

NOTICE OF ANNUAL GENERAL MEETING

**APN** | Property Group Limited

ACN 109 846 068

The Annual General Meeting of  
APN Property Group Limited  
will be held at:

**Time:** 10.00am

**Date:** Friday, 19 November 2010

**Venue:** Westin Hotel  
205 Collins Street  
Melbourne Vic 3000

**Annual Report**

The 2010 Annual Report  
is now available to download  
from our website at  
[www.apngroup.com.au](http://www.apngroup.com.au)

# APN Property Group Limited

ACN 109 846 068

## Notice of Annual General Meeting 2010

Notice is given that the Annual General Meeting of members of APN Property Group Limited (**Company**) will be held at the Westin Hotel, 205 Collins Street, Melbourne Victoria on 19th November 2010 commencing at 10.00am.

Capitalised terms used in this notice of meeting and the Explanatory Notes are defined in the body of this document or in the Definitions section at the end of this document.

## Ordinary Business

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### 1 Financial Statements and Reports

To receive and consider the Financial Report, the Directors' Report and the Auditor's Report, each for the financial year ended 30 June 2010.

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### 2 Remuneration Report

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

*"That the Remuneration Report for the financial year ended 30 June 2010 be adopted."*

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### 3 Re-election of Director

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

*"That Mr Chris Aylward, who retires by rotation in accordance with clause 4.3(c) of the Constitution, and being eligible, be re-elected as a Director."*

## Special Business

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### 4 Approval of Employee Share Scheme

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

4.1 *"That the employee share scheme comprising the APN Property Group Employee Performance Rights Plan and the APN Property Group Employee Performance Share Trust be approved for the purposes of sections 257B and 260C of the Corporations Act and all other purposes"*

4.2 *"That all issues of securities under the APN Property Group Employee Performance Rights Plan be approved as an exception to Listing Rule 7.1 and for all other purposes."*

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## 5 Approval of Mr David Blight performance and termination rights

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

5.1 *“That the issue of up to 7,500,000 fully paid ordinary shares in the Company to the Company’s Group Managing Director and Chief Executive Officer, Mr David Blight, under the employee incentive scheme established by the Amended and Restated Executive Services Agreement between Mr Blight and the Company (Executive Services Agreement) be approved for the purpose of Listing Rule 10.14 and all other purposes.”*

5.2 *“That any termination benefits that may become payable to Mr David Blight under the terms of the Executive Services Agreement be approved for the purposes of section 200E of the Corporations Act and all other purposes.”*

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## 6 Approval of previous issue of shares under ARA placement

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

*“That the issue of 20,964,343 fully paid ordinary shares in the Company on 22 July 2010 to ARA Real Estate Investors IV Limited be approved for the purposes of Listing Rule 7.4 and all other purposes.”*

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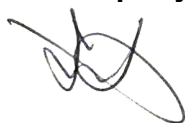
## 7 Modification to the Company’s constitution

To consider and, if thought fit, to pass the following resolution as a special resolution:

*“That the Company’s Constitution be modified by making the amendments which are marked up in the document to be tabled at the Annual General Meeting and signed by the Chair of the meeting for the purposes of identification.”*

By order of the Board.

**APN Property Group Limited**



**J Freemantle**  
Company Secretary

Dated: 18<sup>th</sup> October 2010

## Voting entitlement

The Board has determined in accordance with regulation 7.11.37 of the Corporations Regulations that for the purpose of voting at the Annual General Meeting, shares will be taken to be held by those who hold them at 7.00pm (Melbourne time) on 17<sup>th</sup> November 2010. This means that if you are not the registered holder of a relevant share at that time you will not be entitled to vote in respect of that share.

## Voting by proxy

Each Member who is entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on behalf of that Member. The proxy need not be a Member.

A Member who is entitled to cast two or more votes may appoint one or two proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. If a Member appoints two proxies and the appointment does not specify the proportion, or number, of Member's votes, each proxy may exercise half the votes (disregarding fractions). Neither proxy may vote on a show of hands.

A proxy appointment form is enclosed in this notice of meeting. For the appointment of a proxy to be effective for the Annual General Meeting, the following documents must be received no later than 48 hours before the scheduled time for the meeting, that is by 10.00am on 17<sup>th</sup> November 2010:

- (a) the proxy's appointment; and
- (b) if the appointment is signed by the appointor's attorney – the authority under which the appointment was signed or a certified copy of the authority.

