

# GROWTHPOINT

## PROPERTIES

### Growthpoint Properties Australia

Growthpoint Properties Australia Limited (ACN 124 093 901, AFSL No. 316409)  
Growthpoint Properties Australia Trust (ARSN 120 121 002)



000001 000 GOZ  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

22 October 2012



Dear Securityholder,

#### Growthpoint Properties Australia Annual General Meeting

I cordially invite you to join us at the Annual General Meeting (**AGM**) of Growthpoint Properties Australia.

Growthpoint Properties Australia is a stapled group comprising a company, Growthpoint Properties Australia Limited (**Company**), and a trust, Growthpoint Properties Australia Trust (**Trust**) (together, **Growthpoint Properties Australia**). The Company is the responsible entity of the Trust. Securityholders hold stapled securities comprising units in the Trust and shares in the Company and are therefore able to vote at general meetings of both the Trust and the Company.

Enclosed with this letter is a notice of the AGM of the shareholders of the Company and a meeting of the unitholders of the Trust. The meetings will be held at the Stamford Plaza Hotel, located at the corner of Edward and Margaret Streets, Brisbane, Queensland, 4000 on Tuesday, 27 November 2012 at 3:00pm (Brisbane time). Securityholders should carefully review these Explanatory Notes and the associated documents.

If you will be attending the AGM, please bring this letter with you to facilitate processing of your registration. Registration will commence at 2.45pm on Tuesday, 27 November 2012. If you attend the AGM, there is no need to complete the enclosed Proxy Form.

If you are unable to attend the meeting, I encourage you to complete the enclosed Proxy Form and to consider how you wish your proxy to vote.

To be effective, your completed Proxy Form must be received at the Company's Share Registry no later than 3.00pm (Brisbane time) on Sunday, 25 November 2012. For further details, see the notes set out on the back of the Notice of Meeting and on the back of the Proxy Form.

Yours sincerely



**Lyn Shaddock**  
**Independent Chairman**

# GROWTHPOINT

## PROPERTIES

### Growthpoint Properties Australia

Growthpoint Properties Australia Limited (ACN 124 093 901, AFSL No. 316409)  
Growthpoint Properties Australia Trust (ARSN 120 121 002)

### Lodge your vote:



#### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

### For all enquiries call:

(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

1- 000001 000 GOZ  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Proxy Form

For your vote to be effective it must be received by 3.00pm (Brisbane time) Sunday 25 November 2012

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose (except in relation to Items 2 and 5 where you have appointed a member of the key management personnel of the Company or one of their closely related parties as your proxy, in which case there are additional restrictions explained below). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

The key management personnel of the Company (which includes each of the Directors) will not be able to vote as your proxy on Items 2 and 5 unless you tell them how to vote or, if the Chairman of the Meeting is your proxy, you expressly authorise him to vote as he sees fit on Items 2 and 5 by leaving the boxes for those Items blank and submitting this form. If you intend to appoint a member of the key management personnel (other than the Chairman of the Meeting) as your proxy, please ensure that you direct them how to vote on Items 2 and 5 otherwise they will not be able to cast a vote as your proxy on those Items.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the information tab, "Downloadable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**Turn over to complete the form** ➔



View your securityholder information, 24 hours a day, 7 days a week:

**[www.investorcentre.com](http://www.investorcentre.com)**



**Review your securityholding**



**Update your securityholding**

**Your secure access information is:**

**SRN/HIN: I999999999**



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030



**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

## Proxy Form

Please mark ☒ to indicate your directions

### STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Growthpoint Properties Australia hereby appoint

☐

the Chairman  
of the Meeting OR



**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Growthpoint Properties Australia to be held at the Stamford Plaza Hotel, located at the corner of Edward and Margaret Streets, Brisbane, Queensland on Tuesday, 27 November 2012 at 3.00pm (Brisbane time) and at any adjournment or postponement of that Meeting.

**Chairman of the Meeting authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), then by submitting this form I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy on Items 2 and 5 (except where I/we have indicated a different voting intention below) even though Items 2 and 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.

