

## APPENDIX 1: FORM OF LETTER OF APPLICATION

A formal letter of application shall, in substantially the order given below, cover the following information. Information in a draft *disclosure document* which is enclosed with the application letter may be incorporated by reference to:

### 1. General

- (1) the name of the applicant and the date and place of incorporation;

Property Fox No. 2 Limited ACN 108 076 295 incorporated on 20/02/2004 in Victoria.

- (2) if not incorporated in Australia, the date on which the applicant became registered under the *Corporations Act*;

N/A

- (3) the address of the principal registered office and the address of each office at which a share register is kept;

The registered office and the Principal place of Business is Level 11, Waterfront Place, 1 Eagle Street, Brisbane QLD 4000

- (4) a formal request for the *listing* of the *securities* in respect of which application is made, specifying the nature of the *securities* and the amount, class, the voting rights attached and whether they are to be fully paid;

The company is applying for the quotation of 3,017,999 fully paid 'A' class shares in the capital of the company. The voting rights are detailed in the original prospectus lodged by the company and dated 20<sup>th</sup> February 2004 at page 15 and in the second prospectus dated 17<sup>th</sup> June 2005 at page 33 and in the supplementary prospectus dated 28<sup>th</sup> June 2005 at page 62 of the first prospectus. These rights have not been varied but are subject to the new constitution adopted by the company at the Annual General Meeting of Shareholders held on 9 November 2006. A copy of the company's new constitution accompanies this application.

- (5) the proposed method by which the *securities* are to be brought to *listing* and details of any proposed distribution of the *securities*;

The original issue of the securities was by way of three disclosure documents. Presently the company is seeking to compliance list the fully paid 'A' class shares on issue.

- (6) the estimated market capitalisation of the securities for which a *listing* is sought;

The market capitalisation of the company will be \$3,017,999 or

3,017,999 shares at \$1.00 per share.

- (7) an estimate of the net proceeds of any proposed issue and the intended use of the proceeds; and

Not applicable-compliance list

- (8) the name of any other stock exchange on which any *securities* of the *issuer* are already *listed* and/or traded.

Not applicable

## 2. Share capital and ownership

- (1) A list in tabular form of:

- (i) the designation or title of each class of share;

3,017,999 fully paid 'A' class shares;

- (ii) the number of shares issued;

3,017,999 fully paid 'A' class shares;

- (iii) the voting rights attached to each share;

Please see the three Disclosure Documents lodged by the company as well as the constitution of the company.

- (iv) the amount of fully paid up shares;

All shares are fully paid.

- (iv) the shareholdings of the *directors* and officers of the *issuer*, and

100,000 fully paid 'A' Class Shares are held by Fox Portfolio Pty Limited ACN 093 708 457, an associate company of Peter Spann, the managing director of Property Fox No. 2 Limited. The other directors of the applicant do not hold securities in the applicant.

- (vi) so far as is known, or can be ascertained after reasonable enquiry, the names of all shareholders of the *issuer* who own five percent (5%) or more of the shares of the *issuer* and their respective shareholdings.

Not Applicable

- (2) A list in tabular form of the names of all shareholders of the *issuer* including the dates that the shares were allotted to them, the consideration that they provided and the number of share's that are held.

Please see attached list of shareholders. A copy of this has been emailed to NSX in excel format.

### **3. Securities**

An outline of the principal terms of the *securities* the applicant wishes to *list*.

The applicant wishes to list the 3,017,999 fully paid 'A' class shares.

These securities collectively will be the only voting securities on issue and contain full rights.

The rights are detailed in the company's constitution.

### **4. History and nature of business**

A short introductory paragraph describing the general nature of the business and products of the applicant. A brief history of the *issuer* for the last five (5) years or, if later, from inception to the date of the application. A description of the business now conducted by the *issuer* and its *child entities*, including principal products manufactured, services performed or investments held, principal markets for products and raw materials, method of marketing, annual turnover for the preceding three (3) financial years and for the current financial year to the latest date available.

The company was formed as a real estate investment company. Its sole activities are the acquisition, development and re-sale, either directly or through wholly owned subsidiaries, of parcels of developed residential real estate. The real estate acquisition mandate is disclosed at page 7 of the original disclosure document dated 20<sup>th</sup> February 2004. Approximately \$2,900,000 was raised by the various disclosure documents by way of the issue of 2,907,999 "A" class shares at an offer price of \$1.00 each. This capital was then invested in Brisbane Riverfront Real Estate. The financial results are enclosed in the audited accounts of the company contained within the companies annual reports.

### **5. Summary of earnings**

A summary of earnings, on a consolidated basis if the applicant has *subsidiaries*, for the last three (3) financial years, showing sales, earnings before charges for depreciation, interest and tax (if any), the amount of each of those charges, net income before extraordinary items, extraordinary items, net income and earnings per share.

The financial results are enclosed in the audited accounts of the company contained within the companies annual reports.

### **6. Tabulation of balance sheet**

A tabulation of its balance sheet for each of the last three (3) financial years (on a consolidated basis if the *issuer* has *subsidiaries*) or from the date of incorporation, if shorter. The tabulation should include a calculation of the net

asset value per *security* for each of the three (3) financial years.

The financial results are enclosed in the audited accounts of the company contained within the companies annual reports.

## **7. Employees**

A statement as to the total number of persons regularly employed and, if subject to seasonal fluctuations, the maximum and minimum numbers employed during the preceding twelve (12) months.

The company has no employees, the company has three (3) directors which are paid the sum of \$24,000.00 per year each as a Director's fee.

