MULTIPLEX DEVELOPMENT AND OPPORTUNITY FUND

Product Disclosure Statement

14SEPTEMBER05

MULTIPLEX
DEVELOPMENT AND
OPPORTUNITY FUND

ARSN 100 563 488

MULTIPLEX CAPITAL

CONTENTS

IMPORTANT NOTICES

Multiplex Development and Opportunity Fund

This Product Disclosure Statement (PDS) is dated 14 September 2005 and relates to the offer of Units in the Multiplex Development and Opportunity Fund (ARSN 100 563 488) (the Fund) by Multiplex Investments Limited (ACN 096 295 233) (the Manager). An electronic version of this PDS appears on the Manager's website at www.multiplexcapital.biz. If you receive this PDS in electronic form you are entitled to obtain a paper copy (including the Application Form) free of charge by calling Registries on 1800 766 011. The offer of Units under this PDS is only available to persons receiving this PDS (electronically or otherwise) within Australia. This PDS does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of this PDS outside Australia may be restricted by law and persons who come into possession of this PDS outside Australia should seek advice on and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. Applications for Units can only be submitted on the relevant original Application Form attached to and forming part of or accompanying this PDS, or accompanied by an electronic version of this PDS.

Responsible Entity and Custodian

The Manager is the responsible entity of the Fund and the issuer of the Units offered under this PDS. The Manager holds Australian Financial Services licence number 241178 and is a wholly owned subsidiary of Multiplex Limited (ACN 008 687 063). The custodian of the Fund is Multiplex Funds Management Limited (ACN 105 371 917) (the Custodian). The Custodian is not the issuer of this PDS, and makes no representation as to, and takes no responsibility for, the accuracy or truth of any statement or omission from any part of this PDS. Neither the Manager, the Custodian, Multiplex Group nor their associates, directors or members guarantee the success of the Fund, the repayment of capital or any particular rate of capital or income return (other than as set out in Section 2.9). An investment in the Fund is subject to investment and other risks (see Section 6). The Manager has not authorised any person to give any information or to make any representation in connection with the Offer which is not contained in this PDS. No such information or representation may be relied upon as having been authorised by the Manager in connection with the Offer.

Important Information

This PDS contains important information and investors should read it carefully. The information in this PDS is general information only. In preparing this document, the Manager did not take into account the individual objectives, financial situation or needs of any particular person. Before making an investment decision, investors should consider whether the information in this PDS is appropriate to their objectives, financial situation and needs. Investors are encouraged to obtain independent financial advice before making an investment decision.

Information that is not materially adverse information is subject to change from time to time. Updated information will be available on the Manager's website at www.multiplexcapital.biz. Upon request the Manager will provide a paper copy of any updated information free of charge.

This PDS is intended for use by persons investing directly in the Fund as well as persons investing indirectly in the Fund through an investor directed portfolio service (IDPS), IDPS-like scheme such as a master trust or wrap account, or through a nominee or custody service. For investors investing through IDPSs or IDPS-like schemes, references to Unitholders in this PDS are references to the operator or custodian of that service (who holds the Units).

Certain terms used in this PDS have been defined and the definitions are set out in the Glossary in Section 9. That Section should be read in conjunction with the rest of this PDS.

Photographs in this PDS do not represent assets that are directly held by the Fund.

LETTER FROM THE MANAGING DIRECTOR

Dear Investor,

On behalf of the Manager, it is my pleasure to invite you to become an investor in the Fund. I am also pleased to invite existing Unitholders to make further investments into the Fund.

The Fund invests into a variety of property development investments and other direct and indirect property-related transactions. Through returns generated from these investments, the Manager aims to meet or exceed a benchmark pre-tax return to Unitholders of at least 15% per annum, after fees and expenses (refer to Section 3.1). Importantly, Multiplex will have some involvement in each opportunity into which the Fund invests. It is likely that in the majority of cases, Multiplex will be both a co-investor and development manager. This will ensure that the interests of the Fund and of Multiplex are closely aligned. To date, the Fund has invested into developments such as World Square Shopping Centre (Sydney), Jones Bay Wharf (Sydney) and Southern Cross (Melbourne). Investments as at the date of this PDS include Raffles (Perth), Portside Wharf (Brisbane) and The Chancellor Double Bay (Sydney).

The Fund has a number of features which we believe investors will find attractive. These include:

— an 8% per annum income guarantee net of fees and expenses until 30 June 2008 (refer to Section 2.9); and

— a $20 million Liquidity Facility (refer to Section 2.14).

Since listing in December 2003, Multiplex has gained access to an increased range of development opportunities across all property sectors both in Australia and overseas. The Manager has been advised by Multiplex that many of these opportunities which exist at the date of this PDS will be offered to the Fund for investment by the Fund. Funds raised under this PDS will be invested into these and other development opportunities.

Multiplex Group is a fully integrated and diversified business with operations in property investment, property funds management, facilities and infrastructure management, property development and construction. As at 1 September, 2005 it has a market capitalisation of approximately $2.8 billion.

Multiplex has been involved in a number of significant property developments and has an experienced, highly skilled and well-resourced team of property professionals, which is recognised for delivering quality property developments.

I encourage you to read this PDS carefully and, if you have any questions, please contact your financial adviser, or Registries on 1800 766 011. Advisers can contact the Manager on (02) 9256 5700.

On behalf of my fellow directors, I commend to you an investment into the Fund and look forward to welcoming you as a Unitholder.

Yours sincerely

Ian O'Toole
Managing Director

SUMMARY OF INVESTMENT

		Refer to Section
Return objective	The objective of the Manager is to maximise returns to Unitholders. The Manager aims to meet or exceed a minimum benchmark pre-tax return to Unitholders of 15% per annum, net of fees and expenses.	3.1
Investments	The Fund will invest into property development and other direct and indirect property-related transactions.	3.2
Multiplex involvement	Multiplex must have a development role or some other involvement in each investment made by the Fund.	3.2
Minimum initial investment	$10,000 and thereafter in multiples of $1,000.	2.3
Multiplex income guarantee of return on NAV	Multiplex will ensure that the Fund is in a position to make pre tax distributions of 8% per annum on the NAV of the Fund until 30 June 2008, net of management fees and operating expenses. Please note, capital remains at risk.	2.9
Unit price	Calculated in accordance with the Constitution, being a price equal to NAV divided by the number of Units on issue.	2.5
Distribution	Generally distribution entitlements to be determined monthly and paid quarterly. The Fund is subject to tax as if it were a company and therefore makes distributions on an after tax basis.	2.7, 2.8
Priority return entitlement from Multiplex Developments	The Fund will have a priority entitlement to an agreed development return from a Multiplex Development.	2.10
Split of excess development returns from Multiplex Developments	After payment of the priority return, excess development returns on each project will be split 50:50 between the Fund and Multiplex.	2.11
Risk	The Fund will make investments in development related projects which, by their nature, carry a higher degree of risk than investments in built and tenanted properties.	6
Funds under management	As at 1 September 2005, and based on the assets valued at historical cost, the Fund had funds under management of $144.36 million.	1.3
Redemption rights#	When the Fund is liquid, which it is not at the date of this PDS, Unitholders can request a redemption of their Units at any time.	2.13
Liquidity	The Manager, in its personal capacity, offers to acquire Units from Unitholders seeking to exit the Fund, up to a maximum in aggregate holding by the Manager of $20 million. As at 1 September 2005, the Manager's holding was worth $4.03 million.	2.14
Fees	Management and other fees are payable by Unitholders.	7
Cooling-off#	When the Fund is liquid, which it is not at the date of this PDS, cooling-off rights will apply to investments in the Fund.	8.6

This is a summary only. Potential investors should read the entire PDS prior to making an investment decision.

The Fund is illiquid as at the date of this PDS. However, the Manager anticipates that there may be periods in the future during which the Fund may become liquid. For the latest information as to whether the Fund is liquid or illiquid, please refer to the Manager's website at www.multiplexcapital.biz. Redemption rights and cooling-off rights do not apply during any period the Fund is illiquid.

IMPORTANT DATES

Offer opened	10 November 2004
Offer closes	No specific closing date as the Fund is open-ended (see Section 2.1)
Allotment dates	Generally, the first Business Day of each month
Distribution payment dates	Following the end of each September, December, March and June

These dates are indicative only and may change. The Manager reserves the right to close the Offer at any time and without notice. The Manager may, at its discretion, issue Units on a day other than the first Business Day of each month.

WHAT POTENTIAL INVESTORS NEED TO DO

Potential investors wanting to participate in this Offer need to complete the following six steps:

1. Read

Read this PDS in full paying particular attention to the following:

— Important Notices set out on the inside front cover; and

— Risks associated with owning Units, set out in Section 6.

2. Consider

Consider all risk factors and other information concerning the Fund in light of your investment objectives and circumstances. In particular, consider the unlisted and potentially illiquid nature of the Fund.

3. Consult

Consult your financial or other professional adviser before deciding to invest in the Units.

4. Complete

Complete the Application Form attached to or accompanying this PDS. If you have any questions on what you need to do call Registries on 1800 766 011.

When your Application Form is completed you must pay for your Units by cheque in Australian currency.

5. Application amount

Application amounts must be at least $10,000. Application amounts in excess of $10,000 must be in multiples of $1,000. Cheques should be crossed “not negotiable”, and made payable to “MDOF Application Account”.

6. Mail

The completed Application Form, together with your cheque, should be returned in accordance with instructions from your financial adviser or mailed to:

Multiplex Development and Opportunity Fund
C/– Registries
PO Box R67
Royal Exchange
Sydney NSW 1223

1 SECTION

ABOUT THE FUND

1.1 OVERVIEW OF THE FUND AND ITS INVESTMENTS

The Fund seeks to provide investors with returns in excess of those generally available through an investment in traditional property funds that own completed property assets. The Manager aims to achieve this via investments in a range of property projects at various stages of the development cycle as well as other investments that are directly or indirectly related to property.

The Fund will invest into Multiplex Developments and Non-Multiplex Developments (see Section 3.2).

Importantly, a decision about whether the Fund will invest into a Multiplex Development may only be made with the approval of all the independent directors of the Manager.

In relation to Non-Multiplex Developments, Multiplex must have a development management role or some other involvement in the project.

As at 1 September 2005, the Fund has invested into 19 projects (see Section 4.1). Investments by the Fund can be made through a variety of structures (see Section 3.6). Investment structures will be determined on a case by case basis.

1.2 STRUCTURE AND FEATURES OF THE FUND

The Fund is an unlisted property development and opportunity unit trust. Multiplex Investments Limited (the Manager) is the responsible entity of the Fund and the issuer of the Units offered under this PDS (see Section 8.1 and 8.4). Multiplex Funds Management Limited (the Custodian) is the custodian of the Fund and in this role holds the Fund's assets (see Section 8.12).

From a Unitholders perspective the Fund has some important features which include:

— greater liquidity than is often available in relation to direct investments in property developments through the Liquidity Facility (see Section 2.14);

— an income guarantee pursuant to which Multiplex will ensure that the Fund is in a position to make pre tax distributions of 8% per annum on the NAV of the Fund until 30 June 2008.

1.3 BACKGROUND TO THE FUND AND HISTORICAL PERFORMANCE

The Fund was established on 27 May 2002 and, until 5 October 2004, was known as the Multiplex Development Trust II. Since that date, the Fund has been known as the Multiplex Development and Opportunity Fund, which more accurately reflects its investment mandate.

As at 1 September 2005, and based on the assets valued at historical cost, the Fund had funds under management of $144.36 million.

The returns from each of the Fund's realised investments from its inception date to 1 September 2005 are set out below:

Project	Investment amount ($)	Return on Fund investment (%)(1)(2)
Jones Bay Wharf, Sydney	2,000,000	37.9
Luna Park Car Park, Sydney	2,500,000	32.5
Darling Island, Sydney	1,220,000	27.0
W1 Industrial Estate, Altona, Melbourne	5,000,000	25.0
Vale (Stage 2), Perth	5,000,000	24.5
Proximity Arncliffe (CSI interest), Sydney	1,875,000	22.0
Southern Cross, Melbourne	20,000,000	21.7
Latitude Strata Office (650 George Street), Sydney	3,084,381	20.5
Luna Park Entertainment and Convention Precinct, Sydney	12,000,000	20.2
Rhodes, Sydney	5,000,000	20.0
King Street Wharf (Stage 3b and c), Sydney	8,000,000	20.0
Pittwater Place Mona Vale, Sydney	10,000,000	20.0
Latitude Retail and Carpark, Sydney	21,915,619	17.5
Vale (Stage 3), Perth	9,250,000	17.0
The Fund's investment into Multiplex Development Trust	6,512,023	16.6

(1) Represents an annualised figure before tax.

(2) The historical return of the Fund is less than the aggregate of these returns due, in part, to cash held in the Fund from time to time.

The table below sets out the historical performance of the Fund to 30 June 2005. The Fund's performance has been calculated as the gross yield after operating expenses. Importantly, potential investors should note that the performance figures exclude any unrealised development profits that were generated in the period since the Fund made its original investment in those respective developments. Therefore, if unrealised development profits were included, the Fund's performance figures would be higher.

	1 July 2004 to 30 June 2005	**Inception date (May 2002) to 30 June 2005**
Fund performance **before** tax and after operating expenses (%)	17.46	16.65(1)
Fund performance **after** tax and operating expenses (%)	12.82	13.09(1)
Net distribution cents per Unit	10.94(2)	32.55(3)

(1) Represents an annualised figure.
(2) The level of franking was 100%.
(3) In some periods pre 30 June 2004, the level of franking was less than 100%.

As the Fund is taxed as a corporate taxpayer, it makes distributions on an after tax basis, which are able to be franked up to 100%.

To the extent possible, the Manager will attempt to match tax payments to income so as to ensure maximum franking of distributions. Individuals, complying superannuation funds and companies receiving distributions will include in assessable income the amounts received and a gross up for imputation relevant to the distribution. In calculating tax payable a credit may be available for the imputation credits attaching to the distribution.

In relation to the information contained in the table set out above, please note that historical performance is no indication of likely future performance. Further, a number of features of the Fund, including the Fund's investment mandate, priority return entitlement and percentage split of excess development returns were amended on 29 September 2004.

1.4 INVESTMENT OBJECTIVE

The investment objective of the Fund is to maximise returns to Unitholders through investments in a range of property developments and other investments directly or indirectly related to property, both in Australia and overseas, and across all property sectors.

In line with its objective to maximise returns, the Manager aims to meet or exceed a benchmark pre-tax return to Unitholders of at least 15% per annum, net of fees and expenses (see Section 3.1).

1.5 FUND INVESTMENTS

The investments to be undertaken by the Fund will include, but not be limited to, the following:

— a diversified portfolio of traditional property development projects across all property sectors;

— "value-add" opportunities for completed property assets (e.g. a capital expenditure and re-leasing program to add value to a completed property asset);

— indirect property investments (e.g. provision of mezzanine loan funds into property developments); and

— any other direct or indirect property-related investments which the Manager considers appropriate given the Fund's return objective (e.g. retail property syndication projects and underwriting of property-related fund raisings).

The Manager may change the investment strategy after giving reasonable prior notice to Unitholders.

The Manager will seek to maintain a high number of suitable investment opportunities to achieve the benefits of investment diversification. In doing so, the Manager:

— will only invest in developments that satisfy the investment criteria described in Section 3.2;

— will undertake an evaluation and due diligence process in relation to the potential investment;

— will seek to ensure that the Fund is substantially invested at all times; and

— may consider developments with joint venture partners to share risk and increase access to development opportunities.

1.6 UNITS ON ISSUE

As at 1 September 2005, there are 142.14 million Units on issue. All Units have been issued at NAV per Unit and are fully paid. All new Units issued pursuant to this PDS will be issued at NAV per Unit and will be fully paid.

