Abacus
PROPERTY GROUP

ASX ANNOUNCEMENT

Securityholder communications

The following documents, including cover letter, notice of meeting and proxy form, are being sent to securityholders today.

Ellis Varejes
Company Secretary
612 9253 8600.

Abacus PROPERTY GROUP

Level 34 Australia Square
264-278 George Street
Sydney NSW 2000
T: 02 9253 8600
F: 02 9253 8616
W: www.abacusproperty.com.au

27 October 2006

Dear Securityholder,

Enclosed is a notice of meeting to be held on 29 November 2006. The purpose of the meeting is to seek your approval for an issue of approximately 36.6 million securities at an issue price of $1.64 per security to raise $60 million. The price of the issue reflects recent trading history and the fact that the new securities will not participate in the December quarter distribution.

Current market conditions are providing Abacus with many opportunities to buy quality property assets, for both the Group's investment property portfolio and funds management business. If approved, the proceeds of the capital raising will enable us to act quickly to take advantage of the acquisition opportunities that meet our investment criteria and continue our growth strategy.

As highlighted in our annual report, our core objective is to build capital value while providing a stable and growing distribution stream from recurrent earnings. I am pleased to advise that the board intends to review the current distribution during December. Any increase in the distribution will take effect from 1 January 2007.

I encourage you to vote on the resolution by attending the meeting or completing the enclosed proxy form and returning it in the reply paid envelope provided.

Yours faithfully,

John Thame
Chairman

Abacus Property Group
NOTICE OF MEETING

ABACUS GROUP HOLDINGS LIMITED
ACN 080 604 619

ABACUS GROUP PROJECTS LIMITED
ACN 104 066 104

ABACUS TRUST
ARSN 096 572 128

ABACUS INCOME TRUST
ARSN 104 934 287

RESPONSIBLE ENTITY: ABACUS FUNDS MANAGEMENT LIMITED ACN 007 415 590

NOTICE

Notice is given that a meetings of securityholders of Abacus Group Holdings Limited and Abacus Group Projects Limited (the *Companies*) will be held in conjunction with meetings of securityholders of the Abacus Trust and the Abacus Income Trust (the *Trusts*).

Time:	10.00 am (Sydney time)
Date:	Wednesday, 29 November 2006
Venue:	Level 14, Australia Square 264-278 George Street SYDNEY NSW 2000

BUSINESS

To consider and, if thought fit, to pass the following resolution as a special resolution:

That for the purposes of ASX Listing Rule 7.1, the Constitutions of the Companies and the Trusts and the Corporations Act, an issue via a private placement of no more than 36,585,366 Group securities at a price of $1.64 per security be approved.

VOTING EXCLUSION

The Companies and the responsible entity will disregard any votes cast on this resolution by any person or any associates of any such person who will participate in the issue to which the resolution applies or who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if the resolution is passed. However, the Companies and the responsible entity need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form, to vote as the proxy decides.

By order of the Boards

Ellis Varejes, Secretary
Date: 27 October 2006

EXPLANATORY MEMORANDUM

The resolution seeks approval to issue up to 36,585,366 Group securities at a price of $1.64 per security to raise $60 million.

The issue price of $1.64 was based on a 3.5% discount to the closing price on 23 October 2006. The securities will be issued on or about 1 December 2006 but will not rank equally with existing securities until the existing securities are quoted ex-distribution on or about 22 December 2006. That is, the new securities will not participate in the December quarter distribution.

The entities acquiring the securities will be professional investors within the meaning of Section 9 of the Corporations Act who have elected to participate in the placement, which will be managed by Tricom Equities Limited. Abacus Property Group, its directors and associates will not participate in the issue.

Proceeds from this issue will be used to fund further property acquisitions for the Group's investment portfolio and its funds management business.

PROXIES

A securityholder entitled to attend and vote at the meetings is entitled to appoint a proxy. A securityholder entitled to cast two or more votes may appoint two proxies and may specify the proportion, or the number, of votes each proxy is appointed to exercise. A proxy need not be a securityholder of the Abacus Property Group. The Abacus Property Group must receive proxies at least 48 hours before the meetings. A form of proxy is provided with this Notice.

VOTING ENTITLEMENTS

In accordance with Corporations Regulations 7.11.37, the directors have determined that the security holding of each securityholder for the purposes of ascertaining the voting entitlements for the meetings will be as it appears in the Abacus Property Group Security Register at 7.00 pm (Sydney time) on Monday, 27 November 2006.

