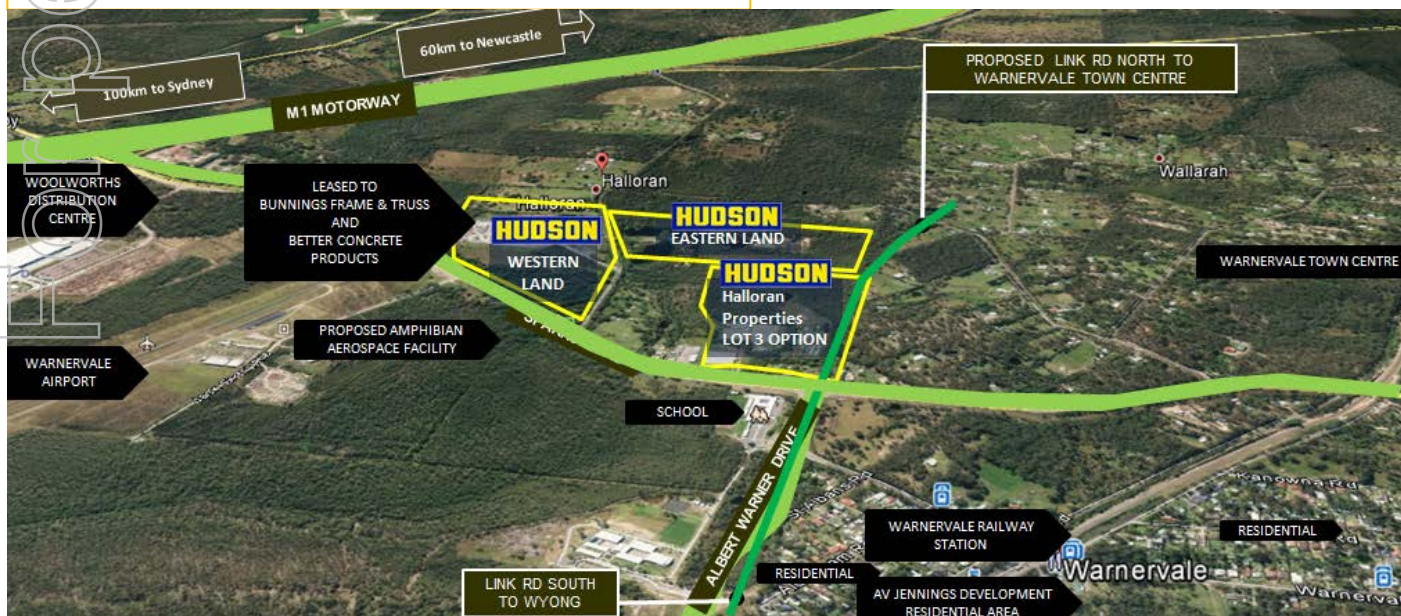
ASX Code: HGL

- **Company Focus:** Commercial & Industrial Property
- **Ordinary Shares:** 280M
- **Market Cap:** \$8.97M or 3.2 cents per share
- **Net Assets:** \$9.59M or 3.42 cents per share
- **'Hudson Property' Valuation:** \$16.8M

1. Appointment of Non-Executive Director & Alternate

- Effective 1 June 2017, Dr Cheng Fong Han was appointed as Non-Executive director, with Mr Warren Wen-Shih Choo as his alternate. Dr Han is current Executive Chairman of Hua Xia International Investments Ltd and has previously held appointments as Group CEO and Managing Director of Fraser and Neave Limited and DBS Land Limited. Dr Han has also served as Chairman of Australand Holdings Ltd. Announcements of Dr Han's appointment were released to the ASX on 18 April 2017 and 1 June 2017 respectively.
- In August 2017, Mr Ian Mutton Non-Executive Director resigned from the HGL Board, with the announcement released to the ASX on 21 August 2017.

Fig. 1: the Hudson Property's strategic location



2. Lot 67 (Eastern Land) Valuation Increases 300% to \$4.39M

- On 29 June 2017, the HGL Board announced it had adopted a \$3.1M increase in value on 5.1ha of industrial-zoned land on Lot 67, which reflects a total valuation increase of over 300%.

