

**CUSTODIAN SUNBURY
SYNDICATE LIMITED ("Company")**

14 February 2012

Dear Investor,

We refer to previous correspondence and advise that the development works associated with stage 1 are complete and the individual titles to the allotments in that stage have been created.

The initial settlement of the stage 1 allotment sales commenced on 31 January 2012.

We are continuing with the early site works associated with stage 2 (comprising 52 allotments), being the construction of a water main, which works are anticipated to be sufficiently complete enabling the balance of those works to commence during March 2012.

The following photographs illustrate the current status of the project:



We will continue to keep you informed of our progress with the project. Should you have any queries in the meantime please do not hesitate to contact us.

Kind regards



John Fitzgerald
CEO
Custodian Sunbury Syndicate Limited

Important Notice

Please note: This is not an offer to subscribe in securities. Any investment in Custodian Sunbury Syndicate Limited can only be made on the Application Form contained in the Supplementary Prospectus dated 30 August 2010 and lodged with the Australian Securities and Investments Commission. The comments made in this letter do not take into account your specific objectives, financial situation or needs. Accordingly, before deciding to apply for shares in the Company, you should seek advice from an appropriately qualified and independent adviser.