

ASX ANNOUNCEMENT

12 October 2007

**Announcement No. 17/07
The Manager
Corporate Announcement Office
Australian Stock Exchange**

Notice of Company AGM and Trust Meeting

We wish to advise that the 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:

10.00am Sydney Time (Registration will commence 9.30am)
Tuesday 13 November 2007

The Westin Sydney
Barnet Room
Level 6
No 1 Martin Place, Sydney NSW.

The following documents are being mailed to stapled security holders:

- Chairman's letter to stapled security holders;
- Proxy form; and
- Notice of meetings

- Ends -

Contact:

Brendan Howell
Company Secretary
ALE Property Group
Ph. 02 8231 8588

Website: 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



All correspondence to:

Computershare Investor Services Pty Limited
GPO Box 2975 Melbourne
Victoria 3001 Australia
Enquiries (within Australia) 1300 850 505
(outside Australia) 61 3 9415 4000
Facsimile 61 3 9473 2500
web.queries@computershare.com.au
www.computershare.com

CHAIRMAN'S LETTER

11 October 2007

Dear Stapled Security Holder,

The ALE Property Group ("**ALE**") is comprised of a company Australian Leisure and Entertainment Property Management Limited (the "**Company**") and a trust Australian Leisure and Entertainment Property Trust (the "**Trust**").

Enclosed with this letter is a notice of the Annual General Meeting ("AGM") of the shareholders of the Company and a meeting of the unitholders of the Trust. The meetings will be held at The Westin Hotel Sydney, Barnet Room, 1 Martin Place, Sydney NSW on Tuesday, 13 November 2007 at 10.00 am.

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 13 November 2007 at The Westin Hotel Sydney. The meetings will commence at 10.00 am. Registration will commence at 9.30 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 15 minutes prior to the time designated for the meeting so that we may check your security holding against our register and note your attendance.

Corporate members 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 Computershare.

To vote by proxy, please complete and sign the relevant proxy form enclosed with the notice of meetings 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 on facsimile number 61 2 8235 8220

so that it is received not later than 10.00 am Eastern Standard Time on 11 November 2007.

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.

Yours sincerely

Peter Warne
CHAIRMAN
Australian Leisure and Entertainment Property Management Limited

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 (the "**Company**") in conjunction with a meeting of the unitholders of Australian Leisure and Entertainment Property Trust (the "**Trust**") will be held at The Westin Hotel Sydney, Barnet Room, 1 Martin Place Sydney at 10.00 am Eastern Standard Time on Tuesday 13 November 2007.

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

Ordinary Business

Item 1 Receive 30 June 2007 financial reports

To receive and consider the financial reports of ALE Property Group (comprising the Company and the Trust) and the reports of the Directors and Auditor for the year ended 30 June 2007.

The following resolutions are to be considered and, if thought fit, passed as ordinary resolutions of the members of the Company:

Resolutions

Resolution 1 Re-election of James McNally as a Director

To re-elect James McNally as a Director of the Company.

James McNally retires in accordance with ASX Listing Rules and Rule 44 of the Company's Constitution and, being eligible, offers himself for re-election.

Resolution 2 Non-binding advisory vote on the Remuneration Report

To adopt the Remuneration Report for the year ended 30 June 2007 as contained within the Director's Report of the ALE Property Group Annual Financial Report 2007.

Note that the vote on this report is advisory only and does not bind the Directors of the Company.

However, the Board will consider the outcome of the vote when reviewing the remuneration policy.

Resolution 3 Appointment of Auditor

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That KPMG be appointed as Auditor of the Company."

Resolution 4 Directors' remuneration

To consider and, if thought fit, pass the following ordinary resolution of the Company:

"THAT effective from the close of the Meeting, the total amount that may be paid in aggregate and in any one year by the Company to the Non-executive Directors as remuneration for services be increased by \$60,000 from \$325,000 to \$385,000."

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

NOTICE OF MEETINGS

Resolution 5

Approval of the ALE Executive Performance Rights Plan

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That the ALE Executive Performance Rights Plan is approved for all purposes under the Corporations Act 2001 and ASX Listing Rules."

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

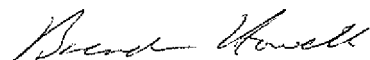
Voting Exclusion

The Company will disregard any votes cast on resolution 4 of the Company by a Non-executive Director of the Company. The Company will also disregard any votes cast on resolution 5 by the Managing Director.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

By order of the Board



Brendan Howell

Company Secretary

Date: 11 October 2007

Voting entitlement

For the purposes of voting at the Annual General Meeting ("AGM"), persons holding shares in the Company and units in the Trust (collectively "Stapled Securities") at 7.00 pm on 9 November 2007 will be treated as security holders. This means that if you are not the registered holder of a relevant Stapled Security at that time you will not be entitled to vote in respect of that Stapled Security.

