



ASX ANNOUNCEMENT

30 September 2011

**Announcement No. 25/11
The Manager
Corporate Announcement Office
Australian Stock Exchange**

Notice of Company AGM and Trust Meeting

As advised on 14 September 2011, 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 unit holders of the Trust at:

- 10.00 am Sydney Time (Registration will commence 9.45 am)
- Tuesday, 8 November 2011
- The Westin Sydney
Barnet Room
Level 6
No 1 Martin Place, Sydney, NSW.

The following documents are today being mailed to stapled securityholders:

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

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

- Ends -

Contact:

Brendan Howell
Company Secretary
ALE Property Group

Tel: 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



000001 000 LEP
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



CHAIRMAN'S LETTER

30 September 2011

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 Westin Hotel Sydney, Barnet Room, Level 6, 1 Martin Place, Sydney NSW on **Tuesday, 8 November 2011 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 8 November 2011 at The Westin Hotel Sydney. 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, 6 November 2011.

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

Peter Warne
CHAIRMAN
Australian Leisure and Entertainment Property Management Limited



· ALE NOTICE OF MEETINGS 2011 ·

**THE WESTIN HOTEL SYDNEY
BARNET ROOM
LEVEL 6, 1 MARTIN PLACE SYDNEY
10.00 AM – TUESDAY 8 NOVEMBER 2011**

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**) will be held concurrently at **The Westin Hotel Sydney, Barnet Room, Level 6, 1 Martin Place Sydney at 10.00 am Australian Eastern Daylight Time on Tuesday 8 November 2011.**

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 2011 financial reports

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 2011.

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

RESOLUTIONS

Resolution 1: Re-election of John Henderson as a Director

To re-elect a Director of the Company.

That John Henderson, being a Director who retires in accordance with the ASX Listing Rules and Rules 30 and 44 of the Company's Constitution and, being eligible, offers himself for re-election, is re-elected as a Director of the Company.

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

That the Company adopt the Remuneration Report for the year ended 30 June 2011 as contained within the Directors' Report of the ALE Property Group Annual Financial Report 2011.

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.

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Key Management Personnel or their Closely Related Parties (or any person voting on their behalf). However, the Company need not disregard a vote if it is cast by a person as a proxy for a Stapled Securityholder who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the chair as a proxy for a Stapled Securityholder who is entitled to vote, in accordance with the directions on the Proxy Form. Please refer to the instructions below for details of how to appoint a proxy for this resolution.

Resolution 3: Approval of Remuneration Arrangements

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

That the following be approved for all purposes under the Corporations Act 2001 and ASX Listing Rules:

- (a) the establishment and operation of the ALE Executive Stapled Security Scheme; and
- (b) the giving of benefits under ALE Property Group's deferred remuneration arrangements to a person, by the Company, its related bodies corporate or their associates, in connection with that person ceasing to hold a board, managerial or executive office in the Company or a related body corporate of the Company.

each as described in the Explanatory Memorandum accompanying the Notice of Meeting convening this meeting.

Voting Exclusion: The Company and the Trust will disregard any votes cast on this Resolution by Key Management Personnel or their Closely Related Parties (or any person voting on their behalf). However, the Company or the Responsible Entity need not disregard a vote if it is cast by a person as a proxy for a Stapled Securityholder who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the chair as a proxy for a Stapled Securityholder who is entitled to vote, in accordance with the directions on the Proxy Form. Please refer to the instructions below for details of how to appoint a proxy for this resolution.

The Responsible Entity and its associates are not entitled to vote their interest on a resolution if they have an interest in the resolution or matter other than as a member.

VOTING ENTITLEMENT

For the purposes of voting at the Annual General Meeting, persons holding Stapled Securities at 7.00 pm (AEDT) on Friday 4 November 2011 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

Corporate Stapled Securityholders 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. The appointment may specify the proportion or number of votes that the proxy may exercise. 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.