### STEP 2 Items of Business



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

|           |                                                              | For                      | Against                  | Abstain                  |
|-----------|--------------------------------------------------------------|--------------------------|--------------------------|--------------------------|
| Item 2    | Remuneration Report                                          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Item 3(a) | Elect Ms Maxine Brenner as a Director of the Company         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Item 3(b) | Re-election of Mr Grant Jackson as a Director of the Company | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Item 3(c) | Re-election of Mr Norbert Sasse as a Director of the Company | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Item 4    | Approval of Proportional Takeover Provisions                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Item 5    | Approval of Issue to Timothy Collyer (Managing Director)     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Item 6    | Approval of Amendments to the Company's Constitution         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

#### Important for Items 2 and 5 - If the Chairman of the Meeting is your proxy or is appointed as your proxy by default

If you wish to give the Chairman of the Meeting specific voting directions on Items 2 and 5, you should mark the appropriate box opposite those Items (directing your proxy to vote 'for', 'against' or to 'abstain' from voting). If you have appointed the Chairman of the Meeting as your proxy (or the Chairman of the Meeting becomes your proxy by default), and you do not mark a box opposite Items 2 and 5, then by submitting this form you are expressly authorising the Chairman of the Meeting to vote in favour of Items 2 and 5 (see Step 1 above).

### SIGN

#### Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact  
Name

\_\_\_\_\_

Contact  
Daytime  
Telephone

\_\_\_\_\_

Date

\_\_\_\_/\_\_\_\_/\_\_\_\_

GOZ

1 5 5 8 6 2 A

Computershare +

**Growthpoint Properties Australia Limited**  
(ACN 124 093 901)  
AND  
**Growthpoint Properties Australia Trust**  
(ARSN 120 121 002)

**NOTICE OF MEETINGS**

---

Notice is given that the Annual General Meeting (**AGM**) of shareholders of Growthpoint Properties Australia Limited (**Company**) will be held concurrently and in conjunction with a meeting of the unit holders of Growthpoint Properties Australia Trust (**Trust**) (together, **Growthpoint Properties Australia**) at the Stamford Plaza Hotel, located at the corner of Edward and Margaret Streets, Brisbane, Queensland on Tuesday, 27 November 2012 at 3.00pm.

**ORDINARY BUSINESS**

**ITEM 1: FINANCIAL STATEMENTS AND REPORTS – COMPANY AND TRUST**

To receive and consider:

- (a) the financial reports and the reports of the Directors and the auditors in respect of the Company for the financial year ended 30 June 2012; and
- (b) the financial reports and the reports of the Directors and the auditors in respect of the Trust for the financial year ended 30 June 2012.

*Note: There is no requirement for securityholders to approve these reports.*

**ITEM 2: REMUNERATION REPORT – COMPANY ONLY**

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

*“That the Remuneration Report of the Company (which forms part of the Directors’ Report) for the financial year ended 30 June 2012 be adopted.”*

The Remuneration Report is set out on pages 56 to 62 of the 2012 Annual Report.

*Notes: The vote on this resolution is advisory only and does not bind the Directors or the Company. The Chairman of the Meeting intends to vote all available proxies in favour of this item of business.*

**Voting Exclusion Statement**

The *Corporations Act 2001* (Cth) (**Corporations Act**) restricts members of the key management personnel (**KMP**) of the Company and their closely related parties from voting in relation to Item 2 in certain circumstances.

‘Closely related party’ is defined in the *Corporations Act* and includes a spouse, dependant and certain other close family members, as well as any companies controlled by a member of the KMP.

The Company will disregard any votes cast (in any capacity) on the proposed resolution in Item 2 by or on behalf of:

- a member of the KMP (being the Directors and the KMP as disclosed in the Remuneration Report which forms part of the Company's Annual Report for the year ended 30 June 2012); and
- a closely related party of those persons (such as close family members and any companies the person controls).