Corporations

Corporate members 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 Computershare.

Proxies

A member who is entitled to attend and cast a vote at the meeting may appoint a person as the member's proxy to attend and vote for the member at the meeting. The proxy form enables members to vote For, Against or Abstain from voting on a resolution. The appointment may specify the proportion or number of votes that the proxy may exercise. Proxies need not be security holders. Where a member has given a proxy in favour of the Chairman but does not direct the Chairman how to vote on a particular resolution, the Chairman will exercise the proxy vote in favour of the resolution.

Two or more proxies

If the member is entitled to cast 2 or more votes at the meeting, the member may appoint 2 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. Members are requested to show on the form a specified number or proportion of the member'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 member does not specify the proportion of the member's voting rights each proxy is to represent, each proxy will be entitled to half of the member's votes.

Timing

To be valid, the enclosed proxy form must be completed and signed and received not later than 10.00 am Eastern Standard Time on Sunday, 11 November 2007 either by:

- returning the proxy form by post in the reply paid envelope;
- delivering the proxy form in person to Computershare Investor Services Pty Limited, Level 2, 60 Carrington Street, Sydney NSW ;or
- sending the proxy form by facsimile to Computershare on facsimile number 61 2 8235 8220.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum and the Notice of Meetings are important documents. They should be read carefully. If you are not able to attend the Annual General Meeting of the Company, please complete the attached form of proxy and return it to Computershare by 10.00 am Eastern Standard Time on Sunday 11 November 2007.

The ALE Property Group ("**ALE**") is comprised of a company Australian Leisure and Entertainment Property Management Limited (the "**Company**") and a trust Australian Leisure and Entertainment Property Trust (the "**Trust**").

Item 1 – Receive 30 June 2007 Financial Reports

The financial reports of the ALE Property Group (comprising the Company and the Trust) and the reports of the Directors' and Auditor are set out in the Annual Report which was sent to security holders and posted onto the ALE Property Group website (www.alegroup.com.au) prior to the meetings.

In accordance with section 250PA of the Corporation Act 2001, Stapled Security Holders entitled to cast their vote at the AGM may submit written questions to the Auditor relevant to the content of the Auditor's report or the conduct of the audit or the financial report of ALE Property Group. A security holder wishing to submit a question to the Auditor should forward this to the Company Secretary at the following address by no later than 5.00 pm Eastern Standard Time on Monday, 5 November 2007:

Address: ALE Property Group
Level 7, 1 O'Connell Street
Sydney, NSW, 2000

Facsimile: (02) 8231 8500

A question list will be made available to security holders attending the meeting at or before the start of the meeting.

Resolution 1 – Re-election of James McNally as a Director of the Company

The 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 appointment, whichever is the longer, without submitting for re-election. In accordance with this requirement, James McNally will resign as a Director of the Company and being eligible for re-election stands for re-election.

James was appointed as an executive director of the Company in June 2003.

James is one of the original Directors of the Company and was extensively involved in the establishment and listing of the ALE Property Group.

James is also a Responsible Officer for the purposes of the Australian Financial Services License held by the Company.

James has over 14 years experience in the funds management industry having worked in both property trust administration and compliance roles for Perpetual Trustees Australia Limited and MIA Services Pty Limited, a company that specialises in compliance services to the funds management industry. James provides compliance and management services to several Australian fund managers. He is currently an external member on a number of compliance committees for various responsible entities and acts as a Responsible Officer for a number of companies that hold an Australian Financial Services Licence, including the Company. James' qualifications include a Bachelor of Business in Land Economy (Hawkesbury Agricultural College) and a Diploma of Law (Legal Practitioners Admission Board). He is a registered valuer and licensed real estate agent.

Resolution 2 – Non-binding advisory vote on the Remuneration Report

Security holders will be given the opportunity to comment on and ask questions about the Remuneration Report which is included in the ALE Property Group Annual Financial Report 2007.

The Remuneration Report discusses the following:

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

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

Resolution 3 – Appointment of Auditor

The Australian Corporation Act requires Shareholders to approve the appointment of a new auditor.

During the year the Board made the decision to conduct a tender for external audit services and, after consideration of the corporate governance benefits and potential cost savings, selected KPMG to become the new external auditor of ALE for the 30 June 2008 financial year.

A copy of notice of nomination of KPMG received by ALE from Helen Wright, a member of ALE, a Non-executive Director and chair of the Audit Compliance and Risk Management Committee, is attached as Appendix 1.

