



NOTICE OF ANNUAL GENERAL MEETING

AUSTRALIAN PROPERTY GROWTH LIMITED

ACN 111 628 589 ('COMPANY')

26 November 2009 at 10.00 am

River Room, Stamford Plaza Hotel,

Corner Edward and Margaret Streets, Brisbane

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NOTICE OF ANNUAL GENERAL MEETING

Australian Property Growth Limited ACN 111 628 589 ('Company')

Notice is given that the Annual General Meeting of Australian Property Growth Limited ('Company') will be held at 10:00 am (Brisbane time) on Thursday, 26 November 2009 at River Room, Stamford Plaza Hotel, corner Edward and Margaret Streets, Brisbane, Queensland.

AGENDA

Ordinary business

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Company's financial reports and the reports of the directors and the auditor for the financial year ended 30 June 2009.

2. DIRECTORS' REMUNERATION REPORT

Resolution 1

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

'That the section of the report of the Directors dealing with the remuneration of the Company's Directors, Company Secretary and senior executives ('remuneration report') be adopted.'

NB: This resolution shall be determined as if it were an ordinary (majority) resolution, however, under section 250R(3) of the *Corporations Act*, the vote does not bind the directors of the Company.

3. RE-ELECTION OF ROBERT BRYAN

Resolution 2

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

'That Robert Bryan, who retires by rotation in accordance with rule 17.1 of the Company's constitution, and being eligible, be re-elected as a director of the Company.'

Information about the candidate appears in the accompanying Explanatory Memorandum.

4. RE-ELECTION OF SCOTT EDWARD BRYAN

Resolution 3

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

'That Scott Edward Bryan, who retires by rotation in accordance with rule 17.1 of the Company's constitution, and being eligible, be re-elected as a director of the Company.'

Information about the candidate appears in the accompanying Explanatory Memorandum.

Special business

5. AMENDMENTS TO CONSTITUTION

Resolution 4

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

‘That the Company’s constitution be amended on the basis set out in column A of the Annexure to the Explanatory Memorandum accompanying this Notice of Meeting.’

DATED this 23rd day of October 2009

By Order of the Board



Adriano Cragolini
Company Secretary

NOTES

- (a) A member who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.
- (b) The proxy need not be a member of the Company. A member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- (c) If you wish to appoint a proxy and are entitled to do so, then complete and return the enclosed proxy form.
- (d) A corporation may elect to appoint a representative, rather than appoint a proxy, in accordance with the *Corporations Act 2001* in which case the Company will require written proof of the representative’s appointment which must be lodged with or presented to the Company before the meeting.
- (e) The Company has determined in accordance with Regulation 7.11.37 *Corporations Regulation 2001* that for the purpose of voting at the meeting or adjourned meeting, shares will be taken to be held by those persons recorded in the Company’s register of members as at 7.00pm (Brisbane time) on 24 November 2009.
- (f) If you have any queries on how to cast your votes at the meeting then call Adriano Cragolini on (07) 3004 1222 during business hours.

EXPLANATORY MEMORANDUM

Australian Property Growth Limited ACN 111 628 589 ('Company')

This Explanatory Memorandum has been prepared to assist shareholders of the Company with their consideration of the resolutions to be put to the Annual General Meeting to be held on 26 November 2009.

ANNUAL GENERAL MEETING OF THE COMPANY

Ordinary business

1. FINANCIAL STATEMENTS AND REPORTS

The *Corporations Act 2001* requires that the report of the Directors, the Auditor's report and the financial report be laid before the Annual General Meeting. In addition the Company's Constitution provides for such reports and statements to be received and considered at the meeting. Apart from the matters involving remuneration which are required to be voted upon, neither the *Corporations Act 2001* nor the Company's Constitution requires a vote of shareholders at the Annual General Meeting on such reports or statements.

Following consideration of reports the Chairman will give shareholders a reasonable opportunity to ask questions about or comment on the management and audit of the Company.

