

Australian Property Systems Limited

ACN 93 096 925 610

Notice of AGM - year ended 30 June 2012

Annual general meeting

- to be held in Brisbane on Thursday 14 March 2013

SUMMARY OF BUSINESS TO BE CONSIDERED

ADOPTION OF AUDITED FINANCIAL STATEMENTS & OF REMUNERATION REPORT

RE-ELECTION OF DIRECTORS

AUTHORITY TO FIX AUDITORS' REMUNERATION

APPROVAL OF PROPOSED DIRECTORS' FEES

**This document (which accompanies the annual report for the financial year ended 30 June 2012) is dated
7 February 2013 and contains:**

letter from the directors

notice of AGM

proxy form

LETTER FROM THE DIRECTORS

level 22
333 Ann Street
Brisbane
Queensland 4000

7 February 2013

Dear Shareholder

AGM

With this letter you will receive notice of AGM to consider the business referred to on the front cover of this document.

Also included is a form of proxy for voting in case you are unable to attend the AGM. The AGM is to be held in Brisbane on Thursday 14 March.

The AGM has obviously been delayed, as it should have been held last November, and we apologise for this delay.

You will also receive our annual report (including audited financial statements) for the year ended 30 June 2012 which will be considered at the AGM. These have today been released to the NSX - as has this document.

Business Background

During the period the group undertook no operational activity and remained, in a commercial sense, dormant.

Late in the period, however, the company succeeded in securing interim loan funding from Presidential Capital Pty Ltd, a company controlled by director Geoff Thomas, which enabled it to remain solvent and avoid formal insolvency proceedings and winding-up. Details were duly announced to the market on 1 June 2012. This step has enabled us to present financial statements on the usual going concern basis – albeit, as you will see from the audit report, with appropriate qualification by the auditors.

The outstanding loan balance is secured by a charge creating fixed charge over the intellectual property assets and floating charge over the undertaking and assets generally of the Company. Security and loan terms are outlined in the annual report.

Funds made available Presidential Capital Pty Ltd enabled the company to meet accumulated debt obligations to other creditors and to access minimum working capital for business planning work with a view to market re-launch of the company's property development system.

At the end of the period, therefore, Presidential Capital Pty Ltd was the only creditor other than \$64,744 in trade and other payables which have subsequently been paid out using funds from the Presidential Capital Pty Ltd loan.

During the period the company undertook certain preparatory work with a view to market launch of its property development system. This work comprised an external review of the system itself and of market prospects for successful commercialisation in the long-term and development of an outline business plan.

Business Outlook

It should be noted that continuation of this work – and in particular re-launch in the market and establishment of commercial operation of the system – requires further funding. Without this the company cannot continue, and there will be no alternative to formal insolvency with total loss of investment for all shareholders.

In present circumstances it is not realistic for the company to secure funding from any source other than its own shareholder base, and the board therefore intends to proceed shortly with a rights offer to raise the funds needed for market launch of the system. This is foreshadowed in the letter sent to shareholders in June last year (dated 14 June) seeking canvassing support for such a step.

Shareholders should therefore expect to receive in the near future a formal offer document with details of the company's proposed plan for commercialisation of the system.

It will then be for shareholders either to provide the necessary financial support, and give the company and the system one last chance, or to accept the alternative of formal insolvency with total loss of investment for all concerned.

The board intends to place the company into formal insolvency if the proposed rights offer (which, it is anticipated, will be renounceable) fails to raise the required minimum subscription.

Conclusion

My fellow directors and I would ask that you try to let us know in advance if you do plan to attend the AGM so we have an indication of likely numbers. Please e-mail chris@hmw.com.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S. Jones', written in a cursive style.

Stephen Jones
Non-executive director
for the board
Australian Property Systems Limited

NOTICE OF ANNUAL GENERAL MEETING

Time & place

Notice is hereby given that the annual general meeting of Australian Property Systems Limited ACN 93 096 925 610 will be held at the office of our the company's accountants, HMW Partners, level 22, 333 Ann Street, Queensland 4000, at 10:00am (local Brisbane time) on Thursday 14 March 2013.

Business

The following business will be considered:

1. Audited financial statements

To receive and consider the audited financial statements for the period ended 30 June 2012 together with the report of the auditors Pitcher Partners

2. Remuneration report - *ordinary resolution*

To adopt (for the purposes of s250R(2) of the Corporations Act and generally) the remuneration report for the year ended 30 June 2012 included as part of the directors' report accompanying the audited financial statements

3. Re-election of Geoff Thomas as a director - *ordinary resolution*

To re-elect Geoff Thomas, appointed to the board on 23 December 2010, as a director

Note: *Geoff Thomas stands for re-election pursuant to NSX listing rule 6.47.*

4. Re-election of Steve Jones as a director - *ordinary resolution*

To re-elect Steve Jones, appointed to the board on 23 December 2010, as a director

Note: *Steve Jones stands for re-election pursuant to NSX listing rule 6.47.*

5. Re-election of James Whitelaw as a director - *ordinary resolution*

To re-elect James Whitelaw, appointed to the board on 23 December 2010, as a director

Note: *James Whitelaw stands for re-election pursuant to NSX listing rule 6.47.*

6. Auditors' remuneration – *ordinary resolution*

To authorise the directors to fix the remuneration of the auditors

7. Approval of proposed directors' fees - *ordinary resolution*

In respect of the current financial year, ending 30 June 2013, to fix the remuneration of the directors (other than any managing director) at \$100,000 per year in aggregate in accordance with rule 33 of the constitution

Voting instructions

The following instructions apply in relation to voting at the meeting in person:

1. Each member present (which includes a member present as proxy, attorney or body corporate representative) may cast one vote. However, if a member holds two or more appointments, and these appointments direct the member to vote in different ways, then the proxy may not vote on a show of hands.
2. On a poll shareholders have one vote for each fully paid share and, for each partly paid share held, a fraction of a vote equal to the proportion paid up or credited as paid up towards total amount on the share.

