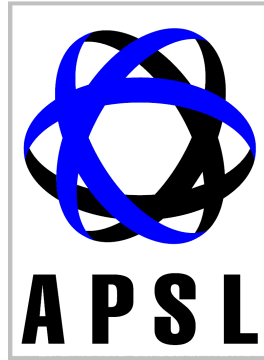


Australian Property Systems Limited

ACN 096 925 610

(“APSL”)



NOTICE OF ANNUAL GENERAL MEETING

and

EXPLANATORY MEMORANDUM

Date: 16th September 2011

Place: Level 22, 333 Ann Street, Brisbane, Queensland 4000

Time: 10:00 am



AUSTRALIAN PROPERTY SYSTEMS LIMITED

ACN 096 925 610

Registered Office: Level 22 333 Ann Street Brisbane Qld 4000

Postal Address: GPO Box 888 Brisbane Qld 4001

Telephone: 07 3234 8988 Facsimile: 07 3221 7431

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING ("AGM") of Australian Property Systems Limited ("APSL" or "the company") will be held at Level 22, 333 Ann Street, Brisbane Queensland 4000, on Friday 16th day of September 2011 at 10:00am.

AGENDA

An explanatory memorandum accompanies and forms part of this Notice of Annual General Meeting and describes the various matters to be considered at this AGM.

ORDINARY BUSINESS

Annual Report

To receive and consider the audited Financial Reports and the Reports of the Directors in respect of the year ended 30th June 2010, and the half- years ended 31st December 2009 and 31st December 2010.

Resolution 1 Adoption of the Remuneration Report

To consider and, if thought fit, pass the following resolution as an ordinary resolution: "That the Remuneration Report for the Company (included in the Report of the Directors) for the year ended 30 June 2010 be adopted."

Resolution 2 Directors Remuneration

To consider and, if thought fit, pass the following resolution as an ordinary resolution: "That the Remuneration of Directors for the year ended 30 June 2012 is set at a total of \$140,000."

Resolution 3 Rights Issue

To consider and, if thought fit, pass the following resolution as an special resolution: "That the directors be authorised to make a 5 for 2 Rights issue to existing shareholders at \$0.002 cents per share to raise a maximum of \$260,495."

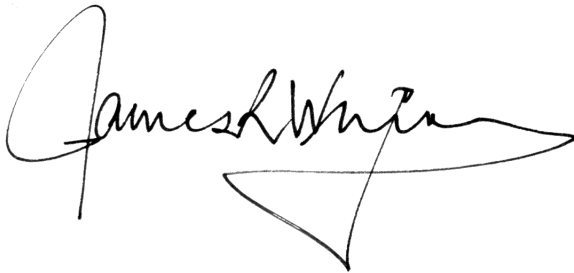
Other Business

To consider any other business that may be raised prior to the meeting in accordance with the Company's Constitution, the Corporations Act 2001 (Cth), or otherwise.

A member has the right to complete a proxy. A Proxy Form is attached to this notice.

Words and expressions defined in the Explanatory Memorandum have the same meanings where used in this Notice of Annual General Meeting.

BY ORDER OF THE BOARD.

A handwritten signature in black ink, appearing to read 'James Whitelaw', with a large, stylized flourish extending from the end of the signature.

James Whitelaw
Company Secretary

16 August 2011

Voting Entitlements

The Company has determined that the shareholding of each shareholder for the purposes of ascertaining the voting entitlements for the Annual General Meeting will be as it appears in the Share Register at 5pm on Monday, 15 August 2011.

Proxies

A shareholder has the right to appoint a proxy, who may not be a shareholder of the Company. A proxy can be an individual or a body corporate. A body corporate appointed as a shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as proxy at the Annual General Meeting. The representative should bring to the Annual General Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company. If the shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. Where a member appoints two proxies and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half of the votes. The Proxy Form must be received by the Secretary, James Whitelaw, GPO Box 888, Brisbane Qld 4001 or at the Company's registered office, Level 22, 333 Ann Street, Brisbane Qld 4000, or by facsimile to the Secretary on (07) 3221 7431 by no later than 48 hours before the time for holding the Annual General Meeting.

Bodies Corporate

A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of a company's shareholders. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution.

The representative should bring to the Annual General Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

Questions from Shareholders

At the meeting the Chairman will allow a reasonable opportunity for shareholders to ask questions or make comments on the management and performance of the Company.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared to assist members in their consideration of the resolutions proposed for the Annual General Meeting of Australian Property Systems Limited ACN 096 925 610 ("APSL" or "the Company") to be held at Level 22, 333 Ann Street, Brisbane, Queensland 4000 on Friday 16th September 2011 commencing at 10:00am. It must be read in conjunction with the Notice of Meeting.

The board aims to set out in this document an explanation as to the reasons for putting forward the motion to be voted on by shareholders at the forthcoming shareholders' meeting, and the results which might follow.

1. Resolution One – "That the Remuneration Report for the Company (included in the Report of the Directors) for the year ended 30 June 2010 be adopted."

The amounts recorded in the financial statements and reports reflect the amounts actually paid to the former directors.

2. Resolution Two – "That the Remuneration of Directors for the year ended 30 June 2012 is set at a total of \$140,000."

The remuneration paid to Directors for the next 12 months will not exceed a total of \$140,000.

3. Resolution Three – "That the directors be authorised to make a 5 for 2 rights issue to existing shareholders at \$0.002 cents per share to raise a maximum of \$260,495."

The funds raised from the rights issue will provide sufficient working capital to undertake a viability study to determine the future direction of the company.