Documents may be lodged online, by posting, delivery or facsimile to the Company's share registry at:

### **Link Market Services Limited**

#### **Online:**

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

#### **By Post:**

Locked Bag A14  
Sydney South NSW 1235

#### **Delivery:**

Level 12, 680 George Street  
SYDNEY NSW 2000

#### **Facsimile:**

(02) 9287 0309

## Bodies corporate

A body corporate may appoint an individual as its representative to exercise all or any of the powers the body corporate may exercise at meetings of Members. The appointment may be a standing one. Unless otherwise specified in the appointment, the representative may exercise, on the body corporate's behalf, all of the powers that the body could exercise at a meeting or in voting on a resolution.

## Voting exclusion statements

- (a) In accordance with the Listing Rules, the Company will disregard any votes cast on Resolution 4.2 by:
  - (i) Mr David Blight; or
  - (ii) an associate of the person named in paragraph (i) above.
- (b) In accordance with the Listing Rules, the Company will disregard any votes cast on Resolutions 5.1 and 5.2 by:
  - (i) Mr David Blight; or
  - (ii) an associate of the person named in paragraph (i) above.
- (c) In accordance with the Listing Rules, the Company will disregard any votes cast on Resolution 6 by:
  - (i) ARA Real Estate Investors IV Limited; or
  - (ii) an associate of the person named in paragraph (i) above.

However, the Company need not disregard a vote if:

- (i) 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
- (ii) it is cast by the person chairing the Annual General 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.

## Required Majority

Resolutions 2, 3, 4, 5 and 6 proposed in this notice of meeting are ordinary resolutions and will be passed if, in each case, 50% or more of the votes cast by Members entitled to vote on each resolution are cast in favour of the relevant resolution.

Resolution 7 proposed in this notice of meeting is a special resolution and will be passed if 75% or more of the votes cast by Members entitled to vote are cast in favour of the resolution.

# Explanatory Notes

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## 1 Financial Statements and Reports

The Corporations Act requires the following reports in respect of the financial year ended 30 June 2010 to be laid before the Annual General Meeting:

- (a) Financial Report (which includes financial statements and the Directors' declaration);
- (b) Directors' Report; and
- (c) Auditor's Report.

There is no requirement either in the Corporations Act or the Constitution for Members to approve the Financial Report, the Directors' Report or the Auditor's Report.

However, Members will be given a reasonable opportunity as a whole at the Annual General Meeting to ask questions and make comments on these reports, and on the business, operations and management of the Company.

Further, in accordance with section 250PA of the Corporations Act, a Member who is entitled to cast a vote at the Annual General Meeting may submit a written question to the auditor if the question is relevant to:

- (a) the content of the Auditor's Report; or
- (b) the conduct of the audit of the annual financial report,

by giving the question to the Company by no later than 5.00 pm on 12<sup>th</sup> November 2010 (5 business days before the day on which the Annual General Meeting is to be held). The auditor will then compile the questions relevant to the content of the Auditor's Report or the conduct of the audit of the annual financial report into a question list. At or before the start of the Annual General Meeting, the Company will make the question list reasonably available to the Members attending the meeting.

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## 2 Remuneration Report

The Remuneration Report:

- (a) explains the Company's policy and the process for determining the remuneration of its executive officers and employees;
- (b) addresses the relationship between the remuneration of the Company's executive officers and the Company's performance; and
- (c) sets out remuneration details for each Director and each of the executive officers of the Company named in the Remuneration Report for the financial year ended 30 June 2010.

The Remuneration Report forms part of the Directors' Report and is included in the Annual Report for the financial year ended 30 June 2010.

Section 250R(2) of the Corporations Act requires listed companies to put a resolution to their members that the Remuneration Report be adopted. **The vote on this resolution is advisory only, and does not bind the Board or the Company.**

Members will be given a reasonable opportunity at the Annual General Meeting to ask questions about, or make comments on, the Remuneration Report.

### **Recommendation**

The Board recommends that Members vote in favour of resolution 2.

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## **3 Re-election of Director**

Mr Chris Aylward will retire by rotation in accordance with the Constitution and, being eligible, offers himself for re-election.

The following information has been provided by Mr Aylward in support of his re-election as a Director.

### **Chris Aylward**

Chris has been a Director of the Company since its incorporation in 2004 and of APN Property Group companies since 1996.

Prior to jointly establishing APN in 1996, Mr Aylward was a Founding Director of Grocon Pty Limited and was responsible for the construction of commercial and retail properties in Sydney and Melbourne with a total value of over \$2 billion, including Governor Phillip and Governor Macquarie Towers in Sydney and 120 Collins Street and the World Congress Centre in Melbourne.