However, the Company need not disregard a vote if it is cast:

- as proxy for a person entitled to vote in accordance with a direction on the proxy form; or
- by the Chair of the meetings as proxy pursuant to an express authorisation to exercise the proxy.

**What this means for securityholders:** KMP (such as one of the Directors) will not be able to vote your proxy on Item 2, unless you direct them how to vote, or, in the case of the Chairman, unless you expressly authorise him to do so.

If you intend to appoint a member of the KMP (other than the Chairman) as your proxy, please ensure that you direct them how to vote on Item 2 by following the instructions on the proxy form.

If you intend to appoint the Chairman of the Meeting as your proxy, you can direct him how to vote by marking the boxes for Item 2 (for example if you wish to vote against or abstain from voting). If you do not direct him how to vote, by submitting the proxy form, you expressly authorise him to exercise the proxy in respect of Item 2 even though it is connected to the remuneration of members of KMP (in which case the Chairman of the Meeting will vote in favour of this item of business).

### ITEM 3: ELECTION OF DIRECTORS – COMPANY ONLY

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

- "That Ms Maxine Brenner who was appointed a Director on 19 March 2012, retires under rule 11.1(c) of the Company's Constitution and, being eligible, offers herself for election, be elected as a Director of the Company"; and*
- "That Mr Grant Jackson, who retires under rule 11.1(d) of the Company's Constitution and, being eligible, offers himself for re-election, be elected as a Director of the Company."*
- "That Mr Norbert Sasse, who retires under rule 11.1(d) of the Company's Constitution and, being eligible, offers himself for re-election, be elected as a Director of the Company."*

*Note: The Chairman of the Meeting intends to vote all available proxies **in favour** of each separate resolution in this item of business.*

### SPECIAL BUSINESS

#### ITEM 4: APPROVAL OF PROPORTIONAL TAKEOVER PROVISIONS – COMPANY ONLY

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

*"That the Company's Constitution be amended by the insertion of proportional takeover provisions as clause 8 of the Company's Constitution in the terms specified in Schedule 1 to this Notice of Meeting."*

*Information about the proposed amendment to the Constitution appears in the Explanatory Memorandum attached to this Notice of Meeting.*

*Note: The Chairman of the Meeting intends to vote all available proxies **in favour** of this item of business.*

## ITEM 5: APPROVAL OF ISSUE TO TIMOTHY COLLYER (MANAGING DIRECTOR) – COMPANY ONLY

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

*“That for all purposes the issue of Performance Rights to Timothy Collyer under the Employee Incentive Plan, in accordance with the rules of this Plan and on the terms summarised in the Explanatory Notes, is approved.”*

*Note: The Chairman of the Meeting intends to vote all available proxies in favour of this item of business.*

### Voting exclusion statement

The Corporations Act restricts members of the KMP of the Company and their closely related parties from voting in relation to Item 5 in certain circumstances. In addition, a voting restriction applies in respect of this item under the ASX Listing Rules.

The Company will disregard any votes cast on the proposed resolution in Item 5 by Timothy Collyer (Managing Director) or any of his associates, as well as any votes cast as a proxy on this Item by members of the KMP or their closely related parties.

However, the Company need not disregard a vote if it is cast:

- as proxy for a person entitled to vote in accordance with a direction on the proxy form; or
- by the Chair of the meetings as proxy pursuant to an express authorisation to exercise the proxy.

**What this means for securityholders:** KMP (such as one of the Directors) will not be able to vote your proxy on Item 5, unless you direct them how to vote, or, in the case of the Chairman, unless you expressly authorise him to do so.

If you intend to appoint a member of the KMP (such as one of the Directors) as your proxy, please ensure that you direct them how to vote on Item 5 by following the instructions on the proxy form.

If you intend to appoint the Chairman of the Meeting as your proxy, you can direct him how to vote by marking the box for Item 5 (for example if you wish to vote against or abstain from voting). If you do not direct him how to vote, by submitting the proxy form, you expressly authorise him to exercise the proxy in respect of Item 5 even though it is connected to the remuneration of members of the KMP (in which case the Chairman of the Meeting will vote in favour of this item of business).

