

14 November 2011

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

Redcape Property Fund (ASX: RPF)

Extension of Exclusivity Undertaking with Investor Group

Redcape Property Fund (ASX: RPF) (**Redcape**) comprises Redcape Property Trust (**Trust**) and Redcape Property Fund Limited (**Company**). Redcape Services Pty Limited (**Manager**) is the investment manager for the Trust and The Trust Company (RE Services) Limited (**Responsible Entity**) is the responsible entity for the Trust.

On 31 October 2011, Redcape advised that it had entered into an exclusivity undertaking (**Exclusivity Undertaking**) for a period of 2 weeks expiring on 14 November 2011 (**Exclusivity Period**) with an investor group comprising affiliates of York Capital Management, Värde Partners, Inc. and Goldman Sachs (Asia) Finance (**Investor Group**) so that the Investor Group could finalise a recapitalisation proposal.

At the request of the Investor Group, Redcape has agreed to extend the Exclusivity Period until 28 November 2011 in order to facilitate progress in negotiating and documenting the proposed recapitalisation.

The market will be kept informed of developments.

Colin J Henson
Executive Chairman
Redcape Property Fund Limited