### **Recommendation**

The Board recommends that Members vote in favour of resolution 3.

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## **4 Approval of Employee Share Scheme**

The Company has established a new employee incentive scheme comprising the APN Property Group Employee Performance Rights Plan and the APN Property Group Employee Performance Share Trust.

### **4.1 APN Property Group Employee Performance Rights Plan**

The APN Property Group Employee Performance Rights Plan provides for the payment of bonuses to all eligible employees in the form of cash, shares in the Company or a combination of both (at the election of employees). A Director is not an 'eligible employee' and is not entitled to participate in the APN Property Group Employee Performance Rights Plan.

Bonuses will be satisfied out of a 'bonus pool' which it is currently proposed will consist of up to 30% of pre-tax operating profits of the Company in excess of a Board approved benchmark. An employee's entitlement to receive a bonus will be determined by the Executive Committee in its absolute discretion by reference to an individual's performance against pre-determined KPI's and any other relevant measures.

Unless the Board determines otherwise, bonus payments or share issues to Company employees will be payable in three equal instalments, the first instalment (other than in the case of this year) being payable in the September following the previous financial year end, and the second and third instalments being payable 12 and 24 months respectively after the first instalment. To be eligible for the second and third instalments employees must be under the continuous, permanent employment of the Company.

The APN Property Group Employee Performance Rights Plan will operate on an ongoing basis unless suspended or terminated by the Company.

#### **4.2 APN Property Group Employee Performance Share Trust**

The APN Property Group Employee Performance Share Trust enables the Company to administer the APN Property Group Employee Performance Rights Plan.

Where an employee elects to take his or her bonus entitlement under the APN Property Group Employee Performance Rights Plan in the form of shares, the shares will be acquired by the Trustee (as trustee for the APN Property Group Employee Performance Share Trust) for the benefit of the employee, then subsequently transferred to the employee.

The APN Property Group Employee Performance Share Trust may also be used in relation to other, yet to be established, employee incentive arrangements.

The Company will provide or procure funding to the Trustee for the acquisition of shares that are issued pursuant to the APN Property Group Employee Performance Rights Plan. In certain circumstances unallocated shares held by the Trustee may be bought back by the Company.

#### **4.3 Approval for the purposes of the Corporations Act - Resolution 4.1**

##### *Financial assistance*

Section 260A of the Corporations Act provides that a company may financially assist a person to acquire shares in the company or a holding company of the company only if:

- (a) giving the assistance does not materially prejudice:
  - (i) the interests of the company or its shareholders; or
  - (ii) the company's ability to pay its creditors; or
- (b) the assistance is approved by the shareholders under section 260B; or
- (c) the assistance is exempted under section 260C.

Section 260C of the Corporations Act provides for certain specific instances of exempted financial assistance, including an exemption for an employee share scheme that has been approved by a resolution passed at a general meeting of the company (section 260C(4)).



The Company will either provide or procure financial assistance to the Trustee for the acquisition of shares that are issued pursuant to the APN Property Group Employee Performance Rights Plan for the benefit of relevant employees.

It is proposed that the employee share scheme comprising the APN Property Group Employee Performance Rights Plan and the APN Property Group Employee Share Trust be approved by Members for the purposes of section 260C of the Corporations Act.

*Employee share scheme buy-back*

Section 257B of the Corporations Act sets out the procedure for various forms of share buy-back, including an 'employee share scheme buy-back'. The Company may (in general terms) undertake an employee share scheme buy-back of less than 10% of the shares in the Company without further Member approval if the employee share scheme has been approved by Members.

In certain limited circumstances, unallocated shares in the Company held by the Trustee may be bought back by the Company.

It is proposed that the employee share scheme comprising the APN Property Group Employee Performance Rights Plan and the APN Property Group Employee Share Trust be approved by Members for the purposes of section 257B of the Corporations Act.

**4.4 Approval for the purposes of the Listing Rules - Resolution 4.2**

Under Listing Rule 7.1, a listed company must not issue or agree to issue equity securities exceeding 15% of its ordinary securities on issue in the previous 12 months unless it obtains the approval of its shareholders or an exemption otherwise applies. An exception to listing rule 7.1 is any issue of securities under an employee incentive scheme within three years of the issue being approved by members (exception 9 in Listing Rule 7.2).