In accordance with the Constitution, the Manager may round the application price of a Unit (see Section 2.5).

1.7 BORROWINGS

There will be no borrowings at the Fund level. However, borrowings may be made by subsidiaries or sub-trusts of the Fund, or by trusts or other vehicles in which the Fund has invested. Any such borrowings will not have recourse to any other assets of the Fund, only to the assets of that particular entity.

SECTION 2

DETAILS OF THE OFFER

DETAILS OF THE OFFER

2.1 DETAILS OF THE OFFER

Pursuant to this Offer investors may acquire Units in the Fund. The Offer does not have a specific closing date. Rather, the Offer remains open until the Manager closes it (which it may do at any time and without notice at its sole discretion). In the medium term, it is not envisaged the Fund will close to new investments and therefore, existing and new investors are likely to be able to make further investments. Applicants will either be issued new Units or transferred existing Units held by the Manager – see Section 2.6.

2.2 BACKGROUND TO THE OFFER

Multiplex has advised the Manager that, as at the date of this PDS, it is aware of a range of property development opportunities that Multiplex intends to offer to the Fund for investment by the Fund. Examples of such opportunities at the date of this PDS are set out in Section 4.4.

The Manager has issued this PDS to raise additional funds which it intends to invest into these development opportunities and other development and property-related opportunities, subject to being satisfied that the investment opportunity complies with the investment criteria described in Section 3.2. Alternatively, in the event that the Manager elects to transfer existing Units that it has acquired pursuant to the Liquidity Facility, then application monies will be paid to the Manager in consideration for the Units transferred.

2.3 MINIMUM INVESTMENT

The minimum investment amount is $10,000. Additional application amounts must be in multiples of $1,000.

2.4 NO MINIMUM SUBSCRIPTION

There is no minimum subscription for this Offer. This means that Units will be issued regardless of the level of funds raised pursuant to this PDS.

2.5 CALCULATION OF UNIT PRICE

The Constitution provides:

- that a Unit must only be issued at an application price equal to NAV divided by the number of Units on issue; and
- the application price of a Unit may be rounded as the Manager determines. The amount of the rounding must not be more than 1% of the application price.

In calculating the NAV, the Manager may determine valuation methods and policies for each category of asset and change them from time to time. Where the Manager values an asset at other than historical cost which, as at the date of this PDS, it intends to do, the valuation methods and policies applied by the Manager must be capable of resulting in a calculation of the application price (or redemption price) that is independently verifiable.

Although the Unit price will change over time, it is always calculated in accordance with the Constitution. **The Unit price will be updated on the Manager's website.**

2.6 ISSUE OR TRANSFER OF UNITS

Applicants under this PDS will, at the discretion of the Manager, be either issued new Units or transferred existing Units held by the Manager in its personal capacity. Units may be transferred to an applicant in circumstances where the Manager has acquired Units pursuant to the Liquidity Facility – see Section 2.14.

The acceptance of an application for Units will be at the absolute discretion of the Manager. The Manager may reject an application, in which case, the Manager will refund the application monies, without interest.

Units will, in general, be issued or transferred, as the case may be, on the first Business Day of the month after the Manager receives the application and cleared application money at the Unit price calculated on the first Business Day of the month. Cleared funds received will be held on trust in the applications account until the Units are issued. **The Fund is entitled to keep any interest earned prior to the issue of Units for the benefit of all Unitholders.**

The Manager may issue or transfer Units at other times at its discretion.

With respect to the issue of Units, the Constitution provides that the Manager is entitled to be paid a fee equal to 4% of the application money. At the date of this PDS, the Manager intends to charge an application fee of 4% (inclusive of the net impact of GST on the Fund including expected RITCs) of the application money. Therefore, for each $100 invested into the Fund, assuming a NAV per Unit of $1.00, an applicant will receive 96 Units valued at an issue price of $1.00 each.

With respect to the transfer of Units from the Manager to an applicant, the Manager is entitled to be paid a purchase fee equal to 4% of the value of the purchase price (inclusive of GST). As at the date of this PDS the Manager intends to change the 4% purchase fee. Therefore, for each $100 paid by an applicant to the Manager, assuming a NAV per Unit of $1.00, the applicant will receive 96 Units valued at $1.00 each.

In certain circumstances these fees are negotiable (see Section 7.4). The Manager may accept lower fees than it is entitled to receive or may defer payment for any period.

2.7 INVESTOR DISTRIBUTIONS

Investors will be entitled to distributions of all income realised by the Fund, net of fees and expenses of the Fund (after reimbursement of the Multiplex income guarantee). This may differ from reported income due to relevant accounting standards and the requirement to report income on a basis other than realisation.

Income distributions will, in general, be determined immediately prior to each new issue of Units or the transfer of Units from the Manager – usually on a monthly basis. Distributions will be paid quarterly. Each Unitholder's entitlement to the distributable income of the Fund is proportional to the number of Units they hold at the end of the relevant distribution period.

By way of example:

	Investor A	Investor B
Application received	22 October	5 November
Units issued	1 November	1 December
Distribution entitlement	November, December	December
Payment by distribution	On or before mid February	On or before mid February

Payment of distributions will generally be made within six weeks (and generally within 30 days) following the end of each quarter by electronic funds transfer to a nominated bank, building society or credit union account. **Distributions will not be paid by cheque.**

The Manager may elect to determine an income distribution at other times. For example, if the Manager elected to issue Units on a day other than the first Business Day of a month.

If Units are transferred during a Distribution Period, the transferee holding the Units at the end of the Distribution Period will be entitled to any income distribution in relation to those Units.

Capital distributions may also be made. Such distributions will be in proportion to the number of Units held on the relevant capital distribution date as decided by the Manager.

2.8 DISTRIBUTIONS AND REINVESTMENT

The Constitution provides that the Manager may permit Unitholders to reinvest their distributions to acquire additional Units. The Manager has decided to permit reinvestment, and intends to notify existing Unitholders of the procedure for reinvestment. Applicants under this PDS may elect to participate in the distribution reinvestment plan by completing the relevant part of the Application Form – see Section 8.14 for details of the plan. If a Unitholder does not participate, then that Unitholder's interest in the Fund would be diluted relative to those Unitholders that do participate.

2.9 MULTIPLEX INCOME GUARANTEE

Multiplex Limited has agreed to ensure that the Fund is in a position to make a pre tax distribution of 8% per annum on the NAV of the Fund until 30 June 2008 net of management fees (including the GST impact of those management fees) and operating expenses. To the extent that income of the Fund does not generate at least an 8% per annum distribution in any distribution period, net of fees and expenses, Multiplex Limited will ensure that the Fund is put into a position so that it can pay a distribution of that amount.

Any amount paid by Multiplex Limited to the Fund under the guarantee will be reimbursed by the Fund to Multiplex Limited from income of the Fund in subsequent periods. As at the date of this PDS, the Fund's contingent obligation to Multiplex Limited is $4.2 million pursuant to the income guarantee. In the event that the Manager is replaced as the responsible entity of the Fund by a company other than a Multiplex subsidiary, the income guarantee in this Section will cease to apply – other than in relation to any reimbursement to Multiplex Limited.

The following example sets out the commercial effect of the payment and recoupment of this 8% income return guarantee by Multiplex Limited, assuming the Fund has a NAV of $100 million (and that the value of the Fund's assets does not change).

Quarter	Sep ($m)	Dec ($m)	Mar ($m)	Jun ($m)	Total ($m)
Income					
Realised development project income (before repayment of income guarantee)	3.500[1]	–	1.000[2]	13.400[3]	17.900
Other Fund income[4]	0.200	0.200	0.200	0.200	0.800
9.8% per annum net income guarantee (comprising 8.0% guarantee plus MER of 1.8%) paid by Multiplex Limited to the Fund prior to realisation of development projects	–	2.250	1.250	–	3.500
Total Fund income	3.700	2.450	2.450	13.600	22.200
Expenses					
Management fee at 1.5% per annum	0.375	0.375	0.375	0.375	1.500
Operating expenses at 0.3% per annum	0.075	0.075	0.075	0.075	0.300
Fund reimburses Multiplex Limited 9.8% net income guarantee	–	–	–	3.500	3.500
Total Fund expenses	0.450	0.450	0.450	3.950	5.300
Net (pre-tax) return to the Fund	**3.250**	**2.000**	**2.000**	**9.650**	**16.900**

Assumptions

(1) September return to the Fund of $3.5 million on investment of $10 million for two years.
(2) March return to the Fund of $1.0 million on investment of $5 million for one year.
(3) June return to the Fund of $13.4 million on investment of $40 million for two years.
(4) Represents other Fund income (e.g. interest income).

The guarantee is calculated by reference to the NAV of the Fund. **It is not a guarantee of the capital value of the Fund. Therefore, if an investment of the Fund falls in value, the value of Units will fall.** The example is not a forecast or indicator of actual returns. For simplicity, the table does not show investments producing ongoing returns, rather just an end realisation. However, it may be the case that investments do produce income prior to realisation.

2.10 PRIORITY RETURN ENTITLEMENT FROM MULTIPLEX DEVELOPMENTS

The Fund will, in relation to Multiplex Developments in which it has invested, have a priority entitlement to an agreed development return once all development costs have been paid and any funding of those costs has been repaid.

To the extent that the proceeds realised from a Multiplex Development in which the Fund has invested are sufficient to meet all development costs and any funding of those costs has been repaid, the Fund will be entitled to the return of the funds it originally invested, plus an amount equal to at least 16.8% per annum (being 15% per annum net of fees and expenses) on the money invested in that development for the period of investment, in priority to any returns that Multiplex may receive.

2.11 SPLIT OF EXCESS DEVELOPMENT RETURN FROM MULTIPLEX DEVELOPMENTS

For each Multiplex Development, in addition to the priority development return referred to in Section 2.10, the Fund will be entitled to a 50% share of any excess development return over and above the priority return. Multiplex will be entitled to the remaining 50% for services provided by Multiplex.

Assuming a development return of $14 million is realised on an investment by the Fund of $10 million into a Multiplex Development project held for 24 months, the allocation of this return would be as follows:

Item		**($m)**
Return to the Fund of its initial investment		10.00
MER of Fund (1.8% x $10 million for 24 months)		0.36
#Priority return entitlement to the Fund at 15% per annum net of fees and expenses (i.e. 15% x $10 million for 24 months)		3.00
#Development return after MER and preferential return entitlement – 50:50 split between:	the Fund: 0.32 and Multiplex: 0.32	0.64
Total		**14.00**

\# The priority return entitlement and the Fund's share of the excess development return may, in certain circumstances, be reimbursed to Multiplex Limited pursuant to the income guarantee (see Section 2.9).

2.12 PRIORITY DEVELOPMENT RETURN ENTITLEMENT AND SPLIT OF EXCESS DEVELOPMENT RETURNS FROM NON-MULTIPLEX DEVELOPMENTS

In relation to each Non-Multiplex Development, the Manager will endeavour to negotiate arrangements with the relevant parties to ensure that the Fund will have a priority entitlement to development returns similar to the entitlement outlined in Sections 2.10 and 2.11 in relation to Multiplex Developments. Given the wide variety of property and property-related investments the Fund may make, it will not always be possible to negotiate such a priority entitlement for the Fund. The Manager will always bear in mind the Fund's investment criteria and benchmark return in deciding whether to invest in a Non-Multiplex Development.

To the extent that an investment in a Non-Multiplex Development results in the Fund earning a return in excess of 16.8% per annum (being 15% per annum net of fees and expenses) the Fund and Multiplex will share the excess development return along the same lines as those outlined in Section 2.11 in relation to the split of excess returns from Multiplex Developments.

2.13 WITHDRAWAL RIGHTS

The options available to a Unitholder to withdraw from the Fund will depend on whether the Fund is liquid or illiquid.

The term "liquid" is defined in section 601KA of the Corporations Act. The Fund will be liquid when at least 80% of the value of the assets of the Fund are liquid assets (being assets such as money on deposit with a bank, marketable securities and any other property that the Manager reasonably expects can be realised for market value within 12 months).

When the Fund is liquid, Unitholders can request a redemption at any time. The Manager need not give effect to a redemption request in respect of Units having an aggregate redemption price of less than the minimum application amount (being $10,000) or such other amount as determined by the Manager from time to time, unless the redemption request relates to the balance of the Unitholder's holding. The Manager will generally seek to meet a redemption request within three months. However, under the Constitution, the Manager has up to 12 months to satisfy a redemption request. A redemption of Units will, in general, occur on the first Business Day of a month at the Unit price calculated on that first Business Day of the month.

The Constitution provides that a Unit may only be redeemed at a price equal to the NAV divided by the number of Units in issue. The redemption price may be rounded as the Manager determines, however, the amount of rounding must not be more than 1% of the redemption price. The Manager's website will publish the historical Unit price from time to time.

The Manager is entitled to receive a fee in respect of the administration costs incurred in redeeming Units. The fee will be the greater of 1% of the amount payable upon redemption or $110 (inclusive of GST). See Section 7.7 for further information. The Manager may accept lower fees than it is entitled to receive or may defer payment for any period.

When the Fund is illiquid, there are no rights of redemption unless the Manager determines to make a withdrawal offer to all Unitholders. As at the date of this PDS the Manager does not intend to make any withdrawal offers. In the absence of the Manager making a withdrawal offer, Unitholders who wish to exit the Fund may, subject to its availability, take advantage of the Liquidity Facility (see Section 2.14).

As at the date of this PDS the Fund is illiquid and therefore Unitholders may not elect to redeem their Units. The Manager's website will be updated regularly as to whether the Fund is liquid or illiquid. Please note, the Manager anticipates that there may be periods in the future during which the Fund may become liquid.

2.14 CAPPED LIQUIDITY FACILITY

The Manager, in its personal capacity, offers to acquire Units from Unitholders seeking to exit the Fund in accordance with the following terms.

Investors who invest in the Fund through an IDPS or an IDPS-like scheme may only use the Liquidity Facility while the Fund is illiquid. When the Fund is liquid, investors through an IDPS or IDPS-like scheme may only withdraw from the Fund by redeeming Units – see Section 2.13. Other investors in the Fund may use the Liquidity Facility regardless of whether the Fund is liquid or illiquid.

The price the Manager will pay for a Unit it buys under the Liquidity Facility will be equal to the NAV divided by the number of Units on issue calculated on that first Business Day of the month. Dependent upon the length of time a Unit has been held (unless the Unit is held through an IDPS or an IDPS-like scheme), the Manager will charge the following administration fee in relation to transfers pursuant to the Liquidity Facility:

- Units held for less than three years: 4% of the sale proceeds;
- Units held between three years and five years: 2% of the sale proceeds; and
- Units held for greater than five years: no administration fee.

See Section 7.8 for further information.

Units on issue as at 1 November 2004 will, so long as they continue to be held by the relevant Unitholder as at 1 November 2004, be treated as having been on issue for greater than five years when determining the Liquidity Facility administration fee.

The Manager will charge investors who hold their Units through an IDPS or an IDPS-like scheme, a Liquidity Facility administration fee equal to 1% of the sale proceeds of Units sold through the Liquidity Facility, irrespective of how long the relevant Units have been on issue.

Purchases through the Liquidity Facility will generally be made on the first Business Day after the end of each calendar quarter. Withdrawal request forms must be lodged with Registries more than 10 Business Days prior to the end of the relevant calendar quarter. Withdrawal request forms received 10 or less Business Days prior to the end of the calendar quarter will not be processed until the end of the following quarter.

The offer is to be capped at $20 million with the Manager having no obligation to hold more than this value of Units at any time (i.e. Units whose aggregate purchase price is $20 million). As the facility is capped, potential investors should not rely on this facility being available. The Manager will update its website to advise Unitholders whether or not the Liquidity Facility is available. As at 1 September 2005, there was $15.97 million available. Where the total applications from Unitholders to use the Liquidity Facility exceed the available facility (i.e. the applications will result in the Liquidity Facility cap being reached), the available facility will be used to satisfy requests made in that quarter on a pro rata basis until the $20 million total cap is reached.