Voting of proxies

Under the *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011* (Cth) (Amendment Act), which took effect on 1 August 2011, there have been changes to the way in which proxy votes are processed. Please see the Important Information section at the end of this Notice of Meetings for more details on the Amendment Act.

Directed proxy votes

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 chair) 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 chair to vote 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. Other than Key Management Personnel or their Closely Related Parties voting as a proxy on Resolutions 2 and 3, if a proxy is not directed how to vote on an item of business, 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 a meeting, a proxy may vote on that resolution as they think fit.

If you wish to appoint a Director (other than the chair) or other member of Key Management Personnel or their Closely Related Parties as your proxy, you must specify how they should vote on Resolutions 2 and 3 by completing the "For", "Against" or "Abstain" boxes on the Proxy Form. If you do not do that, your proxy will not be able to exercise your vote on your behalf for those resolutions. The chair will be able to exercise your vote on your behalf on Resolution 3 as he sees fit, if you appoint the chair as your proxy (or the chair is appointed by default), but do not direct him how to vote (in which case the chair will vote in favour of each of those items). If you appoint the chair (or the chair is appointed by default) as your proxy in relation to Resolution 2, but do not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution on the Proxy Form, you will be directing the chair to vote in favour of Resolution 2. If you wish to appoint the chair as proxy with a direction to vote against, or to abstain from voting on Resolution 2, you should specify this by completing the "Against" or "Abstain" boxes on the proxy form.

Timing

To be valid, the enclosed proxy form must be completed and signed and received not later than 10.00 am (AEDT) on Sunday 6 November 2011 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 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.



—
BRENDAN HOWELL
COMPANY SECRETARY

Date: 30 September 2011

DEFINED TERMS

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

AEDT means Australian Eastern Daylight Time.

ALE Property 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.

Amendment Act means the *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011* (Cth).

ASIC means Australian Securities & Investments Commission.

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

ASX Listing Rules means the listing rules of ASX.

ASX Market Rules means the market rules of ASX.

Board means the board of Directors.

Closely Related Party 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 Amendment Act (see Important Information).

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.

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 Amendment Act (see Important Information).

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

Performance Rights Plan means the ALE Property Group Executive Performance Rights Plan.

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 the Trust.

Stapled Securityholder means a registered holder of Stapled Securities.

Subsidiary means ALE Finance Company Pty Limited (ACN 106 503 431).

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

• 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 Meetings, please complete the attached form of proxy and return it to Computershare by 10.00 am (AEDT) on Sunday 6 November 2011.

ITEM 1 – RECEIVE 30 JUNE 2011 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 was sent to Stapled Securityholders and posted onto the ALE Property Group's website (www.alegroup.com.au) prior to the meetings.

In accordance with section 250PA of the Corporations Act 2001, Stapled Securityholders entitled to cast their vote at the Annual General Meeting 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 Stapled Securityholder 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 (AEST) on Tuesday 1 November 2011:

Address: ALE Property Group
Level 10, Norwich House
6 O'Connell Street
Sydney NSW 2000

Facsimile: +61 2 8231 8500

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

RESOLUTION 1 – RE-ELECTION OF JOHN HENDERSON 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 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, John Henderson will resign as a Director of the Company and being eligible for re-election stands for re-election.

Mr Henderson was appointed as an independent non-executive Director of the Company in August 2003.

Mr Henderson has been a director of Marks Henderson Pty Ltd since 2001 and is actively involved in the acquisition of investment property. Previously an international director at Jones Lang LaSalle and Managing Director of the Sales and Investment Division, he was responsible for overseeing the larger property sales across Australasia, liaising with institutional and private investors and coordinating international investment activities.

Mr Henderson graduated from the University of Melbourne with a Bachelor of Building and is a member of the Royal Institute of Chartered Surveyors. He is an associate of the Property Institute and is a licensed real estate agent.