It is proposed that any issue of shares under the APN Property Group Employee Performance Rights Plan be approved by Members as an exception to Listing Rule 7.1.

**Recommendation**

The Board recommends that Members vote in favour of resolutions 4.1 and 4.2.

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## 5 Approval of Mr David Blight performance and termination rights

### 5.1 Executive Services Agreement

The Executive Services Agreement has been entered into between the Company and Mr David Blight (Chief Executive Officer and Group Managing Director). The Executive Services Agreement amends and replaces the previous executive services agreement between the Company and Mr Blight entered into at the time of Mr Blight's commencement with the Company on 5 November 2008. The Executive Services Agreement is subject to the proposed issue of shares under the employee incentive scheme established by the Executive Services Agreement being approved by Members pursuant to this resolution.

### 5.2 Employee incentive scheme established under the Executive Service Agreement

Under the Executive Services Agreement, the Company has established an employee incentive scheme whereby the Company agrees to issue Mr Blight with the right to subscribe for 7,500,000 shares in the Company or, at the Company's election, to receive cash to an amount equivalent to 7,500,000 shares in the Company (**Performance Right**). The Performance Right replaces Mr Blight's previous performance right to subscribe for 6,000,000 shares in the Company, which Mr Blight did not exercise and which did not vest. The Performance Right is granted at no cost to Mr Blight, and no amount is payable on vesting of the right if the performance conditions are met.

Each share that is issued to Mr Blight upon exercise of the Performance Right is to be a fully paid ordinary share in the Company, which will rank equally with those shares quoted on the ASX at the time of issue.

Mr Blight's ability to exercise the Performance Right is conditional on him being employed by the Company as the Company's Chief Executive Officer and Group Managing Director on 31 December 2013 and the Company achieving, in respect of the 12 month period ending on 31 December 2013, an 'adjusted earnings per share' performance hurdle of at least 2.90 cents per share. 'Adjusted earnings per share' is defined as the earnings per share (as disclosed in the Company's financial statements) adjusted to exclude all asset impairment adjustments, fair value adjustments and earnings arising from an event that is outside the normal operating activity of the Company.

If a transaction occurs that is in the best interests of the Company but which has a material negative impact on the Company's 'adjusted earnings per share' performance before Mr Blight has exercised the Performance Right and Mr Blight is otherwise performing his duties to the satisfaction of the Board, Mr Blight may ask the Board to consider revising the 'adjusted earnings per share' performance hurdle of 2.90 cents per share. The Board is under no obligation to adjust the adjusted earnings per share performance hurdle, but must act reasonably and in good faith when determining whether to do so. Any proposed revision of the Performance Right will be subject to all necessary Board or shareholder approvals first being obtained.

### 5.3 Termination rights under the Executive Services Agreement

Under the Executive Services Agreement, if Mr Blight ceases to be employed by the Company other than as a result of a fundamental breach of the agreement and other similar matters, he will be entitled to be issued a number of ordinary shares in the Company (or, at the Company's election, the cash equivalent to the following number of ordinary shares) in accordance with the following formula:

$$X = 7,500,000 \times ((Y - 1.40) / 1.5)$$

Where:

- (a) X is the number of pro rata Shares to which Mr. Blight is entitled; and
- (b) Y is the 'adjusted earnings per share' for the full year to 31 December in the last complete calendar year preceding the effective date of termination of Mr. Blight's employment.

### 5.4 Approval required for the purposes of the Listing Rules - Resolution 5.1

Under Listing Rule 10.14, an entity must not permit a director or an associate of a director to acquire securities under an employee incentive scheme without first obtaining member approval. As Mr Blight is a director of the Company, Member approval is required for Mr Blight to be issued shares pursuant to the employee incentive scheme established under the Executive Services Agreement.

Listing Rule 10.15A sets out the information which must be provided in a notice of meeting for the purpose of obtaining the approval of members to an acquisition of shares to which Listing Rule 10.14 applies. For the purposes of Listing Rule 10.15A, the following information is provided:

- (a) **If the person is not a director, a statement of the relationship between the person and the director that requires the approval to be obtained:** Mr. Blight is a director of the Company.
- (b) **The maximum number of securities that may be acquired by all persons for whom approval is required:** 7,500,000 ordinary shares.
- (c) **The price (including a statement whether the price will be, or be based on, the market price), or the formula for calculating the price, for each security to be acquired under the scheme:** The acquisition of shares under the scheme will be at a zero exercise price.
- (d) **The names of all persons referred to in rule 10.14 who received securities under the scheme since the last approval, the number of securities received and the acquisition price for each security:** Not applicable.
- (e) **The names of all persons referred to in rule 10.14 entitled to participate in the scheme:** The only person to be entitled to participate in the scheme is Mr. Blight.
- (f) **A voting exclusion statement:** The voting exclusion statement is contained on page 4.
- (g) **The terms of any loan in relation to the acquisition:** Not applicable.

