



## GLOBAL BALDIVIS LTD

AGM STATEMENT  
9 NOVEMBER 2009

Dear Shareholder

The Board of SAS Global Baldivis Limited would like to bring you up to date on developments with your company over the past week.

As you will be aware, the Board appointed a Voluntary Administrator to the company last Friday, 6 November 2009.

The effect of this appointment is that the Administrator, Martin Jones of Ferrier Hodgson, is now charged with running the company.

As a Board, we moved to appoint the Administrator after it became clear that a proposed re-capitalisation and ASX listing of the company, which was designed to meet impending debt repayments, could not proceed as planned.

It is important you understand the reasons behind the withdrawal of the re-capitalisation proposal.

As you know, the company had planned a major capital raising backed by a national stock broking firm that would see SAS Baldivis equipped to develop its core asset and to pursue other opportunities.

Some shareholders indicated they would not support the proposal and foreshadowed legal action against the company. Any such legal action could have delayed and potentially unraveled the re-capitalisation plan.

This was an impossible ask for investors and advisers looking to participate in the raising.

In those circumstances, and given the inherent uncertainty, the re-capitalisation could not proceed.

As a result, and in view of the impending debt repayment to the company's lender National Australia Bank on 15<sup>th</sup> December 2009, your Board believed the proper course was to appoint an Administrator to the company.

The Board is hopeful that the administration will provide the platform for the company to realise value from its Baldivis land asset and your Directors will work closely with the Administrator to maximise the return.

There are a number of avenues that will no doubt be explored by the Administrator, presumably including the sale of the asset in an open tender or a Deed of Company Arrangement under which a new re-capitalisation proposal would be submitted.

Be assured, your Directors will work hard on your behalf to give existing investors the opportunity to participate in any future capital raising as a means of maintaining meaningful participation in the development of the Baldivis asset.

The next steps rest with Mr Jones as Administrator. In due course, he will advise you on this assessment of the company's position, the updated position with the company's banks and the options moving forward.

In the meantime, the Board thanks you for your support of the company and assures you that it will work hard on your behalf to assist the Administrator's consideration of the best path forward

Yours Sincerely



Anthony J Beamish  
Director / Company Secretary