

19 July 2007

Major Queensland Retirement Resorts IPO Closes ASX Listing circa 31 July

The Prime Retirement & Aged Care Property Trust ("**Prime Trust**") has announced that its IPO has closed after seven business days having raised its maximum \$100m target.

The Hon Dr Michael Wooldridge, Chairman said, "This is an excellent outcome for Prime Trust. This means Prime Trust will have a market capitalisation at issue price of \$553 million and should sit just outside the ASX top 200."

Subject to final ASX approval, Prime Trust units are expected to commence trading on or around Tuesday 31 July 2007 under the ASX code PTN.

At IPO, Prime Trust will have gross assets of \$1.3 billion, net assets of \$553 million and over 8,000 Unitholders.

We also advise that Babcock & Brown Australia Pty Ltd has exercised its option to enter into a Call and Put Option to acquire the management rights of the Retirement Villages currently managed by Retirement Guide Pty Ltd. This transaction is expected to complete in September 2007.

Prime Trust is Australia's third largest owner of retirement resorts and aged care facilities and will be one of only four listed property vehicles with pure retirement sector. It has a portfolio of more than 4,600 retirement village units and 780 aged care beds exposure strategically focused on coastal Queensland and the New South Wales central coast. It also has a pipeline of at least a further 1,800 units and beds.

The forecast cash distribution yield for the year ending 30 June 2008 is 8.5% fully tax deferred. Each \$1.00 unit will have an NTA backing of \$1.02 per unit.

Kidder Williams Ltd (www.kidder.com.au) is Advisor to Prime Trust and Patersons Securities Ltd is Broker to the Issue.

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