Mr Henderson is one of the original Directors of the Company, and was extensively involved in the establishment and listing of the ALE Property Group. This included review and negotiation of the transaction documents entered into with Foster's Group Limited and Australian Leisure and Hospitality Group Pty Limited.

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

RESOLUTION 2 – 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 Financial Report 2011.

The Remuneration Report discusses the following:

- Remuneration objectives and approach;
- Remuneration committee;
- Executive remuneration;
- Executive remuneration outcome for the year ended 30 June 2011;
- Disclosures relating to equity instruments granted as compensation;
- Equity based compensation;
- Non-executive directors' remuneration; and
- Details of remuneration.

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 – APPROVAL OF REMUNERATION ARRANGEMENTS

3.1 ALE Property Group Remuneration Policy

The objective of ALE Property Group's executive reward framework is to ensure that reward for performance is transparent, reasonable, competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic goals and creation of wealth for Stapled Securityholders. Remuneration consists of a fixed annual component and a performance related component (including participation in the ESSS). The purpose of the ESSS is to incentivise senior executives of the Company and align their interests to those of ALE Property Group's Stapled Securityholders. The ESSS provides eligible senior executives the opportunity to receive, on a deferred timetable, fully paid Stapled Securities for nil cost.

3.2 Executive Incentive Overview

Since 2003 ALE Property Group has put in place incentive schemes for eligible executives in the form of cash bonuses, options and performance rights. Given the time and material costs of maintaining the performance right based LTI plan the Remuneration Committee engaged Ernst & Young to review the arrangements with a view to simplifying the administration of the plan whilst maintaining proper alignment to the long term interests of Stapled Securityholders. The Board proposes to implement for the period commencing 1 July 2011 an ESSS that will be the deferred element of a revised executive incentive scheme. The executive incentive scheme will comprise a short term component of cash (50%) and deferred component of Stapled Securities (50%). The cash award will be paid immediately following the release of ALE Property Group's annual results. The Stapled Securities issued under the ESSS will be delivered to the executive three years after the award date, provided certain conditions are met. The granting and delivery of Stapled Securities awarded under the ESSS will be administered by the Remuneration Committee.

Although Stapled Securityholder approval of the ESSS is not strictly required, the Board is strongly committed to adopting standards of corporate governance which are consistent with industry best practice. It believes it is in the interests of Stapled Securityholders to be informed of, and have the opportunity to vote on, ALE Property Group's incentive arrangements with senior executives.

A summary of the key terms of the revised executive incentive scheme is out below.

3.3 Summary of incentives arrangements

3.3.1 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 Securityholders.

3.3.2 Short Term Incentive (STI)

The STI to be awarded to an executive will be determined by the Remuneration Committee based on an assessment of the executive's performance over the preceding 12 months as measured against the executive's job description and agreed Key Performance Indicators (KPIs). At the beginning of each year the Board sets a number of strategic objectives for ALE for that year. These

objectives are dependent on the strategic issues facing ALE for that year and may include objectives that relate to longer term performance of ALE. Additionally individual specific KPIs are established for all executives with reference to their individual responsibilities that are linked to completion of various property or capital initiatives, improving business processes, ensuring compliance with legislative requirements, ensuring compliance with risk management policies and protecting securityholder value as well as other key strategic non-financial measures linked to drivers of performance in future economic periods. The STI will be paid annually immediately following the signing of the full year statutory financial statements.

3.3.3 Executive Stapled Security Scheme

An award of Stapled Securities issued under the ESSS will be subject to terms and conditions as determined by the Board. The value of Stapled Securities issued under the ESSS to be awarded to an executive will be determined by the Remuneration Committee based on an assessment of the executive's performance over the preceding 12 months as measured against the executive's job description and agreed KPIs. The Stapled Securities awarded under the ESSS will vest and be delivered three years after the award date immediately following the release of ALE Property Group's annual results. The key elements include:

