

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

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ASX ANNOUNCEMENT GEO PROPERTY GROUP BUYS OUT GLADSTONE JV PARTNER

Leading residential developer GEO Property Group (ASX: GPM) today announced it has bought out its 50/50 joint-venture partner in the \$130 million Little Creek community at Gladstone, significantly increasing its residential land bank.

The project will be refinanced through BOS International with a new 3 year project specific finance facility.

GEO Property Group Managing Director Guy Farrands said the transaction gave the company complete control of a 640 lot project which had quickly become the leading residential address in Gladstone.

"Owning 100% of Little Creek gives us greater exposure to the significant recovery that is currently taking place in the Gladstone property market while also giving us more flexibility in our management of the project," Mr Farrands said.

"It also means we can employ our core speculative house building capability to further enhance our returns which was not possible under the joint venture arrangement."

The price of the acquisition was not disclosed.

Stages 1 and 2 of the development comprising 62 lots have already been released, with 54 home sites sold including 31 in the 2010 calendar year. Preliminary approval has been granted for stages 3-24, comprising a further 544 lots.

The 110-hectare site in the Gladstone suburb of Kirkwood has been designed around tranquil Briffney Creek and will feature 13.5 hectares green space including a recreation domain with kick and throw area, walking paths and a picnic or barbecue zone.

GEO Property Group entered into a joint venture agreement with BOS International to develop the Little Creek site in February 2008. The project is scheduled for completion in 2014 and is expected to eventually accommodate 640 sites and become home to more than 600 families.

GEO Property Group has been creating affordable, high-quality communities for over two decades with over 15,000 owners now calling a GEO Property Group property home.

For more information, please contact:

Guy Farrands
Managing Director and CEO
GEO Property Group
(07) 5588 8888

For further information please contact:
GEO Property Group
Ground Floor, 9 Ouyan Street
Bundall QLD 4217
Website: www.geopg.com.au

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

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