In addition to asking questions at the meeting, shareholders may address written questions to the Chairman about the management of the Company, or to the Company's Auditor which are relevant to:

- (a) the content of the Auditor's Report to be considered at the meeting; or
- (b) the conduct of the audit of the Annual Financial Report to be considered at the meeting.

Any written questions may be submitted by email, post, facsimile to the Company Secretary before 4pm on Thursday, 19 November 2009.

2. DIRECTORS' REMUNERATION REPORT

Resolution 1

The *Corporations Act 2001* requires that the section of the Directors' report dealing with the remuneration of Directors, the Company Secretary and senior executives ('remuneration report') be put to the vote of shareholders for adoption.

The resolution of shareholders is **not binding** on the Company.

Following consideration of the remuneration report, the Chairman will give shareholders a reasonable opportunity to ask questions about or to make comments upon, the remuneration report.

The Directors recommend you vote in favour of this resolution.

3.& 4. RE-ELECTION OF DIRECTORS

Resolutions 2 and 3

Under rule 17.1 of the Constitution of the Company, one-third of the current directors (excluding the managing director) must retire by rotation at each Annual General Meeting.

In accordance with this rule Robert Bryan and Scott Edward Bryan will retire at the end of the meeting and, being eligible, will present themselves for re-election. Both Robert Bryan and Scott Edward Bryan were appointed to the board upon registration of the Company in November 2004.

Neil Edwin Summerson is proposed to be Chairman for the purpose of this Annual General meeting. The voting intentions of the Chairman in respect of undirected proxies are set out in the Proxy Form under the heading 'Directing your proxy how to vote'.

The Directors recommend you vote in favour of Resolutions 2 and 3.

A summary of each candidate's experience and qualifications appear below.

Robert Bryan BSc (Hons, Geology), FAusIMM

Non-Executive Director

Robert ('Bob') Bryan has had a long-term involvement in the mining industry in Australia and South East Asia. In 1984 Bob founded Pan Australian Mining Ltd and in the capacity as Managing Director oversaw the development of a major gold mine at Mt Leyshon. Bob is an Honorary Life Member of the Queensland Resources Council and a director of the Sustainable Minerals Institute within the University of Queensland. During the last three years Bob has served as Chairman of the following ASX listed companies: PanAust Limited (formerly Pan Australian Resources Limited) (appointed 12 December 1994 and retired on 30 June 2008), Highlands Pacific Ltd (appointed 1 July 1998 and retired on 20 May 2008) and Queensland Gas Company Limited (appointed 22 September 1999 and resigned 17 November 2008). Since selling his controlling interest in Pan Australian Mining in 1989, Bob's private interests, Leyshon Group, has focused on investment in property and resources. Leyshon Group is APGF's major stapled security holder.

Scott Edward Bryan BSc (Hons, Geology), PhD

Non-Executive Director

Scott Bryan is a geologist, graduating from the University of Queensland with First Class Honours in Geology and obtained a PhD from Monash University. Scott was a Research Fellow at Yale University and a Senior Lecturer at Kingston University in the United Kingdom. Since April 2008 Scott has been a Principal Research Fellow with the Sustainable Minerals Institute at the University of Queensland. Scott has been on the Board of the Company since 2004 and has been involved in property funds management, development and investment through his directorship of Leyshon Group since 2001. Leyshon Group is APGF's major stapled security holder.

Special business

5. AMENDMENTS TO CONSTITUTION

Resolution 4

As all investors would be aware, shares in the Company are stapled to units in the Australian Property Growth Trust ('APGT'). The Company and APGT are separate legal entities, and accordingly, are required to separately comply with their respective obligations under the *Corporations Act 2001*. This can give rise to duplication of some procedural aspects associated with the operation of the Company and APGT.

Relevantly, the Company and APGF Management Ltd (as the '**Responsible Entity**' of APGT) are required to conduct separate meetings for shareholders and unitholders.

In recognition of the commonality of shareholders' and unitholders' interests, it is proposed that the Company's constitution be amended, on the basis set out in the Annexure to this Explanatory

Memorandum, in order to facilitate joint meetings of shareholders and unitholders. The proposed amendments provide a procedure for calling and conducting joint meetings.