- Stapled Securities will be delivered under the ESSS for nil consideration.
- Stapled Securities awarded will not attract periodic distributions or voting rights at any time prior to delivery. However, the final number of Stapled Securities delivered will be adjusted to allow for the distributions which otherwise would have been paid on the Stapled Securities issued under the ESSS. The adjustment will be calculated on the assumption that the distributions were reinvested in Stapled Securities on the relevant distribution payment date at the then prevailing market price.
- The number of Stapled Securities issued under the ESSS awarded annually will be determined by dividing the value of the grant by the volume weighted average price for the five trading days commencing the day following the signing of ALE Property Group's full year statutory financial statements.
- At the end of the three year delayed delivery period, the delivery of the Stapled Securities issued under the ESSS remains subject to the following clawback tests. Stapled Securities issued under the ESSS will be forfeited in whole or in part at the discretion of the Remuneration Committee if before the end of the delayed delivery 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
 - the executive 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.

Any annual awards of Stapled Securities under the ESSS to any senior executive who is also a Director will require approval under the ASX Listing Rules at a general meeting of Stapled Securityholders. All awards of Stapled Securities under the ESSS to any senior executive will be announced to the ASX.

3.3.4 Management of the ESSS

The Board has delegated responsibility for administering the ESSS to the Remuneration Committee.

3.4 Termination benefit approval: Corporations Act section 200B

3.4.1 Reason why securityholder approval is being sought

ALE is seeking stapled securityholder approval for the release of deferred remuneration to ALE Key Management Personnel (KMP) when they cease to hold Board, managerial or executive positions in ALE. This Explanatory Memorandum sets out the deferred remuneration and other benefits that may be released to KMP in these circumstances, how it may be released, and the matters, events and circumstances that may affect the calculation of the value of deferred remuneration.

Under sections 200B and 200E of the Corporations Act, a company may only give a person a benefit in connection with their ceasing to hold a managerial or executive office in the company or a related body corporate if it is approved by stapled securityholders or an exemption applies. "Benefit" is defined broadly in the Corporations Act to include most forms of valuable consideration. There is an exception to the prohibition on the provision of benefits where the benefit does not exceed the payment limits set out in the Corporations Act, which is one year's average annual base salary. In addition, certain benefits will not require stapled securityholder approval. These include deferred bonus payments that have been earned, accrued or allocated to a person as remuneration in respect of a period before the person's cessation of employment.

The remuneration for which termination benefit approval is sought is any accelerated release of deferred remuneration. It is the Board's intention that awards under the ESSS will not be accelerated upon cessation of employment and that awards under the scheme will be delivered at the end of the agreed deferral periods. However the Board reserves the right to accelerate the delivery of awards in exceptional circumstances. In the majority of cases where there is an exceptional circumstance, the benefit of deferred remuneration will be within the payment limits or otherwise exempt from the termination benefits provisions of the Corporations Act. However, if an exceptional circumstance arises it is not possible to quantify in advance the monetary value of the proposed benefits that would be received by a particular KMP at some point in the future. Accordingly, Stapled Securityholder approval sought will cover the potential deferred remuneration release that may arise under the existing Performance Rights Plan and the proposed ESSS.

3.4.2 Circumstances that may lead to an acceleration of deferred remuneration benefits

In the event of a cessation of employment the Board will consider the KMP's circumstances and in exceptional circumstances may approve the acceleration of payments under the deferred remuneration arrangements. The Board envisages that these circumstances will be rare but may include:

- the health, permanent disability or death of the KMP;
- changes to taxation legislation that leads to financial hardship for the KMP; and
- any other disadvantage to the KMP that, in the opinion of the Board, results in financial hardship or unintended outcome for the KMP or their family that warrants an acceleration of benefits.

Where the Board considers no exceptional circumstances exist there will be no acceleration of deferred remuneration benefits and any deferred benefits will be delivered to the KMP under the terms and conditions of the original grants of the Performance Rights and ESSS.

3.4.3 Calculation of termination benefits

The actual value of accelerated termination benefits (if any) that may be payable to the KMP on cessation of employment under deferred remuneration arrangements will depend on a range of factors.

