



Deacons

Level 17
175 Eagle Street
Brisbane Qld 4000
Australia
GPO Box 407
Brisbane Qld 4001
DX114 Brisbane
Tel +61 (0)7 3309 0888
Fax +61 (0)7 3309 0999
www.deacons.com.au

21 July 2005

Phillips Fox
Solicitors
Waterfront Place
1 Eagle Street
BRISBANE QLD 4001

Other Offices

Canberra
Melbourne
Perth
Sydney

**Independent
Affiliated Firms**

Hong Kong
Indonesia
Malaysia
People's Republic of China
Singapore
Taiwan
Thailand
Vietnam

Email: Lawrie.ward@phillipsfox.com

Our Ref: 2564249

Dear Lawrie

Australian Property Systems Limited (APSL)

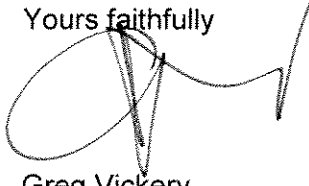
In response to your letter of 13 July 2005, we are instructed to respond as follows:

1. Our client does not believe that the Notice is defective. It was negotiated in detail with ASIC who made suggestions on items to be included, all of which have been adopted.
2.
 - 2.1 We do not agree as resolution 9 is a procedural resolution and is not a formal resolution. However, our client will ensure that Jamieson and his associates will not vote on this resolution.
 - 2.2 Our client denies any association between Jamieson, Thomas and Noye.
 - 2.3 The reason for the change in current NTA per share is due to the change in reporting periods from the timing of the issue of the first Notice to that of the most recent Notice. The most recent NTA per share reflects financial information over the year to 30 June 2005.
3. Our client's response to your letter of 21 June 2005 has now been provided.

22/07/2005

4. A copy of the minutes of the shareholders meeting that approved the management agreement with Tamlin Holdings Pty Ltd is attached.
5. In view of the above, our client will not be providing the undertakings your client has sought.
6.
 - 6.1 Our client intends on notifying NSX of your letter and their response in due course.
 - 6.2 Refer to point 4 above.

Yours faithfully



Greg Vickery
Partner and Brisbane Chairman
Deacons
Direct line: +61 (0)7 3309 0857
Email: greg.vickery@deacons.com.au

Copies to: Geoffrey Jamieson and Brian Wilkie

02 B

AUSTRALIAN PROPERTY SYSTEMS LTD

A C N 096 925 610
Level 1, Naval Offices, 3 Edward St,
Brisbane Qld 4000

**Minutes of Extraordinary Meeting of
Shareholders**

Location: Level 1, Naval Offices, 3 Edward St, Brisbane 4000

Date: 2 June 2001

Time: 9:00 AM

Attendees: Geoff Jamieson (Chairman)
Brian Wilkie
Nebo Trust
Ravenslea Nominees Pty Ltd

PREVIOUS MINUTES:

The minutes of the previous meeting were read and accepted as a correct record of the meeting.

A management agreement between Tamlin Holdings Pty Ltd and the company was tabled and the following resolution was passed as a ordinary resolution

RESOLUTION

It was resolved that the management agreement as tabled be entered into and Brian Wilkie be authorised to sign the management agreement as a Director..
Geoff Jamieson declared his interest in the contract and refrained from voting.

RESOLUTION

It was resolved to agree to the short notice of meeting and acknowledge that all current shareholders of the company were in attendance



Chairman

Signed as a true and correct record