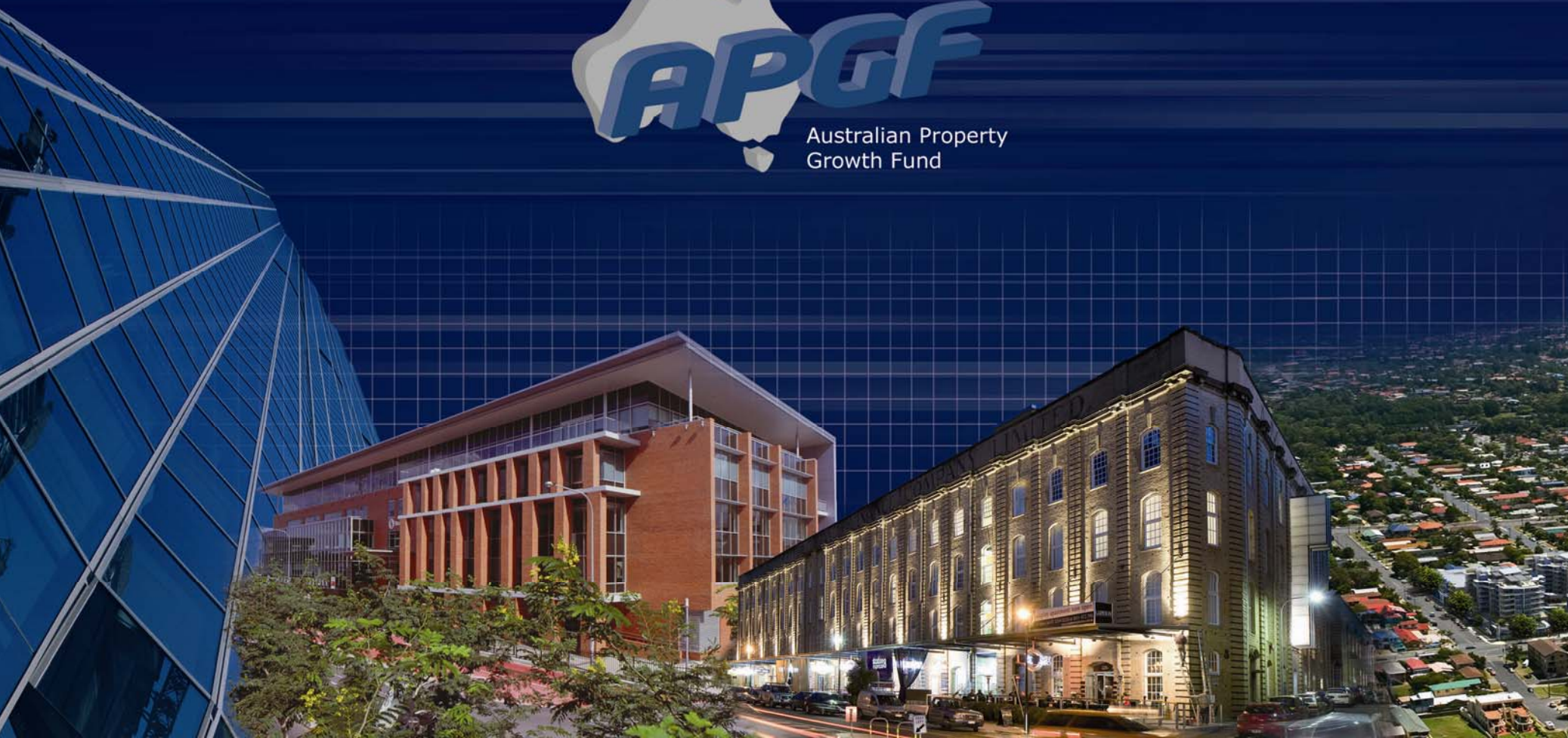
APGF

Australian Property
Growth Fund



Presentation Overview

- What is Australian Property Growth Fund?
- Directors

- Fund Details

- Key Features
- Points of Difference
- Structure
- Projects
- Financial

Australian Property Growth Fund

- "Master Fund" for all current and future property projects
- Continue to grow into a leading property fund with a quality portfolio of property investments that will produce long term capital growth and stable rental income stream
- Stapled Fund comprising a property trust (Australian Property Growth Trust) which invests in long term passive property investments and a funds management & development company (Australian Property Growth Limited) which undertakes property development projects
- Leyshon Operations Pty Ltd's total investment in the Fund is $47 million

