



**Notice of
Annual General Meeting
of the shareholders of Living and Leisure Australia Limited
ABN 92 107 863 445
and
General Meeting
of the unitholders of Living and Leisure Australia Trust
ARSN 092 701 589**

NOTICE IS HEREBY GIVEN
that the Annual General Meeting and General Meeting will be held on
Wednesday, 25 November 2009 commencing at 3 pm
at the Meeting Room 112, Level 1, Melbourne Convention Exhibition Centre, 1 Convention Centre Place,
South Wharf, Melbourne Victoria.

NOTICE OF ANNUAL GENERAL MEETING AND NOTICE OF GENERAL MEETING

Notice is given that the 2009 Annual General Meeting of Living and Leisure Australia Limited (**the Company**) will be held concurrently and in conjunction with a General Meeting of the Living and Leisure Australia Trust (**the Trust**) (together, **the Living and Leisure Australia Group**) at:

Time: 3.00pm Melbourne time

Date: Wednesday, 25 November 2009

Place: Meeting Room 112, Level 1, Melbourne Convention Exhibition Centre,
1 Convention Centre Place, South Wharf, Melbourne, Victoria 3006

Living and Leisure Australia Management Limited (**Responsible Entity**) is the responsible entity of the Trust.

Agenda:

Ordinary Business

1. Financial statements and report – Company and Trust

To receive and consider the Living and Leisure Australia Group's financial statements and the reports of the Directors and the Auditor for the year ended 30 June 2009.

2. Directors' Remuneration Report – Company only

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

"That the Remuneration Report for the year ended 30 June 2009 be adopted."

Note: the vote on this resolution is advisory only and does not bind the directors or the Company.

3. Election of directors – Company only

To consider and, if thought appropriate, pass each of the following resolutions as separate ordinary resolutions:

3.1 *"That Julianne Mary Shearer, who retires in accordance with rule 11.1(d) of the Company's constitution and being eligible, is re-elected as a director of the Company."*

3.2 *"That Craig Allan Carracher, who retires in accordance with rule 11.1(d) of the Company's constitution and being eligible, is re-elected as a director of the Company."*

3.3 *"That Brett David Chenoweth, having been appointed as a director of the Company since the last annual general meeting and who holds office until the conclusion of the Annual General Meeting in accordance with rule 11.1(c) of the Company's constitution and being eligible, offers himself for re-election, be elected as a director of the Company."*

3.4 *"That Andrew John Kerr, having been appointed as a director of the Company since the last annual general meeting who holds office until the conclusion of the Annual General Meeting in accordance with rule 11.1(c) of the Company's constitution and being eligible, offers himself for re-election, be elected as a director of the Company."*

Special Business

4. Maximum aggregate annual remuneration of non-executive directors – Company only

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

“That the maximum aggregate remuneration which has been or may be paid each year by the Company to its non-executive directors under rule 11.4(a) of the Company’s constitution is \$500,000.”

Voting exclusion statement
<p>The Company will disregard any votes cast on Resolution 4 by any director of the Company and any of their associates.</p> <p>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 if 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.</p>

Please refer to the accompanying Explanatory Notes which form part of this Notice for more information in relation to the proposed resolutions.

BY ORDER OF THE BOARD of
Living and Leisure Australia Limited and
Living and Leisure Australia Management Limited as
responsible entity of the Living and Leisure Australia Trust



Donovan Newton
Company Secretary
19 October 2009

EXPLANATORY NOTES

INTRODUCTION

These Explanatory Notes have been provided to help shareholders of the Company and unitholders of the Trust (together, **Security Holders**) understand the resolutions contained in the accompanying Notice of Meetings.

The directors recommend that Security Holders read these Explanatory Notes in full before making any decision on how to vote on the resolutions.

A reference to **Stapled Securities** is a reference to one share in the Company and one unit in the Trust which are stapled together to form a single security and which must be traded and otherwise dealt with as a single security.

ORDINARY BUSINESS

Item 1 - Financial Statements and Reports – Company and Trust

Living and Leisure Australia Group has distributed its 2009 Annual Report (**Annual Report**) for the year ended 30 June 2009 to Security Holders who nominated to receive a printed or emailed copy. The financial statements and the reports of the Directors and the Auditor are included within the Annual Report. The Annual Report is available at Living and Leisure Australia Group's website, www.livingandleisure.com.au

The Corporations Act 2001 (Cth) requires that:

- the Directors' Report and Auditors' Report; and
- the annual financial report, including the financial statements of the Company and Trust for the year ended 30 June 2009,

be laid before the annual general meeting. Security Holders are not required to vote on the annual financial statements and the reports of the Directors and the Auditor. However, an opportunity for Security Holders to discuss the financial statements and other reports and to raise questions or comments on the management of the Living and Leisure Australia Group will be provided at the meeting. A reasonable opportunity will also be given to Security Holders to ask the Living and Leisure Australia Group's auditor questions relevant to the conduct of the audit, the preparation and content of the Auditor's report, the accounting principles adopted by the Living and Leisure Australia Group in relation to the preparation of the financial statements and the independence of the Auditor in relation to the conduct of the audit.

