



**ASX ANNOUNCEMENT**

**27 September 2017**

**Announcement No. 16/17  
The Manager  
Corporate Announcement Office  
Australian Securities Exchange**

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**Notice of Company AGM and Trust Meeting**

ALE Property Group, which is comprised of Australian Leisure and Entertainment Property Management Limited (the "Company") and Australian Leisure and Entertainment Property Trust (the "Trust"), will hold its Annual General Meeting ("AGM") of the shareholders of the Company and meeting of unitholders of the Trust at:

- 10.00 am Sydney Time (Registration will commence 9.45 am)
- Tuesday, 31 October 2017
- Sofitel Sydney Wentworth  
Hobart Room, Ground Floor  
61-101 Phillip Street, Sydney, NSW.

The following documents have been mailed to stapled securityholders:

- Chairman's letter to stapled securityholders;
- Notice of meetings; and
- Proxy form.

A copy of each of the above documents is attached in accordance with Listing Rule 15.7.

- Ends -

Contact:  
Michael Clarke  
Company Secretary  
**ALE Property Group**

Tel: 02 8231 8588  
Website: [www.alegroup.com.au](http://www.alegroup.com.au)



ALE PROPERTY GROUP

Australian Leisure and Entertainment Property Management Limited  
ABN 45 105 275 278  
Australian Leisure and Entertainment Property Trust  
ARSN 106 063 049

LEP

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030



## CHAIRMAN'S LETTER

27 September 2017

Dear Stapled Securityholder,

The ALE Property Group comprises Australian Leisure and Entertainment Property Management Limited (the "**Company**") and the Australian Leisure and Entertainment Property Trust (the "**Trust**") and their controlled entities. Each stapled security in ALE Property Group comprises of one share in the Company and one unit in the Trust ("**Stapled Security**").

Enclosed with this letter is a notice of the Annual General Meeting of the shareholders of the Company and a meeting of the unitholders of the Trust ("**Notice**"). The meetings will be held concurrently at the Sofitel Sydney Wentworth Hotel, Hobart Room, Ground Floor, 61-101 Phillip Street Sydney on **Tuesday, 31 October 2017 at 10.00 am Australian Eastern Daylight Time ("AEDT")**.

You may vote by attending the meetings in person or by proxy or a body corporate can appoint a corporate representative.

**To vote in person**, attend the meetings on 31 October 2017 at the Sofitel Sydney Wentworth Hotel. The meetings will commence at 10.00 am. Registration will commence at 9.45 am. If you are able to attend, please bring this letter with you to facilitate registration. We ask that if you plan to attend the meeting you arrive at least 10 minutes prior to the time designated for the meeting so that we may check your holding of Stapled Securities against our register and note your attendance.

Corporate Stapled Securityholders will be required to produce, prior to admission to the meeting, the appropriate "Certificate of Appointment of Corporate Representative" to evidence the appointment of the corporate representative. A form of the certificate may be obtained from ALE Property Group's Registry, Computershare.

**To vote by proxy**, please complete and sign the Proxy Form enclosed with the Notice as soon as possible and either:

- return the proxy form by post in the reply paid envelope; or
- send the proxy form by facsimile to Computershare Investor Services Pty Limited on facsimile number +61 3 9473 2555,

so that it is received not later than 10.00 am (AEDT) on Sunday, 29 October 2017.

If the appointment is signed by an attorney, the power of attorney or a certified copy of it must be sent with the proxy form.

I sincerely hope that you will be able to join us at the meeting and take advantage of the opportunity to meet and speak with the Directors.

Yours sincerely

**Robert Mactier**  
CHAIRMAN  
Australian Leisure and Entertainment Property Management Limited

NOTICE OF  
MEETING  
2017

# VALUE

INCOME  
GROWTH  
OPPORTUNITIES

# NOTICE OF MEETINGS

Australian Leisure and Entertainment Property Management Limited  
(ABN 45 105 275 278)

AND

Australian Leisure and Entertainment Property Trust  
(ARSN 106 063 049)

Notice is given that the Annual General Meeting of shareholders of Australian Leisure and Entertainment Property Management Limited ([Company](#)) and a meeting of the unitholders of Australian Leisure and Entertainment Property Trust ([Trust](#)) (together, [ALE Property Group](#)) will be held concurrently at the Sofitel Sydney Wentworth Hotel, Hobart Room, Ground Floor, 61-101 Phillip Street Sydney at 10.00 am Australian Eastern Daylight Time (AEDT) on Tuesday 31 October 2017 (the [Meetings](#)).