The Abacus Property Group consists of the Abacus Trust, Abacus Income Trust, Abacus Group Holdings Limited and Abacus Group Projects Limited. An Abacus Property Group security consists of one unit in the Abacus Trust, one unit in Abacus Income Trust, one share in Abacus Group Holdings Limited and one share in Abacus Group Projects Limited.

Abacus Property Group
PROXY FORM

Abacus PROPERTY GROUP

Appointing your Proxy

I/We being a securityholder(s) of Abacus Property Group (being Abacus Trust, Abacus Income Trust, Abacus Group Holdings Limited and Abacus Group Projects Limited) and entitled to attend and vote, hereby appoint:

☐ the Chairman of the meeting (mark with an 'X')   OR   ☐ Write here the name of the person you are appointing if this person is someone other than the Chairman of the meeting

or failing the individual/body corporate named, or if no individual/body corporate is named, the Chairman of the meeting, as my/our proxy to act generally on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the meeting of Abacus Property Group to be held at 10.00 am on Wednesday, 29 November 2006 and at any adjournment of the meeting.

Appointing a second Proxy (optional)

☐ Mark with an 'X' if you wish to appoint a second proxy   AND   ☐ %   OR   ☐ State the percentage of your voting rights or the number of units for this proxy form

Voting directions to your Proxy

(Please mark an 'X' to indicate your directions)

	FOR	AGAINST	ABSTAIN
1. To approve the issue of no more than 36,585,366 securities at a price of $1.64 per security	☐	☐	☐

The Chairman of the meeting intends to vote undirected proxies in favour of the resolution.

If you mark the Abstain box, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Please sign here

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Securityholder 1	Securityholder 2	Securityholder 3
Individual/sole director and sole company secretary	Director	Director/Company Secretary

contact name (please print)

daytime telephone number

HOW TO COMPLETE THE PROXY FORM

1. Appointment of a Proxy

A proxy need not be a securityholder. If the individual/body corporate you wish to appoint as your proxy is someone other than the Chairman of the meeting, please write the name of that individual/body corporate. If you leave the box blank, or your named proxy does not attend the meeting, the Chairman of the meeting will automatically be your proxy and vote on your behalf. A body corporate appointed as a proxy may appoint a representative to exercise the powers that the body corporate may exercise as the unitholder's proxy pursuant to section 250D of the Corporations Act.

2. Appointment of a Second Proxy

A securityholder entitled to cast two or more votes may appoint a second proxy for the meeting. An additional proxy form may be obtained by telephoning 61 2 9253 8600 or you may copy this form. To appoint a second proxy you must:

(a) indicate that you wish to appoint a second proxy by marking the box overleaf;

(b) on each of the first proxy form and the second proxy form state the percentage of your voting rights or number of units applicable to that form. If you do not specify the proportion or number of your voting rights each proxy may exercise, each proxy may exercise half of the votes; and

(c) return both forms together in the same envelope.

3. Voting

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite the resolution. All your units will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given resolution, your proxy may vote as the proxy chooses. If you mark more than one box, your vote on that item will be invalid.

4. Signing Instructions

Individual:	Where the holding is in one name, the holder must sign.
Joint Holding:	Where the holding is in more than one name, any one of the securityholders may sign.
Power of Attorney:	To sign under power of attorney, you must have already lodged a certified copy of the power of attorney or the power itself with Abacus Funds Management Limited. If you have not previously lodged this document, you must do so when you return this proxy form.
Companies:	Where the company has a sole director who is also the sole company secretary, that person must sign this form. If the company (pursuant to section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise a director must sign this form jointly with either another director or a company secretary. Please indicate the office held by signing in the appropriate place.

5. Lodgement of a Proxy

This proxy form (and any power of attorney under which it is signed) must be received before 10 am on Monday 27 November 2006.

Documents may be lodged using the reply paid envelope or:

IN PERSON:	Computershare Investor Services Pty Limited Level 2, 60 Carrington Street SYDNEY NSW 2000 Australia
BY MAIL:	Computershare Investor Services Pty Limited GPO Box 242 MELBOURNE VIC 8060 Australia
BY FAX:	61 3 9473 2118

YOUR PROXY FORM MUST BE COMPLETED AND RETURNED BY 10AM ON MONDAY, 27 NOVEMBER 2006 FOR YOUR VOTE TO BE RECORDED.