

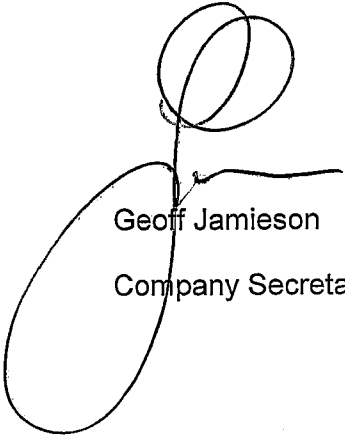
STOCK EXCHANGE ANNOUNCEMENT
22/06/05

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The Board of APSL would like to announce that they have received a letter from a shareholder regarding the shareholders meeting to be held on the 28th June.

Attached to this announcement is a letter from Phillips Fox (the shareholder solicitor) and a response on behalf of the company by Deacons (APSL Solicitor)



Geoff Jamieson
Company Secretary



Our ref: EYF:LZW:0382363

21 June 2005

The Directors
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Dear Sirs

Purported general meeting

We act for Boda Investments Pt / Ltd (**Boda Investments**), a shareholder of Australian Property Systems Limited (**APSL**).

Purported general meeting and notice of meeting is invalid

We note that the two current directors have purported to convene a general meeting of members of APSL to be held at 10 am on 28 June 2005 at Level 1, Naval Offices, 3 Edward Street, Brisbane.

For the reasons in this letter, Boda Investments considers that the meeting has been convened unlawfully, the notice of meeting is invalid and that, if the meeting proceeds, any resolutions purportedly passed at the meeting will also be invalid.

Undertakings sought

Accordingly, Boda Investments demands that APSL and each of its two directors give the following undertakings by no later than **9.00am Wednesday 22 June 2005**:

- APSL will withdraw the proposed resolutions at the meeting;
- APSL will, by no later than **10.00am Wednesday, 22 June 2005**, announce to the market by release to ASX that the proposed resolutions will be withdrawn owing to inadequate disclosure in the notice of meeting and the absence of a properly constituted Board;
- APSL will, by no later than **5pm Thursday, 23 June 2005**, despatch notices to APSL shareholders advising that the proposed resolutions will be withdrawn for the reasons above;

Please notify us if this communication has been sent to you by mistake. If it has been, client legal privilege is not waived or lost and you are not entitled to use it in any way.



- Either:
 - the two current directors will appoint a third director as soon as practicable to fill a casual vacancy and then within five business days of the appointment convene a general meeting to confirm the appointment; or
 - the two current directors will convene a general meeting for the purpose only of appointing a third director; and
- the two current directors will not purport to implement the proposals in the purported notice of meeting or take any other action requiring a resolution of the Board until a Board is properly constituted, a resolution is passed by the properly constituted Board and any necessary shareholder approvals are obtained.

Notification to regulatory agencies

On instructions, we have copied this letter to ASIC, NSX and the Takeovers Panel. Subject to the adequacy of your response, we hold instructions to take further action.

Our client's concerns

Our client's concerns are set out in detail in the schedule to this letter. In summary, these concerns are as follows:

- the Board is not properly constituted as there are only two appointed directors;
- the disclosure contained in the purported notice of meeting particularly in relation to the proposed related party transactions, is seriously deficient; and
- any issue of shares in accordance with any purportedly obtained shareholder approval would result in a contravention of the takeover prohibition in section 606(c)(ii) of the Corporations Act 2001.

We await receipt of the requested undertakings.

Yours sincerely

Lawrie Ward
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Email lawrie.ward@phillipsfox.com

Eugene Fung
Partner



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21 June 2005

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Our Ref: 2564249

Dear Sirs

Australian Property Systems Limited (APSL)

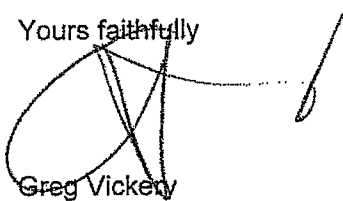
We act on behalf of the above company and note that you act on behalf of Boda Investments Pty Ltd. We have just seen a copy of your letter of 21 June and are instructed to reply to it as follows:

1. APSL freely acknowledged it has only 2 directors and it informed the ASIC and the NSX of this earlier in the year. (It has not been able to find a third director in the interim, despite diligent efforts).
2. APSL is in a parlous situation and unless the resolution of 28 June is approved, the company will probably have no option but to appoint an Administrator.
3. The resolution proposed for 28 June is designed to appoint new Directors and to keep the company trading.
4. The proposed resolution was forwarded to ASIC some weeks ago and the terms and explanation were changed to meet all of ASIC's requirements.
5. APSL believes that approval by the shareholders will provide an exception under section 611 to the concern expressed about section 606.

Time will not permit a discussion of all the other matters raised in your schedule.

It suffices to say that APSL will not withdraw the resolution to be considered on 28 June. If you plan to take court action to prevent the meeting, we would appreciate receiving notice of it so an appropriate defence to it can be made.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Greg Vickery', written over a horizontal line. The signature is stylized and somewhat cursive.

Greg Vickery
Partner and Brisbane Chairman
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