Please note that the item of Ordinary Business and the Resolutions should be read in conjunction with the Explanatory Memorandum which forms part of the Notice of Meeting.

## Ordinary Business

### Item 1 [Receive 30 June 2017 financial reports - Company and Trust](#)

To receive and consider the financial reports of ALE Property Group and the reports of the Directors and Auditor for the year ended 30 June 2017.

The following Resolutions are to be considered and, if thought fit, passed as ordinary Resolutions of the Company (and in the case of Resolutions 5 and 6, of the Trust as well):

## Resolutions

### Resolution 1 [Re-election of Phillipa Downes as a Director](#)

That Phillipa Downes, being a Director who retires in accordance with the ASX Listing Rules and Rule 44(a) of the Company's Constitution and, being eligible, offers herself for re-election, is re-elected as a Director of the Company.

The Directors (with Phillipa Downes abstaining) unanimously recommend that securityholders vote in favour of the re-election of Ms Downes.

### Resolution 2 [Re-election of Paul Say as a Director](#)

That Paul Say, being a Director who retires in accordance with the ASX Listing Rules and Rule 44(a) of the Company's Constitution and, being eligible, offers himself for re-election, is re-elected as a Director of the Company.

The Directors (with Paul Say abstaining) unanimously recommend that securityholders vote in favour of the re-election of Mr Say.

### Resolution 3 [Election of Robert Mactier as a Director](#)

That Robert Mactier, being a Director who was appointed by the Board since the last Annual General Meeting (AGM), retires in accordance with the ASX Listing Rules and Rule 43(b) of the Company's Constitution and, being eligible, offers himself for election, is elected as a Director of the Company.

The Directors (with Robert Mactier abstaining) unanimously recommend that securityholders vote in favour of the election of Mr Mactier.

#### Resolution 4 [Non-binding advisory vote on the Remuneration Report](#)

That the Company adopt the Remuneration Report for the year ended 30 June 2017 as contained within the Directors' Report of the ALE Property Group Annual Report 2017 on pages 11 to 17.

Note: The vote on this report is advisory only and does not bind the Directors or the Company. However, the Board will consider the outcome of the vote when reviewing the Company's remuneration policy.

Note: A voting exclusion statement applies to this Resolution (see below for details).

The Directors unanimously recommend that securityholders vote in favour of this resolution.

#### Resolution 5 [Approval of Executive Incentive Scheme grant of rights to the Managing Director - Company and Trust](#)

That approval is given to grant 34,082 rights to receive Stapled Securities to the Managing Director, Mr Andrew Wilkinson, under the ALE Property Group Executive Stapled Security Scheme on the terms summarised in the Explanatory Memorandum.

Note: A voting exclusion statement applies to this Resolution (see below for details).

**Short Explanation:** Under the ASX Listing Rules, the issue of any Stapled Securities to a Director under the ESSS requires Stapled Securityholder approval. Please refer to the Explanatory Memorandum for details.

The Directors (with Mr Wilkinson abstaining) unanimously recommend that securityholders vote in favour of this Resolution.

#### Resolution 6 [Non-Executive Directors' Remuneration - Company and Trust](#)

That in accordance with ASX Listing Rule 10.17 and for the purposes of Rule 45(b) of the Company's Constitution, effective from the financial year commencing 1 July 2017, the maximum amount that may be paid in aggregate in any one year by the Company to Non-Executive Directors, as remuneration for services, including as a member of the Company's committees, be increased by \$100,000 to \$750,000 per annum.

Note: A voting exclusion statement applies to this Resolution (see below for details).

## Voting Exclusions

### Resolution 4

In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 4 (Remuneration Report):

- by or on behalf of a member of its Key Management Personnel named in the Remuneration Report for the year ended 30 June 2017 or their Closely Related Parties (regardless of the capacity in which the vote is cast); or
- as proxy by a member of the Company's Key Management Personnel on the date of the Annual General Meeting or their Closely Related Parties.

However, the Company will not disregard a vote if it is cast as a proxy for a person who is entitled to vote on Resolution 4:

- in accordance with the directions on the proxy form; or
- by the Chairman of the meetings in accordance with an express authorisation to exercise the proxy even though item 4 is connected with the remuneration of a member of the Company's Key Management Personnel.