Whilst the Manager holds Units (which it does as at the issue date of this PDS), all new applications for Units will be satisfied by transfer of the Manager's Units to new investors before any new Units are issued (see Section 2.6). Therefore, applicants under this PDS may be transferred existing Units held by the Manager instead of being issued new Units.

In circumstances where Units are transferred from the Manager to an applicant, a purchase fee of 4% (inclusive of GST) of the application money will be charged to the applicant. Please refer to Section 7.3. In most circumstances, an applicant will be in exactly the same position whether Units are transferred or issued. However, in the case where Units are transferred and the purchase fee is charged, if the applicant is entitled to claim RITCs in relation to the GST on the fee, the applicant's net position may be different by virtue of the applicant obtaining the RITCs. If the applicant is transferred Units by the Manager, the applicant should seek professional tax advice in relation to whether or not they are eligible to claim reduced input tax credits in connection with GST payable in relation to the purchase fee.

If the applicant is issued new Units, the Fund (and not the applicant) is entitled to the RITCs in connection with the GST on the application fees. However, the Fund will provide the applicant with the benefit of expected RITCs in respect of the GST on the application fee.

The Manager reserves the right to suspend the Liquidity Facility at any time should the Manager believe the acquisition of Units by the Manager may incur stamp duty at a property rate or vendor duty rather than a securities rate in any state or territory. Stamp duty at a property rate is significantly higher than at a securities rate.

As at the date of this PDS, the Manager does not expect stamp duty at a property rate or vendor duty to apply to such transfers, however, the position could change if there is a change in the nature and location of the Fund's assets or a change to the relevant laws or the application of relevant laws.

In the event that the Manager is replaced as responsible entity of the Fund by a company other than a Multiplex subsidiary, the offer described in this Section 2.14 will cease to apply.

2.15 REDEMPTION RIGHTS AND LIQUIDITY FACILITY INTERACTION

In the event a Unitholder wishes to exit the Fund, there may be more than one option available (see Sections 2.13 and 2.14 above), depending upon whether the Fund is liquid or illiquid and whether an investment into the Fund was made through an IDPS or IDPS-type scheme. Unitholders should refer to the Manager's website to access up-to-date information in relation to:

- the most recent Unit price (please note that the Unit price may change between the date a redemption or withdrawal is requested and the actual date of the redemption or withdrawal);
- whether the Fund is liquid or illiquid;
- if the Fund is liquid, which it is not at the date of this PDS, the Manager's estimate of the likely timing to satisfy a redemption request;
- details of the value of Units the Manager will acquire under the Liquidity Facility; and
- information about Unitholders' rights to choose between having their Units redeemed (see Section 2.13) or transferring their Units to the Manager pursuant to the Liquidity Facility (see Section 2.14).

Alternatively, Unitholders may contact the Manager.

2.16 TERMINATION OF THE FUND

The Fund must terminate by no later than 1 March 2082. Unitholders holding at least 5% of the Units can call a meeting to consider an extraordinary resolution to wind up the Fund prior to this date.

2.17 SALE OR TRANSFER OF UNITS

Unitholders must comply with the provisions of the Constitution and the Corporations Act if they wish to transfer any of their Units during the life of the Fund. A transfer of Units must be in writing and signed by both the seller and purchaser before it is lodged with the Manager for registration.

The Manager is entitled to receive a fee in respect of administration costs incurred in transferring Units. This fee will be imposed on the purchaser of the Units and will be $110 (inclusive of GST). The Manager may accept lower fees than it is entitled to receive or may defer payment for any period.

The Manager will provide assistance to Unitholders to enable them to sell their Units to the extent it is lawfully able to do so. However, Unitholders should note that the Corporations Act places restrictions on the Manager facilitating transfers of Units between investors. The Manager does not intend to apply for the Units to be listed on any financial market such as the ASX.

2.18 TAXATION – THE FUND AND ITS DISTRIBUTIONS

The Fund is taxed as a company and therefore distributions are made on an after tax basis. Distributions paid by the Fund will be franked to an appropriate extent having regard to available franking credits. The Manager will provide Unitholders with the appropriate documentation showing franking details. It is expected that this will be done annually, after each 30 June, in respect of all distributions paid in the year ended on that 30 June.

While the Fund is taxed as a company, the precise manner of application of the franking provisions to the Fund depends on whether the Fund is treated as a "public company" or a "private company" under tax law. The Manager expects the Fund to continue to be a "private company", and the comments in this Section 2.18 are made on that basis. If, however, the Fund is treated as a "public company", it will be necessary for the Manager to approach questions of franking in a different way which will require franking documentation to be issued to Unitholders before or at the time of each distribution.

The Manager will inform Unitholders if the taxation status of the Fund changes.

2.19 TAXATION IMPLICATIONS OF INVESTING

The taxation information that follows is of necessity general in nature. The tax implications for Unitholders may differ depending on their individual circumstances. In particular, the information may not apply to a Unitholder who is regarded as a trader or who holds Units as part of a business activity. Accordingly, Unitholders are advised to seek professional tax advice in relation to their own positions. This Section is not, and is not intended to be, taxation advice to any applicant for Units.

(a) Australian resident Unitholders

The comments in this part (a) assume that a Unitholder is an Australian resident for tax purposes and is an individual or company which holds its investment in the Fund on capital account or is a complying superannuation fund. Where the comments refer to any amount being included in the cost base of a Unit for capital gains tax purposes, the amount so included should be net of any reduced input tax credit which the Unitholder received for that amount.

Distributions received from the Fund

For Unitholders who are individuals, complying superannuation funds, or companies, a distribution received will be included in assessable income. Where the distribution is partly or wholly franked, the amount received will be grossed up to reflect the level of franking. A tax offset equal to the gross-up will be available to offset the tax otherwise payable on the Unitholder's taxable income. An individual or a complying superannuation fund will be entitled to a tax refund to the extent that the tax offsets exceed the total tax payable on its taxable income. A company will be able to convert any such excess into an equivalent grossed-up tax loss available for carry forward. A company will also obtain a franking credit in its franking account for an amount equal to the gross-up.

Sale of Units

Where a Unitholder sells Units, a capital gain or loss may arise for capital gains tax purposes. The gain or loss would be expected to be the difference between:

(i) the sale price; and

(ii) the Unitholder's application monies (where the Units were issued to the Unitholder), the Unitholder's purchase price and purchase fee (where the Units were transferred to the Unitholder by the Manager), or the Unitholder's purchase price plus the transfer fee (where the Unitholder purchased the Units from someone other than the Manager). Costs relevant to selling Units (being the transfer fee or the Liquidity Facility administration fee) may also be included.

Where relevant, individuals and complying superannuation funds may be eligible to have any gain discounted for capital gains tax purposes (by one-half and one-third respectively).

Redemption of Units

If Units are redeemed they will be redeemed at NAV. The redemption price of a Unit will be treated as disposal proceeds for capital gains tax purposes. Certain provisions in the tax law can, in appropriate cases, treat part of an amount received upon redemption as an unfranked dividend. The Manager does not expect those provisions to operate in relation to Units in the Fund.

A capital gain or loss may arise for capital gains tax purposes on a redemption of a Unit, expected to be calculated as the difference between:

(i) the redemption price; and

(ii) the sum of the redemption fee and the Unitholder's application monies (where the Units were issued to the Unitholder), the sum of the redemption fee and the Unitholder's purchase price and purchase fee (where the Unitholder purchased the Units from the Manager), or the sum of the redemption fee and the Unitholder's purchase price and transfer fee (where the Unitholder purchased the Units from someone other than the Manager).

Imputation benefits

Unitholders will be subject to the same rules as shareholders in companies in relation to qualifying for the franking benefits described above.

(b) Unitholders who are not residents of Australia

Unitholders who are not residents of Australia for tax purposes will be liable to Australian dividend withholding tax on any part of their distribution which is neither fully franked nor paid out of the Fund's foreign dividend account. The rate of tax is 15% in the case of residents of most countries with which Australia has double taxation agreements and 30% in the case of residents of countries with which Australia does not have any such agreement.

As stated in Section 2.18, the Manager expects the Fund to continue to be treated as a "private company" for tax purposes. Given this, and in the circumstances of the Fund, the Manager will consider it appropriate to wait until after 30 June before franking, in full or in part, the distributions made in the year ending on that 30 June. In consequence, it will be necessary for the Manager to deduct Australian withholding tax, at the rate appropriate for a particular non-resident Unitholder, from all distributions made to that Unitholder at the time they are made. The Manager will account for this tax to the Australian Taxation Office (ATO). Once the distributions for a year ending on a 30 June have been franked to the appropriate extent (which will be done after that 30 June), the Manager will provide documentation to non-resident Unitholders to assist them to seek refunds from the ATO of the excess of the dividend withholding tax deducted and remitted to the ATO on their distributions for the year over the actual amount of their liability to that tax, computed with the benefit of that franking information.

The Manager also intends to investigate with the ATO whether streamlined procedures could be put in place to enable such refunds to be issued by the ATO directly to investors without them having to make application, or alternatively whether some other administrative arrangements might be made to avoid the need for full withholding from the distributions when made. If any such revised arrangements are able to be put in place following future discussions with the ATO, the Manager will advise non-resident Unitholders of those arrangements.

2.20 ELECTRONIC PDS

A copy of this PDS may be viewed on-line in read-only format on the Manager's website at www.multiplexcapital.biz. It may also be viewed on the websites of other companies that hold an Australian Financial Services licence. The Offer constituted by this PDS in electronic form is available only to persons receiving the PDS within Australia. Investors who receive a copy of this PDS in electronic form are entitled to obtain a paper copy of the PDS free of charge by contacting Registries on 1800 766 011.

On-line applications (if any) must be lodged in accordance with the instructions provided by the provider of the on-line application facility.

3 SECTION

DEVELOPMENT PROCESS

DEVELOPMENT PROCESS

3.1 FUND'S RETURN OBJECTIVE

The objective of the Manager is to maximise returns to Unitholders by investing into various property developments in accordance with the investment criteria and strategy set out in Section 3.2. The Manager aims to meet, or exceed, a benchmark pre-tax return to Unitholders of 15% per annum, net of fees and expenses. This is not a forecast or indication of likely future returns. Rather, it is simply the benchmark against which the Manager measures the performance of the Fund.

3.2 INVESTMENT CRITERIA AND STRATEGY

The Fund may invest into property development and other direct and indirect property-related investments as further described in this Section.

As at the date of this PDS, it is anticipated that the Fund will predominantly invest into Multiplex Developments. Potential investors should note that the Fund is not under any obligation to acquire any Multiplex Group interest in a development or invest into a Multiplex Development. Further, Multiplex Group is not under any obligation to sell its interest in a development to the Fund or offer investment opportunities to the Fund.

No investment will be made by the Fund into a Multiplex Development unless all of the independent directors of the Manager have agreed to the investment proposal.

Incorporated into arrangements between Multiplex and the Fund in respect of a particular project, may be a first right of refusal allowing Multiplex Group the right, at Multiplex Group's option, to acquire the asset comprising all or part of that project, at independent valuation. There is a risk that the independent valuation may be less than market value.

The Fund may invest into Non-Multiplex Developments. However, Multiplex must have a development management role or some other involvement in the project such as the facilities manager or builder.

Furthermore:

— no more than 40% of Fund assets (calculated at the time of investment) will be invested in one project;

— no more than 60% of Fund assets (calculated at the time of investment) will be invested in the same property sector within the same geographic sector; and

— up to 25% of Fund assets (calculated at the time of investment) may be located in international markets where Multiplex maintains development operations, which include, as at the date of this PDS, New Zealand and the United Kingdom. As at the date of this PDS no offshore investments have been made nor is the Fund considering any offshore investments.

Investment opportunities that satisfy these investment criteria will be presented to the Board of the Manager for its consideration before an investment is made.

The Fund will seek to meet or outperform its 15% per annum (net of fees and expenses) benchmark return by maintaining a diversified portfolio of property developments and property-related "value-add" opportunities. The portfolio of investments will typically include the traditional development sectors such as residential, retail, office and industrial, but could also include non-traditional sectors such as land subdivision, rezoning, property repositioning opportunities, mezzanine debt investments, underwriting and investments into listed and unlisted property securities.

The Fund will seek to mitigate its risks by ensuring a spread of assets across transaction, geographical, sectoral bounds and resale/pre-commitment.

The Manager may change the investment criteria and strategy by giving reasonable prior notice to Unitholders of such change.

3.3 PROPERTY DEVELOPMENT

Property development can be broadly described as the process of acquiring an asset and making changes to it with the objective of selling the asset for an amount greater than the total development costs. Developments can be varied both in terms of size and the activity undertaken. For example, a piece of land can be acquired and subdivided into many parcels and sold off individually. Alternatively, a piece of land can be acquired and an office building constructed on it and subsequently sold.

Construction and property development are two terms that are often confused. This distinction is easily explained by thinking of construction as one aspect of property development. The property development process includes acquisition, planning and design, construction and finally sale of the completed property. Construction also takes on greater significance depending on the type of development undertaken. In a land subdivision, construction primarily takes place in the form of earthworks and the physical subdivision of lots. When building a tower, construction takes on greater importance as the planning process is generally more complex than a land subdivision and costs can be significant.

The property development cycle generally involves the following:

— locating a suitable site for development;

— determining if the development is feasible;

— purchasing the property and arranging finance;

— designing a development concept;

— applying for relevant authority permits;

— construction and/or subdivision;

— marketing the project;

— securing tenants (if applicable); and

— disposal of the property for net proceeds greater than the total acquisition and development cost.

The Fund may invest into a property development at any stage of the cycle.

3.4 PROPERTY REPOSITIONING

Properties may become undesirable to both tenants and investors as a result of a range of factors including poor property management, lack of sufficient maintenance, unattractive lease profile or aging building services such as security, air conditioning and lifts. Buildings in this condition are typically under priced and offer an opportunity for significant investment gains if they are repositioned.

By addressing a building's shortcomings through refurbishment and other building works plus active property management, it may be possible to make the property more attractive to investors and tenants. As a result, the value of the property could be enhanced.

The techniques used to reposition an asset depend on the type of property involved.

In general, repositioning generally involves some or all of the following:

— cosmetic improvement, both internal and external;

— revitalising the available space to meet current and prospective tenants' accommodation needs;

— improving the utilisation of available space;

— renegotiating leases with tenants so that leases are longer and/or at rents reflecting current market value and the improvements made to the property;

— leasing vacant space;

— improving the extent to which the building complies with government regulations; and

— increasing the lettable area of the building.

3.5 PROPERTY DEVELOPMENT RETURNS

It is important to contrast the timing of cash flows in property development with an investment in completed income producing property. Development cash flows are generally irregular with costs being incurred during the initial stages of the development and income in the form of sales received towards the end of the project. In contrast, cash flows from a completed income producing property are generally more regular and often received monthly as they are sourced from rental payments received from tenants.

The other distinction is the level of funds sought in property development in comparison to other property investments. Development returns are generally higher than in comparison to potential returns from completed income producing property assets. This is due to the fact that greater risk often exists in property development. The key risk areas are, securing the land, obtaining the nesessary approvals, construction and finally selling the end product to produce the required sales value. These risk factors can be mitigated by careful feasibility analysis and planning together with the skills and experience of a proven development manager.

3.6 INVESTMENT STRUCTURES

Investments made by the Fund will be structured on a case-by-case basis. Such structures may include, without limitation:

— investments through a separate project development vehicle either partly or fully owned;

— contractual rights;

— a development agreement;

— direct ownership;

— profit participation or assignment; or

— equity interest in the developer, the owner or both.

