

GEO Property Group

Comprising:

GEO Property Trust ("Trust")

ARSN 104 482 206

(Responsible Entity: GEO Management Limited)

ABN 77 116 506 882, AFSL 304866)

GEO Property Group Limited ("Company")

ABN 38 117 546 326

ASX Code: GPM



ASX ANNOUNCEMENT/MEDIA RELEASE

CAPITAL REALISATION PROGRAM SEVEN MONTHS AHEAD OF SCHEDULE

GEO Property Group (GEO) is pleased to advise that it has completed the first stage of its capital realisation program seven months ahead of schedule with the unconditional sale of the Waterford Plaza shopping centre at Waterford West in Queensland.

The property was sold for \$21.5 million to an undisclosed buyer. The centre is the latest asset to be sold under a capital realisation program designed to reduce debt and provide the Group with a more appropriate capital structure moving forward.

Negotiations are advanced or terms have been agreed and are subject to due diligence and/or documentation on the realisation of a further \$92 million of Property Investment (Trust) and Communities Development (Company) projects through sales and joint ventures, bringing the total sold calculated on this basis to approximately \$182 million (\$168 million as at 14 May, 2008).

GEO Managing Director Guy Farrands said completion of the first stage of the program would leave the Group with an improved capital structure.

"Under the agreement we suggested to our banks, GEO will reduce debt to \$375 million by 31 December 2008. The success of the asset realisation program means we now expect our bank facility to be drawn to approximately \$310 million by the end of this month," he said.

"Debt by 31 December 2008 is expected to be approximately \$300 million, even if none of the sales subject to due diligence and/or documentation proceed, subject to the usual variances in cash flow in our communities development business.

"We are now well placed to push forward with the confidence of a strong capital foundation which will give us the flexibility we need to execute the strategies required to deliver long term growth for securityholders."

Please see over for a summary of sales.

For further information please contact:

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Ground Floor, 9 Ouyan Street
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Website: www.geopg.com.au

SHARE REGISTRY
Computershare Investor Services Pty Limited
Level 19, 307 Queen Street
Brisbane QLD 4000
Telephone: 1300 651 684

Securityholder Queries:

Email: securityholder@geopg.com.au
Telephone: 1300 552 434

	Sale Price (\$m)	Book value 31 Dec 07 (\$m)
Property Investment (Trust) asset sales		
Previously announced - settled/unconditional	67.9 ¹	75.7
New sale - Waterford Plaza Shopping Centre	21.5 ²	22.0
Terms agreed - in Due Diligence / documentation phase	32.5	
Sale pending - in advanced negotiation for sale	41.0	
Communities Development Joint Ventures (Company)		
Joint Venture terms agreed in Due Diligence / documentation ³	18.7	
TOTAL	181.6	

1 Does not include recovery of the \$3 million owed by the defaulting original purchaser of Gympie.

2 18 months rental guarantee provided on vacancies, maximum cost \$150,000.

3 Represents sale proceeds net of re-investment into joint venture. Explanation provided in our announcement dated 14 May 2008.

Guy Farrands
 Managing Director and CEO
 GEO Property Group
 (02) 8259 7251

Date: 29 May 2008

Sydney	Gold Coast	Melbourne	SHARE REGISTRY
Level 13 167 Macquarie St Sydney NSW 2000	Ground Level 9 Ouyan Street Bundall Qld 4217	Level 2 600 Victoria Street Richmond Vic 3121	Computershare Investor Services Pty Ltd Level 19, 307 Queen Street Brisbane QLD 4000
Tel 02 8259 7251	Tel 07 5588 8888	Tel 03 8412 3333	Tel: 1300 651 684

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