The change in external auditor will be subject to the Australian Securities & Investments Commission granting approval for PricewaterhouseCoopers to resign as auditor of the Company.

Resolution 4 – Approval for increasing the Non-executive Directors' Remuneration

In accordance with Listing Rule 10.17 and the Constitution of the Company, members are being asked to approve an increase in the maximum aggregate sum which may be paid as Non-executive Directors' fees by \$60,000 from \$325,000 to \$385,000 per annum.

Currently the gross remuneration for each individual non-executive director of the Company is \$70,000 per annum, inclusive of statutory superannuation entitlements. The Chairman of the Company currently receives gross remuneration of \$120,000, inclusive of statutory superannuation entitlements. The remuneration levels were established at the time of the listing of the Company in November 2003 and have remained unchanged since that time. At the 2006 AGM approval was given to increase the total aggregate remuneration for non-executive directors to \$325,000. This increase did not result in any increases in individual director's remuneration, merely increasing the aggregate amount with the view to enabling the Board to appoint additional directors to allow for the expansion and development of the Board.

The current proposal is to allow for increases to individual non-executive directors remuneration. The proposed new remuneration is as follows;

- increase in gross remuneration of each non-executive director to \$85,000 per annum, inclusive of statutory superannuation entitlements;
- increase in gross remuneration of the Chairman to \$150,000 per annum, inclusive of statutory superannuation entitlements;
- an amount of \$3,000 per meeting for the external consultant appointed to the Audit Compliance and Risk Management Committee.

The proposed increase will:

- be the first increase in individual non-executive directors' fees since the listing of ALE on the Australian Stock Exchange in November 2003;
- recognise the increased commitments required of the non-executive directors since the listing of ALE;
- ensure that non-executive director remuneration is in line with levels for non-executive directors of comparable companies and trusts; and
- allow for some growth in non-executive director remuneration over time to reflect market movements and changed responsibilities.

The Board's policy is to remunerate non-executive directors at market rates for comparable companies taking into account the time, commitment and responsibilities involved.

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 resources available to attract and retain the highest quality candidates for Board positions.

Resolution 5 – Approval of the ALE Executive Performance Rights Plan

Plan Overview

ALE seeks shareholder approval for the ALE Executive Performance Rights Plan. Under the Plan, Performance Rights (PRs) may be awarded to eligible senior executives of ALE as determined by the Board from time to time. The grant of PRs enables the executive to acquire stapled securities in ALE which includes shares in the Company and units in the Trust for nil consideration. The vesting of those PRs will be subject to certain specified performance criteria, and upon vesting, stapled securities will be issued to the executive within three months of the vesting date to the extent the PRs are exercised.

Although security holder approval of the Plan is not strictly required, the Board is strongly committed to adopting standards of corporate governance which are consistent with best industry practise. It believes it is in the interest of Stapled Security Holders to be informed of and have the opportunity to vote on ALE's long term incentive arrangements with senior executives.

A summary of the key terms of the Plan is set out below.

Summary of terms of the Plan

1. Eligibility

Eligibility will be determined by the Board in its discretion, but will be targeted at attracting and retaining senior executives (including the Managing Director) and aligning their interests with those of Stapled Security Holders.

2. Award of PRs

An offer of PRs, including the number of PRs offered, will be subject to terms and conditions as determined by the Board. PRs will be awarded under the Plan for nil consideration. PRs will not attract dividends or voting rights at any time prior to exercise. Details of any PRs to be offered to senior executives as determined by the Board will be announced at Annual General Meetings and from time to time by announcement to the Australian Stock Exchange.

3. Vesting

Subject to certain performance hurdles being satisfied (as to which, see below) it is currently proposed that PRs will vest three years after the commencement of the applicable performance period, or at a date to be determined by the directors. In the normal course, the exact number of PRs that will vest will be determined by reference to whether the performance hurdles have been achieved.

PRs will be tested and accrue on each anniversary of the commencement of the performance period to which they relate or on the expiry of the executive's contract. PRs that remain unvested when the performance hurdles are tested at the end of the applicable performance period will lapse. The Board has retained discretion to permit variations to the terms on which PRs are issued (including to permit early vesting of PRs) in some limited circumstances, namely where a "cessation event" or a "change in control" occurs. "Cessation events" include (among other things) the death, resignation or redundancy of a participant. A "change in control" includes a change in the control of the composition of the Board or a change in control of more than half the voting rights attached to stapled securities in ALE.

4. Performance Hurdles

Performance hurdles will be designed to align the performance of the senior executives with the interest of the Stapled Security Holders. While performance hurdles will be determined by the Board in its discretion, the current intention is to use Total Stapled Security Holder Return ("TSR") as a measure of performance. TSR will be determined on the basis of the Total Stapled Security Holder Return (including dividends, distributions and growth in stapled security market price) during the relevant performance period.