### Resolution 5

In accordance with the ASX Listing Rules and the Corporations Act, any vote cast on Resolution 5 will be disregarded:

- by the Company and Trust, if cast by or on behalf of Mr Andrew Wilkinson (being the only Director entitled to participate in the ALE Property Group Executive Stapled Security Scheme) and any of his associates (regardless of the capacity in which the vote is cast); and
- by the Company, if cast as a proxy by a member of the Company's Key Management Personnel at the date of the Annual General Meeting or their Closely Related Parties.

However, a vote will not be disregarded if it is cast as proxy for a person entitled to vote on Resolution 5:

- in accordance with the directions on the proxy form; or
- by the Chairman of the meetings in accordance with an express authorisation to exercise the proxy even though item 5 is connected with the remuneration of a member of the Company's Key Management Personnel.

### Resolution 6

In accordance with the ASX Listing Rules and the Corporations Act, any votes cast on Resolution 6 will be disregarded:

- by the Company and Trust, if cast by or on behalf of a Director of the Company or the Responsible Entity of the Trust and their associates (regardless of the capacity in which the vote is cast); or
- by the Company, if cast as a proxy by a member of the Company's Key Management Personnel at the date of the Annual General Meeting or their Closely Related Parties.

However, a vote need not be disregarded if it is cast by a person as proxy for a person who is entitled to vote on Resolution 6:

- in accordance with a direction on the proxy form; or
- by the Chairman of the meetings in accordance with an express authorisation to exercise the proxy even though item 6 is connected with the remuneration of a member of the Company's Key Management Personnel.

## Voting entitlement

For the purposes of voting at the Meetings, persons holding Stapled Securities at 10.00am (AEDT) on Sunday 29 October 2017 will be entitled to vote. This means that if you are not a Stapled Securityholder at that time you will not be entitled to vote.

## Corporations

A Stapled Securityholder or proxyholder that is a body corporate may appoint a representative to attend and vote for them at the Meetings and will be required to produce, prior to admission to the Meetings, the appropriate “Certificate of Appointment of Corporate Representative” to evidence the appointment of the corporate representative. A form of the certificate may be obtained from the Registry.

## Proxies

A Stapled Securityholder who is entitled to attend and cast a vote at the Meetings may appoint a person as the Stapled Securityholder’s proxy to attend and vote for the Stapled Securityholder at the Meetings. The proxy form enables Stapled Securityholders to vote For, Against, or Abstain from voting on, a Resolution. Proxies need not be Stapled Securityholders.

## Two or more proxies

If the Stapled Securityholder is entitled to cast two or more votes at the Meetings, the Stapled Securityholder may appoint two proxies and may specify the proportion or number of votes each proxy may exercise.

Where two proxies are appointed a separate form should be used for each. Stapled Securityholders are requested to show on the form a specified number or proportion of the Stapled Securityholder’s voting rights which the proxy may exercise. To do this, insert the relevant number or proportion of Stapled Securities in respect of which the appointment is made. If the Stapled Securityholder does not specify the proportion of the Stapled Securityholder’s voting rights each proxy is to represent, each proxy will be entitled to half of the Stapled Securityholder’s votes.

Where two proxies are appointed, neither is entitled to vote on a show of hands, in accordance with the Constitution.

## Important information regarding Key Management Personnel and Chairman voting

If you appoint a member of the Key Management Personnel of the Company or one of their Closely Related Parties as proxy, they will not be able to cast your votes on Resolutions 4, 5 or 6, unless you direct them how to vote or the Chairman of the Meetings is your proxy (or becomes your proxy by default).

If you appoint the Chairman of the Meetings as your proxy or the Chairman of the Meetings is appointed as your proxy by default, and you do not mark a voting box for Resolutions 4, 5 and 6, then by signing and returning the proxy form you will be expressly authorising the Chairman of the Meetings to exercise the proxy in respect of the relevant Resolution as he/she sees fit even though the Resolution is connected with the remuneration of the Key Management Personnel of the Company.

The Chairman of the Meetings intends to vote all available proxies in favour of Resolutions 4, 5 and 6.

## Directed proxy votes

You can direct a proxy how to vote on each Resolution by following the instructions on the proxy form. If a person appointed as a proxy for a Stapled Securityholder who is entitled to vote chooses to vote, the proxy must vote as directed by the Stapled Securityholder. If a person appointed as a proxy (other than the Chairman) does not attend the Meetings or does not vote on a Resolution, and the directions on the proxy form require that person to vote, the votes not exercised by that person will be given to the Chairman to vote on a poll in accordance with the directions on the proxy form.

