



MEDIA RELEASE

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## **BBX Property Fund to debut on NSX**

Barter Exchange Company BBX Holdings Ltd (BBX) has formed a Property Investment Fund for investment in Australian and New Zealand Real Estate.

The company will list on the Newcastle Stock Exchange (NSX) and is in the process of presenting the prospectus and investment options to hundreds of financial advisors, accountants and legal firms. Both cash and barter currency is being sought from investors and BBX members. The offer is underwritten by Martin Place Securities.

This investment represents a milestone in the barter industry and places BBX as the market leader in offering members investment options and possible tax benefits via superannuation.

Last year BBX floated on the Australian Stock Exchange, placing it in an ideal position to capitalise on the market potential.

Tim Creasy, Chief Financial Officer of BBX, said the company has identified member investors as well as property developers attracted to the concept of selling part of their projects into the fund and exchanging equity in their property for shares. Those shares will ultimately be tradeable on the Newcastle Stock Exchange.

“The BBX Property fund is unique as it will be the only fund that utilises barter currency. This is done both at the investor level and when acquiring properties for the fund,” Mr Creasy said.

“In consultation with our legal taxation advisor, BBX has developed a structure that will have significant benefits in wealth creation for its members and their businesses.

“We have established a separate listed property investment entity, BBX Property Investment Fund Ltd., so that members can invest in a portfolio of properties with a suitable level of gearing.

“Our target is to utilise 33 percent barter currency, 33 percent cash and 33 percent debt funding in making property acquisitions around Australia and New Zealand, predominantly apartments and units where a degree of oversupply currently exists.

“As the properties rise in value so will the underlying value of the shares. This fund will invest in a diverse and fully managed portfolio of residential property and it can, if structured properly, be an investment for superannuation funds. BBX also provides interest-free overdrafts to qualifying members for working capital and for investment in property, which is a feature unique to the trade exchange.

“Members can utilise the funds in their account and in most cases BBX can extend that with an overdraft to enable them to acquire such a property investment in a number of ways including for their superannuation fund. BBX is getting a team of independent consultants and advisers together to advise new & potential members of the unique features of this investment and the possible taxation advantages.”

“We’ve chosen the NSX to list this vehicle because the requirements are more flexible and suited to this type of fund. If the fund grows as expected we have a strategy to list on the ASX within 12 months. Using barter currency is just like using cash, you tick the appropriate boxes and BBX transfers funds from your account to a share application in the property fund,” he said.

BBX members already transact around \$100 million trade on an annual basis and the company is the second largest barter operator in Australia, facilitating the ‘cashless’ trading of goods and services between members.

A trade exchange uses trade dollars, which have par value with the local currency, to assign value to the transactions that take place between members. In essence, the exchange acts as the third party facilitator and record keeper, and issues members with monthly statements, showing the purchases and sales they have made during the month. They also use plastic charge cards similar to other credit/debit cards in order to conduct business.

BBX has approximately 4,500 Australian and New Zealand member businesses, with offices and/or franchises situated in all mainland states of Australia, as well as the North and South islands of New Zealand.

The company is also negotiating the establishment of master franchises in South East Asia.

Details of the offer can be found at [www.bbxpropertyfund.com.au](http://www.bbxpropertyfund.com.au) and a link to this site can be found at [www.ebbx.com](http://www.ebbx.com). A hard copy of the prospectus can be obtained by contacting BBX on 1800 222 229 or by email [davidf@ebbx.com](mailto:davidf@ebbx.com).

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