The purpose of the proposed amendments is to avoid duplication in the administration and costs associated with conducting separate meetings of shareholders and unitholders.

The directors recommend you vote in favour of this resolution.

A detailed explanation of each of the proposed amendments to the constitution is set out in the Annexure to this Explanatory Memorandum. A free copy of the consolidated version of the Company's constitution which sets out the proposed changes to the constitution can be provided to members upon request.

Complementary amendments are proposed to be made to APGT's trust deed by the Responsible Entity, in order to facilitate conducting joint meetings of shareholders and unitholders. The Responsible Entity is of the view that these proposed amendments to the trust deed are merely procedural in nature and will not adversely affect unitholders' rights. Accordingly, the amendments to the trust deed are proposed to be made by the Responsible Entity executing a deed poll and without reference to unitholders in accordance with section 601GC(1)(b) *Corporations Act 2001*, subject to shareholders approving resolution 4.

ANNEXURE

Explanatory Memorandum for Notice of Annual General Meeting of Australian Property Growth Limited
ACN 111 628 589 ('Company')

Detailed below is a summary of the proposed amendments to the constitution of the Company. The proposed amendments have been underlined.

COLUMN A Proposed Amendments to Constitution	COLUMN B Comments
<p>Amendments to rule 11.4</p> <p>11.4 Chairman</p> <p>(a) <u>Subject to rule 11.12</u>, the Chairman of the Board is entitled to take the chair at every general meeting.</p> <p>(b) <u>Subject to rule 11.12</u>, if at any general meeting:</p> <p style="padding-left: 40px;">(i) the Chairman of the Board is not present at the specified time for holding the meeting; or</p> <p style="padding-left: 40px;">(ii) the Chairman of the Board is present but is unwilling to act as Chairman of the meeting,</p> <p style="padding-left: 40px;">the deputy Chairman of the Board is entitled to take the chair at the meeting.</p> <p>(c) If at any general meeting:</p> <p style="padding-left: 40px;">(i) there is no Chairman of the Board or deputy Chairman of the Board;</p> <p style="padding-left: 40px;">(ii) the Chairman of the Board and deputy Chairman of the Board are not present at the specified time for holding the meeting; or</p> <p style="padding-left: 40px;">(iii) the Chairman of the Board and the deputy Chairman of the Board are present but each is unwilling to act as Chairman of the meeting,</p> <p style="padding-left: 40px;">the Directors present may choose another Director as Chairman of the meeting and if no Director is present or if each of the Directors present are unwilling to act as Chairman of the meeting, a shareholder chosen by the shareholders present is entitled to take the chair at the meeting.</p>	<p>The proposed amendments to rule 11.4 are intended to facilitate the holding of joint meetings.</p> <p>See the explanation which relates to the new sub-rule 11.12(d) for further details about these changes.</p>

New rule 11.12

11.12 Joint meetings

Where Stapling applies, a general meeting of the Company may be held in conjunction with a meeting of Unitholders (Joint Meeting) and the Company may, subject to the Law, make such rules for the conduct and operation of Joint Meetings as it sees fit. For the purposes of removing doubt:

- (a) a single notice of meeting may be used where the Company intends to convene a Joint Meeting;
- (b) a single proxy form may be used through which a vote or votes may be made by proxies appointed by the shareholders or Unitholders at a Joint Meeting;
- (c) only persons who are the holders of a Stapled Security shall be entitled to vote at any Joint Meeting;
- (d) subject to rule 11.12(e), Responsible Entity shall be entitled to, in writing, appoint a person to chair a Joint Meeting; and
- (e) the holders of Stapled Securities present at a Joint Meeting called by the Company must elect a Stapled Security holder present to chair the Joint Meeting (or part of it) if:
 - (i) a chairperson has not previously been appointed to chair the Joint Meeting;
or
 - (ii) a previously appointed chairperson is not available, or declines to act for the Joint Meeting (or part of the Joint Meeting).