The number of Stapled Securities issued under the ESSS that may be due to a KMP will be determined by the number of grants made to the KMP that are in the deferral period at the time of cessation of employment. As the deferral period is for three years the maximum number of grants that could be due to a KMP will be three. The manner in which ESSS grants are made is outlined in section 3.3 above.

In addition, certain KMP have vested, or have the potential to vest, performance rights under the existing Performance Rights Plan. The current maximum number of Performance Rights that may be delivered upon cessation of employment of any KMP is:

Andrew Wilkinson	42,500 (all have vested)
Andrew Slade	46,164 (12,034 have vested and 34,130 will be tested and may vest on 1 July 2012)

Matters, events and circumstances that will, or are likely to, affect the value of any accelerated deferred remuneration termination benefit for a KMP upon cessation of employment include the following:

- the number of vested and yet to be delivered performance rights under the Performance Rights Plan held by the KMP;
- the number of yet to be delivered Stapled Securities awarded under the ESSS to the KMP; and
- the price of ALE Property Group's Stapled Securities at the date of cessation of employment.

Recommendations of the Board in respect of putting the resolutions

Specifically, and pursuant to the Corporations Act, the Directors have approved the proposal to put the resolutions set out in the Notice of Meetings to Stapled Securityholders and the provisions of this Explanatory Memorandum. However, all KMP and their Closely Related Parties will abstain from voting in respect of Resolution 3.

IMPORTANT INFORMATION

Stapled Securityholders should note that the Federal Government has recently introduced the *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011* (Cth) (**Amendment Act**). The Amendment Act commenced on 1 July 2011 and amends the Corporations Act to include new provisions relating to remuneration matters, proxy voting and directors' appointment. This Explanatory Memorandum does not intend to outline all the changes in detail, and will only summarise the changes relevant to the Notice of Meetings.

Amendments to proxy voting

The Amendment Act introduces new prohibitions on Key Management Personnel and their Closely Related Parties from voting undirected proxies on, amongst other things, remuneration matters and any spill resolutions (as that term is defined in the new section 250V of the Corporations Act). However, where a proxy does not specify how it is to be voted, the chair may exercise the vote, providing the shareholder who has lodged the proxy has provided informed consent for the chair to exercise the proxy even if the resolution is connected with the remuneration of a member of the Key Management Personnel or their Closely Related Parties.

The Amendment Act also provides a mechanism to prevent proxy holders from "cherry picking" the proxies they exercise. Where a directed proxy is not voted, the proxy will default to the chair of the meeting, who is now required to exercise the proxy as directed by the Shareholder.

These changes took effect on 1 August 2011 and have been included, as appropriate, in the Proxy Form attached to this Notice of Meeting.

Remuneration Report – Two Strike Rule

Under the new sections 250U to 250Y of the Corporations Act, shareholders are given the opportunity to spill a company's board of directors (**Board Spill**) if the resolution to approve the company's remuneration report receives "no" votes of 25% or more at two successive annual general meetings of the company.

This is known as the Two Strikes Rule, and can be summarised as follows:

If shareholders cast a "no" vote of 25% or more on the resolution to adopt the remuneration report at the first annual general meeting (**First AGM**), the subsequent remuneration report must explain whether the shareholders' concerns have been taken into account, and either how they have been taken into account or why they have not been taken into account;

If a "no" vote of 25% or more is cast on the resolution to adopt the subsequent remuneration report at the next AGM (**Second AGM**), a resolution must be put to shareholders (**Spill Resolution**) that a general meeting be convened to consider the election of certain directors (the **Spill Meeting**);

If the Spill Resolution is carried by an ordinary majority (more than 50% of those present and voting at the Second AGM), the Spill Meeting must be held within 90 days. All directors who were directors when the 25% "no" vote was passed will cease to hold office immediately before the end of the Spill Meeting (other than the managing director);

Resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting will be put to the vote at the Spill Meeting. The term of office for a director who is re-elected at the Spill Meeting continues as if the Spill Meeting had never occurred;

The Spill Meeting need not be held if none of the directors being spilled remains in office at the end of the 90 day period;

The Amendment Act also includes provisions aimed at avoiding a complete Board Spill by ensuring that there are at least three directors following a Spill Meeting. These three positions will be occupied by:

- the managing director, who is not required to stand for re-election; and
- the two people who receive the highest proportion of votes in favour of their appointment at the Spill Meeting (even if less than 50% of the votes cast on their election are in favour of their re-appointment). If two or more individuals have the same proportion of votes, the managing director and any re-elected director have the power to choose which individual will be re-appointed, subject to confirmation at the following annual general meeting.

The Amendment Act provides that a Spill Resolution can only be considered by shareholders at every second annual general meeting. However, should a remuneration report receive a "no" vote of 25% or more, the remuneration report for the following year must outline the board's proposed action in response to comments made by shareholders on the previous year's remuneration report.

CORPORATE DIRECTORY

REGISTERED OFFICE

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

COMPANY SECRETARY

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

AUDITOR

KPMG,
10 Shelley Street,
Sydney NSW 2000

CUSTODIAN

(OF AUSTRALIAN LEISURE AND
ENTERTAINMENT PROPERTY TRUST)
The Trust Company Limited,
Level 15, 20 Bond Street,
Sydney NSW 2000

TRUSTEE

(OF ALE DIRECT PROPERTY TRUST)
The Trust Company (Australia) Limited,
Level 15, 20 Bond 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



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



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

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

000001 000 LEP
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

www.investorvote.com.au



Cast your proxy vote



Access the annual report



Review and update your securityholding

Your secure access information is:

Control Number: 999999

SRN/HIN: 1999999999

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 6 November 2011

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 mark more than one box on an item your vote will be invalid on that item. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. For further information, please refer overleaf and to the information on proxies in the voting entitlement section of the 2011 Notice of Annual General Meeting of shareholders and unitholders.

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.

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 under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

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

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

IND

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, as the proxy sees fit) at 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, Level 6, 1 Martin Place, Sydney at 10.00 am Australian Eastern Daylight Time ("AEDT") on Tuesday, 8 November 2011, and at any adjournment of those meetings.

Chairman to vote undirected proxies in favour: I/We acknowledge that the Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

Direction to Chairman for Remuneration Report: Where I/we have appointed the Chairman of the meeting as my/our proxy (or the Chairman of the meeting becomes my/our proxy by default) in relation to resolution 2 (Remuneration Report) but I/we have not marked any of the boxes opposite that resolution, I/we nevertheless hereby direct the Chairman of the meeting to vote in favour of resolution 2.

Chairman authorised to exercise proxies on remuneration related matters: If I/we have appointed the Chairman of the meeting as my/our proxy (or the Chairman of the meeting becomes my/our proxy by default), I/we expressly authorise the Chairman of the meeting to exercise my/our proxy in respect of resolutions 2 and 3 even though the Chairman is, and those items are connected directly or indirectly with the remuneration of, a member of key management personnel.

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.

ORDINARY BUSINESS

		For	Against	Abstain
1	Re-election of John Henderson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	To adopt the Remuneration Report for the year ended 30 June 2011	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PLEASE NOTE: If you have appointed the Chairman of the meeting as your proxy (or the Chairman of the meeting becomes your proxy by default), you can direct the Chairman of the meeting to vote "For", "Against" or to "Abstain" from voting on resolution 2 by marking the appropriate box opposite resolution 2. However, note that if the Chairman of the meeting is your proxy and you do **not** mark any of the boxes opposite resolution 2, you are directing the Chairman to vote in favour of the resolution on that item.

3	Approval of Remuneration Arrangements	<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.

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

Contact Name _____

Contact Daytime Telephone _____

Date / / _____