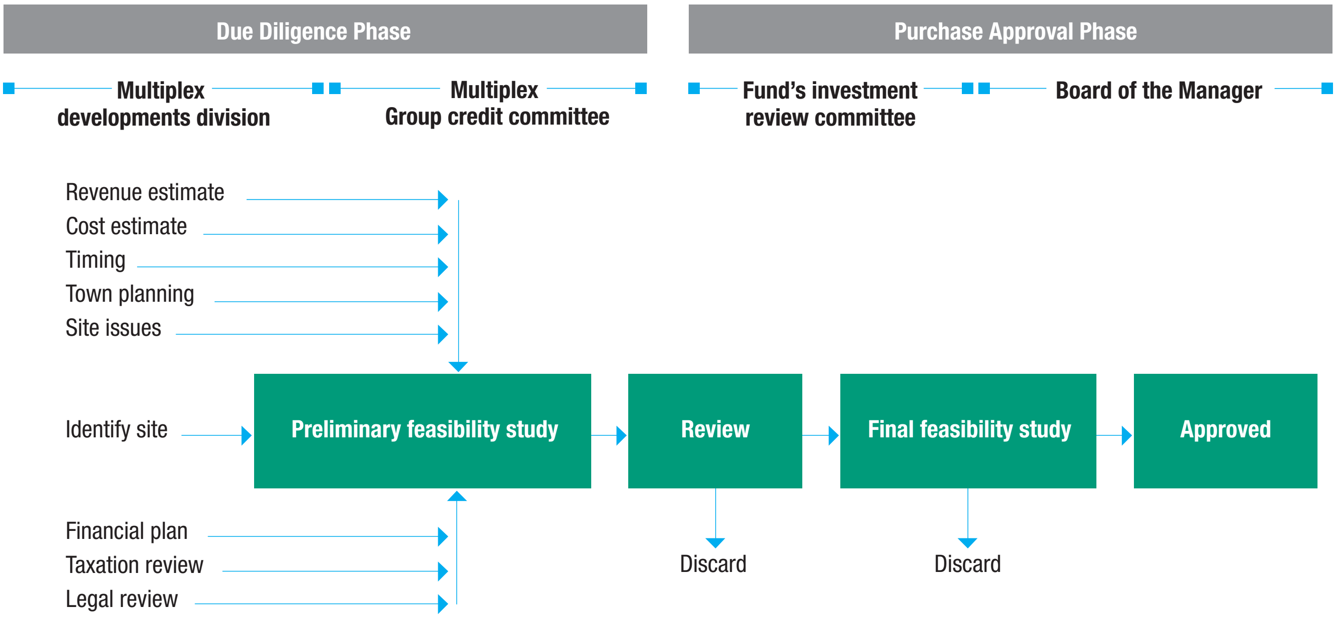
Regardless of the investment structure there will be no borrowings at the Fund level - see Section 1.7.

3.7 PROJECT EVALUATION AND INVESTIGATION

The Manager believes that successful investment management requires a focused, robust process and a competent, professional team backed by strong research.

The Manager has a structured approach to risk management, which is achieved by implementing a series of strategies and controls. By way of example, the diagram below depicts a likely investment process.

Project evaluation and investigation



In general, each prospective investment is evaluated to seek to ensure:

— optimum employment of the Fund's capital;

— that the most efficient investment period of the Fund's capital is achieved;

— consistency with the Fund's investment criteria;

— investment risks are identified, quantified and a process is put in place to manage them; and

— potential conflicts of interest are identified and a process is put in place to manage them.

In evaluating prospective investments, the Manager would normally model a range of scenarios in order to test the likelihood of achieving the forecast return. This would involve sensitivity analysis, encompassing market based development parameters, including but not limited to:

— market rents and capitalisation rates;

— pre-sales and selling periods; and

— fluctuations to forecast revenue.

SECTION
PROJECTS

This Section sets out information in relation to the investments of the Fund as at 1 September 2005 and potential future investments. This information will change as projects are realised and new investments made, and as new Units are issued pursuant to this PDS. Information on current investments and potential future investments is available on the Manager's website at www.multiplexcapital.biz. and is updated each month.

4.1 PROJECT ALLOCATION AS AT 1 SEPTEMBER 2005

Project	Capital invested ($'000)	Percentage of portfolio (%)	Investment date	Forecast realisation date
Arcadia at Tarneit, Melbourne	1,500	1.0	Dec-04	Dec-06
Bluewater Stages 1 to 4, Cairns	11,300	7.8	Jul-05	Sept-07
Bulli, NSW	9,650	6.7	Dec-04	Jul-08
163 Castlereagh Street, Sydney	14,000	9.7	Oct-04	Oct-06
The Chancellor Double Bay, Sydney	5,000	3.5	Dec-03	Dec-05
Cotton Beach Casuarina, Northern NSW	8,300	5.7	Apr-05	Oct-07
Ettalong, NSW Central Coast	5,050	3.5	Dec-03	Oct-05
King Street Wharf Site 1, Sydney	10,000	6.9	Jun-03	Dec-07
Lakelands, Stage 4 (Apartments), Gold Coast	4,700	3.3	Jun-05	May-07
Lakelands, Stage 3 (Villas), Gold Coast	2,170	1.5	Apr-05	June-06
Latitude East (Site C), Sydney	12,500	8.7	Jun-04	Mar-07
Multiplex Development Trust (Fund's investment into Raffles Perth)	1,546	1.1	Jun-03	May-06
Nedlands Park Hotel, Perth	13,850	9.6	Jul-05	May-07
Newport Quays, Stage 1, Adelaide	3,645	2.5	Dec-04	Sept-07
Portside Wharf, Brisbane	10,000	6.9	Dec-04	Sept-06
Raffles, Perth	3,643	2.5	Jun-03	May-06
Rhodes (40 Walker Street), Sydney	5,900	4.1	Dec-04	Nov-08
Vale Syndication Stages 2 to 6, Perth	15,000	10.4	Jun-05	Jun-09
Walsh Bay Moorings Pier 8/9, Sydney	1,100	0.8	Apr-05	Mar-06
Cash	5,511	3.8		
Total	**144,365**	**100.0**		

Description of projects as at 1 September 2005

The Fund has an interest in the development activities associated with the following projects. The Fund's exposure is generally obtained through contractual arrangements entered into with companies in the Multiplex Group. The Fund does not usually have a direct interest in the land. Some of the pictures in this Section are artist impressions of the completed projects.

Arcadia at Tarneit, Melbourne: Subdivision of Sayers Road, Tarneit, a 14.78 hectare, 174 lot residential subdivision located approximately 25 kilometres to the west of Melbourne's Central Business District.

Bluewater, Stages 1 to 4, Cairns: Blue Water comprises a 173 hectare site close to Trinity Beach, Cairns. It is proposed to develop the land into approximately 670 lots incorporating a 10 hectare central lake and parkland. There is a significant amount of existing rainforest on the site, which will create a unique form of development with the need for architecturally designed pole homes. Stages 1 to 4 will comprise a total of 305 residential lots which will include lakeside lots and rainforest lots – both of which will be marketed as premium product.

Bulli, NSW: The site is located in the northern suburbs of Wollongong on the Sydney coastal escarpment, offering spectacular ocean views. Conceptual designs for the 54 hectare site allows for a variety of housing lot sizes, ranging from 300 square metre to over 1,200 square metres.

163 Castlereagh Street, Sydney: An amalgamation of five sites with frontage to Castlereagh and Pitt Streets in the heart of the Sydney CBD to comprise ground floor retail and upper levels with a potential mix of commercial and residential apartments.

The Chancellor Double Bay, Sydney: 13 luxury residential apartments above five retail outlets on the ground floor that is anticipated to attract a mix of boutique retailers. All apartments will have three bedrooms and three bathrooms.

Cotton Beach, Casuarina, Northern NSW: Casuarina is a seaside township located 3.5 kilometres south of Kingscliff on the Tweed Coast in Northern New South Wales. Cotton Beach at Casuarina fronts a stunning white sand beach.

Overall, Cotton Beach will consist of 470 beachfront apartments, beach houses and poolside villas set across eight hectares of beachfront land. The Fund is invested into stage one of Cotton

Arcadia at Tarneit, Melbourne

163 Castlereagh Street, Sydney

Bluewater, Stages 1 to 4, Cairns

The Chancellor Double Bay, Sydney

Beach. Stage one consists of 129 deluxe beachfront apartments designed by Multiplex Living to showcase contemporary beachside Australian architecture.

Ettalong, NSW Central Coast: The development comprises Club premises and a four-star hotel/serviced apartment resort complex. The ground floor Club facilities include eateries, restaurant and bars, gaming room, conference facilities and entertainment lounge. The hotel/serviced apartment resort comprises a combination of studios, one, two and three bedroom serviced apartments and a health club. The apartments are arranged in a stepped form with water views across Brisbane Waters to Lion Island and Palm Beach.

King Street Wharf Site 1, Sydney: This forms part of the mixed use development of Darling Harbour Wharves 9 and 10 on the western edge of the Sydney CBD. Development of Site 1 will comprise the Dupain Building, a 15-storey commercial strata office building containing 34 strata office suites and the Phoenix Building, a 13-storey residential building containing 194 apartments and 28 home office suites.

Lakelands, Stage 4 (Apartments), Gold Coast: Lakelands Signature Living is a boutique masterplanned community located on the Gold Coast, Queensland. The property is located within the grounds of the Lakelands Golf Club, Australia's only Jack Nicklaus designed golf course. The Fund has invested into Stage 4 of Lakelands Signature Living. Stage 4 will comprise 53 two and three bedroom apartments in two buildings.

Lakelands, Stage 3 (Villas), Gold Coast: The Fund has also invested into Stage 3 of the project. Stage 3 consists of 20 architecturally designed villas that each boast three bedrooms and a media room/study, soaring ceilings and expansive balconies. Each ranges in size from 420 to 440 square metres, including a 90 square metre al fresco area, ideal for outdoor entertaining.

Latitude East (Site C), Sydney: This is the final component of the World Square redevelopment in Sydney's CBD. The project comprises a mix of strata commercial office, apartments designed around "home office" use and a residential tower.

Cotton Beach, Casuarina, Northern NSW

King Street Wharf Site 1, Sydney

Ettalong, NSW Central Coast

Lakelands, Gold Coast

Multiplex Development Trust (MDT), (Fund's investment in Raffles Perth): On 24 September 2003, a meeting of MDT unitholders agreed to wind up MDT. Investors were provided with the option to either transfer their existing units in MDT for new Units in the Fund or receive a cash payment for the value of their MDT units. For those investors who elected to receive Units in the Fund, those Units were issued on 30 January 2004. From this date, the Fund became the sole Unitholder of MDT. As at the date of this PDS, MDT held an interest in Raffles, Perth.

Nedlands Park Hotel, Perth: Development of Nedlands Park Hotel into a mixed use residential development comprising 38 luxury apartments, 8 residential lots and a number of commercial/retail units and a restaurant/bar facilities. All apartments will have river views.

Newport Quays, Stage 1, Adelaide: The project, known as Newport Quays, is a major mixed use redevelopment of the waterfront land around the inner harbour of Port Adelaide. The Fund is invested into Stage 1 of the project which comprises 126 apartments and 61 townhouses. Pre-selling commenced in mid August 2005 and buyer interest has been strong.

Portside Wharf, Brisbane: "Portside Wharf" is a major waterfront development designed to accommodate the Brisbane International Cruise Ship Terminal together with 381 prestige residential apartments and extensive retail/commercial areas. The residential, commercial and retail components of the development are contained within eight buildings and will be undertaken in three stages.

The first stage comprises: the cruise ship terminal; a retail and commercial complex, the "Loft" building which will include a restaurant, five apartments and two residential apartment buildings; "Infinity" featuring 63 apartments and "Flare" featuring 96 apartments. The Fund has invested into the Flare and Infinity residential buildings.

Raffles, Perth: A redevelopment of the heritage-listed Raffles hotel in Applecross, Perth. The development will contain 116 luxury apartments within a 17 level tower and two five-level residential wings. The project also involves the refurbishment of the existing Raffles hotel into a retail and commercial precinct. The development captures panoramic views of the Swan River and Perth CBD to the north and east and views of the Canning River to the south.

Latitude East (Site C), Sydney

Newport Quays, Stage 1, Port Adelaide

Nedlands Park Hotel, Perth

Portside Wharf, Brisbane

Rhodes (40 Walker Street), Sydney: Multiplex has formed a joint venture with Trafalgar Corporate to remediate and develop the harbourfront site at Rhodes, adjacent to the Olympic precinct, into a major new residential estate. The project received remediation consent early in May 2005 allowing the remediation works to commence. Remediation will be delivered in three stages over a period of approximately three and a half years. The site has a masterplan development consent for 1,250 dwellings over eight super lots.

Vale Syndication Stages 2 to 6, Perth: Vale is a masterplanned community located 25 km from the Perth CBD. Stages 2 to 6 comprise 1,564 residential lots and 7 commercial lots. This development is being syndicated into the Multiplex Acumen Vale Syndicate. Approval has been given for Stages 2 to 5 of the project and subdivision for 473 residential lots. Development works on the property have commenced, with 286 of the total 404 lots already sold in Stage 2. The Fund invested $15 million into the syndicate (50% of the required syndicate equity), with distributions forecast to commence in December 2007 and a completion date of June 2009.

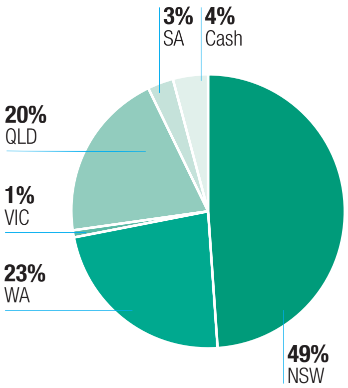
Walsh Bay Moorings Pier 8/9, Sydney: The proposed development involves construction of a marina facility to berth up to 15 private vessels. The size of the berths will predominantly accommodate vessels of 14.5 metres and will include two berths that are able to accommodate vessels of 17.6 metres in length. The facility is located at Walsh Bay, on the northern fringe of the Sydney Central Business District. Development approval was received in June 2005.

Rhodes (40 Walker Street), Sydney

Walsh Bay Moorings Pier 8/9, Sydney

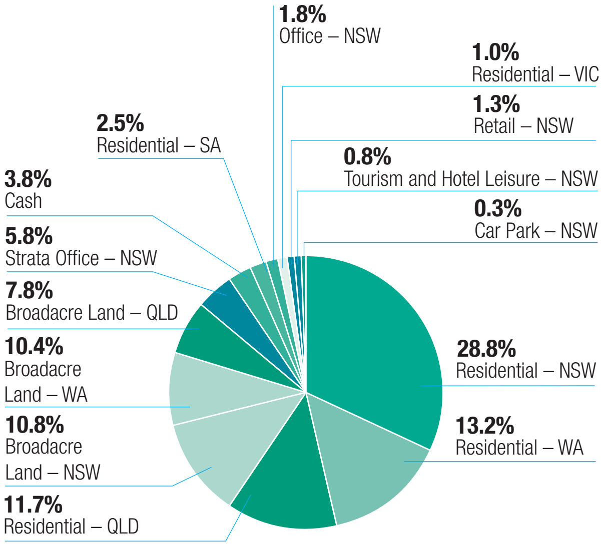
Vale, Perth

4.2 GEOGRAPHIC ALLOCATION OF THE FUND'S ASSETS AS AT 1 SEPTEMBER 2005



This geographic allocation will change from time to time as investments are realised and new investments are made. The Manager will update this information on its website.

4.3 SECTOR ALLOCATION OF THE FUND'S ASSETS AS AT 1 SEPTEMBER 2005



This sector allocation will change from time to time as investments are realised and new investments are made. The Manager will update this information on its website.

