

ASX ANNOUNCEMENT

10 August 2009

**Announcement No. 29/09
The Manager
Australian Stock Exchange**

DRP Withdrawal Option for 2nd Half Distribution Payment

On 5 August 2009 ALE Property Group ("ALE") (ASX code LEP) announced its intention to raise approximately \$105 million through an institutional placement and renounceable entitlement offer to all eligible securityholders.

As part of this announcement ALE advised that securityholders who had nominated to participate in the Distribution Reinvestment Plan (DRP) for the 2nd half FY09 distribution would be given the option of withdrawing their participation. The attached letter has today been sent to all participants in the DRP offering the withdrawal option.

Securityholders have until 5.00 pm AEST on 17 August 2009 to advise their intention. As advised on 7 August 2009 the distribution payment, and allocation of DRP entitlements, has been brought forward from Monday 31 August 2009 to Wednesday 26 August 2009.

- Ends -

Contact:

Andrew Wilkinson
Managing Director
ALE Property Group

02 8231 8588

Website: www.alegroup.com.au



Level 7, 1 O'Connell Street
Sydney NSW 2000

Telephone: + 61 02 8231 8588
Facsimile: + 61 02 8231 8500
Web: www.alegroup.com.au

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Dear Securityholder,

ALE Property Group – ALE Distribution Reinvestment Plan

On 5 August 2009 ALE Property Group (“ALE”) announced its intention to raise approximately \$105 million through an institutional placement (the “Placement”) and renounceable entitlement offer to all eligible securityholders (the “Entitlement Offer”). The Placement and Entitlement Offer together comprise the “Offer”.

The proceeds from the Offer will be used to reduce ALE’s net debt.

As a result of the Offer, ALE has decided to provide all securityholders who have previously elected to participate in the DRP for the 2nd half distribution for the year ended 30 June 2009 (FY09¹) with the opportunity to withdraw their DRP election. You are not required to withdraw from the DRP, but if you wish to do so, you will need to complete and return the DRP Withdrawal Form accompanying this letter by 5.00pm (AEST²) on 17 August 2009. The withdrawal notice only applies to the 2nd half FY09 distribution and your election for future distributions will not be affected.

ALE has also decided that the payment date for the 2nd half FY09 distribution will be brought forward from Monday 31 August 2009 to Wednesday 26 August 2009.

You should obtain any professional advice you require to evaluate whether or not to withdraw from participating in the DRP for the 2nd half FY09 distribution.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Warne', with a long, sweeping flourish extending to the right.

Peter Warne
Chairman

1. Financial Year Ended 30 June 2009
2. Australian Eastern Standard Time