Item 2 - Directors' Remuneration Report – Company only

Shareholders of the Company are asked to adopt the Company's Remuneration Report for the year ended 30 June 2009. The Remuneration Report is set out on pages 28 to 31 of the Annual Report which is available at Living and Leisure Australia Group's website, www.livingandleisure.com.au

The Remuneration Report:

- describes the policies behind, and the structure of, the remuneration arrangements of the Company and the link between the remuneration of employees and the Company's performance;
- sets out the remuneration arrangements in place for each director and for key members of the senior management team;
- explains what remuneration costs were paid for by the Company and the Responsible Entity; and
- explains the differences between the bases for remunerating non-executive directors and senior executives.

A reasonable opportunity for discussion of the Remuneration Report will be provided at the meeting.

The vote on Resolution 2 is advisory only, and does not bind the directors or the Company. However, the directors will take into account the discussion on this resolution and the outcome of the vote when considering the remuneration arrangements of the Company.

Board recommendation

The board unanimously recommends that shareholders of the Company vote in favour of this resolution.

The Chair of the meetings intends to vote undirected proxies in favour of this resolution.

Item 3 – Election of Directors – Company only

The board selects directors based on their knowledge, their experience in the industries in which the Living and Leisure Australia Group operates and also their individual contribution to the board’s ability to function efficiently, effectively and with integrity.

RETIRING DIRECTORS STANDING FOR RE-ELECTION

Each of Julanne Mary Shearer and Craig Allan Carracher are retiring in accordance with rule 11.1(d) of the Company’s Constitution which requires that at the annual general meeting of the Company, depending on the circumstances, two or one third of the directors of the Company must retire.

Each of Julanne and Craig, being eligible, are offering themselves for re-election as directors of the Company. Each of Julanne and Craig are also directors of the Responsible Entity.

The profiles of each of these directors are set out below:

Julanne Mary Shearer

Independent Non-executive Chair.

Experience and expertise

Julanne holds a Bachelor of Laws from the Queensland University of Technology and a Bachelor of Commerce from Griffith University and is a solicitor with extensive experience in the areas of managed investments, securities, Australian Financial Services licensing, fundraising, derivatives and compliance. She has wide experience in general commercial matters including property development, leasing and complex business and company structures.

Special responsibilities

- Chair of the Board
- Chair of the Conflicts and Related Party Committee
- Chair of the Remuneration Committee
- Chair of the Nomination Committee

Interests in Stapled Securities

Julanne has a beneficial interest in Taj 248 Pty Ltd ACN 120 345 011 as trustee for the B&J Shearer Superannuation Fund which holds 675,000 Stapled Securities.

Board recommendation

The board (with Ms Shearer abstaining) unanimously recommends that shareholders of the Company vote in favour of the re-election of Ms Shearer.

Craig Allan Carracher

Non-executive Director.

Experience and expertise

Craig is the CEO and managing partner of Arctic Capital Limited, an Asian private equity fund manager. Previously, Craig was the Group General Counsel of Consolidated Press Holding Group (CPH) and was a nominated board member to numerous CPH portfolio companies. Before his appointment with CPH, Craig was a partner of Minter Ellison Lawyers and Managing Partner of Minter Ellison's Indo China practice and Head of its International Trade Group. Craig was previously Special Advisor to the Chairman of ASIC and associate to the Rt Hon. Chief Justice Murray Gleeson. Craig holds an LLB and University Medal from the University of Sydney and a BCL from Magdalen College, Oxford University.

Craig is a director of Kingsgate Consolidated Limited and previously Ellerston Capital Limited, the responsible entity of the listed Ellerston GEMS Fund, and was an alternate director of Sunland Group Limited.

Special responsibilities

Member of the Nomination Committee

Member of the Remuneration Committee

Member of the Audit and Risk Committee

Interests in Stapled Securities

Craig is a limited partner of Arctic Asia Opportunities Fund, LP which has a relevant interest in all securities in the LLA Group held by Arctic LES (Ireland) Ltd.

Board recommendation

The board (with Mr Carracher abstaining) unanimously recommends that shareholders of the Company vote in favour of the re-election of Mr Carracher.