5. Management of the Plan

The Plan will be administered by the Board or the Remuneration Committee to whom the Board has delegated responsibility for administering the Plan.

APPENDIX 1 – NOMINATION OF AUDITOR

Helen I Wright
Non-executive Director
ALE Property Group
Level 7, 1 O'Connell Street
Sydney NSW 2000

19 September 2007

Mr Brendan Howell
Company Secretary
ALE Property Group
Level 7, 1 O'Connell Street
Sydney NSW 2000

Dear Mr Howell

NOTICE OF NOMINATION OF AUDITOR

I, Helen Wright, a member of Australian Leisure and Entertainment Property Management Limited (the Company), non-executive director of the Company and Chair of the Company's Audit, Compliance and Risk Management Committee, nominate KPMG for appointment as auditor of Australian Leisure and Entertainment Property Management Limited with effect from the next Annual General Meeting to be held on 13 November 2007 or at any adjournment thereof.

Yours faithfully,



Helen I Wright



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

ALE PROPERTY GROUP

ARSN 106 063 049

TO LODGE A PROXY FORM:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia
Facsimile 61 3 9473 2118

FOR ALL ENQUIRIES CALL:

(within Australia) 1300 855 080
(outside Australia) 61 3 9415 4000



FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECEIVED BY 10.00am, Sunday 11 November 2007.



YOUR ANNUAL REPORT IS AVAILABLE ONLINE, SIMPLY VISIT:
www.alegroup.com.au

- ☒ Access your annual report
- ☒ Review and update your securityholding

YOUR SECURE ONLINE ACCESS INFORMATION

SRN/HIN:

POST CODE:

! FOR SECURITY REASONS IT IS
IMPORTANT THAT YOU KEEP
! YOUR SRN/HIN CONFIDENTIAL.

HOW TO COMPLETE THIS PROXY FORM *Please read these notes prior to completion of the voting form.*

VOTES ON ITEMS OF BUSINESS

Voting 100% of your holding. You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

Voting a portion of your holding. You may indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. The sum of the votes cast on each item or the percentages for and against an item must not exceed your voting entitlement or 100%.

A proxy need not be a securityholder of the Company.

APPOINTMENT OF 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 proportion or number of votes each proxy may exercise, otherwise each proxy may exercise half of the votes. Fractions of votes will be disregarded. A separate Proxy Form should be used for each proxy. You can obtain additional forms by telephoning the company's share registry or you may copy this form. If you lodge two proxies please lodge both forms together.

SIGNING INSTRUCTIONS

Individual: where the holding is in one name, the holder must sign.

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

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

If a representative of a corporate securityholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained by telephoning the company's share registry or at www.computershare.com.

LODGEMENT OF A PROXY FORM. This Form (and any Power of Attorney under which it is signed) must be received at an address given above no later than 48 hours before the commencement of the meeting at 10.00am, Tuesday 13 November 2007. Any Proxy Form received after that time will not be valid for the scheduled meeting.

STEP 1 APPOINT A PROXY TO VOTE ON YOUR BEHALF

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

☐

the Chairman
of the Meeting **OR**



Please 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, as the proxy sees fit) at the Annual General Meeting of ALE Property Group to be held at The Westin Hotel Sydney, 1 Martin Place, Sydney NSW 2000 on Tuesday 13 November 2007 at 10.00am and at any adjournment of that meeting.

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IMPORTANT: FOR ITEMS 4 AND 5 BELOW If the Chairman of the Meeting is your nominated proxy, or may be appointed by default, and you have not directed your proxy how to vote on Items 4 and 5 below, please place a mark in this box. By marking this box you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of those items and that votes cast by him, other than as proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Items 4 and 5 and your votes will not be counted in computing the required majority if a poll is called on these items. The Chairman of the Meeting intends to vote undirected proxies in favour of each of these items.

STEP 2 ITEMS OF BUSINESS

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

	For	Against	Abstain
1. Re-election of James McNally as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Non-binding advisory vote on the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. To increase the aggregate amount that may be paid as Non-executive Directors' remuneration by \$60,000 from \$325,000 to \$385,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Approval of the ALE Executive Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

In addition to the intention advised above, the Chairman of the Meeting intends to vote undirected proxies in favour of each of the other items of business.

SIGN SIGNATURE OF SECURITYHOLDER(S) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

☐

Change of name and/or address. If your name and/or address is incorrect, please mark this box and make the correction on this form. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes. Please note, you cannot change ownership of your securities using this form.