

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
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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 | Ordinary stapled securities |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 2,500,000,000 |
| 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) | Fully paid ordinary stapled securities |

+ See chapter 19 for defined terms.

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<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"> • 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 	<p>Yes</p>				
<p>5 Issue price or consideration</p>	<p>\$0.04 per stapled security</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Pro-rata renounceable entitlement issue on a 12.5 for 1 basis (Offer). Funds raised will be used to reduce existing debt facilities, reduce creditors, and to provide working capital.</p>				
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>5 August 2008</p>				
<p>8 Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="686 1422 997 1456">Number</th> <th data-bbox="997 1422 1283 1456">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="686 1456 997 1489">2,701,895,839</td> <td data-bbox="997 1456 1283 1489">Ordinary stapled securities</td> </tr> </tbody> </table>	Number	+Class	2,701,895,839	Ordinary stapled securities
Number	+Class				
2,701,895,839	Ordinary stapled securities				

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	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	N/A
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	<p>Same as existing ordinary stapled securities.</p> <p>No final cash dividend and/or distribution (Distribution) will be paid for the 2008 financial year ending 30 June 2008 and it is unlikely that any Distributions will be paid in the 2009 financial year.</p> <p>There may be no, or reduced Distributions in subsequent financial years due to the entity's intention to use excess cash to repay borrowings (at least in the short to medium term) and/or the entity's banking covenants, which may restrict it from paying Distributions.</p>

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Renounceable
13	Ratio in which the +securities will be offered	12.5 ordinary stapled securities for every 1 ordinary stapled security held
14	+Class of +securities to which the offer relates	Ordinary stapled securities
15	+Record date to determine entitlements	15 July 2008
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Yes
17	Policy for deciding entitlements in relation to fractions	Rounded down to nearest whole number

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18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents	The Prospectus (combined prospectus and product disclosure statement) will not be distributed in, and no offer of stapled securities will made in countries other than Australia and New Zealand.
	Note: Security holders must be told how their entitlements are to be dealt with.	
	Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	30 July 2008
20	Names of any underwriters	Arctic LES (Ireland) Limited
21	Amount of any underwriting fee or commission	4% of the gross proceeds of the offer plus certain out of pocket expenses incurred in connection with the Offer
22	Names of any brokers to the issue	Bell Potter Securities Limited, SHAW Stockbroking Ltd, Tricom Equities Limited
23	Fee or commission payable to the broker to the issue	Paid by underwriter out of its fees
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	N/A
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	17 July 2008
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	N/A
28	Date rights trading will begin (if applicable)	9 July 2008
29	Date rights trading will end (if applicable)	23 July 2008
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a	Provide instructions to your stockbroker regarding the number of rights you wish to sell.

+ See chapter 19 for defined terms.

	broker?	
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Complete the Entitlement and Acceptance Form for the rights you wish to accept (in accordance with the instructions on the form) and return the completed form and application monies to the registry (see section 1.6.1 of Prospectus). Subsequently, provide instructions to your stockbroker regarding the number of rights you wish to sell.
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	Complete a Renunciation and Transfer Form (which can be obtained from your stockbroker or the registry) for the rights you wish to transfer and return the completed form together with the transferee's cheque, money order or bank draft for the application monies (see section 1.6.3 of Prospectus)
33	⁺ Despatch date	7 August 2008

⁺ See chapter 19 for defined terms.

Part 3 - Quotation of securities

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.

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

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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)

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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: 4 July 2008
(Director)

Print name: JULANNE SHEARER
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