(h) **A disclosure and entitlement statement:**

Details of any securities issued under the employee incentive scheme established under the Executive Services Agreement will be published in each annual report of the Company relating to the period in which the securities have been issued including that approval for the issue of securities was obtained under ASX Listing Rule 10.14.

Any additional persons to whom rule 10.14 applies, who become entitled to participate in the issue of shares pursuant to the employee incentive scheme established under the Executive Services Agreement after Resolution 5.1 is approved and who are not named in the Notice of Meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

- (i) **The date by which the entity will issue the securities:** Pursuant to a waiver granted by ASX pursuant to ASX Listing Rule 10.15A.9, will be no later than 30 April 2014.

### 5.5 Approval for the purposes of the Corporations Act - Resolution 5.2

Under section 200B of the Corporations Act, a company must not give a benefit to a director in connection with the director's retirement or removal from office unless the company's members approve that benefit under section 200E or unless the benefit falls within certain exceptions set out in the Corporations Act. A payment will, in general terms, fall within the exceptions set out in the Corporations Act if the amount of the payment is less than one year's salary of that director (based on the director's average salary for the previous three years). The termination that may become payable to Mr Blight may exceed this amount and therefore must be approved by Members.

### Recommendation

The Board recommends that Members vote in favour of resolutions 5.1 and 5.2.

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## 6 Approval of previous issue of shares under ARA placement

On 22 July 2010, the Company issued 20,964,343 fully paid ordinary shares through a private placement to ARA Real Estate Investors IV Limited, a wholly owned subsidiary of ARA Asset Management Limited (**ARA**). This placement was part of the formalisation of the relationship between the Company and ARA and introduced ARA as a long term strategic shareholder in the Company. Members are asked to approve the share issue for the purposes of Listing Rule 7.4.

Chapter 7 of the Listing Rules limits the number of ordinary shares that may be issued in the capital of the Company in any 12 month rolling period without Members' approval to 15% of the Company's capital, unless an exemption set out in Listing Rule 7.2 applies to the issue. No exemptions under Listing Rule 7.2 apply to the issue of shares to ARA Real Estate Investors IV Limited.

The approval of the issue of the shares to ARA Real Estate Investors IV Limited, by passing this resolution, will exclude the issue for the purposes of calculating the shares that may be issued in a 12 month period as set by the Listing Rules. The approval will provide flexibility for the Company to undertake fund raising in the future as opportunities arise by maximising the number of shares that the Company can issue over the next 12 months without further approval from the Members.

In accordance with Listing Rule 7.5, the Company provides the following information in relation to the shares issued:

- (a) **Date issued:** 22 July 2010.
- (b) **Number of shares issued under the placement:** 20,964,343 fully paid ordinary shares.
- (c) **Price at which the shares were issued:** \$0.22 per share.
- (d) **Terms of the shares:** The shares rank pari passu with existing shares.
- (e) **The name of the allottee:** ARA Real Estate Investors IV Limited.
- (f) **The use (or intended use) of the funds raised:** to provide enhanced working capital for the Company.

### **Recommendation**

The Board recommends that Members vote in favour of resolution 6.

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## **7 Modification to the Company's constitution**

The Company's existing Constitution has remained unchanged since the Company was listed on the ASX in 2005. There have been a number of changes to the law and practice since that time. The Company wishes to ensure that the Constitution is not inconsistent with current law and also reflects best practice.

Many of the proposed amendments to the Constitution are administrative only. The major differences between the existing Constitution and the proposed Amended Constitution are outlined below.

- (a) **Dividends:** prior to 28 June 2010, section 254T of the Corporations Act required that a company could only pay dividends out of the profits of the company. This provision was recently amended by the *Corporations Amendment (Corporate Reporting Reform) Act 2010* and now provides that a company may only pay a dividend if:
  - (i) the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
  - (ii) the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and
  - (iii) the payment of the dividend does not materially prejudice the company's ability to pay its creditors.

Clause 12 of the proposed Amended Constitution reflects this change to the Corporations Act.