The new rule 11.12 is proposed to be incorporated into the Company's constitution in order to clarify some of the procedural issues associated with conducting joint meetings of shareholders and unitholders.

Sub-rule 11.12(a)

Currently, separate notices of meeting need to be given for meetings of shareholders and unitholders. This new sub-rule (a) recognises that the Company and the Responsible Entity of APGT may issue a single notice of meeting in order to convene a joint meeting of shareholders and unitholders.

Shareholders should note that if the proposed amendments to the constitution are passed, this will not necessarily mean that all future meetings of the Company and APGT will be combined. There may be instances in which meetings are necessary for unitholders but not necessarily requiring a meeting of shareholders and vice versa.

The intention of sub-rule (a) is to recognise that a single notice of meeting may be given in circumstances where the resolutions to be considered by shareholders and unitholders share some commonality or where it is convenient for such resolutions to be put before a joint meeting.

Sub-rule 11.12(b)

At present, shareholders need to complete a company proxy form if they are not personally attending a meeting and complete a separate proxy form for meetings of APGT if they are not personally attending that meeting.

The purpose of the new sub-rule (b) is to recognise that a single common proxy form can be used for joint meetings.

Sub-rule 11.12(c)

New sub-rule (c) recognises that only the holders of a stapled security will be entitled to vote at joint meetings. The stapling provisions contained in the Company's constitution, APGT's trust deed and the stapling deed effectively provide that shares in the Company must at all times be stapled to units in the APGT.

Sub-rule 11.12(d)

Under section 252S *Corporations Act 2001*, where the Responsible Entity has called a meeting of unitholders, it may in writing appoint an individual to chair that meeting.

Currently, under the Company's constitution the

	<p>Chairman of the Board of the Company will chair shareholder meetings.</p> <p>In order to ensure consistency with section 252S <i>Corporations Act 2001</i>, it is proposed that the Responsible Entity be granted the power to appoint the chairman of the joint meetings.</p> <p>It is proposed that if no chairman is appointed or the previously appointed chairman is not available, or declines to act then the shareholders and unitholders present at the joint meeting will be entitled to appoint a member to chair the meeting. This is also a requirement of 252S <i>Corporations Act 2001</i>.</p>
<p>New Rule 11.13</p> <p><u>11.13 Other attendees</u></p> <p><u>While Stapling applies, each director or other representative of the Responsible Entity, as well as invitees of the chairman of the Responsible Entity may attend and speak at any Joint Meeting.</u></p>	<p>The new rule 11.13 recognises that directors or other representatives of the Responsible Entity as well as invitees of the chairman of the Responsible Entity may attend and speak at any joint meeting.</p>

PROXY FORM FOR ANNUAL GENERAL MEETING

Australian Property Growth Limited ACN 111 628 589 ('Company')

PLEASE COMPLETE IN BLACK INK

Member/s name/s and address/es

Name/s: _____

Address/es: _____

I/we appoint as my/our proxy the person named below at the Annual General Meeting of the Company to be held at 10:00am (Brisbane time) on Thursday, 26 November 2009 at River Room, Stamford Plaza Hotel, corner Edward and Margaret Streets, Brisbane, Queensland and at any adjournment thereof.

Appointment of Proxy

Box A

I/we appoint _____

☐

as my/our proxy *or*, failing him/her, the Chairman to exercise my/our votes for me/us on my/our behalf.

OR

Appointment of Chairman

Box B

I/we appoint the Chairman to exercise all of my/our votes for me/us on my/our behalf

☐

By ticking Box B, you acknowledge that if you have not directed the Chairman how to vote below, the Chairman of the meeting may exercise your proxy even if he has an interest in the outcome of the resolutions. This is so even if other votes cast by the Chairman in his own or another capacity will be disregarded because of that interest.

The Chairman intends to vote in favour of all resolutions with respect to all undirected proxies given to him.

