

MEDIA RELEASE
28 May 2007**ADMINISTRATORS APPOINTED TO ESTATE PROPERTY GROUP**

Corporate recovery and advisory firm McGrathNicol was today appointed Voluntary Administrator of the Estate Property Group, which includes the investment company Australian Capital Reserve Limited (“ACR”).

The Administrators, Murray Smith, Scott Kershaw, Joseph Hayes and Colin Nicol have been appointed to oversee a group of 26 companies which between them own 21 separate property developments in NSW and Victoria.

ACR raised over \$300 million from investors in a series of unsecured loan notes. It then lent those funds on a secured basis to other companies in the Estate Property Group to help finance their various property developments. A number of secured third party financiers have also advanced funds to the group.

“It is too early to estimate the ultimate return to noteholders. We are conducting an urgent review of each of the property developments and will seek to devise a strategy to help maximise the potential return to noteholders, secured lenders and unsecured creditors alike,” Administrator Murray Smith said.

“We are commencing talks with the secured lenders to the various developments and plan to secure their support to allow projects to be completed on schedule and for maximum value,” Mr Smith said.

First meetings of creditors and a separate Noteholder Information Session will be held on 4 June 2007. Details of these meetings will be provided to creditors and investors in the near future. Regular updates and information for creditors and investors will be posted on the Administrators section of www.mcgrathnicol.com.

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