

Kareelya Investments Limited

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30 August 2004

Company Announcements Platform
Australian Stock Exchange Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Dear Sir

Westralia Property Trust – Variation of Distribution Reinvestment Plan Rules

The Directors of Kareelya Investments Limited, the responsible entity of the Trust, propose to change the manner in which the issue price will be determined for the issue of new units under the Distribution Reinvestment Plan, together with the introduction of a discount on the issue price of the new units.

Attached are copies of letters sent to unitholders advising them of the proposed changes which will be effective from 30 September 2004.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Brett Jackson', with a large, sweeping flourish extending to the left.

Brett Jackson
Chief Executive Office

26 August 2004

Dear Unitholder

Variation of Distribution Reinvestment Plan (DRP) Rules

The Directors of Kareelya Investments Limited, the responsible entity of the Westralia Property Trust, wish to advise that it proposes to change the manner in which the issue price will be determined for the issue of new units under the DRP, together with the introduction of a discount on the issue price of the new units. These changes will take effect from 30 September 2004.

The purpose of this letter is to advise unitholders of these changes.

Currently, the DRP Rules determine that the issue price for units under the DRP is the closing market price of units on the day before each quarterly distribution is announced. The Directors believe this methodology is now no longer appropriate.

The change to the DRP Rules will now provide that the price of units issued under the DRP will be:-

“The average trading price (weighted by volume) of the Trust’s units traded on the ASX during the 10 trading days from, and including the date on which the Trust’s units trade ex-distribution, less a discount of up to 10% of the average trading price as determined by the directors at their absolute discretion.”

For the purpose of this calculation the ex-distribution date will be 4 trading (business) days before the end of the quarter to which the distribution relates. At the time of announcing the distribution the Directors will determine the discount applicable for that quarter. The announcement date for the next distribution is anticipated to be 21 September 2004. Unitholders should note that the Directors have discretion to issue units at a discount of up to 10%, however, the current intention is to apply a discount of around 5% for the near term.

The ability to issue units at a discount of up to 10% now brings the DRP Rules into alignment with the general issue pricing parameters included in the Trust’s Constitution.

The DRP provides investors with a convenient way to increase their holdings in the Trust by reinvesting all, or part of their distributions in additional units. By acquiring units through the DRP, investors do not have to pay brokerage or any other costs that may be incurred buying units on the stock exchange.

For Westralia the DRP allows the Trust to retain the cash ordinarily distributed to unitholders and to invest that cash in growing the assets of the Trust. The Directors encourage unitholders to consider electing to participate in the DRP, whether in respect of all, or some of their units. However, as unitholders have different financial needs and taxation circumstances, you should

consult your own financial, taxation or legal adviser before deciding whether to elect to participate in the DRP.

If you currently do not participate in the DRP and would now like to do so, please complete the attached DRP election form and return it in the reply paid envelope. Alternatively, DRP election forms can be obtained from Computershare Investor Services on 1300 557 010 or from this office.

Please note that to participate in the DRP in respect of the next distribution, which is due to be paid on 21 October 2004, the DRP election form needs to be returned to us or Computershare on or before 30 September 2004.

Should you have any questions about the DRP, or your participation in it, please contact David Hinton or me on (08) 9368 8200.

Yours sincerely

A handwritten signature in black ink, appearing to read "Brett Jackson", is written over a long, thin, slightly curved line that serves as a decorative underline.

Brett Jackson
Chief Executive Officer

26 August 2004

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Brett Jackson
Chief Executive Officer