- (b) **Chair's power at meetings:** previously the powers of the chair at a general meeting of the Company as expressly described in the Constitution have been limited. Changes to the relevant provisions in the Amended Constitution have the effect of broadening the chair's power and expressly allowing the chair to, amongst other things, do each of the following:
- (i) impose a limit on the time that a person may speak on each motion or other item of business to be put to a vote of the members present;
  - (ii) terminate debate or discussion on any business, question, motion or resolution being considered by the meeting and require the business, question, motion or resolution to be put to a vote of the members present;
  - (iii) determine any dispute concerning the admission, validity or rejection of a vote at a general meeting; and
  - (iv) adopt any procedures for casting or recording votes at the meeting, whether on a show of hands or a poll, including the appointment of scrutineers.
- (c) **Alternate directors:** currently the Constitution regulates the role of alternate directors in certain situations, including the attendance of board meetings and the signing of resolutions. The Company believes that the appointment terms of an alternate director should be considered in each separate circumstance therefore the Company proposes to delete the previous section 4.5(d) of the Constitution (role of alternate director).
- (d) **Regulation of voting by proxy:** the Corporations Act requires that various information is included in relation to proxy voting and proxy notices. Proposed amendments to the Constitution reflect the Corporations Act.

### **Recommendation**

The Board recommends that Members vote in favour of resolution 6.

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## 8 Definitions

**Amended Constitution** means the Constitution containing the amendments proposed to be made, subject to receiving Member approval.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited ACN 008 624 691 or the financial market operated by that company (whichever the context requires).

**Auditor's Report** means the annual auditor's report for the Company prepared under Chapter 2M of the Corporations Act.

**Board** means the board of Directors.

**Company** means APN Property Group Limited ACN 109 846 068.

**Constitution** means the Company's constitution as amended from time to time.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Corporations Regulations** means the *Corporations Regulations 2001* (Cth).

**Director** means a director of the Company.

**Directors' Report** means the annual directors' report of the Company prepared under Chapter 2M of the Corporations Act.

**Executive Committee** means the executive committee of the Company.

**Executive Director** means a Director who is also an employee of the Company.

**Executive Services Agreement** means the Amended and Restated Executive Services Agreement between Mr David Blight and the Company.

**Explanatory Notes** means the explanatory notes attached to this Notice of Annual General Meeting.

**Financial Report** means the annual financial report of the Company prepared under Chapter 2M of the Corporations Act.

**Listing Rules** means the listing rules of the ASX.

**Member** means a member of the Company.

**Remuneration Report** means the remuneration report required to be prepared in accordance with section 300A of the Corporations Act.

**Trustee** means APN Funds Mana



**APN** | Property Group  
ABN 30 109 846 068

**APN Property Group Limited**

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All enquiries to: Telephone: 1300 554 474 Overseas: +61 2 8280 7111



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SHAREHOLDER VOTING FORM

I/We being a member(s) of APN Property Group Limited and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 10:00am on Friday, 19 November 2010, at The Westin Hotel, 205 Collins Street, Melbourne, Victoria and at any adjournment or postponement of the meeting.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting. Please read the voting instructions overleaf before marking any boxes with an **X**

STEP 2

VOTING DIRECTIONS

ORDINARY BUSINESS

Resolution 2

Adoption of the Remuneration Report (non-binding advisory vote)

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Resolution 3

To re-elect as a director  
 Mr Chris Aylward

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SPECIAL BUSINESS

Resolution 4.1

Approval of Employee Share Scheme

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Resolution 4.2

Approve issue of shares under the Employee Share Scheme

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Resolution 5.1

Approve issue of shares to Mr David Blight

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Resolution 5.2

Approval of termination benefits

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Resolution 6

Approval of previous issue of shares under ARA placement

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Resolution 7

Modification to the Company's constitution

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).



## HOW TO COMPLETE THIS PROXY FORM

### Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

### Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together.

### Signing Instructions

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

### Corporate Representatives

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the company's share registry.

## Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by 10:00am on Wednesday, 17 November 2010, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy Forms may be lodged using the reply paid envelope or:



**ONLINE**

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Select the 'Proxy Voting' option on the top right of the home page. Choose the company you wish to lodge your vote for from the drop down menu, enter your holding details as shown on this form, and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the proxy form).



**by mail:**

APN Property Group Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



**by fax:**

+61 2 9287 0309



**by hand:**

delivering it to Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000.

**If you would like to attend and vote at the Annual General Meeting, please bring this form with you.  
This will assist in registering your attendance.**