

## LIVING AND LEISURE AUSTRALIA GROUP

COMPRISING:

### Living and Leisure Australia Trust

ARSN 092 701 589

(Responsible Entity: Living and Leisure Australia Management Limited

ABN 60 101 634 315, AFSL 280985) and

### Living and Leisure Australia Limited

ABN 92 107 863 445



## APPENDIX 3B - EMPLOYEE OPTION SCHEME

---

Attached is an Appendix 3B in relation to the issue of 101,966,500 options to key executives under the Employee Option Scheme announced to the market on 30 July 2010.

The options are exercisable for \$0.04 each, with half vesting from 30 July 2012 and the remaining half vesting 30 July 2013. All options expire on 30 October 2013.

**Julanne Shearer**  
**Independent Chair**  
16 August 2010

**Media enquiries:**

Kathy MacDermott, Rowland.

Tel 07 3229 4499 or 044 88 44 508

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

LIVING AND LEISURE AUSTRALIA LIMITED AND LIVING AND LEISURE AUSTRALIA MANAGEMENT LIMITED AS RESPONSIBLE ENTITY OF LIVING AND LEISURE AUSTRALIA TRUST
--

LIVING AND LEISURE AUSTRALIA LIMITED

LIVING AND LEISURE AUSTRALIA TRUST

ABN 92 107 863 445

ARSN 092 701 589

We (the entity) give ASX the following information.

### Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- |   |  |  |
|---|--|--|
| 1 | +Class of +securities issued or to be issued   | Unlisted Employee Options - \$0.04   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 101,966,500 options  |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 101,966,500 options exercisable @ \$0.04 each vesting as follows:<br><u>From 30 July 2012</u> <ul style="list-style-type: none"><li>16,994,416 provided the stapled security price is \$0.06 or more</li><li>16,994,416 provided the stapled security price is \$0.07 or more</li><li>16,994,416 provided the stapled security price is \$0.08 or more</li></ul> |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

	<p><u>From 30 July 2013</u></p> <ul style="list-style-type: none"> <li>▪ 16,994,416 provided the stapled security price is \$0.06 or more</li> <li>▪ 16,994,416 provided the stapled security price is \$0.07 or more</li> <li>▪ 16,994,420 provided the stapled security price is \$0.08 or more</li> </ul> <p>All options are subject to liquidity requirement under the Employee Incentive Scheme.</p> <p>All options expire on 30 October 2013.</p>				
<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>The options will rank equally with fully paid ordinary stapled securities in the group if and when the options are exercised.</p>				
<p>5 Issue price or consideration</p>	<p>Nil cents per option.</p>				
<p>6 Purpose of the issue          (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Granted to employees in accordance with the terms and conditions of LLA's Employee Incentive Scheme.</p>				
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>16 August 2010</p>				
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="694 1736 997 1780">Number</th> <th data-bbox="997 1736 1332 1780">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="694 1780 997 1960">2,726,286,083</td> <td data-bbox="997 1780 1332 1960">Ordinary stapled securities</td> </tr> </tbody> </table>	Number	+Class	2,726,286,083	Ordinary stapled securities
Number	+Class				
2,726,286,083	Ordinary stapled securities				

+ See chapter 19 for defined terms.

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	101,966,500 Unlisted Employee Options at an exercise price of 4 cents per stapled security, expiring 30 October 2013.
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable.

## Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	Not applicable.
12	Is the issue renounceable or non-renounceable?	Not applicable.
13	Ratio in which the +securities will be offered	Not applicable.
14	+Class of +securities to which the offer relates	Not applicable.
15	+Record date to determine entitlements	Not applicable.
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable.
17	Policy for deciding entitlements in relation to fractions	Not applicable.
18	Names of countries in which the entity has +security holders who will not be sent new issue documents  <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Not applicable.
19	Closing date for receipt of acceptances or renunciations	Not applicable.
20	Names of any underwriters	Not applicable.

---

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

---

21	Amount of any underwriting fee or commission	Not applicable.
22	Names of any brokers to the issue	Not applicable.
23	Fee or commission payable to the broker to the issue	Not applicable.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	Not applicable.
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not applicable.
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Not applicable.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable.
28	Date rights trading will begin (if applicable)	Not applicable.
29	Date rights trading will end (if applicable)	Not applicable.
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	Not applicable.
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable.
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	Not applicable.
33	+Despatch date	Not applicable.

**Part 3 - Quotation of securities**

---

+ See chapter 19 for defined terms.

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

**Entities that have ticked box 34(a)**

**Additional securities forming a new class of securities**

*Tick to indicate you are providing the information or documents*

35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional +securities

**Entities that have ticked box 34(b)**

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

---

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

---

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

--	--

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

--	--

42 Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)

Number	+Class

---

+ See chapter 19 for defined terms.

## Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.  
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: ..... Date: 16 August 2010  
(Director)

Print name: JULANNE SHEARER

== == == == ==

---

+ See chapter 19 for defined terms.