The price for the rights issue values the company at \$260,495. This is calculated by multiplying the current number of shares by the offer price of \$0.002 cents per share ($52,099,000 \times 5/2 \times \$0.002 = \$260,495$). The current financial position set out below reveals that the company's asset and liability position is approximately equal with no surplus cash available, so the calculated value is for the shell of the company, the intellectual property (the APSL system) at a current nominal value and the NSX listing.

The capital raising will result in the issue of a further 130,247,500 ordinary shares in the company.

The capital raising will be underwritten by Presidential Holdings & Investments Limited, ARBN 130 662 314. This company is a related entity of one of the Directors, Mr Geoffrey Thomas.

Reasons for the motion

The company is in a precarious financial position and action is needed to rescue it from possible liquidation. To date the APSL System has not proven to be a commercial success. The company's capital has also been depleted. The company and the APSL System have future ongoing costs which APSL does not have the funds to meet.

Until recently, the directors had been unable to obtain an audit report for December 2009, June 2010 and December 2010 due to the uncertainties over the company's future, and APSL is in default with obligations to NSX and ASIC in this respect.

The Directors have finalised the transfer the intellectual property (IP) to APSL.

The new Board believes that the APSL System can deliver commercial profits. Accordingly, this capital raising is expected to provide sufficient working capital to meet the costs of the capital raising; CEO/Management salaries; development of a business plan; and the board members remuneration.

The board will appoint a suitably qualified CEO/Manager to develop a business plan and assess the commercial viability of the APSL system.

Financial position as at 31 December 2010

The company has the following assets:

Intellectual Property: The APSL System as documented in the Patent has recently been transferred to APSL at nominal value.

Cash: \$5,389

Debtors: Nil

Total assets: \$5,389

Total liabilities: \$66,836

Current deficit: \$61,447.00

Compliance costs are budgeted at \$11,000 for 2010-11.

To meet the immediate expenses of APSL, Presidential Capital Pty Ltd has agreed to lend APSL \$50,000.

Rights Issue and private placement

The current chair, Mr Geoffrey Thomas has offered to underwrite the rights issue through his company, Presidential Holdings & Investments Ltd ("PHIL"), ARBN 130 662 314.

Accordingly, should the period prescribed in the Rights issue expire and there are unsubscribed shares remaining, then PHIL will be bound to acquire and APSL bound to issue them to PHIL. This will ensure that sufficient working capital is raised for the immediate future of the company.

Future Events

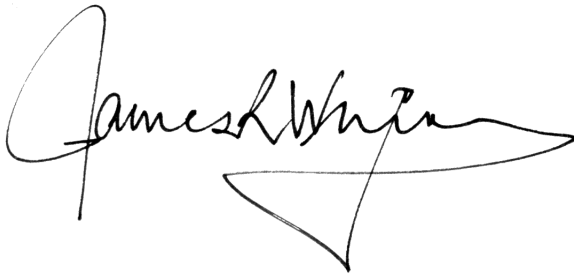
There are no other proposals currently being considered by the board.

Conclusion

The directors commend the above motions to the shareholders.

If you require any further information, please do not hesitate to ask. If you cannot attend, please complete the proxy form attached and return it as directed on the form.

Yours faithfully

A handwritten signature in black ink, appearing to read 'James Whitelaw', followed by a large, stylized flourish that extends to the right.

James Whitelaw
Director and Secretary
On behalf of the board

GLOSSARY

The following definitions are used in this Notice of Annual General Meeting and Explanatory Memorandum:

"Board"	means the board of directors of the Company
"Company" and "APSL"	means Australian Property Systems Limited ACN 096 925 610;
"Directors"	means the directors of the Company;
"Explanatory Memorandum"	means the explanatory memorandum setting out details of the Resolutions proposed in the Notice of Meeting; and,
"Ordinary Resolution"	means a resolution passed by a simple majority of Shareholders on a show of hands or by a simple majority of votes given in a poll.
"Shareholder"	means the registered holder of a Share in the Company.
"Special Resolution"	means a resolution passed by a majority of 75% of Shareholders on a show of hands or by a majority of 75% of votes given in a poll.

FORM OF PROXY

The Secretary
Australian Property Systems Limited
GPO Box 888
Brisbane QLD 4001
Fax: 07 3221 7431
Email: Whitelaw@hmw.com.au

I/We

of

being a member of Australian Property Systems Limited, hereby appoint

.....

in respect of shares and

in respect of shares, or (failing him/them) the
Chairman of the meeting, as my/our proxy to vote for me/us on my/our behalf at the
Annual General Meeting of the Company to be held at **10:00am on Friday 16th**
September 2011 and any adjournment thereof.

Proxy's Voting Instructions - If you wish to direct your proxy how to vote in respect of
the resolutions to be considered at the meeting please indicate the manner in which your
proxy is to vote by placing a cross (x) in the appropriate square below. Otherwise, your
proxy will vote as he/she thinks fit or may abstain from voting.

Resolutions

For Against Abstain

That the Remuneration Report for the Company (included in
the Report of the Directors) for the year ended 30 June 2010
be adopted.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

That the Remuneration of Directors for the year ended 30 June
2012 is set at a total of \$140,000.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

That the directors be authorised to make a 5 for 2 rights
issue to existing shareholders at \$0.002 cents per share to
raise a maximum of \$260,495.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

DATED this day of 2011

Signature of Member/s

Proxies – A member entitled to attend and vote is entitled to appoint not more than two (2)
proxies. If two (2) proxies are appointed, each must be appointed to represent a specified
proportion of the member's voting rights. A proxy need not be a member. To be effective, the
Proxy Form must be lodged not less than 24 hours before the time of the Meeting to GPO
Box 888, Brisbane Qld 4001 or Fax 07 3221 7431.

(I /We acknowledge receipt of the Notice of Meeting and have signed this proxy on the basis
that we have read and understood the Notice of Meeting.)