## **8. Child entities**

A tabular list of all *child entities* showing in respect of each such corporation:-

- (1) the name of the corporation;
- (2) a brief statement of the nature of its business and its relationship to the operations of the entire enterprise; and
- (3) share capital by classes, showing the amount issued and the amount owned by the *holding entity*.

Not applicable, there are no child entities.

## **9. Dividend record**

State the number of consecutive years in which dividends have been paid. State the amount of dividend (per share and in the aggregate) paid by the applicant (and its *child entities*) for each of the three (3) preceding years. Indicate whether dividends have been paid on a quarterly, semi-annual or annual basis. State the record date, payment date and the date of declaration with respect to each dividend paid during the past two (2) years.

The company has not paid a dividend.

## **10. Properties**

Describe briefly the general character of the properties of the applicant and its *child entities*, including:

- (1) location;
- (2) land area;
- (3) number of buildings;
- (4) aggregate floor area of buildings; and

- (5) whether properties are owned or leased, and if leased, state total rental paid for each of the three (3) preceding financial years and average term of years.

The details of the companies real property assets can be found in the annual report of the company for the financial year ended 30<sup>th</sup> June 2006.

## 11. Litigation

Particulars of any litigation or claims of material importance made against any member of the *group* in the last five (5) years or which is pending or threatened against any member of the *group*, or an appropriate negative statement.

The Director's are not aware of any such claims or litigation.

## 12. Management

- (1) the full name, residential address and description (being his or her qualifications or area of expertise or responsibility) of every *director* or proposed *director* and any *person* who performs an important administrative, management or supervisory function and particulars of the principal functions performed by each of them within the *group* if significant to the *group*;

**Peter John Spann** of 17 Addison Avenue, Bulimba QLD 4171. Mr Spann's qualifications are detailed at page 18 of the Original Disclosure Document dated 20<sup>th</sup> February 2004.

**Howard Woolcott** of 58 The Crescent, Vaucluse NSW 2030

Mr Woolcott has an economics degree from The University of Sydney with majors in revenue law and accounting. He is also a Certified Practising Accountant.

Mr Woolcott's career has included senior positions in merchant banking in the UK and the finance industry in Australia where his focus was on real estate loans. He was a founder and past director of listed public company Tribeca Learning Limited, a Registered Training Organisation specialising in education services for the financial planning industry.

He has been working with the Freeman Fox Group of companies for the past eighteen months and is the Group's Chief Operating Officer.

**Jodie Morris** of 24 Dulendella Street, Zillmere QLD 4034

Ms. Morris began her property career as a cadet valuer while studying Property Economics at Queensland University of Technology. She has worked in all facets of Property including Residential & Commercial Sales and Property Management, specialising in prestige Real Estate. Ms. Morris joined the Freeman Fox Group over 2 years ago

to implement and develop the Property Management Division and is now the Manager of Freeman Fox Property Pty Ltd. Jodie is a registered Real Estate Agent.

- (2) the nature of any family relationship between the *persons* mentioned in (1);

Not Applicable

- (3) a brief account of the business experience of each of these *persons* during the last five (5) years;

As above

- (4) indicate any other directorships held by each *director* or proposed *director* in any publicly *listed* or traded companies; and

All three of the Directors of this company are Directors of Property Fox No. 1 Limited, such company will be making application for quotation of its securities in the near future. Peter John Spann is also a director of Fox Invest Limited which will be applying for its securities to be quoted on the Australian Stock Exchange.

- (5) state if any *director* or proposed *director* has, in any jurisdiction, been convicted in any criminal proceeding or has had a bankruptcy petition filed against him or her or any partnership in which he was a partner or any body corporate of which he was a *director* or has been sanctioned or otherwise disciplined by any self regulatory securities association of which he or she is or has been a member or any securities supervisory or regulatory body or any such event is pending.

No

### 13. Sponsors, bankers, etc.

- (1) the names and addresses of the *issuer's* sponsor, financial advisers, principal bankers, nominated adviser, share registrar/transfer agent and solicitors; and

Sponsoring Broker: Freeman Fox Securities Limited

Nominated Adviser: Whittens Lawyers and Consultants

Share Registrar: Link Market Services Pty Limited, Level 12 300 Queen Street, Brisbane QLD 4000

Solicitors: Whittens Lawyers and Consultants

Bankers: National Australia Bank, 308-322 Queen Street, Brisbane QLD 4000

- (2) the name, address and professional qualifications of the *issuer's* auditors.

Grant Thornton, Level 4,

102 Adelaide Street, Brisbane QLD 4000

#### 14. Statement of non-compliance

A statement of any requirements of the *Listing Rules* which cannot be met by the applicant and detailed arguments to support any request for a waiver or modification of the normal requirements.

Not as far as company is aware.

#### 15. Declaration

A declaration, stated to be to the best of the *issuer's* knowledge, information and belief that:

- (1) save as specified in the application letter, all the qualifications for *listing* set out in Chapter 3 of Section IIA of the *Listing Rules* have, in so far as applicable and required to be met and fulfilled prior to application, been met or fulfilled in relation to the *issuer* and the securities of the *issuer* the subject of the application;
- (2) all information required to be included in the *disclosure document* pursuant to Rule 4.8 and the *Corporations Act* will be included; and
- (3) there are no other facts bearing on the *issuer's* application for *listing* which, in the *issuer's* opinion, should be disclosed to the *Exchange*.

Declared

Peter John Spann

Howard Woolcott

Jodie Morris