BOARD-APPOINTED DIRECTOR STANDING FOR ELECTION

Brett David Chenoweth and Andrew John Kerr were appointed to the board of the Company on 2 December 2008 and 1 May 2009 respectively by the directors of the Company.

In accordance with rule 11.1(c) of the Company's Constitution, both David and Andrew will hold office as a director only until the close of the first Annual General Meeting of the Company after their appointment to the board, unless they are elected as a director of the Company. Accordingly, Brett and Andrew are offering themselves for election as a director of the Company.

Brett's and Andrew's profiles are set out below:

Brett David Chenoweth

Independent Non-executive Director

Experience and expertise

Brett brings to the board more than 18 years experience working exclusively in the areas of consumer-focused media, technology, telecommunications and online businesses, having held senior executive roles at Telecom New Zealand, ecorp Ltd, ninemsn Pty Ltd and Village Roadshow Pictures Pty Ltd. Brett is currently the Managing Director and Head of Asia Pacific for The Silverfern Group Pty Ltd, a New York based specialist Merchant Bank. He is also Executive Chairman of Cesura Partners Pty Ltd, an Australian owned direct private investment company, and is a Director and Founder of Gizmo Corporation Pty Ltd, a leading Australian consumer IT services organisation.

Special responsibilities

Member of the Audit and Risk Committee

Interests in Stapled Securities

None

Board recommendation

The board (with Mr Chenoweth abstaining) unanimously recommends that shareholders of the Company vote in favour of the election of Mr Chenoweth.

Andrew John Kerr

Independent Non-executive Director

Experience and expertise

Andrew is currently a general manager at Grocon Investment Management and is responsible for capital transactions and real estate fund management initiatives. Andrew has extensive knowledge and over 25 years experience within the financial services and real estate industries and has held senior real estate investment banking positions at UBS, Goldman Sachs JBWere and most recently as managing director, Head of Real Estate, Merrill Lynch, Sydney.

Special responsibilities

Chair of the Audit and Risk Committee
Member of Conflicts and Related Party Committee

Interests in Stapled Securities

Andrew holds 239,957 Stapled Securities in the Group.

Board recommendation

The board (with Mr Kerr abstaining) unanimously recommends that shareholders of the Company vote in favour of the election of Mr Kerr.

The Chair of the meetings intends to vote undirected proxies in favour of each director's election.

SPECIAL BUSINESS

Item 4 – Approval of maximum aggregate annual remuneration of non-executive directors – Company only

The fees paid to the non-executive directors of the Living and Leisure Australia Group have in the past been paid by the Responsible Entity. The Company and the Responsible Entity consider that it is appropriate that the fees of the non-executive directors of the Living and Leisure Australia Group be paid equally by the Responsible Entity and the Company having regard to the non-executive directors being directors of both the Company and the Responsible Entity. The fees paid by the Responsible Entity are not recharged to the Living and Leisure Australia Group. The fees paid to the non-executive directors are set out in the Remuneration Report set out on pages 28 to 31 of the Living and Leisure Australia Group's Annual Report which is available at Living and Leisure Australia Group's website, www.livingandleisure.com.au

The Company proposes to set a maximum aggregate annual remuneration (**MAAR**) for the non-executive directors of the Company in accordance with the Company's constitution. ASX Listing Rule 10.17 and rule 11.4(a) of the Company's constitution require that the MAAR be approved by shareholders of the Company in a general meeting.

Based on a board structure that includes a Chair and four additional non-executive directors, the proposed level of MAAR has been determined at \$500,000 per financial year. It is not anticipated that all of this amount will be paid by the Company to directors for some time, however it allows scope for market related fee increases over the next few years and an increase in the size of the board if the board so determines.

Assuming that the current non-executive directors of the Living and Leisure Australia Group continue in their role as directors of the group throughout the 2010 financial year and no additional directors are added to the boards, the aggregate amount of non-executive directors fees proposed to be paid by the Living and Leisure Australia Group will be approximately \$300,000. This amount will be paid half by the Company and half by the Responsible Entity.

This amount does not include other payments that may be payable to the non-executive directors as specified in the Company's constitution such as any remuneration for extra services or special exertions that are determined by the directors under rule 11.4(f) of the Company's constitution to be paid in addition to any remuneration under rule 11.4(a) of the Company's constitution, any statutory superannuation contributions made in accordance with rule 11.3(f) and any insurance premiums paid or to be paid under rule 11.3(g) of the Company's constitution.

A voting exclusion statement in relation to this resolution is set out in the Notice of Meetings.

Board recommendation

The board recommends that shareholders of the Company vote in favour of this ordinary resolution.

