



BLUE TOWER TRUST







Presentation Overview

- BTT EGM and Merger of BTT and LPF3
- LPF3 EGM and Capital Raising
- Australian Property Growth Fund





BTT EGM and Merger of BTT and LPF3





BTT EGM

- Two current BTT Unitholders wish to sell their BTT units
- Keats Group have agreed to purchase their units
- Unitholder approval is required as Keats Group's holding in BTT will increase over 20%
- Independent Expert's Report concluded it is fair and reasonable





Merger of BTT and LPF3

- LPF3 is offering 2.1846 Stapled Securities for every unit in BTT
- Major conditions:
 - BTT Unitholders minimum 90% acceptance level
 - LPF3 EGM approval of resolutions in relation to takeover





Structure

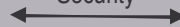
Investors



Leyshon Property Fund No. 3

Leyshon Property Trust No. 3
(Melbourne Street and Future Projects)

Stapled
Security



**Leyshon Developments
No. 3 Limited**
(London Woolstore, Palm Beach and
Future Projects)

Blue Tower Trust
(Comalco Place)

** Subject to Takeover bid becoming unconditional*





Benefits of Takeover

- Based on forecast LPF3 distribution of 8.48 cents per Stapled Security, forecast quarterly distributions will equate to approximately 18.5% p.a. based on the original amount invested in BTT
- Increased size of fund
 - capacity to participate in future property opportunities
 - economies of scale
- Comalco Place to be a flagship asset
- More liquid
- Equivalent value
- Fair and Reasonable
- No stamp duty
- At least 87% CGT rollover relief





Consideration

- 2.1846 LPF3 Stapled Securities is ratio of relative values
 - BTT \$2.3137 per Unit
 - LPF3 \$1.0591 per Stapled Security
- Based on:
 - Updated independent property valuations
 - Independent Expert's Report concluded values are fair and reasonable
 - BTT after accrued asset management fees and \$2 million return of capital (for CGT)





Example of Investment in BTT

Assuming a \$500,000 investment in BTT and LPF3 Takeover Offer is accepted

	<u>Investment</u> (\$)	<u>Units/Stapled</u> <u>Securities</u>	<u>Forecast</u> <u>Quarterly Distribution</u> (cents/security)	<u>Forecast</u> <u>Distribution P.A.</u> (\$)	<u>Forecast</u> <u>Effective Distribution</u> <u>on Investment</u>
BTT	500,000	500,000	6.00	30,000	6%
"Roll" into LPF3	500,000	1,092,300 (500,000 X 2.1846)	8.48	92,627	18.5%





Capital Gains Tax

- At least 87% CGT rollover relief
- Assumptions
 - at least \$25 million Capital Raised before Takeover becomes unconditional
 - Investors are not eligible for the CGT discount
- BTT to make a \$2 million return of capital which may be used to fund CGT





LPF3 EGM and Capital Raising





Resolutions for Capital Raising

- 1A Approval of Issue of Stapled Securities for the Capital Raising
- 1B Approval of the Issues to Related Parties (Capital Raising)
- 1C Approval to issue Stapled Securities to Leyshon Operations Pty Ltd
- 1D Approval to issue Stapled Securities to Keats Group Pty Ltd
(as trustee for the Guy Keats Family Trust)





Resolutions for BTT Takeover

- 2A Approval of Takeover
- 2B Approval for Substantial Assets to be acquired from Relevant Parties as part of Takeover
- 2C Approval of Financial Assistance
- 3 Approval of the modification to the Trust Deed
- 4 Approval of the modification to the Constitution
- 5A Approval of the modification to the Stapling and Asset Management Deed with respect to the Capital Raising and the Takeover





Other Resolutions

- 5B Approval of the modification to the Stapling and Asset Management Deed with respect to the Frequency of Reporting
- 6 Approval of Changes of Name
- 7 Approval of the Election of a Director of the Company





Australian Property Growth Fund



Name Change

- Name Change to reflect Fund's strategy
- 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 streams



Key Features

- “Master Fund” which will contain all current and future property projects
- To be launched third quarter 2006
- 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 Development Company)
- Forecast quarterly distributions of 8% per annum supplemented with dividends from development projects
- \$74 million new equity to be raised in second half of 2006
- Responsible entity is Leyshon Corporation Limited (“LCL”)



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

Investors



Australian Property Growth Fund

Australian Property Growth Trust
(Melbourne Street and Future Projects)

Stapled
Security

Australian Property Growth Limited
(London Woolstore, Palm Beach and
Future Projects)

Blue Tower Trust*
(Comalco Place)

** Subject to Takeover bid becoming unconditional*

Initial Property Trust Assets



Comalco Place (Blue Tower)*

* Subject to Takeover becoming unconditional



Comalco Place (Blue Tower)*

* Subject to Takeover going unconditional

- Iconic Brisbane CBD commercial office building
- Net lettable area 32,000 square metres
- Fully occupied with strong lease profile
- Current independent valuation \$184 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 independent valuation \$30 million



Initial 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
- 70% sold



Palm Beach

(Artist's impression of completed development)



Palm Beach

(Artist's impression of completed development)



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 by August 2006
- Develop in two stages over 2007 and 2008





Future Projects*

*Photographs are of previous projects and Palm Beach



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 Takeover and Capital Raising
 - Total Investors' Equity \$170 million
 - Total Assets \$335 million