4.4 POTENTIAL FUTURE PROJECTS AS AT THE DATE OF THIS PDS

Multiplex has advised the Manager that, as at the date of this PDS, it is aware of the following potential Multiplex Development investment opportunities which it intends to offer to the Fund for investment by the Fund. Multiplex is under no obligation to offer these investment opportunities to the Fund, however, if they are offered the Manager intends to consider these investments.

Cottesloe Apartments, Perth: Redevelopment of the Cottesloe Hotel comprising premium residential apartments, hotel/bar and café/restaurant and car parking. The majority of the apartments will have ocean views.

South Fremantle Beachfront Apartments, Fremantle: Development of 2.40 hectares of waterfront land in Fremantle, Western Australia comprising approximately 104 dwellings for residential use.

City Square, Perth: The Westralia Square site at 123 to 137 St George's Terrace is located in the CBD core and is approximately 15,550 square metres in area. The site has frontage to Mounts Bay Road, includes four heritage listed buildings and benefits from existing improvements including a circa 1,000 car basement excavation and foundations. Construction of a carpark and retail centre is anticipated to commence by late 2005.

East Quarter, Hurstville, Sydney: Development of 629 apartments with some commercial and retail components to be completed over three stages. The site is in close proximity to transport and a commercial district.

King Street Wharf Stage 3B, Sydney: A commercial development of 13,396 square metres, in the heart of the King Street Wharf precinct.

As at the date of this PDS, Multiplex has not formally offered any of the investments listed above to the Fund and the Manager has not determined whether the above investment opportunities satisfy the investment criteria set out in Section 3.2.

Further, any investment by the Fund into a Multiplex Development would only occur if all the independent directors of the Manager agreed to the investment. Therefore, the Fund may not invest into these developments.

Investors should be aware that:

- **the Fund is under no obligation to invest into a Multiplex Development, nor is Multiplex under any obligation to offer development investments to the Fund; and**
- **the Fund may invest into Non-Multiplex Developments, however, Multiplex must have a development management role or some other involvement in the project.**

SECTION 5
MULTIPLEX GROUP

5.1 MULTIPLEX GROUP

Multiplex Group is a fully integrated and diversified business, listed on the Australian Stock Exchange and employing over 2,000 people across four divisions – property development, construction, property funds management and facilities and infrastructure management.

Multiplex Group has offices located throughout Australia along with offices in the United Kingdom, New Zealand and the United Arab Emirates.

Multiplex was founded in 1962 and has grown strongly and resiliently over four decades through a number of different property and economic cycles. Multiplex's strong track record has given it an established brand with a reputation for quality, innovation and successful delivery of major projects – particularly large commercial, residential, retail and specialist design and construct projects. As at 1 September 2005, the market capitalisation of the Multiplex Group was approximately $2.8 billion.

Multiplex Developments

Multiplex is one of Australia's largest and most diversified property developers. Over the past decade, Multiplex has progressively increased its participation in property development and has undertaken a range of projects as a sole developer or in joint venture arrangements. The property development division of Multiplex comprises a team of experienced personnel with expertise in key areas of development, including project identification, feasibility analysis, design, finance, legal and marketing.

The division derives a powerful competitive advantage from Multiplex's integrated property approach. In particular, the close relationship with the construction division gives the property development division access to quality construction advice.

As at 1 September 2005, the property development division of Multiplex had current work in hand of $2.7 billion.

5.2 MULTIPLEX CAPITAL

"Multiplex Capital" is the property funds management division of the Multiplex Group. Multiplex Capital includes the Manager (Multiplex Investments Limited), Multiplex Capital New Zealand Limited, Acumen Capital Securities Limited, Multiplex Capital Limited, Multiplex Property Funds Management Limited, Multiplex Investment Funds Pty Ltd and Multiplex Funds Management Limited. Collectively Multiplex Capital has assets under management of over $5.5 billion as at 1 September 2005.

5.3 DIRECTORS OF THE MANAGER

Andrew Roberts, Executive Chairman

Andrew is Managing Director and Chief Executive of Multiplex. During more than 20 years with Multiplex, Andrew has been directly involved in all operations of the business. Through his position as Managing Director and Chief Executive, Andrew provides strategic and managerial leadership for the Multiplex Group executive team. Andrew is a director of Danae Resources NL, Greenwich Resources plc (a company listed on the London Stock Exchange), a director of Burswood Limited and a Board member of the University of Western Australia Business School. Andrew also serves as a director of MTM Funds Management Limited (responsible entity of MTM Entertainment Trust).

Ian O'Toole, Managing Director – Multiplex Capital

Ian is Managing Director of the property funds management division of the Multiplex Group which is referred to as Multiplex Capital.

Ian was formerly with ING Real Estate Asset Management Limited as Director – Property, where he was responsible for the capital transactions and asset management of ING Industrial Fund and ING Office Fund. Ian has over 23 years' experience in funds management and real estate.

Rob Rayner, Divisional Director – Funds Management

Rob has responsibility for the day-to-day operation and development of Multiplex Capital's property funds management activities. Rob has been involved in property and property funds management for more than 16 years and has extensive property and financial experience in both the listed and unlisted sectors of the funds management industry.

This experience has been gained through his previous employment within the Armstrong Jones (now ING Real Estate Investment Management Limited) unlisted and listed property trust business, where he managed total property assets exceeding $500 million.

Dr Peter Morris, Independent Director

Peter is a recognised leader in the development and project management field having played a major role in the growth of professional project management as a specialist skill in Australia. Peter's specialist skills are in the areas of establishing project delivery strategies, top level negotiation and the management of multi-stakeholder, high profile projects, management of major projects, strategy determination, financial assessment and feasibility studies, design management and review and development management.

Peter is a non-executive director of Galileo Funds Management Limited, the responsible entity of Galileo Shopping America Trust, a listed property trust owning retail assets in the USA.

Robert McCuaig, Independent Director

Robert is Chairman of the Advisory Board of Colliers International Property Consultants in Australia. Along with David Collier, he formed McCuaig and Collier, which in 1988 became the New South Wales office of Colliers International. He was a forerunner in the establishment of Colliers in Australia on a global basis, now one of the world's largest professional property services group with 215 offices throughout Australia and the Asia Pacific, Europe, the Middle East, the Americas and Africa.

He has acted as property adviser to the University of Sydney, Westpac, Qantas Airways, Presbyterian Church, Sydney Port Authority, Benevolent Society of NSW, the State of New South Wales and the Commonwealth of Australia. Robert is a director of St Vincents and Mater Health Sydney and a member of the Salvation Army Advisory Board.

Mike Hodgetts, Independent Director

Mike was responsible for the management of Rider Hunt both in Perth and Sydney and was Group Chairman of Rider Hunt from 1992 to 1996. He was National President of the Australian Institute of Quantity Surveyors from 2001 to 2003.

Mike is currently a director of the peer group body the Australian Construction Industry Forum. As a senior professional consultant he has extensive experience in development and construction, particularly in non-residential projects.

5.4 SENIOR MANAGEMENT

Leon Boyatzis, Fund Manager

Leon has over 15 years experience in financial analysis in the investment banking and property sectors. Leon commenced his career as a taxation consultant in an international accounting firm and has worked in major investment banks in London concentrating on derivative risk analysis. On returning to Australia, Leon headed up the research division of a stockbroking firm before concentrating his financial analysis skills in the property industry. He has been involved in a number of major property developments as well as overseeing the performance of significant property funds. Leon is a qualified Chartered Accountant and has completed a Master of Property.

SECTION 6
RISK FACTORS

Returns from property developments are influenced by a number of risk factors, some common to all property investments and some unique to the development of the particular property.

The following table sets out some of the risks associated with investing in property developments and other investments directly or indirectly related to property. Such investments, by their nature, carry a higher degree of risk than investments in built and tenanted properties. The table also sets out how the Manager believes those risks can be managed having regard to the objectives of the Fund. When assessing an investment, the Manager will take into account various risks in light of likely returns. The way in which the Manager deals with risk will be determined on a case-by-case basis for each investment. **After investigation and consideration of the risks and benefits of a proposed investment, the Fund may accept such risks.**

As with all investments of this nature, there is a real risk that Unitholders will not receive all of their capital upon redemption or transfer of their Units, or upon winding up of the Fund.

Risk	Risk management
Planning Planning approvals for developments may be delayed or denied thereby slowing or preventing developments. Further, they may not be granted in the form anticipated.	Planning approvals may be a condition precedent to the Fund committing capital to a development. However, the Fund may undertake an investment where the planning approval is yet to be obtained, including in circumstances where the Manager is satisfied of the risk, the fact the return to the Fund may be increased for taking risk or where the developer may to some extent share the risk.
Environmental Environmental issues such as land contamination may delay or significantly increase the cost of developments.	Due diligence procedures will be adopted to attempt to identify environmental issues in advance. The relevant arrangements may either require the issue to be resolved prior to commitment of funds or for the developer to assume or share the environmental risk. However, the Fund may bear environmental risk in circumstances where the Manager is of the view that this is appropriate.
Industrial relations Industrial disputes may delay completion of developments or increase the cost of a project.	The cost of delays due to industrial disputes will in many circumstances be allocated in large part to the builder under the building contract. However, there may be circumstances in which the Fund bears this risk where the Manager is of the view that this is appropriate.
Inflation and escalating construction costs Higher than expected inflation rates generally, or increases in prices in a particular building sector, may increase construction costs.	The construction cost allowance included in the development feasibility would normally be subject to an independent confirmation by a quantity surveyor as to reasonableness. The relevant arrangements may require the developer to bear the risk of costs exceeding that agreed in the feasibility assessment. However, the Fund may bear such risks in certain circumstances where the Manager is of the view that this is appropriate.
Delivery Completion (delivery) of a development may be delayed due to unforeseen circumstances which may result in increased costs and lower returns on an investment.	Much of the time risk in a project will usually be allocated to the builder. To the extent this is not the case this is a development risk that may be borne by the Fund in circumstances where the Manager is of the view this is appropriate. It may in part also be borne by the developer.
Property market risks Increase in supply or fall in demand in any of the sectors of the property market in which the Fund is invested and reduction in market rent levels could adversely influence the value of investment property.	Prospective developments will be evaluated having regard to the impact that property market risks may have on the level of return that will be generated. Property market risk may be reduced through a requirement to achieve pre-agreed levels of leasing and pre-sales. However, this will not be the case in all investments undertaken by the Fund. This risk will be mitigated by sector and geographic diversification of the Fund's investments.

Risk	Risk management
Third party failure Tenants committed to a development may become insolvent or otherwise default in their obligations on completion. There is a risk that the property may not be able to be re-let at the same rental. Where properties are developed in joint venture or with other parties, disputes over partner defaults and property strategy may arise. Contractual counter-parties (which include Multiplex) may default on their obligations to the Fund thereby leading to a capital loss or a reduction in income.	Due diligence investigations coupled with suitable third party obligations (where appropriate) should allow the Manager to identify, assess and manage these risks.
Interest rates Increases in interest rates may affect the availability or cost of borrowings.	The relevant arrangements may require the developer to bear the risk of interest costs exceeding that agreed in the feasibility assessment. In any event, to mitigate this risk the Manager will generally ensure appropriate contingency allowances for interest rates are built into the feasibility assessment.
Variations Variations to construction specifications can significantly increase the construction cost.	Where variations arise as a result of the developer changing the specification, the cost of the variations may be to the developer's account. However, they may be to the Fund's account, usually in circumstances where the Manager is of the view that the variations should give rise to increased revenue.
Inability to sell the development on completion The inability to sell the development at the projected sale price and/or within the projected sale period will result in higher holding charges reducing the return on the development or could result in the development making a loss. There is a risk that purchasers ultimately default in the performance of their contracts.	The relevant arrangements may require costs to be paid on the earlier of sale or a specified period, ensuring there will be no forced sale. However, in certain circumstances, the Fund may bear the risk of holding costs exceeding those anticipated. The income stream that should potentially flow from the property on completion should mitigate the Fund's holding costs. While it will be usual that non-refundable deposits paid by purchasers would be retained, it is possible that the property in question may not be able to be re-sold for the same purchase price.
Changes in the law or government policy Changes in income tax, indirect tax or stamp duty legislation or policy, particularly with regard to property development and investment activity, may affect the Fund's returns. Such changes can result in the distribution policy of the Fund having to change.	The relevant arrangements may require the developer to bear the risk that these changes will have on the cost of the development. However, this is a risk borne in all business dealings by each party to a transaction. As such the Fund is likely to be exposed to these risks. As changes in revenue law or policy and other legal or regulatory changes often cannot be foreseen, the Manager will attempt to anticipate or respond to any such changes in whatever manner seems practical and in the interests of Unitholders.
Taxation The Fund is subject to Australian tax legislation and the legislation of governments in countries where the Fund may invest. To the extent that legislation or administrative practice changes in a jurisdiction this may impact on the returns to Unitholders.	The Manager seeks the services of external taxation professionals with specific experience in taxation matters that relate to the Fund and its investments.

Risk	Risk management
Conflict of interest and arm's length transactions As at the date of this PDS it is anticipated that the Fund will primarily invest in Multiplex Development opportunities. As such it is possible that from time to time conflicts of interests may arise between the interest of the Fund and those of Multiplex. Multiplex may default on its obligations to the Fund in relation to Multiplex Developments, non-Multiplex Developments and other obligations to the Fund. Incorporated into an investment proposal by Multiplex may be a first right of refusal allowing Multiplex Group the right, at Multiplex Group's election, to acquire the asset comprising all or part of that project at independent valuation. There is a risk that the independent valuation may be less than market value.	As at the date of the PDS the Board consists of six directors, three of which are independent to Multiplex. No investment will be made into a Multiplex Development unless all of the independent directors have agreed to the investment proposal. The investment management process of the Manager is supported by guidelines and procedures for both identifying and dealing with related party transactions. These guidelines and procedures have been prepared by external legal advisers to the Manager and take into account the Corporations Act provisions dealing with related party transactions.
Insurance From time to time, various factors may influence premiums to a greater extent than those forecast, or in some circumstances, policies may not cover an event. In this case, the result may in turn have a negative impact on the net income of the Fund's return.	The Manager will seek to identify the significant risks involved in an investment and, where practical and affordable, may mitigate that risk through the engagement of specialist insurance underwriters who are engaged to seek the most appropriate insurance solution.
Foreign exchange Investments held outside Australia may be subject to movements in foreign exchange. In some cases, these movements may have a negative impact on the net income of the Fund. In essence, a weaker Australian dollar will result in the value of investments held in foreign currencies increasing in value. Conversely, if there is an upward movement of the Australian dollar against the foreign currency in which an investment is held, the value of the assets held in the foreign currency will fall.	The Manager will seek to minimise the impact of currency fluctuations on the Fund's income by employing a hedging strategy where appropriate. Due to the uncertainty of investment completion, particularly where property development investments have been made, it may not be possible to hedge the capital employed.
Due diligence Failure of due diligence investigations to identify potential risks.	When making an investment, the Manager may engage appropriate experts to investigate the environmental, structural, taxation and legal aspects of investments. The Manager will seek to engage experts who are widely regarded for their specialist knowledge in the areas in which the Fund seeks advice. Despite such investigations, the Manager cannot guarantee the identification and mitigation of all risks associated with investments by the Fund.
Other risks *Force majeure* events, which are events beyond the control of a party, including fire, flood, earthquake and other acts of God, terrorist attacks and war may affect a party's ability to perform its contractual obligations or may lead to a capital loss or a reduction in income. Multiplex is under no obligation to offer future investment opportunities to the Fund. There is a risk that Multiplex may not secure further developments or alternatively, may not offer investment opportunities to the Fund. As disclosed in Section 2.14 the Liquidity Facility is capped at $20 million and therefore potential investors should not rely on it being available. As at 1 September 2005 there was $15.97 million available.	