DIRECTORS

Responsible Entity Directors

Neil Summerson BCom, FCA, FAICD, FAIM

- Chairman
- Over 35 years business experience including former (Queensland) Managing Partner of Ernst & Young
- Significant property and investment experience
- Strengths include strategic planning, risk management, regulatory compliance, financial analysis and corporate governance
- Director of several public, private and government corporations

Responsible Entity Directors (continued)

Geoff McMahon BEcon, BCom, FCPA, FAICD, FCIM, FFIN

- Managing Director
- Involved in the property industry since 1990
- Brings to APGF Management Limited significant experience in corporate strategy, property development, property investment, capital raising, risk management and financial management
- Has been involved in over $750 million worth of successful property projects

Responsible Entity Directors (continued)

Bill Collins FAPI, Registered Valuer, Licensed Real Estate Agent, Registered Auctioneer, Specialist Retail Valuer

- Involved in property industry since 1968
- Has held senior management positions with corporate real estate agencies
- Joint founding director of Collins O'Reilly Pty Ltd, Property Auditors
- Bill has significant experience in portfolio analysis, including performance strategies, divestment, acquisitions, adaptive re-use and risk management

Responsible Entity Directors (continued)

Michael O'Reilly MIRAP, MIEF, FAPI

- Joint founding director of Collins O'Reilly Pty Ltd, Property Auditors
- Over 30 years experience in the property industry
- Has held a number of senior management positions in Australia and South East Asia
- Broad range of expertise centered around investment property particularly portfolio analysis, performance strategies, risk management and tenant advocacy
- Significant academic post graduate study includes Master of International Relations and Asian Politics, Master of International Economics and Finance
- Currently completing a Juris Doctor through the University of Queensland

Key Features

- "Master Fund" which will contain all current and future property projects
- Merger of two existing funds (Blue Tower Trust and Leyshon Property Fund No. 3)
- Stapled securities (units in Property Trust stapled to shares in the Funds Management & Development Company)
- Forecast quarterly distributions of 8% per annum supplemented with dividends from development projects
- $74 million new equity to be raised in 2006 / 07
- Responsible entity is APGF Management Limited ("APGF Management")

Points of Difference

- Leyshon Operations Pty Ltd's investment of approximately $47 million in the Fund
- Proven track record of managers
- Quality of existing fund assets
- Focus on risk management and corporate governance
- Research based investment decisions