## Undirected proxy votes

You are encouraged to consider how you wish to direct your proxy to vote. Subject to any applicable voting restrictions, if a proxy is not directed how to vote on a Resolution, the proxy may vote, or abstain from voting, as they think fit. Should any Resolution, other than those specified in this Notice of Meetings, be proposed at the Meetings, a proxy may vote on that Resolution as they think fit (subject to any applicable voting restrictions).

## Proxy lodgement

To be valid, the enclosed proxy form (and any authority under which it is signed) must be completed and signed and received not later than **10.00 am (AEDT) on Sunday, 29 October 2017** either by:

- returning the proxy form by post in the reply paid envelope to Computershare Investor Services Pty Ltd, Reply Paid GPO Box 7115, Sydney NSW 2000;
- delivering the proxy form in person to Computershare Investor Services Pty Limited, Level 4, 60 Carrington Street, Sydney NSW 2000; or
- sending the proxy form by facsimile to Computershare on facsimile number +61 3 9473 2555.

By order of the Board of Australian Leisure and Entertainment Property Management Limited in its own right and in its capacity as responsible entity of the Australian Leisure and Entertainment Property Trust.

Michael Clarke

Company Secretary

Date: 15 September 2017

This Explanatory Memorandum and the Notice of Meetings are important documents. They should be read carefully. If you are not able to attend the Meetings, please complete the attached proxy form and return it to Computershare by 10.00 am (AEDT) on Sunday, 29 October 2017.

## Item 1 – Receive 30 June 2017 Financial Reports

The financial reports of the ALE Property Group and the reports of the Directors and Auditor are set out in the Annual Report which is available on the ALE Property Group's website ([www.alegroup.com.au](http://www.alegroup.com.au)). There is no requirement either in the Corporations Act or the Company's constitution that Stapled Securityholders vote on or approve the reports.

In accordance with section 250PA of the Corporation Act 2001, Stapled Securityholders entitled to cast their vote at the Meetings may submit written questions to the Auditor relevant to the content of the Auditor's report or the conduct of the audit of the financial report of ALE Property Group. A Stapled Securityholder wishing to submit a question to the Auditor should forward it to the Company Secretary at the following address by no later than 5.00 pm (AEDT) on Tuesday, 24 October 2017:

Address: ALE Property Group  
Level 10, Norwich House  
6 O'Connell Street  
Sydney, NSW, 2000  
Facsimile: +61 2 8231 8500

If applicable, a question list will be made available to Stapled Securityholders attending the Meetings. The Auditor is not obliged to provide written answers.



## Resolution 1 – Re-election of Phillipa Downes as a Director of the Company

The ASX Listing Rules and Rules 30 and 44 of the Company's Constitution require that an election of Directors of the Company is required to be held each year, and that a Director may not hold office for a continuous period in excess of three years or past the third Annual General Meeting following the Director's last election, whichever is the longer, without submitting for re-election. In accordance with this requirement, Phillipa Downes will retire as a Director of the Company and being eligible for re-election stands for re-election.

Phillippa (Pippa) was appointed as a Non-Executive Director of the Company on 26 November 2013. The Board considers Pippa to be an independent Director.

Pippa's other current roles include a Director of the Infotrack Group, the ASX Clearing and Settlement companies, Windlab Limited, the Sydney Olympic Park Authority and Pippa is also on the panel of the ASX Appeals Tribunal. Pippa is also a director of the Pinnacle Foundation and was a Managing Director and Equity Partner of Goldman Sachs in Australia until October 2011, working in the Proprietary Investment division. Pippa has had a successful international banking and finance career spanning over 20 years where she has led the local investment, derivative and trading arms of several of the world's leading Investment Banks. She has extensive experience in Capital Markets, derivatives and asset management.

Prior to joining Goldman Sachs in 2004, Ms Downes was a director and the Head of Equity Derivatives Trading at Deutsche Bank in Sydney. When Morgan Stanley was starting its equity franchise in Australia in 1998 she was hired to set up the Derivative and Proprietary Trading business based in Hong Kong and Australia. Ms Downes started her career working for Swiss Bank O'Connor on the Floor of the Pacific Coast Stock Exchange in San Francisco, followed by the Philadelphia Stock Exchange before returning to work in Sydney as a director for UBS.

