

16 January 2006



Property Fund Managers

BSX Announcements
By Email: announcements@bsx.com.au
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**PROPERTY FUNDS AUSTRALIA LIMITED
PFA DIVERSIFIED PROPERTY TRUST (ARSN 088 775 375)
BSX CODE – PFD
RETIREMENT OF DIRECTOR**

Property Funds Australia Limited (PFA), announces that David John Conquest has advised of his retirement from the Board of Directors of PFA due to health reasons. His retirement as a director takes immediate effect. Mr Conquest will also be finishing as an employee of PFA on 9 February, 2006.

On behalf of the Board, I would like to thank David for his considerable contribution to PFA during almost six years as a director and executive. Mr Conquest's contribution, particularly as the main liaison point with financial intermediaries, has seen a material growth of the funds under management of PFA. He has provided to PFA an innate understanding of the needs of the users of investment products and their advisers' requirements.

The Board of PFA wishes Mr Conquest a speedy recovery from his health issues.

A replacement to Mr Conquest's position on the board will be announced in due course. Discussions with potential replacements for Mr. Conquest's executive role have commenced.

Yours faithfully
PROPERTY FUNDS AUSTRALIA LIMITED

A handwritten signature in black ink, appearing to read 'Chris Morton', written over a horizontal line.

**Chris Morton
Managing Director**

cmorton@pfaltd.com.au