

TAX STATEMENT

Quantum Property Syndicate No.12

ARSN: 111 225 060

Year Ended 30 June 2005

OFFICE COPY ONLY



QUANTUMGROUP

Responsible Entity:
Quantum Syndicate Management Ltd
ABN: 37 086 965 684
Level 9, 49-51 York Street
SYDNEY NSW 2000

The following notes are intended as a guide only, and should not be taken as taxation advice.

Taxable Income

The amount shown at label A is your share of the taxable profit/(loss) of the investment entity, and should be included in your taxation return under non primary production in the partnerships and trusts section.

Capital Gains Tax

The investment entity is entitled to the 50% discount on capital gains for assets held for longer than 12 months. If you are entitled to the 50% discount, the amount shown at label B should be included in your assessable income, and the amount at label F is the discounted amount and does not need to be included in your taxation return. If you are not entitled to the 50% discount then the sum of the amounts at label B and label F should be included in your assessable income, less any applicable discounts that you may be entitled to.

Tax Deferred Income

The amount shown at label E does not need to be included in your taxation return. Tax deferred income is sheltered by depreciation allowances and does not need to be reported in your taxation return. These amounts will reduce the cost base of your investment for the purpose of capital gains tax.

Non Resident Tax

The amount shown as non resident tax represents the amount required to be withheld from the gross income of the beneficiary. Refer to other distribution notes for greater detail on this amount.

TFN Credit

The amount shown as TFN credit represents your share of any resident withholding tax deducted from income earned by the investment entity. This amount should be included in your taxation return.

Other Expenses Relating to Distribution

The amount shown at label H should be a negative number, as it is an expense not income. This is your share of interest and borrowing expenses to acquire interests in the Syndicate. This is not a distribution. This amount should be included in your taxation return as "other expenses" associated with your investment in the Syndicate (individual taxation return label 12Y).

Yours sincerely,

Quantum Syndicate Management Ltd

Responsible Entity

- End of Statement -