Directing your proxy how to vote

I/we direct my/our proxy to vote in the following manner:

No*	Resolution	For	Against	Abstain
1	Adoption of Directors' Remuneration Report			
2	Re-election of Robert Bryan			
3	Re-election of Scott Edward Bryan			
4	Amendments to Constitution			

**The resolutions are numbered as in the notice of annual general meeting.*

Please mark the appropriate box to indicate how your proxy should vote. If no boxes are marked, your proxy will be entitled to vote on the resolution at his discretion.

Individuals to sign

Execution by attorney

Executed by: _____
(insert name of attorney)

(attorney to sign here)

as attorney for

(insert name of individual or company)

in accordance with the Company's Constitution and the *Corporations Act 2001*. The authority or a certified copy of the authority under which the appointment is signed must be attached.

Companies to sign

Executed in accordance with the Company's Constitution:

Director

Director/Secretary OR

Sole Director and Sole Company Secretary

Affix seal
if required

DATED...../...../.....

NOTES FOR COMPLETION OF PROXY FORM FOR ANNUAL GENERAL MEETING

Australian Property Growth Limited ACN 111 628 589 ('Company')

Appointment of proxy

(see Proxy form)

- (a) To appoint a single proxy - tick **BOX A**, complete name of proxy and sign Proxy Form; **OR**
- (b) To appoint the Chairman only - tick **BOX B** and sign Proxy Form.
- (c) A proxy appointed to attend and vote for a member has the same rights as the member to vote (to the extent allowed by this appointment) and to join in the demand for a poll.
- (d) If you mark the abstention box for a particular item, you are directing your proxy not to vote on a show of hands or on a poll and your shares will not be counted in computing the required majority on a poll.
- (e) Note that the Proxy Form sets out the manner in which the Chairman has indicated he will vote any undirected proxies granted to him ie proxies that do not indicate the manner in which such votes are to be cast.
- (f) To appoint 2 proxies to exercise a specified proportion of your votes - see below Note: If you appoint 2 proxies and do not specify the number or proportion of votes each proxy may exercise, then each will be entitled to exercise half of your votes (with fractions being disregarded).

How to sign proxy form

- (a) The proxy form must be signed by the member or by the member's attorney. If a joint holding then either shareholder may sign.
- (b) If the proxy is signed by a person who is not the registered shareholder, then the relevant authority or a certified copy should either have been exhibited previously with the Company or be enclosed with this proxy. If sent by fax then the authority must be certified.
- (c) If the member is a corporation, the proxy form must be signed in accordance with its constitution and the *Corporations Act 2001*, or under the hand of an authorised officer or attorney who has not received any notice of revocation.

Deadline for receipt of proxies

This Proxy Form must be lodged with the Company **before 10:00 am** (Brisbane time) on Tuesday **24th November 2009**, i.e not less than 48 hours before the time for holding the meeting by:

- (a) mailing your proxy to the Company at its registered office at Level 1, 295 Elizabeth Street, Brisbane, Queensland 4000; **OR**
- (b) depositing your proxy with the Company at its registered office at Level 1, 295 Elizabeth Street, Brisbane, Queensland 4000; **OR**
- (c) faxing your proxy to 07 3003 0122.

Please bring this letter with you to the meeting to enable us to process your registration efficiently.

Registration will commence at 9.45am on 26 November 2009.

Appointment of 2 proxies

(If you are entitled to cast 2 or more votes at the meeting, you may appoint 2 proxies instead of a single proxy)

If you wish to appoint 2 proxies then complete below and not details for Appointment of Proxy on Proxy Form

I/We appoint: _____
(insert name of first proxy)

to exercise *(state number or proportion)* _____
of my/our votes for me/us at the annual general meeting of the Company **AND**

I/We appoint: _____
(insert name of second proxy)

to exercise *(state number or proportion)* _____
of my/our votes for me/us at the annual general meeting of the Company **OR**

failing one or both of my 1st and 2nd proxies, then the Chairman to exercise my/our votes for me/us in respect of the number or proportion of my/our shares allocated to the absent proxy/s, as set out above.