NOTES

Security Holders' Meetings

At present, the shares in the Company and units in the Trust are stapled together to form Stapled Securities under the constitutions of the Company and Trust. This means that shareholders of the Company are also unitholders of the Trust and, as such, the meetings of the Company and the Trust are held concurrently.

Required Majorities

Ordinary resolutions will be passed if at least 50% of the votes that are cast by Security Holders entitled to vote on the resolution are voted in favour of the resolution.

Special resolutions will be passed if at least 75% of the votes that are cast by Security Holders entitled to vote on the resolution are voted in favour of the resolution.

Entitlement to vote

It has been determined that under regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), for the purposes of the annual general meeting, shares in the Company and units in the Trust will be taken to be held by the persons who are the registered holders at 7:00pm Melbourne time on 23 November 2009. Accordingly, transfers of shares and/or units registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Any voting exclusion statement is set out in the Notice of Meetings.

Quorum

The meetings will proceed if at least five Security Holders are present in person or by proxy.

Exercise of votes

Voting will be decided on a show of hands unless a poll is demanded by the Chair or Security Holders entitled to demand a poll before the vote is taken, or before or immediately after the declaration of the result on a show of hands.

On a show of hands, each Security Holder has one vote.

On a poll:

- in the case of a resolution of the Company, each shareholder present in person has one vote for each share they hold. Also each person present as a proxy, attorney or duly appointed corporate representative of a shareholder, has one vote for each share held by the shareholder that the person represents; and
- in the case of a resolution of the Trust, each unitholder present in person has one vote for each one dollar of the value of the units in the Trust held by the unitholder. Also, each person present as proxy, attorney or duly appointed corporate representative of a unitholder has one vote for each one dollar of the value of the units in the Trust held by the unitholder that the person represents.

Voting of jointly held securities

If your Stapled Securities are jointly held, only the vote of the Security Holder whose name appears first in the register of Stapled Securities will be counted to the exclusion of the other joint holder.

Attendance

If you plan to attend the meetings, we ask that you arrive at the venue at least 30 minutes prior to the time designated for the meetings so that we may check the number of your Stapled Securities and note your attendance.

Voting by corporations

In order to vote at the meetings (other than by proxy), a corporation that is a Security Holder must appoint a person to act as its representative. The appointment must comply with the Corporations Act. A letter of representation must be either lodged with the registrar, prior to the commencement of the meeting or the representative must bring to the meeting evidence of his or her appointment including any authority under which it is signed.

Voting by proxy

- 1 A Security Holder entitled to attend and vote at the meetings may appoint a proxy to attend and vote on their behalf.
- 2 A proxy need not be a Security Holder and can be either an individual or a body corporate. If a Security Holder appoints a body corporate as a proxy, that body corporate will need to ensure that it:
 - appoints an individual as its corporate representative to exercise its powers at the meetings, in accordance with section 250D of the Corporations Act; and
 - provides satisfactory evidence of the appointment of its corporate representative.
- 3 A form of proxy is enclosed with this Notice of Meetings.
- 4 A Security Holder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Security Holder's votes.
- 5 Where more than one proxy is to be appointed or where voting intentions cannot be adequately expressed using the enclosed proxy form, an additional form of proxy is available on request from the Registry.
- 6 The Security Holder (or Security Holder's attorney) must sign the proxy form. Proxies given by a body corporate must be signed by a director, company secretary, sole director and sole company secretary or under the hand of a duly authorised officer of attorney.

- 7 A representative of a body corporate attending the meetings must present satisfactory evidence of his or her appointment to attend on its behalf, unless previously lodged with the Registry. If such evidence is not received, then the body corporate (through its representative) will not be permitted to act as a proxy.
- 8 The proxy form, together with any authority under which the proxy form is executed or a certified copy of that authority, must be received no later than 3.00pm Melbourne time on Monday, 23 November 2009 at:

Address

BY POST

Computershare Investor Services Pty
Limited (Living and Leisure Australia
Limited Annual General Meeting)
GPO Box 242
MELBOURNE VIC 3001

OR

BY HAND DELIVERY

Computershare Investor Services Pty
Limited (Living and Leisure Australia
Limited Annual General Meeting)
YARRA FALLS
452 Johnston Street
ABBOTSFORD VIC 3067

Facsimile

Attention: Computershare Investor Services Pty Limited (Living and Leisure Australia Limited Annual General Meeting)

Facsimile No: 1800 783 447 or +61 3 9473 2555 for senders outside Australia

Enquiries

Computershare Investor Services Pty Limited:

Telephone 1300 309 676 or +61 3 9415 4000 for callers outside Australia

