

GPT

GENERAL PROPERTY TRUST

General Property Trust Stock Exchange Announcement & Media Release

GPT'S INDEPENDENT DIRECTORS REJECT COMMENTARY OF CORPORATE GOVERNANCE INTERNATIONAL 24 May 2005

GPT's Independent Directors, comprised of Peter Joseph (Chairman), Ken Moss and Malcolm Latham, note references in the press to a commentary prepared by Corporate Governance International ("CGI") and CGI's recommendations concerning voting by unitholders on the Internalisation Proposal at the meeting on 2 June 2005.

GPT's Independent Directors were neither consulted by CGI nor given the opportunity to comment on CGI's document before it was issued.

GPT's Independent Directors reject the criticism by CGI and strongly disagree with the commercial recommendations made by CGI.

Given the governance process adopted by GPT, GPT's Independent Directors do not agree that the conclusions and recommendations by CGI can be sustained. Further, GPT's Independent Directors believe that CGI is making an investment recommendation which it is not in a position to make.

GPT attaches a note from Blake Dawson Waldron confirming that GPT's Independent Directors have observed appropriate governance procedures. The opinion confirms that:

"Consistently with [those] ASX governance principles and practices, in BDW's opinion the directors sought and carefully evaluated advice as to the commercial strategies that might be in the best interests of GPT unitholders. There was rigorous questioning of advisers with appropriate credentials. Under the supervision of those directors, extensive due diligence investigations were conducted. There was an appropriate process to negotiate commercial arrangements on arm's length commercial terms. The proposals that are set out in the EM were ultimately considered by the Independent Directors to be in the best interests of Unitholders. ...

Based on BDW's observations and review of the material supplied to us, in BDW's opinion the directors have exercised care and diligence and have been even handed in considering the various competing proposals and options to date. They have developed and implemented a rigorous evaluation process in relation to the various proposals calculated to ensure that the interests of GPT unitholders were paramount. Throughout the past year we have observed that the Independent Directors have been mindful of, and acted in a manner consistent with, contemporary corporate governance principles and practices."

Blake Dawson Waldron, opinion dated 24 May 2005

For these reasons, GPT's Independent Directors consider that they are in the appropriate position and best qualified to make recommendations to unitholders.

GPT's Independent Directors unanimously confirm that the proposed internalisation is in the best interests of GPT unitholders because it will provide independence, significantly increase value, provide a clear strategy for growth and long term stability of Board and Management.

ENDS

Enquiries

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A prospectus for GPT Management Holdings Limited (**GPTCo**) shares was lodged with the Australian Securities and Investments Commission on 2 May 2005. The offers of the GPTCo shares will be made in, or accompanied by, a copy of the prospectus. Anyone wishing to acquire the GPTCo shares must be a member of General Property Trust (ARSN 090 110 357) on the record date specified in the prospectus.

BLAKE DAWSON WALDRON

L A W Y E R S

GENERAL PROPERTY TRUST CGI REPORT 17 MAY 2005

Blake Dawson Waldron (BDW) was retained as governance adviser at the time of receipt of the first merger proposal from Lend Lease in May 2004. BDW has continued to act in that capacity during subsequent negotiations including in connection with the current proposal in relation to the replacement of the responsible entity, internalisation of the management of GPT and the sale of certain assets to Westfield.

In undertaking the role of governance adviser, BDW has advised the Board, represented by its Independent Directors Peter Joseph, Malcolm Latham, Ken Moss and Elizabeth Nosworthy (until she stepped aside due to her directorship of Babcock & Brown).

Based on BDW's observations and an extensive amount of written material provided to us, BDW's view is that those directors have consciously informed themselves of their legal obligations as directors and of contemporary governance standards and expectations.

The ASX Corporate Governance Council's *Principles of Good Corporate Governance and Best Practice Recommendations* were discussed by us with those directors at various times. In particular the directors were clearly aware of their responsibilities to promote ethical and responsible decision making, balanced disclosure, and transparency.

Consistently with those ASX governance principles and practices, in BDW's opinion the directors sought and carefully evaluated advice as to the commercial strategies that might be in the best interests of GPT unitholders. There was rigorous questioning of advisers with appropriate credentials. Under the supervision of those directors, extensive due diligence investigations were conducted. There was an appropriate process to negotiate commercial arrangements on arm's length commercial terms. The proposals that are set out in the EM were ultimately considered by the Independent Directors to be in the best interests of Unitholders.

Additionally BDW noted various steps the directors took to obtain direct unitholder feedback on the present proposal and to consider that feedback.

Based on BDW's observations and review of the material supplied to us, in BDW's opinion the directors have exercised care and diligence and have been even handed in considering the various competing proposals and options to date. They have developed and implemented a rigorous evaluation process in relation to the various proposals calculated to ensure that the interests of GPT unitholders were paramount. Throughout the past year we have observed that the Independent Directors have been mindful of, and acted in a manner consistent with, contemporary corporate governance principles and practices.

GPT has provided us a copy of CGI's report of 17 May 2005.

CGI recommends against the current proposal. CGI bases its criticism on material from the EM and from the report of the Independent Expert Grant Samuel.

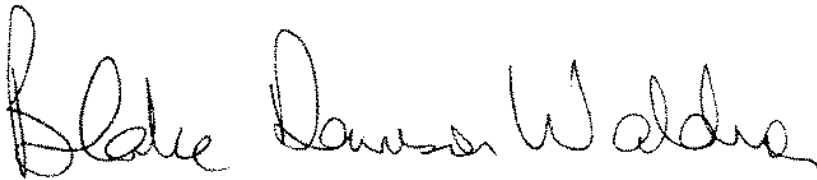
That material is available to Unitholders because GPT's Independent Directors have sought to place before Unitholders a clear and transparent explanation of the Proposal, with balanced presentation of both its advantages and disadvantages.

GPT's Independent Directors concluded that the advantages clearly outweighed the disadvantages and that the Proposal is for the benefit for Unitholders.

Opinion

In our opinion, based on observations and the information provided to us, the Independent Directors have:

- (a) developed and implemented a rigorous evaluation process in relation to the various proposals to ensure that the interests of GPT unitholders were paramount;
- (b) exercised care and diligence and been even handed in considering the various competing proposals and options to date; and
- (c) been mindful of, and acted in a manner consistent with, contemporary corporate governance principles and practices, including ensuring ethical and responsible decision making, balanced disclosure, and transparency.

A handwritten signature in black ink, reading "Blake Dawson Waldron". The signature is fluid and cursive, with the first name "Blake" being the most prominent.

BLAKE DAWSON WALDRON

24 May 2005