SECTION
FEES AND EXPENSES

7.1 FEE TABLE

This table shows fees and expenses that may be charged to the Fund and to Unitholders.

The Manager may accept lower fees than it is entitled to receive or may defer payment for any period. Where payment is deferred, the fees accrue daily until paid. Potential investors should carefully read all the information about fees and expenses, as it is important to understand their impact on an investment in the Fund.

Type of fee	Amount	How and when paid
Fees when a Unitholder's money moves in or out of the Fund		
Establishment fee: This is a fee to set up an initial investment.	Nil	Not applicable.
Application fee[1]: This is a fee for the initial and every subsequent issue of Units to a Unitholder.[4]	The net impact of the GST inclusive fee taking into account expected RITCs is 4% of the application money or value of the property being transferred (e.g. $400 per $10,000 investment).	The GST inclusive fee is payable to the Manager from the Fund. The amount will be deducted from the amount of a Unitholder's application monies when the Manager determines the number of Units to issue the Unitholder. The application fee may be negotiable.[3]
Purchase fee[2]: This is a fee the Manager charges a Unitholder every time the Unitholder purchases Units from the Manager.[4]	The GST inclusive fee is 4% of the value of the purchase price or the value of the property being transferred (e.g. $400 per $10,000 investment).	Payable to the Manager by the Unitholder. The fee will be deducted from the amount of a Unitholder's purchase monies when the Manager determines the number of Units to transfer to the Unitholder. The purchase fee may be negotiable.[3]
Transfer fee[5]: This is a fee charged for transferring Units. It does not include a transfer of Units to or from the Manager in connection with the Liquidity Facility.	Fee of $110 (GST inclusive) per transfer.	The GST inclusive transfer fee is payable by the purchaser to the Manager directly. The Manager will not register a transfer of Units until the transfer fee is paid.
Redemption fee[6]: This is a fee for each redemption of Units a Unitholder makes.	The GST inclusive fee is the greater of 1% of the redemption proceeds or $110. For example, if a Unitholder redeems $1,000 of Units, the GST inclusive fee will be $110. If a Unitholder redeems $10,000 of Units, the fee will be $110.	The Manager will deduct the GST inclusive redemption fee from the redemption proceeds.
Liquidity Facility administration fee[7]: This is a fee for using the Liquidity Facility by selling Units to the Manager.	The GST inclusive fee is 4%, 2%, 1% or 0% of the proceeds of selling the Units to the Manager. For example, if a Unitholder transfers 10,000 Units to the Manager (assuming a NAV per Unit of $1.00) the Unitholder will be charged a fee of $400, $200, $100 or $0.	The Manager will deduct the Liquidity Facility administration fee from the sale proceeds.

Management costs

Management fee[8]: This fee is payable to the Manager for managing the Fund.	The net impact of the GST inclusive fee taking into account expected RITCs is 1.5% per annum of the value of the assets of the Fund (e.g. $150 per $10,000 of Unit value per annum).	The GST inclusive fee is payable monthly in arrears from the Fund and calculated on the value of the assets at the end of the calendar month.
Expenses[9]: These are expenses incurred by the Manager in relation to the proper performance of its duties in respect of the Fund.	Up to 0.3% per annum of the NAV of the Fund (e.g. $30 per $10,000 of Unit value).	Repayable to the Manager as they are incurred on an ongoing basis by the Fund. Expenses above 0.3% per annum will be borne by the Manager.

(1) See Section 7.2.
(2) See Section 7.3.
(3) See Section 7.4.
(4) See Section 7.5.
(5) See Section 7.6.
(6) See Section 7.7.
(7) See Section 7.8.
(8) See Section 7.9.
(9) See Section 7.10.

7.2 APPLICATION FEE

Unless otherwise negotiated between a Unitholder and the Manager (see "Fees that are negotiable" in Section 7.4), every investment in Units under this PDS will be subject to either an application fee or a purchase fee. The application fee only applies where new Units are issued to an investor. In these circumstances the purchase fee (discussed in Section 7.3) does not apply.

The Manager is entitled to be paid an application fee of 4.0% (inclusive of the impact of GST, including anticipated RITCs, on the Fund) of the application money in respect of each application to be issued Units that the Manager accepts. The GST inclusive fee is payable out of the Fund immediately after the Units are issued.

When the Manager calculates the number of Units to be issued pursuant to an application, the application fee is first deducted from the value of the application money.

7.3 PURCHASE FEE

Where the Manager holds Units that it acquired in connection with the Liquidity Facility, an applicant's application for Units under this PDS will be treated as an offer to purchase Units from the Manager.

A Unitholder who purchases Units from the Manager (where the Manager acquired the Units in connection with the Liquidity Facility) will be charged a purchase fee of 4.0% (GST inclusive) of the purchase price for the Units. When the Manager calculates the number of Units to be transferred to a Unitholder pursuant to an application in these circumstances, the purchase fee is first deducted from the value of the application money.

Assuming equivalent investments (and ignoring any input tax credits that may be available – see Section 2.13), a Unitholder who bears an application fee (being a Unitholder who is issued new Units by the Manager), will be in the same position as a Unitholder who is charged a purchase fee (being a Unitholder who is transferred existing Units by the Manager which the Manager has acquired pursuant to the Liquidity Facility) – that is, whether a Unitholder is issued new Units or is transferred existing Units from the Manager will not impact on the Unitholder, other than as referred to in Section 7.15.

By completing and lodging an Application Form a Unitholder agrees that the Manager may charge the purchase fee in relation to the purchase of Units from the Manager.

The Manager may accept a lower fee or may defer payment for any period.

7.4 FEES THAT ARE NEGOTIABLE

The Manager may negotiate different fees or rebates of fees with any investor who is a "wholesale client" as that term is defined in section 761G of the Corporations Act. The Manager may, in respect of employees of the Manager or related bodies corporate of the Manager, rebate or waive application fees, purchase fees, redemption fees or transfer fees. However, the Manager may only do this if the number of votes that may be cast on a resolution of Unitholders by employee Unitholders and Unitholders that are related bodies corporate of the Manager, is no more than 5% of all votes of Unitholders.

Any rebates negotiated with wholesale clients, employees or related bodies corporate of the Manager are payable by the Manager from the Manager's own funds.

7.5 ADVISER REMUNERATION

The Manager may pay commissions to advisers whose clients invest in Units either where new Units have been issued or existing Units have been purchased from the Manager. Any such commissions will be paid by the Manager out of its own funds and will not represent an additional cost to the Fund or any Unitholder. These commissions do not include any other commissions or any fees and expenses that may be agreed between a Unitholder and their adviser. A Unitholder's adviser should give the Unitholder details of their remuneration arrangements.

The Manager may pay an adviser a commission, in relation to a client of the adviser who invests in Units, within the following ranges:

- 0-4% of the client's application monies as an upfront payment; or
- 0-0.65% per annum of the value of the client's investment as a trail commission.

Alternatively, the Manager may pay advisers both an upfront commission and a trail (in each case, the amount of the commission will be lower than the maximum commissions listed above).

In some circumstances, the Manager may negotiate with an adviser to pay the adviser a commission in excess of 4% of the client's application money. In such circumstances, as with all commissions, the payment is borne out of the Manager's own funds and does not represent a cost to the Fund or any Unitholder.

7.6 TRANSFER FEE

The Manager is entitled to charge a transfer fee of $110 (GST inclusive) in respect of a transfer of Units. The transfer fee is payable by the purchaser.

The transfer fee does not apply in relation to transfers of Units:

- to the Manager in connection with the Liquidity Facility;
- from the Manager in respect of which a purchase fee is payable; or
- that either:
  - were issued before 1 November 2004 so long as they are held by the relevant Unitholder as at 1 November 2004; or
  - as at the date of the transfer, have been on issue for more than five years.

The Manager will not register a transfer until the transfer fee has been paid to the Manager.

By completing and lodging an Application Form a Unitholder agrees that the Manager may charge the transfer fee in relation to a transfer of Units and may charge an additional amount on account of GST in relation to the supply to which the fee relates.

The Manager may accept a lower fee or may defer payment for any period.

7.7 REDEMPTION FEE

The Manager is entitled to charge a redemption fee of the greater of $110 (GST inclusive) or 1.0% of the redemption proceeds in relation to a redemption of Units. The redemption fee is deducted from the redemption proceeds.

The redemption fee does not apply in relation to a redemption of:

- Units that were issued before 1 November 2004 so long as they are held by the relevant Unitholder as at 1 November 2004;
- Units that have, as at the date of the redemption, been on issue for more than five years; or
- Units that are transferred to the Manager pursuant to the Liquidity Facility.

Redemptions may only occur when the Fund is liquid.

By completing and lodging an Application Form a Unitholder agrees that the Manager may charge the redemption fee in relation to the redemption of Units in the circumstances described above and may charge an additional amount on account of GST in relation to the supply to which the fee relates.

The Manager may accept a lower fee or may defer payment for any period.

7.8 LIQUIDITY FACILITY ADMINISTRATION FEE

The Manager is entitled to charge a Liquidity Facility administration fee of a percentage of the sale proceeds in relation to a transfer of Units from a Unitholder to the Manager pursuant to the Liquidity Facility. The percentage (GST inclusive) that would be applied to determine the amount of the Liquidity Facility administration fee will be dependent on when the Units, the subject of the transfer, were issued (unless the Units are held through an IDPS or an IDPS-like scheme – as follows:

- Units issued less than three years before the date of the transfer – 4%;
- Units issued between three years and five years before the date of the transfer – 2%;
- Units issued greater than five years before the date of the transfer – 0%; and
- Units held through an IDPS or an IDPS-like scheme – 1% (irrespective of when the Units, the subject of the transfer, were issued).

Units on issue as at 1 November 2004 will, so long as they are held by the relevant Unitholder as at 1 November 2004, be treated as having been on issue for greater than five years for the purposes of determining the Liquidity Facility administration fee (unless the Units are held through an IDPS or an IDPS-like scheme).

By completing and lodging an Application Form a Unitholder agrees that the Manager may charge the Liquidity Facility administration fee in relation to a transfer of Units to the Manager in the circumstances described above.

The Manager may accept a lower fee or may defer payment for any period.

7.9 MANAGEMENT FEE

The net effect on the Fund of the management fee is 1.5% per annum of the value of the assets of the Fund. The GST inclusive fee is payable monthly in arrears and calculated on the value of the assets of the Fund as at the end of the calendar month.

7.10 EXPENSES

All expenses incurred by the Manager in relation to the proper performance of its duties under the Constitution may be reimbursed out of the assets of the Fund, subject to the Corporations Act. There is no maximum imposed by the Constitution on the amount of properly incurred fees that the Manager may recover from the Fund. The Manager undertakes that it will cap the expenses it will recover at 0.3% of the Fund's assets.

The expenses include the Custodian's fees.

7.11 FEE CHANGES AND FEE MAXIMA

The Manager may charge the Fund a management fee of 1.65% (inclusive of GST) per annum of the value of the assets of the Fund as permitted under the Constitution. However, as at the date of this PDS, the Manager has decided to charge 1.5% (inclusive of GST and anticipated RITCs). The Manager may charge an application fee of up to 4.4% (inclusive of GST) under the Constitution. However, as at the date of this PDS, the Manager has decided to charge 4% (inclusive of GST and anticipated RITCs). The Manager may only increase either the application fee above 4.4% (inclusive of GST) or the management fee above 1.65% (inclusive of GST) if the Constitution is amended to allow the Manager to charge a higher fee. This could only be done if a special resolution (which must be passed by 75% of votes cast by Unitholders entitled to vote on the resolution) of

Unitholders is passed approving the amendment at a meeting of Unitholders.

The Manager could only charge a Unitholder a higher:

— transfer fee;

— redemption fee; or

— Liquidity Facility administration fee

if the Unitholder agrees to the higher fee.

The Manager could only charge a Unitholder a higher purchase fee if the Manager was charging a higher application fee.

There is no limit under the Constitution on the amount of properly incurred expenses that the Manager may recover from the Fund. However, the Manager has agreed to cap these expenses paid by the Fund at 0.3% per annum of the value of the Fund assets.

7.12 BUY AND SELL SPREAD

No buy/sell spread will be applied on the issue or redemption of Units in the Fund.

7.13 UNDERSTANDING THE IMPACT OF FEES AND CHARGES OVER TIME

The Australian Securities and Investments Commission (ASIC) has on its website www.asic.gov.au a fee calculator which has been designed to help investors understand the impact of fees and charges over time.

7.14 DOLLAR EXAMPLES

The table below sets out dollar examples which are inclusive of GST in relation to the redemption fee, the transfer fee, the purchase fee and the Liquidity Facility administration fee, and inclusive of the impact of GST (including anticipated RITCs) on the Fund in relation to the application fee and the management fee.

	($)
Application fee/purchase fee	
Amount invested	**10,000**
Application fee amount 4% of application monies	400
Purchase fee amount 4% of application monies	400
Redemption fee/Liquidity Facility administration fee	
Amount withdrawn	**10,000**
Redemption fee amount (greater of 1% of redemption proceeds or $110)	110
Liquidity Facility administration fee amount (percentage of sale proceeds)	
4%	400
2%	200
1%	100
0%	0
Transfer fee	
Amount transferred	**10,000**
Transfer fee amount	110
Management fee and expenses	
Value of investment	**10,000**
Management fee amount 1.5% of value of the Fund's assets (per annum)	150
Expense recoveries 0.3% of value of the Fund's assets (per annum)	30

7.15 GOODS AND SERVICES TAX (GST)

The Fund or a Unitholder may be required to pay GST on certain fees and expenses. However, where available, the Fund will claim RITCs for the GST incurred by the Fund.

Although the GST inclusive application fee is paid by the Fund to the Manager, it is effectively borne by the applicant (this is because the Manager, when it calculates the number of Units to be issued pursuant to the application, first deducts the application fee from the value of the application money). However, the Fund in determining the amount to be deducted from the application monies will take into account the benefit of any anticipated RITCs which may arise for the Fund in respect of the GST on the fee.

By contrast, an applicant who is transferred units from the Manager pays to the Manager the purchase fee grossed up for GST.
The applicant should seek professional tax advice as to whether or not it is eligible to receive RITCs in respect of the GST on the purchase fee.

SECTION 8
ADDITIONAL INFORMATION

8.1 THE MANAGER

The powers and duties of the Manager are set out in the Constitution, the Corporations Act and the general law. The duties of the Manager under the Corporations Act include:

- acting honestly;
- acting in the best interests of Unitholders and, if there is a conflict between the Unitholders' interests and those of the Manager, giving priority to Unitholder interests;
- ensuring that the Fund's assets are clearly identified as Fund assets and held separately from assets of the Manager and assets of any other fund and are valued at regular intervals;
- ensuring the payments out of Fund assets are made in accordance with the Constitution and the Corporations Act; and
- reporting within five Business Days to ASIC any breach, or likely breach, of the Corporations Act in relation to the Fund or the Manager's Australian Financial Services licence which is significant (according to the meaning of that term in the Corporations Act) or has had or is likely to have a materially adverse effect on the interests of Unitholders.

8.2 RETIREMENT OF MANAGER

The Manager may retire as the responsible entity of the Fund by calling a meeting of Unitholders to explain why the Manager wishes to retire and to enable Unitholders to choose a replacement responsible entity by voting on an extraordinary resolution. The Manager could apply for conditional ASIC relief from the requirement to hold a meeting of members (conditions could include giving each Unitholder the right to ask for a vote on the proposed replacement of the Manager with another entity within Multiplex). The Manager may also be removed from office by an extraordinary resolution passed at a meeting of Unitholders.