Pippa was previously an appointed Director on the Board of Swimming Australia and the Swimming Australia Foundation. Pippa graduated from the University of California at Berkeley with a Bachelor of Science in Business Administration majoring in Finance and Accounting. Pippa also completed a Masters of Applied Finance from Macquarie University in 1998.

Pippa is also the independent Chair of ALE Property Group's Audit, Compliance and Risk Management Committee, and an independent member of the Remuneration Committee and the Nominations Committee.

## Resolution 2 – Re-election of Paul Say as a Director of the Company

In accordance with the ASX Listing Rules and Rules 30 and 44 of the Company's Constitution, Paul Say will retire as a Director of the Company and being eligible for re-election stands for re-election.

Paul was appointed as a Non-Executive Director of the Company on 24 September 2014. The Board considers Paul to be an independent Director. Paul has over 30 years' experience in commercial and residential property management, development and real estate transactions with major multinational institutions. Paul was Chief Investment Officer at Dexis Property Group from 2007 to 2012. Prior to that he was with Lend Lease Corporation for 11 years in various positions culminating with being the Head of Corporate Finance. Paul was a director of GPT Metro Office Fund (until 23 September 2017) and is currently a Director of Frasers Logistic & Industrial Trust (SGX listed).

Paul has a Graduate Diploma in Finance and Investment and a Graduate Diploma in Financial Planning. He is a Fellow of the Royal Institute of Chartered Surveyors, Fellow of the Australian Property Institute and a Licensed Real Estate Agent (NSW, VIC and QLD).

Paul is also an independent member of ALE Property Group's Audit, Compliance and Risk Management Committee, Chair of the Remuneration Committee and Chair of the Nominations Committee.

### Resolution 3 – Election of Robert Mactier as a Director of the Company

The ASX Listing Rules and Rule 43(b) of the Company's Constitution require that any Director appointed since the previous AGM must submit themselves for election. In accordance with this requirement, Robert Mactier will retire as a Director of the Company and being eligible for election, stands for election.

Robert was appointed as a Non-Executive Director of the Company on 28 November 2016 and was appointed as Chairman of the Company on 23 May 2017. The Board considers Robert to be an independent Director.

Robert's other current roles include Chairman of ASX listed WPP AUNZ Limited (since 2006) and Consultant to UBS AG in Australia (since June 2007). Between 2006 and January 2017 he served as a non-executive director of NASDAQ listed Melco Resorts and Entertainment Limited.

Robert began his career at KPMG and from January 1986 to April 1990 worked across their audit, management consulting and corporate finance practices. He has extensive investment banking experience in Australia, having previously worked for Citigroup, E.L. & C. Baillieu and Ord Minnett Securities between 1990 and 2006.

Robert holds a Bachelor's degree in economics from the University of Sydney and has been a Member of the Australian Institute of Company Directors since 2007.

### Resolution 4 – Non-binding advisory vote on the Remuneration Report

Stapled Securityholders will be given the opportunity to comment on and ask questions about the Remuneration Report which is included in the ALE Property Group Annual Report 2017 on pages 11 to 17.

The Remuneration Report discusses the following:

- Principles used to determine the nature and amount of remuneration;
- Details of remuneration;
- Services agreements; and
- Equity based compensation.

The vote on this item is advisory only and will not bind the Directors or the Company. However, the Board will consider the outcome of the vote when reviewing the Company's remuneration policy.

### Resolution 5 – Approval of Executive Incentive Scheme grant of rights to the Managing Director

It is proposed that Mr Wilkinson, Managing Director of the Company, be awarded rights under the ESSS. The Group is seeking the approval of the proposed grant pursuant to ASX Listing Rule 10.14, which requires an entity to obtain Stapled Securityholder approval for the issue of new securities to a Director under an employee incentive scheme. Accordingly, approval is sought for the grant of 34,082 rights to Stapled Securities (ESSS Rights) to Mr Wilkinson, which forms part of his Executive Incentive Scheme (EIS) entitlement for the 2017 financial year.

Under his employment contract, Mr Wilkinson is entitled to a target EIS opportunity equivalent to 60% of his fixed annual remuneration (salary plus superannuation) being \$466,550. Mr Wilkinson's award under the EIS is based on assessment by the Board of Mr Wilkinson's performance as measured against a set of predetermined key performance indicators (KPIs). The KPIs have been determined by the Board and relate to the duties and responsibilities of Mr Wilkinson. Following the end of the financial year, performance against the KPIs is tested and to the extent that the KPIs are satisfied, the incentive under the EIS is awarded. Of the EIS amount awarded in respect of the 2017 financial year:

- 50% is delivered in cash; and
- 50% is delivered as an award of ESSS Rights.