In order to vote at the meeting by proxy please complete and return the proxy form in accordance with the instructions noted on it. It is important, for your proxy to be valid, that it should be duly completed and lodged with our registrar, HMW Partners, so as to be received by them no later than forty-eight hours before the meeting – ie no later than 10:00am (local Brisbane time) on Tuesday 12 March 2013.

The company has determined in accordance with of the Corporations Act that, for the purpose of voting at the meeting or any adjourned meeting, shares will be taken to be held by those persons shown in the register of members as at 10:00am (local Brisbane time) on Tuesday 12 March 2013.

The directors

Australian Property Systems Limited

7 February

PROXY FORM

Please complete

NAME: _____

ADDRESS: _____

SHARE REGISTRY:
HMW Partners
All Correspondence to:
level 22, 333 Ann Street, Brisbane, Queensland 4000
T: (07) 3234 8988
F: (07) 3221 7431
E: admin@hmw.com.au
W: www.hmw.com.au

SRN No.:

NSX Code: APO

SECTION A: Appointment of Proxy

I/We being a member(s) of registered holders of the company and entitled to attend and vote hereby appoint:

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The meeting chairperson
(mark with an "X")

OR

Name of the person you are appointing (if this person is someone other than the chairperson of the meeting)

the person named, or if none, the chairperson of the meeting, as my/our proxy to act generally at the meeting on my/ our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the annual general meeting of the company to be held at 10:00am (local Brisbane time) on Thursday 14 March 2013 at the office of HMW, level 22, 333 Ann Street, Brisbane, Queensland 4000, and at any adjournment of that meeting.

SECTION B: Voting Directions to Your Proxy

Please mark with "X" in the box to indicate your voting directions to your proxy:

Item / Order of Business	For	Against	Abstain*
1. Audited financial statements <i>Note: This item of business will be considered as indicated but does not require to be voted on specifically.</i>			
2. Remuneration report – ordinary resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Re-election of Geoff Thomas – ordinary resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Re-election of Steve Jones – ordinary resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Re-election of James Whitelaw – ordinary resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Auditors' remuneration – ordinary resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Directors' fees – ordinary resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain.

* If you mark the 'abstain' box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

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If you wish to appoint the chairperson as your proxy and you do not wish to direct the chairperson how to vote, please mark an "X" in the box.
By marking this box, you acknowledge that the chairperson may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.

SECTION C: Please Sign Below

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder 1	Security Holder 2	Security Holder 3
<div></div> <div>Sole Director and Sole Company Secretary</div>	<div></div> <div>Director</div>	<div></div> <div>Director / Company Secretary</div>

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Change of Name or Address: If your registration details are incorrect, please mark this box and make the correction on this form.

Contact Name

If you wish to appoint two proxies, please phone HMW Partners on +61-7-3234-8988 to obtain your second proxy form. Both forms must be completed with the nominated amount (number/percentage) clearly printed on it. If you do not specify the nominated amount, each proxy may exercise half of your voting rights.

PLEASE RETURN THE FORMS FOR BOTH PROXIES TOGETHER IF YOU WISH TO APPOINT TWO PROXIES

1. Name & Address

If a representative of the company is to attend the meeting, the appropriate 'certificate of appointment of corporate representative' should be lodged with e-Business Systems Ltd before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the company's share registry.

Lodgement of Proxy

This proxy form (and any power of attorney under which it is signed) must be received no later than 10:00am (local Brisbane time) on Tuesday 12 March 2013 being 48 hours before the time for holding the meeting. Any proxy form received after that time will not be valid for the scheduled meeting. Please lodge the proxy form with the company's share registry. You are encouraged to submit your proxy by mail or fax. The delivery addresses for the company's share registry (HMW Partners) are as follows:

Delivery Addresses

By mail:	HMW Partners, level 22, 333 Ann Street, Brisbane, Queensland 4000
By hand:	HMW Partners, level 22, 333 Ann Street, Brisbane, Queensland 4000
By fax:	+ 61-7- 3221-7431
By e-mail:	chris@hmw.com.au

Delivery Addresses

By mail: HMW Partners, level 22, 333 Ann Street,
Brisbane, Queensland 4000

By hand: HMW Partners, level 22, 333 Ann Street,
Brisbane, Queensland 4000

By fax: + 61-7- 3221-7431

By e-mail: chris@hmw.com.au

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional proxy form may be obtained by telephoning the company's share registry on +61 7 3234 8988, or you may photocopy this form.

- (a) On each of the first proxy form and the second proxy form state the percentage of your voting rights or number of securities applicable to that form - if the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half of your votes; and
- (b) Return both forms in the same envelope.

Individual: Where the holding is in one name, the shareholder must sign.

Joint Holding: Where the holding is in more than one name, all of the shareholders must sign.

Power of Attorney: To sign under power of attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the power of attorney to this form when you return it.

Company: Where the company has a sole director who is also the sole company secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a company secretary, a sole director may sign alone. Otherwise this form must be signed by a director jointly with either another director or the company secretary. Please indicate the office held in the appropriate place.