8.3 RIGHTS AND OBLIGATIONS OF UNITHOLDERS

The rights of Unitholders will be governed by the Constitution and the Corporations Act. The Constitution provides that the liability of each Unitholder is limited to its investment in the Fund and any undistributed income. A Unitholder is not required, under the Constitution, to indemnify the Manager or a creditor of the Manager against any liability of the Manager (except for liabilities for tax or user pays fees in relation to the Unitholder). However, the Manager is unable to assure Unitholders that their liability will be limited in the manner provided by the Constitution, because the liability of Unitholders is ultimately to be determined by the courts.

8.4 CORPORATE GOVERNANCE

Responsible entity

The Manager is responsible for the overall governance of the Fund, including the protection of Unitholder interests, developing strategic direction, establishing goals for management and monitoring the achievement of these goals.

Board composition

The Board meets on a regular basis and discusses pertinent business developments and issues and reviews the operations and performance of the Fund. There is an equal number of executive and non-executive members of the Board.

Compliance Committee

The Manager has established a Compliance Committee which includes a majority of external members. The role of the Compliance Committee includes:

- monitoring the Manager's compliance with the Compliance Plan;
- reporting to ASIC, if the Compliance Committee takes the view that the Manager has not taken or does not propose to take, appropriate action to deal with breaches reported to the Manager; and
- assessing the adequacy of the Compliance Plan and recommending any changes to the Manager.

Compliance Plan

The Manager has adopted a Compliance Plan for the Fund which sets out the policies and procedures that ensure management objectives are carried out and in accordance with the Corporations Act and the Constitution. The Manager has appointed a Multiplex employee as compliance officer who is responsible for performing periodic reviews of the Manager's compliance with the provisions of the Compliance Plan. Each year the Compliance Plan is independently audited and the audit report is lodged with ASIC.

Financial reporting

There is a comprehensive budgeting system in place in relation to each investment made by the Fund. Monthly actual results are reported against budget and revised forecasts for the year are prepared regularly.

Conflicts of interest

In accordance with the Corporations Act and the Constitution, directors must keep the Manager advised, on an ongoing basis, of any interest that could potentially conflict with those of the Manager. Where the Board believes that a significant conflict exists, the director concerned will not be present whilst the item is considered at a Board meeting and will not cast a vote on the matter.

8.5 CONFIRMATION OF INVESTMENT

The Manager will provide Unitholders with a written statement setting out the details of their investment, including the date, the number of Units issued, the amount paid and any other costs. Unit certificates will not be issued. Units will, in general, be issued on the first Business Day of each month and will participate in distributions on a pro rata basis from the date of issue.

8.6 COOLING-OFF RIGHTS

In the event the Fund is illiquid at the time Units are issued, cooling-off rights will not apply to the relevant applicants. The Fund is illiquid as at the date of this PDS.

If the Fund is liquid at the time an investor (who is a "retail client" as that term is defined in section 761G of the Corporations Act) is issued Units, the investor will have cooling-off rights in relation to their Units. Those rights entitle such an investor to a 14 day cooling-off period commencing on the earlier of:

- the date the investor receives confirmation of their investment; or
- five days after the date on which the issue of Units as per the relevant application occurs.

If, during this 14 day period, an investor decides that they no longer wish to invest in the Fund, they should notify the Manager in writing (including their signature) by mail or fax.

Upon receipt of such notification within the 14 day period, the Manager will refund the investment and return the invested funds. In accordance with the Corporations Act, the amount refunded will be adjusted to account for any increase or decrease in the Unit price from the time the Units were issued to the time the Manager receives a request to cancel the investment, as well as any tax or duty paid or payable. Investors may also be charged an amount to account for reasonable administrative costs incurred by the Manager in relation to the acquisition and termination of an investment.

Please note that these cooling-off rights do not apply when an investor chooses to exercise rights or powers as a Unitholder in the Fund during the 14 days.

Please refer to the Manager's website for information as to whether the Fund is liquid or illiquid and whether cooling-off rights will apply.

8.7 COMPLAINTS

The Constitution contains procedures for the handling of complaints from Unitholders. If a Unitholder has a complaint they should write or call the Manager's Complaints Officer.

The Complaints Officer
Multiplex Development and Opportunity Fund
Level 4
1 Kent Street
Sydney NSW 2000
Phone (02) 9256 5700

In the event that a Unitholder is not satisfied with the outcome of a complaint, the Unitholder has the right to refer the matter to an external complaints resolution scheme. The Manager is a member of the Financial Industry Complaints Service Limited (FICS). A Unitholder can contact FICS on telephone 1300 780 808 (within Australia), by facsimile on (03) 9621 2291 or by writing to PO Box 579, Collins Street West, Melbourne Victoria 8007. ASIC also has a toll free infoline on 1300 300 630 which Unitholders may use to complain or obtain information.

8.8 INVESTMENT THROUGH AN INVESTOR DIRECTED PORTFOLIO SERVICE

A person may invest indirectly in the Fund through an administration service or an investor directed portfolio service (IDPS) such as a master fund or wrap account, or a nominee or a custody service, by directing the trustee or operator of the IDPS to acquire Units on their behalf. Investors in an IDPS, master fund or wrap account, or a nominee or custody service may rely upon and are authorised to use the information contained in this PDS for the purpose of inviting and giving a direction to a trustee or operator of an IDPS, master fund, wrap account, or a nominee or custody service to invest in the Fund on their behalf.

A person who invests through an IDPS should consult the operator of the IDPS as to any cooling-off rights, if any, they may have.

An indirect investor does not become a Unitholder in the Fund. Accordingly, they do not acquire the rights of a Unitholder of the Fund or acquire any direct interest in the Fund. The operator or manager of the IDPS acquires these rights and can exercise, or decline to exercise them, on behalf of the investor according to the arrangements governing the IDPS. A person who invests in the Fund through an IDPS should ignore information in this PDS that is relevant only for direct investors. This includes information relating to:

Application Form

A person investing in the Fund through an IDPS should not complete the Application Form attached to or accompanied by this PDS. An indirect investor should complete the application form supplied by the operator of the IDPS.

Information

An indirect investor will not receive any statements, tax information or other information directly from the Fund. An indirect investor should receive equivalent information from the operator of the IDPS.

Redemption/Withdrawals

Provisions which relate to redemptions and withdrawals will affect the operator of the IDPS and not the indirect investor.

Fees and expenses

Fees and expenses applicable to the IDPS (and set out in the IDPS offer document or client agreement) are payable in addition to the fees and expenses stated in this PDS.

8.9 STATEMENT REGARDING LABOUR STANDARDS AND ENVIRONMENTAL, SOCIAL AND ETHICAL CONSIDERATIONS

The Manager does not, in the context of making decisions relating to the Fund, take into account labour standards or environmental, social or ethical considerations, except to the extent that the Manager considers these issues have the potential to materially impact on the merits of its decisions in relation to the Fund. This means that if the sustainability or value of the Fund is adversely affected due to unacceptable labour standards or environmental, social or ethical factors, the Manager may choose not to invest further or to dispose of the investment.

8.10 REPORTING

Distribution statements

Each Unitholder will receive a quarterly distribution advice setting out their income distribution entitlements. Distributions will be paid directly into a nominated bank, building society or credit union account generally within six weeks from the end of the relevant distribution period. **Distributions will not be paid by cheque.**

Annual and half-yearly report

Following the end of each financial year and half-year, Unitholders will receive an annual and half-year report, including financial statements for the Fund.

Annual taxation information

Unitholders will receive an annual taxation statement and taxation guide for each financial year ending 30 June that will assist Unitholders when completing an Australian income tax return.

Continuous disclosure

The Fund is a disclosing entity and is therefore subject to regular reporting and disclosure obligations. In particular, annual financial reports, half-year financial reports and any continuous disclosure notices must be lodged by the Manager with ASIC. Copies of documents lodged with ASIC may be obtained from or inspected at an ASIC office. A Unitholder may ask the Manager for a copy of:

(i) the annual financial report most recently lodged with ASIC by the Fund;

(ii) any half-year financial reports lodged with ASIC by the Fund; and

(iii) any continuous disclosure notices lodged with ASIC by the Fund,

and copies will be provided by the Manager free of charge within five days after receiving the request.

International Financial Reporting Standards

For reporting periods beginning on or after 1 January 2005 the Fund must comply with the Australian equivalents of International Financial Reporting Standards (A-IFRS) as issued by the Australian Accounting Standards Board.

The Fund will report for the first time in compliance with A-IFRS when the results for the half-year ending 31 December 2005 are released.

The opening A-IFRS balannce sheet for the Fund is a restated balance sheet dated 1 July 2004. Most adjustments required on transition to A-IFRS are made retrospectively, against opening retained earnings on 1 July 2004.

As emerging accepted practice in the interpretation and application of A-IFRS and UIG interpretations continues, producing some uncertainty about their treatment as currently adopted, the disclosures detailed in this note should not be considered to provide complete guidance as to the changes in accounting policies that will result from the transition from Australian GAAP (A-GAAP) to A-IFRS from 1 July 2005.

The Multiplex Group board has established a formal implementation project, including the establishment of a project team (the team) to manage the transition to A-IFRS. The team reports quarterly to the Audit and Risk Committee, and is led by senior finance personnel who, working with specialist external consultants and monitored by a steering committee, have identified changes to accounting policies, quantified likely key impacts and is currently finalising detailed design, implementation and system amendments.

Impact of Transition to A-IFRS

The impact of the transition to A-IFRS, including the transitional adjustments disclosed, is based on A-IFRS standards that management expect to be in place, when preparing the first complete A-IFRS financial report for the half-year ending 31 December 2005.

The differences between current A-GAAP and A-IFRS identified to date as potentially having a significant effect on the financial position and financial performance of the Fund are summarised below, being management's best estimates of the quantitative impact of the changes as at the date of preparing the 30 June 2005 financial report.

Where the application or interpretation of an accounting standard is currently being debated, the accounting policy adopted reflects the current assessment of management of the likely outcome of those deliberations. As accepted accounting practices continue to develop the final reconciliations presented in the first financial report prepared in accordance with A-IFRS may vary materially from the reconciliations provided in this note.

For a true and fair view to be presented under A-IFRS a complete set of financial statements and notes, together with comparative balances is required. As this note provides only a summary, further disclosure and explanations will be required in the first complete A-IFRS financial report.

— Financial Instruments Reporting Classification: Under the definitions within AASB 132 Financial Instruments: Disclosure and Presentation Units held in the Fund are likely to be reported as long term debt rather than equity in the Statement of Financial Position of the Fund, and corresponding distributions to Unitholders will be reported as interest expense in the Statement of Financial Performance. The reporting classifications do not alter the underlying economic interest of Unitholders in the reported net assets and profits of the Trust.

— Tax effect accounting: Accounting for income tax uses a balance sheet approach to calculate deferred tax balances (currently income statement method). The amount of deferred tax balances (assets and liabilities) may change.

— Classification of financial assets and liabilities: Under A-IFRS financial assets and liabilities will be required to be classified into specific categories which will, in turn, determine the accounting treatment of the item. Currently, the investments held by the Fund are recorded at fair value and this is expected to remain the case under A-IFRS.

8.11 CONSTITUTION

The Constitution is dated 1 March 2002 and has been lodged with ASIC. It governs the rights and obligations of Unitholders. The Constitution covers details relating to the fees of the Manager, certain rights of the Unitholders and the Manager's duties and powers.

The Manager cannot amend the Constitution without Unitholders approving such amendments by special resolution, unless the Manager reasonably believes that such amendments will not adversely affect the rights of the Unitholders.

The Constitution includes provisions dealing with:

— investments of the Fund and valuation principles for assets;

— the distribution of income and capital;

— the obligations, duties and powers of the Manager and delegation of its functions;

— the duration of the Fund including termination;

— recoverable expenses, permitted borrowings and the limitation of liability;

— remuneration and indemnification of the Manager as the responsible entity; and

— procedures for the convening and holding of meetings of Unitholders.

Some of the rights and liabilities attaching to Units are summarised below:

Voting rights

At a meeting, on a show of hands, each Unitholder present in person or by proxy shall have one vote. On a poll, each Unitholder will be entitled to one vote for each Unit held.

Unitholder meeting

The Manager may at any time summon a meeting of Unitholders for such purpose as it sees fit. On the requisition in writing of at least 100 Unitholders or Unitholders holding at least 5% of the Units, the Manager will convene a meeting of Unitholders.

Rights on winding up

On a winding up, the net proceeds of realisation of the assets of the Fund, after discharging or providing for all liabilities of the Fund, must be distributed pro rata to Unitholders according to their Unit holdings.

Transfer of Units

A Unitholder may only transfer Units in such a manner as the Manager may prescribe from time to time.

Rounding

Where any calculation performed under the terms of the Constitution results in the issue or redemption of a fraction of one Unit, that fraction may be rounded down or up to such number of decimal places as the Manager determines.

8.12 CUSTODIAN

As at the date of this PDS Multiplex Funds Management Limited, a wholly owned subsidiary of Multiplex, is the Custodian of the Fund. The role of the Custodian is to hold assets of the Fund and to deal with these assets only as instructed by the Manager in accordance with the provisions of the Compliance Plan and Constitution, the Corporations Act and the agreement between the Manager and the Custodian. The Custodian is not a trustee appointed to protect the interests of Unitholders.

Multiplex Funds Management Limited also acts as custodian for the Multiplex New Zealand Property Fund and is the responsible entity of the Multiplex Property Trust.

8.13 PRIVACY

The Manager is committed to managing personal information in a way that complies with the principles outlined in the Privacy Amendment (Private Sector) Act 2000 and using any personal information provided in the attached application in a way that respects the privacy of Unitholders.

By completing the attached Application Form, applicants are providing personal information to the Manager through Registries, who has been contracted by the Manager to manage the applications for Units.

The Manager will use personal information only for the following purposes:

— to evaluate applications;

— to issue Units;

— to communicate with Unitholders in relation to their Unitholdings and all transactions relating to Unitholdings;

— to advise Unitholders of their quarterly distribution income entitlements;

— to report in relation to a Unitholder's investment in the Fund including annual and half-yearly reports, annual taxation information and other information; and

— to keep Unitholders informed of future investment opportunities, products and services of a similar type.

If Unitholders do not provide the information requested on the Application Form, the Manager may not be able to process or accept applications. Personal information will be shared with Registries to maintain Unitholdings and may be disclosed to other entities within Multiplex, but only for the above purposes. The Manager may use the information collected on the Application Form to inform Unitholders of future investment opportunities offered by Multiplex. If Unitholders do not wish to receive information on future Multiplex investment opportunities or products, please indicate the election in part 12 of the Application Form.

Personal information may also be disclosed to any financial institution nominated by Unitholders and maybe disclosed to a Unitholder's licensed financial adviser. If Units are purchased through an adviser or a broker, by signing the Application Form a Unitholder authorises the Manager to disclose to the adviser or broker noted or whose stamp appears on the Application Form, information relating to the application for Units. This authorisation specifically excludes the disclosure of any tax file numbers or any information in relating to them. This authority will continue unless revoked by a Unitholder in writing.

If obliged to do so by law, the Manager will provide a Unitholder's personal information to other parties strictly in accordance with the relevant legal requirements.

8.14 DETAILS OF THE DISTRIBUTION REINVESTMENT PLAN

To enable Unitholders to invest cash distributions in new Units, a Distribution Reinvestment Plan (Plan) has been established by the Responsible Entity.

The principal features of the Plan are summarised as follows:

— at each distribution payment date, the cash distribution in relation to the Units participating in the Plan is automatically reinvested in the acquisition of new Units in the Fund;

— participation in the Plan in respect of distributions may only be in relation to the full distribution. It is not possible to elect to participate in relation to part of a distribution only;

— all Units allotted under the Plan are allotted at an issue price which is determined in accordance with the requirements of the Constitution;

— participants pay no fee, commission or other transaction costs on the new Units acquired under the Plan. On issue, the Units rank equally with the then existing Units in the Fund; and

— participants may join or withdraw from the Plan at any time as provided under the rules of the Plan.

To join the Plan, applicants must complete part 11 of the Application Form.