As the ESSS Rights form part of Mr Wilkinson's remuneration package, they will be granted at no cost to him. Further details of Mr Wilkinson's remuneration package are set out in the Remuneration Report contained in the ALE Property Group's Annual Report 2017.

The number of ESSS Rights to be granted to Mr Wilkinson was calculated by:

- dividing \$139,965 (being 50% of Mr Wilkinson's total EIS award for the 2017 financial year) by the volume weighted average Stapled Security price (VWAP) for the five days trading following the announcement of the financial results for the 2017 Financial Year, being \$4.685; and
- adjusting the resulting figure for distributions over the three year vesting period based on the expected FY18 distribution yield using the VWAP calculated above (which were reasonably based on the information made available to it by management).

If Stapled Securityholder approval is obtained, the ESSS Rights will be granted in November 2017 and, in any event, no later than 12 months after the meeting. If the grant of ESSS Rights is not approved, the remuneration intended to be provided by way of ESSS Rights will instead be delivered in cash on terms equivalent to those set out below. The grant of ESSS Rights is subject to the rules of the ESSS.

The ESSS Rights will vest at the end of a three year vesting period commencing on 1 July 2017 (ie the vesting period will end around August 2020, following the release of the ALE Property Group results for the year ending 30 June 2020), subject to the forfeiture and clawback provisions summarised below.

### Clawback

Vesting of the ESSS Rights remains subject to the following clawback tests. ESSS Rights will be forfeited in whole or in part at the discretion of the Remuneration Committee if before the end of the vesting period:

- the Remuneration Committee becomes aware of any executive performance matter which, had it been aware of the matter at the time of the original award, would have in their reasonable opinion resulted in a lower original award. These executive performance matters are restricted to those that had a materially adverse financial impact on ALE Property Group; or
- Mr Wilkinson engages in any conduct or commits any act which in the Remuneration Committee's reasonable opinion, adversely affects the ALE Property Group including, and without limitation, any act which:
  - results in the ALE Property Group having to make any material financial restatements; or
  - causes the ALE Property Group to incur a material financial loss.

### Cessation of Employment

If Mr Wilkinson ceases to be an employee of the Group within six months of the grant of ESSS Rights, the ESSS Rights will lapse, subject to the Board's discretion to leave the ESSS Rights on foot in the event Mr Wilkinson ceases employment other than for cause. If Mr Wilkinson ceases to be an employee of the Group before his ESSS Rights vest because his employment is terminated for cause, all the ESSS Rights will lapse.

If Mr Wilkinson ceases to be an employee of the Group before his ESSS Rights vest due to termination without cause, he (or his estate) will continue to hold his ESSS Rights and they will vest in the usual course subject to the ESSS Rules.

If Mr Wilkinson resigns before his ESSS Rights vest, the ESSS Rights will remain on foot and vest in the usual course subject to the ESSS Rules, unless the Board exercises its discretion to lapse any of his ESSS Rights.

## Other Board discretions

The Board may determine that all or a proportion of the ESSS Rights vest before the end of the vesting period (i.e. "early-vest") in exceptional circumstances which include, but are not limited to:

- taxation consequences that could cause or which have caused financial hardship for Mr Wilkinson;
- Mr Wilkinson becoming incapacitated due to his health, permanent disability or death; and
- any other disadvantage that, in the opinion of the Board, could result or has resulted in financial hardship or an unintended outcome for Mr Wilkinson or his family.

Other information required by the ASX Listing Rules

Mr Wilkinson is the only Director of the Company entitled to participate in the ESSS.

There is no loan scheme in relation to the ESSS.

Stapled Securityholder approval was obtained for Mr Wilkinson's FY2016 grant of ESSS Rights at the 2016 AGM. In accordance with that approval, Mr Wilkinson was granted 27,020 ESSS Rights (at no cost to him). Further details regarding Mr Wilkinson's remuneration are provided in the Remuneration Report. No other Directors received securities under the ESSS since the last approval

If approval is given under the ASX Listing Rule 10.14, this will also serve as approval for ASX Listing Rule 7.1 purposes so that the ESSS Rights granted to Mr Wilkinson and any Stapled Security issued pursuant to this approval will not reduce the capacity of ALE Property Group to issue securities under ASX Listing Rule 7.1.

