

4 October, 2010

**The Manager
Company Announcement Office
Australian Stock Exchange
Level 4, 20 Bridge Street
SYDNEY NSW 2000**

Settlement of Wattle Grove Hotel sale

On 27 August 2010 Redcape Property Group (“RPF”) announced the sale of the Wattle Grove Hotel for \$8,600,000.

Settlement of the sale of the Wattle Grove occurred on Friday 1 October, with the net proceeds of the sale applied to RPF debt reduction.

Colin Henson
Executive Chairman
Redcape Property Fund Limited