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APN | Funds Management

3 October 2005

BSX Announcements Office
Bendigo Stock Exchange Ltd
PO Box 323
Bendigo VIC 3552

By facsimile: (03) 5444 0033

ANNOUNCEMENT

APN Regional Property Fund – ARSN: 110 488 821

Please find attached the communication sent to partly paid investors (APRCA) who have failed to meet the second call for their units.

There are four unitholders who have failed to meet the second call.

If you have any questions relating to this announcement please feel free to contact the undersigned.

Yours faithfully
APN FUNDS MANAGEMENT LIMITED



Peter Nicholson
Company Secretary

APN Funds Management Limited
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3 October 2005

FINAL REMINDER - FINAL CALL ON PARTLY PAID (APRCA) UNITS APN Regional Property Fund ~ ARSN: 110 488 821

Dear Investor

Further to our correspondence dated 1 August 2005 announcing the final call on the partly paid units (APRCA) that was due on 30 September 2005 and the subsequent reminder dated 29 September 2005, we now write to advise the following.

If your second call remains unpaid by 10 October 2005 the following will occur.

- (1) There will be a lien over your units as the call is due and unpaid. We will also refuse to register a transfer of these units.
- (2) We will hold all distributions on these units until the second call is paid.
- (3) We secure our rights to divest your unit holding of the partly paid units, at a future date.

We believe we have made your obligations clear regarding payment of the second call and again request that you immediately make your payment as set out in previous correspondence.

If you have any questions relating to the notice, please contact the undersigned or your financial adviser.

Yours faithfully



Paul K Noonan
Manager, Direct Property