## Resolution 6 - Approval for increasing the Non-Executive Directors' Remuneration

In accordance with ASX Listing Rule 10.17 and the Constitution of the Company, Stapled Securityholders are being asked to approve an increase in the maximum aggregate amount available for payment by way of remuneration to Non-Executive Directors (Fee Pool) by \$100,000 to \$750,000 per annum.

The current Fee Pool is \$650,000 per annum, which was set by Stapled Securityholders at the 2014 Annual General Meeting. The Fee Pool includes all fees (including committee fees) and superannuation contributions paid to Non-Executive Directors.

The purpose of increasing the Fee Pool is as follows:

- To provide flexibility to allow the Board to appoint further Non-Executive Directors at an appropriate time and to enable the Board to continue the process of Board renewal that commenced in 2014.

Since the Board renewal process began in 2014 Pippa Downes, Paul Say, Nancy Milne and Robert Mactier have been appointed to the Board. This process will continue.

In April 2017 James McNally retired as a Responsible Manager from ALE Property Group's AFSL requirements with the effect of making him a Non-Executive Director (rather than an Executive Director), whereby his remuneration from April 2017 is now included in the fee pool. As James McNally is now a Non-Executive Director, the existing Non-Executive Directors' Fee Pool has reached its limit and therefore there is no capacity in the current Non-Executive Director Fee Pool for a new Director to be appointed. Increasing the Fee Pool will provide the Board with the flexibility to make a new appointment, recognising the importance of orderly succession planning and the desirability of having transition periods between outgoing and incoming Directors.

- To allow the Company to pay competitive fees that are aligned with the market and to reflect changes in Director responsibilities.

In recent years there have been increasing demands on directors of listed companies under the Corporations Act, by regulators and to comply with best practice corporate governance.

The Board considers it essential that it has the ability to pay competitive fees to attract and retain the highest quality candidates for Board positions.

The Board's policy is to remunerate Non-Executive Directors at market rates for comparable companies taking into account the time, commitment and the nature and complexity of the responsibilities involved. A review was undertaken during the 2017 financial year and changes to existing Director's remuneration were made effective 1 January 2017.

No securities have been issued to any Non-Executive Director under ASX Listing Rules 10.11 or 10.14 with Stapled Securityholder approval within the last three years.

## DEFINED TERMS

In the above Resolutions, this Notice and the Explanatory Memorandum:

**AEDT** means Australian Eastern Daylight Time.

**ALE Property Group** or **Group** means the Company and the Trust (and where the context requires, the Company in its capacity as responsible entity of the Trust) and their controlled entities.

**ASX** means ASX Limited, or the market operated by it as the context requires.

**ASX Listing Rules** means the listing rules of ASX.

**Board** means the board of Directors of the Company from time to time.

**Closely Related Party** of a member of the Key Management Personnel of the Company means: (a) a spouse or child of the member; (b) a child of the member's spouse; (c) a dependent of the member or the member's spouse; (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity; (e) a company the member controls; or (f) a person prescribed by the regulations, as defined in the Corporations Act.

**Company** means Australian Leisure and Entertainment Property Management Limited (ABN 45 105 275 278).

**Constitution** means the constitution of the Company and/or the Trust as appropriate.

**Corporations Act** means the Corporations Act 2001 (Cth).

**Director** means a director of the Company.

**EIS** mean the ALE Property Group Executive Incentive Scheme.

**ESSS** means ALE Property Group Executive Stapled Security Scheme.

**Explanatory Memorandum** means the explanatory memorandum that accompanies this Notice of Meetings.

**Key Management Personnel** means those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity, as defined in the Corporations Act.

**Notice of Meetings** and **Notices** mean this notice of meetings and any notice of any adjournment of the meetings.

**Registry** means Computershare Investor Services Pty Limited (ACN 078 279 277).

**Responsible Entity** means Australian Leisure and Entertainment Property Management Limited (ABN 45 105 275 278) in its capacity as responsible entity of the Trust.