Structure

AUSTRALIAN PROPERTY GROWTH FUND

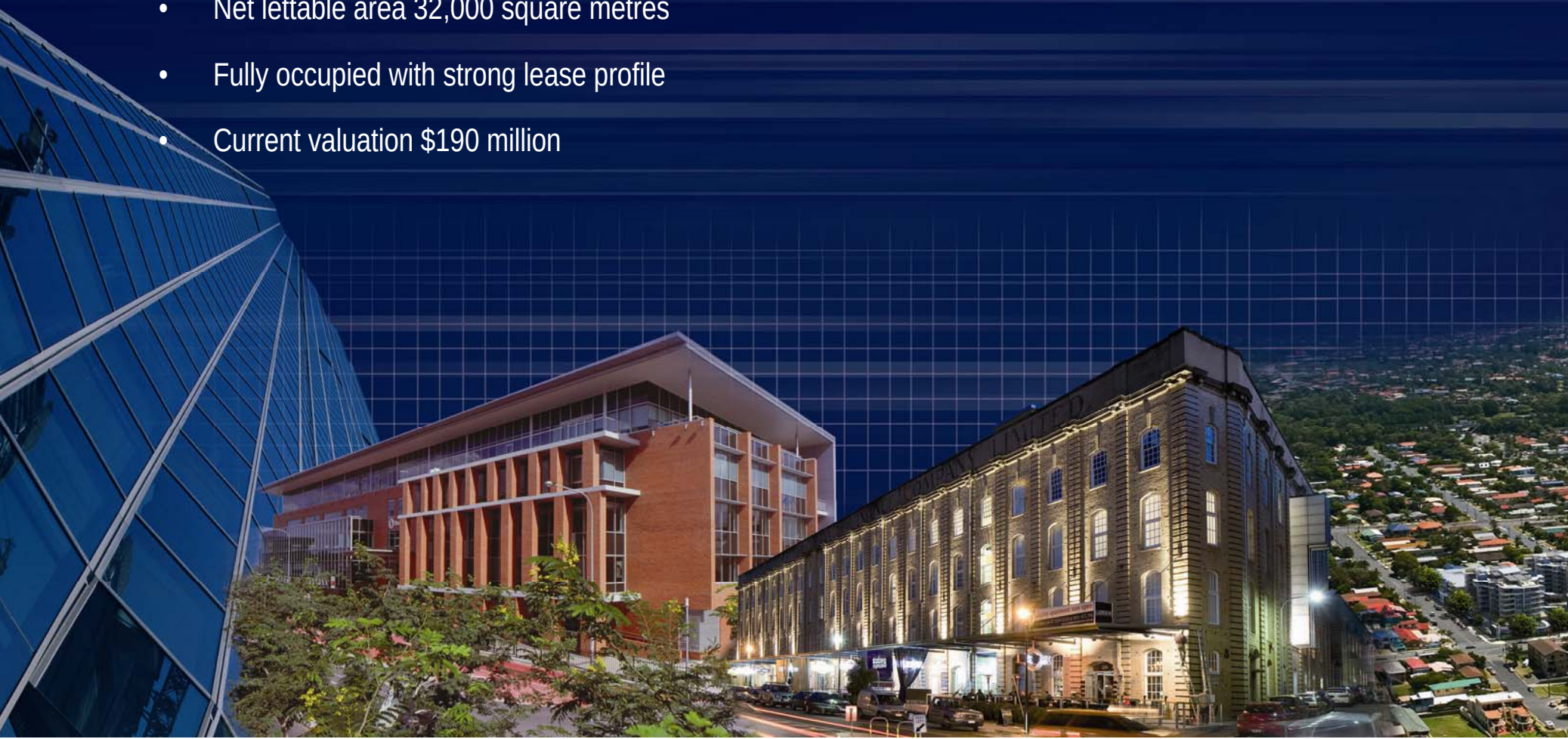
Australian Property Growth TRUST	STAPLED SECURITY	Australian Property Growth LIMITED
Melbourne Street, Blue Tower (Comalco Place) and future projects		London Woolstore, Palm Beach (Pavilions on 5th) and future projects

INITIAL PROPERTY TRUST ASSETS

Comalco Place (Blue Tower)

Comalco Place (Blue Tower)

- Iconic Brisbane CBD commercial office building
- Net lettable area 32,000 square metres
- Fully occupied with strong lease profile
- Current valuation $190 million



Melbourne Street

Melbourne Street

- Recently constructed commercial office building at South Brisbane
- Net lettable area 6,145 square metres
- Purchased on 21 December 2004 for $24.5 million
- Current valuation $30.5 million

FUNDS MANAGEMENT & DEVELOPMENT COMPANY PROJECTS

London Woolstore

London Woolstore

- Quality site in Teneriffe
- Mixed residential, retail and commercial development
- Value on completion $50 million
- Titles issued late March 2006
- 90% sold

Pavilions on 5th Palm Beach

(Artist's impression of completed development)

Pavilions on 5th Palm Beach

(Artist's impression of completed development)