9

SECTION

GLOSSARY

GLOSSARY

Application Form
The application form attached to or accompanying this PDS.

ASIC
Australian Securities and Investments Commission.

Board
The board of directors of the Manager.

Business Day
A day that banks are open in New South Wales.

Compliance Committee
The committee established by the Manager and described in Section 8.4.

Compliance Plan
Compliance plan for the Fund including any modifications to the plan.

Constitution
Constitution for the Fund including any supplementary or replacement constitutions.

Corporations Act
Corporations Act 2001 (Cwlth).

Custodian
The custodian of the Fund which, at the date of this PDS, is Multiplex Funds Management Limited, a wholly owned subsidiary of Multiplex.

Fund
Multiplex Development and Opportunity Fund (ARSN 100 563 488), including, where appropriate, its wholly owned entities.

GST
Goods and Services Tax.

Liquidity Facility
A facility, capped at $20 million, under which the Manager (or another Multiplex subsidiary with an appropriate Australian financial services licence) purchases Units from Unitholders wishing to exit the Fund.

Manager
Multiplex Investments Limited (ACN 096 295 233), the responsible entity of the Fund which holds Australian Financial Services licence number 241178.

MER
Management expense ratio.

Multiplex
Multiplex Limited (ACN 008 687 063) or one of its wholly owned subsidiaries or a fund of which a wholly owned subsidiary is the responsible entity.

Multiplex Development(s)
Development(s) in which the Fund invests and the Multiplex Group has a significant interest such as, for example, developments in which the Multiplex Group owns a 50% interest in either the development or the developer entity.

Multiplex Group
Multiplex Limited, Multiplex Property Trust and all other entities controlled by each of them.

Multiplex Limited
Multiplex Limited (ACN 008 687 063).

Multiplex Property Trust
Multiplex Property Trust (ARSN 106 643 387).

NAV
Net asset value, as defined in clause 26 of the Constitution, being the value of the Fund's assets less its liabilities.

Non-Multiplex Development(s)
Development(s) in which the Fund invests that are not Multiplex Developments but where a member of the Multiplex Group has some participation, for example, as owner of 25%, builder only, facilities management only, project management only.

Offer
The offer of Units under this PDS.

PDS
This product disclosure statement.

Registries
Registries (Victoria) Pty Ltd (ACN 110 851 333), being the company appointed by the Manager to manage the register of Unitholders.

RITCs
Reduced input tax credits.

Section
A section of this PDS.

Unit
A unit in the Fund.

Unitholder
A person or entity that holds Units.

SECTION 10
HOW TO INVEST

HOW TO INVEST

Applications must be made on the Application Form attached to or accompanying this PDS.

Successful applicants will either be issued with new Units or will acquire existing Units held by the Manager in its personal capacity. In either case, Units will generally be issued or transferred at a price equal to NAV divided by the number of Units on issue on the first Business Day of the next month after the application is received (provided the Manager accepts the application). The Manager may, at its discretion, issue Units at other times.

Before completing the Application Form you should read this PDS carefully.

Please complete all relevant sections of the appropriate Application Form using BLOCK LETTERS.

These instructions are cross-referenced to each section of the Application Form.

1. If you have previously invested into a Multiplex fund please provide your existing investor number/s in any Multiplex fund.
2. Enter the $ amount of your application.
3. Write your full name or the full company name. Initials are not acceptable for first names.
4. Enter your postal address for all correspondence.
   All communications to you from the Fund will be mailed to the person(s) and address as shown. For joint applicants, only one address can be entered.
5. Enter your Australian Tax File Number (TFN) or, where relevant, Australian Business Number (ABN) or exemption category, if you are an Australian resident. You are not obliged to supply your TFN (or, where relevant, an ABN) or claim an exemption, but tax may be withheld from some or all of your distribution if you choose not to supply this information. This will not affect your application form.
6. Insert your date of birth.
7. Complete cheque details as requested. Make your cheque payable to "MDOF Application Account", cross it and mark it "Not Negotiable". Cheques must be made in Australian currency, and cheques must be drawn on an Australian bank or building society.
8. Enter your contact details so we may, if necessary, contact you regarding your Application Form or application monies.
9. Enter your email address so we may, if necessary, contact you regarding your Application Form or application monies or other correspondence.
10. Distributions will be paid by direct electronic payment into your nominated bank, building society or credit union account. Full details of your account and BSB numbers must be provided along with a copy of a blank deposit slip to ensure the accuracy of the details provided.
11. Advise whether you would like to participate in the distribution reinvestment plan - see Section 8.14.
12. Please advise if you would not like to receive information about other Multiplex Capital products or services.
13. Sign and date the declaration.
14. Advisers/Brokers are requested to complete their details and stamp the Application Form.

Note that ONLY legal entities can hold the Units. The application must be in the name of a natural person(s), companies or other legal entities acceptable to the Manager. At least one full name and surname is required for each natural person.

Examples of the correct form of registrable title are set out below:

Type of Investor	Correct Form	Incorrect Form
Trusts	Mr John David Smith <J D Smith Family A/C>	John Smith Family Trust
Deceased Estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Super Funds	John Smith Pty Limited <J Smith Super Fund A/C>	John Smith Superannuation Fund

LODGMENT: Mail your completed Application Form with cheque(s) attached in accordance with instructions from your financial adviser or to the following address:

Delivery:
Multiplex Development and Opportunity Fund
C/– Registries
Level 2
28 Margaret Street
Sydney NSW 2000

Postal:
Multiplex Development and Opportunity Fund
C/– Registries
PO Box R67
Royal Exchange
Sydney NSW 1223

If you have any questions as to how to complete the Application Form, please call Registries on 1800 766 011.

Pin cheque(s) here. Do not staple.

MULTIPLEX DEVELOPMENT AND OPPORTUNITY FUND

MULTIPLEX CAPITAL

Responsible Entity and Manager: Multiplex Investments Limited (AFSL number 241178)

APPLICATION FORM

Fill out this Application Form if you wish to apply for Units in the Fund.

- Please read the PDS.
- Follow the instructions to complete this Application Form in Section 10.
- **Print clearly in capital letters using black or blue pen.**

1 **Investor Number (if any) – Provide details of existing investor numbers in any Multiplex Capital funds**

2 **Total amount applied for in Australian dollars**

Minimum of $10,000 to be applied for, and thereafter in $1,000 increments.

3 **Write the name(s) you wish to register the Units in**

Applicant 1

Name of Applicant 2 or <Account Name>

Name of Applicant 3 or <Account Name>

4 **Write your postal address here**

Number/Street

Suburb/Town | State | Postcode

5 **Enter your TFN, ABN or Exemption Category**

Applicant #1 | Applicant #2

Applicant #3

6 **Date of birth**

Applicant #1 / / | Applicant #2 / / | Applicant #3 / /

7 **Cheque payment details**

Please enter details of the cheque(s) that accompany this application. Cheques are to be crossed Not Negotiable and made payable to: MDOF Application Account

Name of drawer of cheque	Cheque No.	BSB No.	Account No.	Cheque Amount A$

8 **Contact telephone number (daytime, work or mobile)**

9 **Email address**

10 **Direct Credit of Distributions**

To ensure the correct details are recorded, please attach a blank deposit slip of your nominated account.

Name of Financial Institution | Branch

BSB Number (6 digits) (maximum 9 digits) | Account Number

Account Name(s)

11 **DIVIDEND REINVESTMENT PLAN**

Please tick if you would like the Manager to reinvest your distributions to aquire additional Units.

☐

12 **Please tick if you do not wish to receive information about other Multiplex Capital products or services?**

☐

13 **DECLARATION**

I/We acknowledge and agree by submitting and signing this Application Form for an application for Units in the Fund that:

- I/we personally received the PDS accompanied by or attached to this Application Form and have read the PDS to which this Application Form relates;
- I/we agree to be bound by the Constitution of the Fund;
- I/we acknowledge and agree that the Manager may charge a redemption fee, a transfer fee, a Liquidity Facility administration fee and a purchase fee as set out in Section 7;
- I/we cannot withdraw my/our application except when I/we have such a right under the Corporations Act or if the Manager consents;
- I/we acknowledge that acceptance of my/our application and allocation or transfer of Units will be at the sole discretion of the Manager and that the Manager has the right to reject my/our application or to allocate or transfer to me/us a lower number of Units than applied for;
- I/we acknowledge that the information contained in the PDS is not personal financial product advice or a recommendation that Units in the Fund are suitable for me/us, given my/our investment objectives, financial situation and particular needs;
- by lodging this Application Form, I/we declare that this form is completed and lodged according to the PDS and that all statements made by me/us are complete and accurate. I/We represent that by lodging this Application Form, I am/we are in compliance with all laws of any jurisdiction outside the Commonwealth of Australia relevant to this application;
- if I am/we are an individual(s), that I am/we are over 18 years of age;
- I/we acknowledge that investing in property developments is risky and I/we might lose all of the money I/we invest in the Fund;
- neither the performance of the Manager nor any particular return from, or any return of capital invested in, Units of the Fund is guaranteed by Multiplex any of its related bodies corporate or its associates (other than as set out in Section 2.9);
- my/our investment in Units in the Fund is subject to investment risks, including possible delays in repayment and loss of income and capital invested;
- applications will only be accepted in Australian dollars;
- any income and capital distributions made by the Fund will only be paid in Australian dollars;
- if this Application Form is signed under power of attorney, the attorney declares that he/she has not received notice of revocation of that power (a certified copy of the power of attorney should be submitted with this Application Form);
- I/we have read the pages of the PDS containing the information under the heading Privacy in Section 8.13 and I am/we are aware that until I/we inform the Manager otherwise, I/we will be taken to have consented to all the uses of my/our personal information (including marketing) contained in that Section;
- Units may either be, at the sole discretion of the Manager, issued or transferred to me/us pursuant to this application.

If you have any queries concerning your application, please call Registries on 1800 766 011.

The distribution of this PDS in jurisdictions outside Australia may be restricted by law and applicants should seek advice on and observe any such restrictions.

Signature of Applicant #1 or Sole Director and Sole Company Secretary	**Signature of Applicant #2 or Director/Company Secretary**	**Signature of Applicant #3 or Director**

Date – Day   **Month**   **Year**

__ __ / __ __ / __ __ __ __

14 **Adviser (complete if applicable)**

Only licensed investment advisers, stock brokers and other approved persons are entitled to receive commission.

Please remit any entitlement to commission or trail fee to:

Dealer Stamp and Adviser's Name

Adviser's Email/Telephone/Facsimile

E –

T –

F –

Adviser's address

Commission

Rebate 4% commission to client.

☐ **Yes (client receives additional Units)**   ☐ **No (please complete preferred commission option below)**

OR

Tick preferred commission option. If no box ticked, 4% paid to adviser.

☐ **4%**   ☐ **2% + 0.35% trail**   ☐ **0.65% trail**

Adviser's signature

Pin cheque(s) here. Do not staple.

MULTIPLEX DEVELOPMENT AND OPPORTUNITY FUND

MULTIPLEX CAPITAL

Responsible Entity and Manager: Multiplex Investments Limited (AFSL number 241178)

APPLICATION FORM

Fill out this Application Form if you wish to apply for Units in the Fund.

- Please read the PDS.
- Follow the instructions to complete this Application Form in Section 10.
- **Print clearly in capital letters using black or blue pen.**

1 **Investor Number (if any) – Provide details of existing investor numbers in any Multiplex Capital funds**

2 **Total amount applied for in Australian dollars**

Minimum of $10,000 to be applied for, and thereafter in $1,000 increments.

3 **Write the name(s) you wish to register the Units in**

Applicant 1

Name of Applicant 2 or <Account Name>

Name of Applicant 3 or <Account Name>

4 **Write your postal address here**

Number/Street

Suburb/Town

State

Postcode

5 **Enter your TFN, ABN or Exemption Category**

Applicant #1

Applicant #2

Applicant #3

6 **Date of birth**

Applicant #1 / /

Applicant #2 / /

Applicant #3 / /

7 **Cheque payment details**

Please enter details of the cheque(s) that accompany this application. Cheques are to be crossed Not Negotiable and made payable to: MDOF Application Account

Name of drawer of cheque	Cheque No.	BSB No.	Account No.	Cheque Amount A$

8 **Contact telephone number (daytime, work or mobile)**

9 **Email address**

10 **Direct Credit of Distributions**

To ensure the correct details are recorded, please attach a blank deposit slip of your nominated account.

Name of Financial Institution

Branch

BSB Number (6 digits) (maximum 9 digits)

Account Number

Account Name(s)

11 DIVIDEND REINVESTMENT PLAN

Please tick if you would like the Manager to reinvest your distributions to aquire additional Units.

☐

12

Please tick if you do not wish to receive information about other Multiplex Capital products or services?

☐

13 DECLARATION

I/We acknowledge and agree by submitting and signing this Application Form for an application for Units in the Fund that:

- I/we personally received the PDS accompanied by or attached to this Application Form and have read the PDS to which this Application Form relates;
- I/we agree to be bound by the Constitution of the Fund;
- I/we acknowledge and agree that the Manager may charge a redemption fee, a transfer fee, a Liquidity Facility administration fee and a purchase fee as set out in Section 7;
- I/we cannot withdraw my/our application except when I/we have such a right under the Corporations Act or if the Manager consents;
- I/we acknowledge that acceptance of my/our application and allocation or transfer of Units will be at the sole discretion of the Manager and that the Manager has the right to reject my/our application or to allocate or transfer to me/us a lower number of Units than applied for;
- I/we acknowledge that the information contained in the PDS is not personal financial product advice or a recommendation that Units in the Fund are suitable for me/us, given my/our investment objectives, financial situation and particular needs;
- by lodging this Application Form, I/we declare that this form is completed and lodged according to the PDS and that all statements made by me/us are complete and accurate. I/We represent that by lodging this Application Form, I am/we are in compliance with all laws of any jurisdiction outside the Commonwealth of Australia relevant to this application;
- if I am/we are an individual(s), that I am/we are over 18 years of age;
- I/we acknowledge that investing in property developments is risky and I/we might lose all of the money I/we invest in the Fund;
- neither the performance of the Manager nor any particular return from, or any return of capital invested in, Units of the Fund is guaranteed by Multiplex any of its related bodies corporate or its associates (other than as set out in Section 2.9);
- my/our investment in Units in the Fund is subject to investment risks, including possible delays in repayment and loss of income and capital invested;
- applications will only be accepted in Australian dollars;
- any income and capital distributions made by the Fund will only be paid in Australian dollars;
- if this Application Form is signed under power of attorney, the attorney declares that he/she has not received notice of revocation of that power (a certified copy of the power of attorney should be submitted with this Application Form);
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Date – Day **Month** **Year**

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☐ **4%** ☐ **2% + 0.35% trail** ☐ **0.65% trail**

Adviser's signature

DIRECTORY

FUND

Multiplex Development and Opportunity Fund
(ARSN 100 563 488)

RESPONSIBLE ENTITY AND MANAGER

Multiplex Investments Limited
(ACN 096 295 233)
Level 4
1 Kent Street
Sydney NSW 2000

DIRECTORS

Andrew Roberts
Ian O'Toole
Robert Rayner
Dr Peter Morris
Robert McCuaig
Mike Hodgetts

CUSTODIAN

Multiplex Funds Management Limited
(ACN 105 371 917)
Level 4
1 Kent Street
Sydney NSW 2000

CONTACT DETAILS

Advisers (02) 9256 5700
Investors 1800 766 011

LEGAL ADVISER

Mallesons Stephen Jaques
Level 60
Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000

AUDITOR

Ernst & Young
321 Kent Street
Sydney NSW 2000

REGISTRY

Registries (Victoria) Pty Ltd
(ACN 110 851 333)
Level 11
CGU Tower
485 La Trobe Street
Melbourne VIC 3000