3. Option to acquire Lot 3

- HGL, through its wholly owned subsidiary, Halloran Properties Pty Limited <ATF> Halloran Properties Unit Trust (**Halloran Properties**) holds an option to purchase Lot 3 in DP 801029 or 143 Sparks Road Warnervale (**Lot 3**) for \$13.5M. Lot 3 comprises of approximately 15.7 ha of general industrial-zoned land.
- The option to purchase Lot 3 is exercisable up to April 2018.
- In April 2017, Halloran paid \$135,000 as part deposit for the purchase of Lot 3.

4. Halloran Properties Put and Call Option with Warnervale Project Pty Ltd (\$5.25M for 1.138ha)

- On 26 June 2017, HGL announced that Halloran Properties had entered into a put and call option deed (subject to conditions precedent) with Warnervale Project Pty Ltd for the sale and purchase of 1.138ha (known as Sub-lot 1 of Lot 3 in DP 801029 (**Lot 3**)) for \$5.25M, or \$461 per square metre (**Put and Call Option**)
- As of 6 October 2017, the HGL Board advises that conditions precedent for the Put and Call Option were not met. Warnervale Project Pty Ltd have advised they are still interested in the purchase of the 1.138 ha of Lot 3 on council subdivision approval.

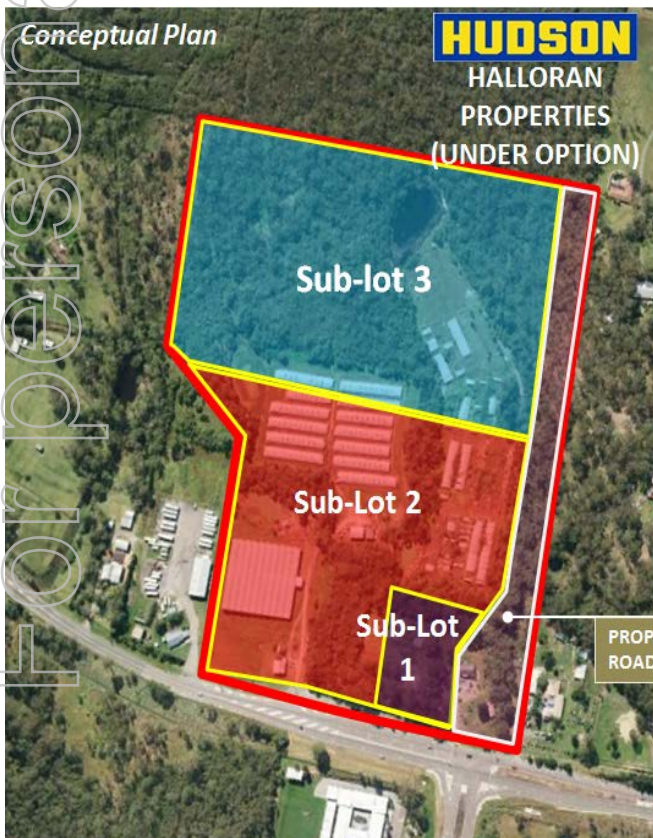


Fig. 2: Conceptual plan of Lot 3 envisions a subdivision into three "sub-lots" 1, 2 and 3

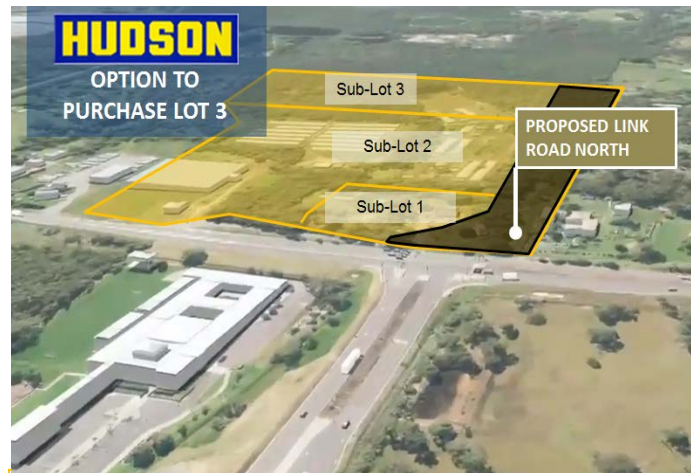


Fig. 3: Lot 3 is strategically located on the existing intersection between Sparks Rd and Albert Warner Drive (proposed Link Road Warnervale) - source: Central Coast Council