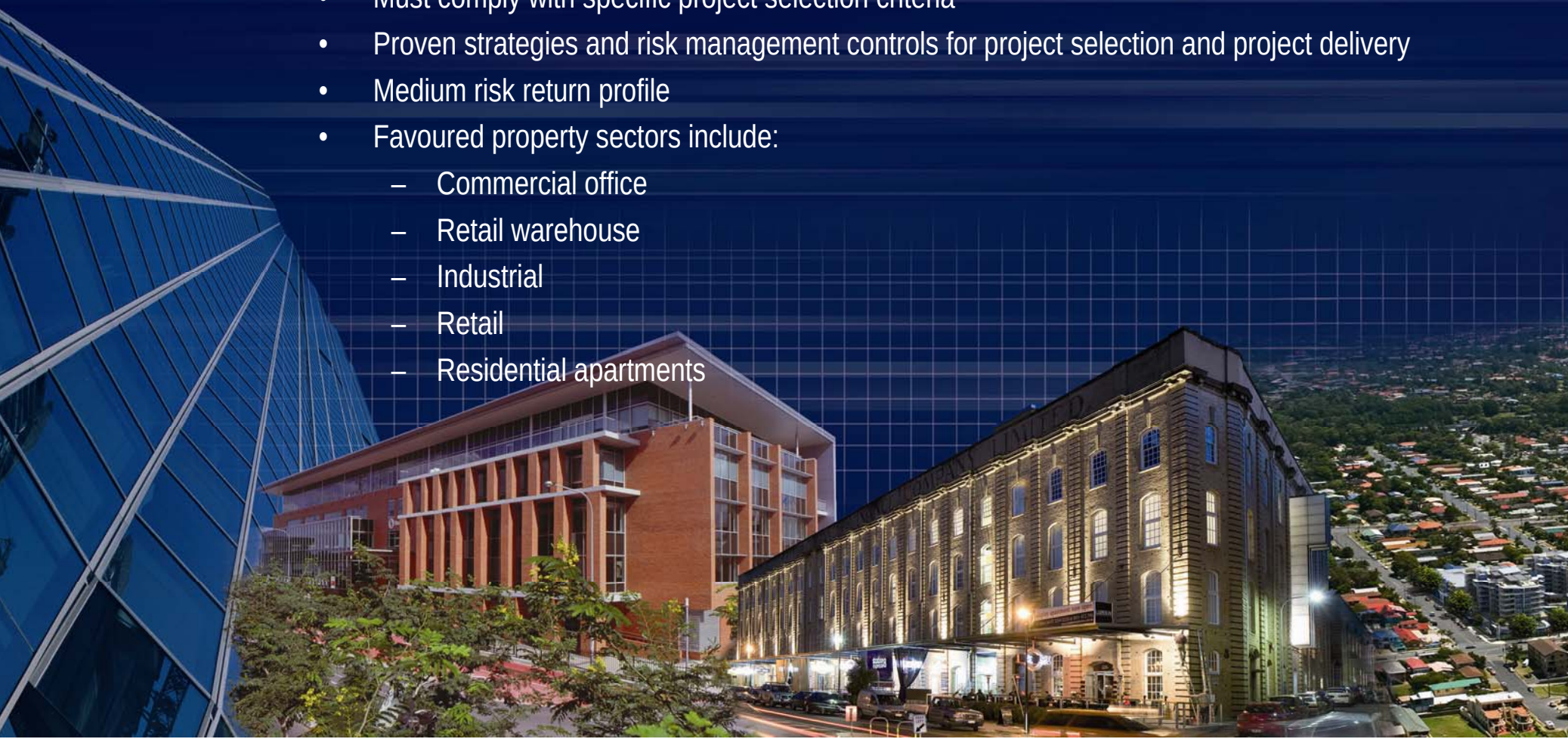
Pavilions on 5th Palm Beach

- 9,800 square metre prime site
- Mixed retail (5,200 square metres) and residential (194 apartments)
- Purchased May 2005 for $11.1 million
- End value approximately $100 million
- Development Agreement issued August 2006
- Develop in two stages over 2007 and 2008

FUTURE PROJECTS

Future Projects

- Open fund
- Future projects to be undertaken by both the Trust and the Company
- Must comply with specific project selection criteria
- Proven strategies and risk management controls for project selection and project delivery
- Medium risk return profile
- Favoured property sectors include:
  - Commercial office
  - Retail warehouse
  - Industrial
  - Retail
  - Residential apartments



Financial Summary

- Forecast Quarterly Distributions
  - 8.48 cents per Stapled Security
  - equates to 8% p.a. (based on $1.06)
  - 100% tax deferred
- After Capital Raising
  - Total Investors' Equity $170 million
  - Total Assets $335 million