



STOCK EXCHANGE ANNOUNCEMENT

7/3/06

Australian Property
Systems Ltd
www.apsl.biz

The Directors of APSL would like to announce that on Friday 3rd March 2006 Australian Affordable Housing Association Inc (AAHA) and our Licensee Napier Blakeley utilizing the APSL System settled the sale of the 37 subdivided Lots in the Ferry Road high rise to the project investors and their financiers prior to construction commencing. This is another major milestone for the company, a first for Queensland and we believe a first for Australia.

BRISBANE
1st Floor Naval Offices
3 Edward St
Brisbane QLD 4000
PO Box 122 Albert Street
Brisbane QLD 4002
Phone (07) 3221 7890
Facsimile (07) 3211 7419

The project is the first high rise Volumetric subdivision where settlements with end purchasers has occurred on the individual subdivided lots where two major banks have funded the individual lot purchases, the building contracts attached to those lots and with a Brisbane City Council 10 Year affordable housing covenant registered on the Titles.

The project also initiated the first Investment Grade Rated product in affordable residential housing which has enabled institutional investment in the AAHA affordable housing product (Quality housing that is affordable to rent for low to middle income persons at no more than 30% of their income).

The settlement of this project has delivered the consolidated entity invoiced license fees of approximately \$423,000 that should result in a profit for the second half.

On Friday the 3rd of March 2005 APSL settled on lot 33 in the Ferry Road development for a purchase price of \$140,488 and received a profit share entitlement of \$42,105 back from AAHA. APSL also has entered into a building contract in the sum of \$132,512 with Castleplex Pty Ltd to carry out the building works within the lot. It is APSL's intention to sell the completed unit on building completion which is estimated at 12 months.

APSL undertook this transaction so as to demonstrate another part of its system to the market in the best interest of licensing its technology to other licensees.

Geoff Jamieson

Company Secretary