**Stapled Security** means a share in the Company and a unit in the Trust.

**Stapled Securityholder** means a registered holder of a Stapled Security.

**Trust** means Australian Leisure and Entertainment Property Trust (ARSN 106 063 049).

## **CORPORATE DIRECTRY**

### **Registered Office**

Level 10, Norwich House  
6 O'Connell Street,  
Sydney NSW 2000  
Tel: (02) 8231 8588

### **Company Secretary**

Michael Clarke,  
Level 10, Norwich House  
6 O'Connell Street,  
Sydney NSW 2000  
Tel: (02) 8231 8588

### **Auditor**

KPMG,  
Level 38, Tower Three  
International Towers Sydney  
300 Barangaroo Avenue  
Sydney NSW 2000

### **Custodian**

(of Australian Leisure and Entertainment Property Trust)  
The Trust Company Limited,  
Level 13, 123 Pitt Street,  
Sydney NSW 2000

### **Trustee**

(of ALE Direct Property Trust)  
The Trust Company (Australia) Limited,  
Level 13, 123 Pitt Street,  
Sydney NSW 2000

### **Registry**

Computershare Investor  
Services Pty Ltd,  
Reply Paid GPO Box 7115,  
Sydney NSW 2000  
Level 3, 60 Carrington Street,  
Sydney NSW 2000  
Tel: 1300 302 429  
Fax: (02) 8235 8150  
[www.computershare.com.au](http://www.computershare.com.au)



ALE PROPERTY GROUP

Australian Leisure and Entertainment Property Management Limited  
ABN 45 105 275 278  
Australian Leisure and Entertainment Property Trust  
ARSN 106 063 049

### Lodge your vote:

**Online:**  
[www.investorvote.com.au](http://www.investorvote.com.au)

**By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**  
(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

LEP

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030



## Proxy Form

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### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



### Your access information that you will need to vote:

**Control Number: 999999**

**SRN/HIN: I9999999999 PIN: 99999**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

**For your vote to be effective it must be received by 10.00am (AEDT) Sunday, 29 October 2017**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

#### A proxy need not be a securityholder of the Company.

**Default to the Chairman of the Meeting:** Any directed proxies that are not voted on a poll at the Meeting will automatically default to the Chairman of the Meeting, who is required to vote proxies as directed.

**Proxy voting by key management personnel:** The key management personnel of the Company and their closely related parties will not be able to vote your proxy on Items 4, 5 and 6, Mr Andrew Wilkinson and his associates will not be able to vote your proxy on Item 5, and the Directors of the Company and the Responsible Entity of the Trust and their associates will not be able to vote your proxy on Item 6, unless you direct them how to vote. If you intend to appoint such a person as your proxy, please ensure that you direct them how to vote on these items.

If you intend to appoint the Chairman of the Meeting as your proxy (or he becomes your proxy by default), you can direct him how to vote by marking the boxes for Items 4, 5 and 6. However, if the Chairman of the Meeting is your proxy and you do not mark any of the boxes opposite these items, he will still be able to exercise your proxy as you will be deemed to have expressly authorised him to do so by completing and returning this form.

### Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**GO ONLINE TO VOTE,  
or turn over to complete the form** →

Samples/000001/000002/i12

MR SAM SAMPLE  
 FLAT 123  
 123 SAMPLE STREET  
 THE SAMPLE HILL  
 SAMPLE ESTATE  
 SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf XX

I/We being a member/s of ALE Property Group hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of ALE Property Group to be held at the Sofitel Sydney Wentworth Hotel, Hobart Room, Ground Floor, 61-101 Phillip Street, Sydney on Tuesday, 31 October 2017 at 10.00am Australian Eastern Daylight Time ("AEDT") and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), by completing and returning the proxy form, I/we expressly authorise the Chairman to exercise my/our proxy on Items 4, 5 and 6 (except where I/we have indicated a different voting intention below) even though Items 4, 5 and 6 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**The Chairman of the Meeting intends to vote all available proxies in favour of each Item of business.**

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 4, 5 and 6 by marking the appropriate box in step 2 below.

## STEP 2 Items of Business **PLEASE NOTE:** If you mark the Abstain box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Re-election of Phillipa Downes as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Paul Say as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Robert Mactier as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Non-binding advisory vote on the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of Executive Incentive Scheme grant of rights to the Managing Director - Company and Trust	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Non-Executive Directors' Remuneration - Company and Trust	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## SIGN Signature of Securityholder(s) *This section must be completed.*

<b>Individual or Securityholder 1</b>	<b>Securityholder 2</b>	<b>Securityholder 3</b>
<input style="width: 100%; height: 100%;" type="text"/>	<input style="width: 100%; height: 100%;" type="text"/>	<input style="width: 100%; height: 100%;" type="text"/>
<b>Sole Director and Sole Company Secretary</b>	<b>Director</b>	<b>Director/Company Secretary</b>

Contact Name \_\_\_\_\_ Contact Daytime Telephone \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_