## ITEM 6: APPROVAL OF AMENDMENTS TO COMPANY’S CONSTITUTION – COMPANY ONLY

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

*“That the amendments to the Constitution as set out in the Explanatory Memorandum to this Notice of Meeting be approved.”*

*Information about the proposed amendments to the Constitution appears in the Explanatory Memorandum attached to this Notice of Meeting.*

*Note: The Chairman of the Meeting intends to vote all available proxies in favour of this item of business.*

Refer to the Explanatory Notes for information regarding each item of business.

By order of the Board of the Company being the responsible entity of the Trust.



**Aaron Hockly**  
**Company Secretary**

22 October 2012

**Growthpoint Properties Australia Limited**  
ACN 124 093 901 (**Company**)  
AND  
**Growthpoint Properties Australia Trust**  
ARSN 120 121 002 (**Trust**)

**EXPLANATORY NOTES**

---

These Explanatory Notes provide securityholders of Growthpoint Properties Australia, comprising the Company and Trust, with information in respect of the resolutions to be considered at the Annual General Meeting (**AGM**) of the Company to be held at the Stamford Plaza Hotel, Cnr Edward and Margaret Streets, Brisbane, Queensland, 4000 on Tuesday, 27 November 2012 at 3.00pm. Securityholders should carefully review these Explanatory Notes and the associated Notice of Meetings (**Notice**) to which these Explanatory Notes are attached.

***If you have difficulty in properly understanding this documentation, you should consult your financial or legal adviser.***

**ORDINARY BUSINESS**

**ITEM 1: FINANCIAL REPORTS**

As required by sections 314 and 317 of the *Corporations Act 2001* (Cth) (**Corporations Act**), the Growthpoint Properties Australia' Annual Report (comprising the financial report, Directors' Report and auditor's report for the Company and the Trust) for the year ended 30 June 2012 was sent to securityholders in advance of this notice and will be laid before the meeting.

Securityholders will be given a reasonable opportunity at the AGM to raise questions on the financial statements and reports. Securityholders will also be able to ask questions of the auditor, KPMG.

**ITEM 2: REMUNERATION REPORT – COMPANY ONLY**

There will be an opportunity for securityholders at the AGM to comment on and ask questions about the Remuneration Report which is contained in Growthpoint Properties Australia's Annual Report 2012.

The vote on the proposed resolution in Item 2 is advisory only and will not bind the Directors or the Company, however, the Board will take the outcome of the vote into consideration when reviewing remuneration practices and policies.

The Remuneration Report is set out on pages 56 to 62 of Growthpoint Properties Australia's Annual Report 2012. The Remuneration Report:

- explains the Board's policy in relation to the nature and level of remuneration paid to Directors and key management personnel within the Company;
- discusses the link between the Board's remuneration policy and the Company's performance;
- provides a detailed summary of performance conditions, why they were chosen and how performance is measured against them; and
- sets out remuneration details for each Director and for each member of the Company's senior executive management team.

A voting exclusion statement applies to this resolution as set out in the Notice of Meeting.

***The Board unanimously recommends that securityholders vote in favour of adopting the Remuneration Report.***

***The Chairman of the Meeting intends to vote all available proxies in favour of this item of business.***

### **ITEM 3: ELECTION OF DIRECTORS – COMPANY ONLY**

**(a) Maxine Brenner retires in accordance with Rule 11.1(c) of the Company's Constitution and, being eligible, offers herself for election.**

#### **Maxine Brenner**

Maxine was appointed an independent Director of the Company on 19 March 2012. Maxine is the Chair of the Audit & Risk Committee.

Maxine is currently a Managing Director in Investment Banking at Investec Bank (Australia) Ltd. She has been involved in advisory work for many years, particularly in relation to mergers and acquisitions. Prior to this, she was a Lecturer in Law at University of NSW and corporate lawyer at Freehills. Her former directorships include Treasury Corporation of NSW, Neverfail Springwater Ltd, Federal Airports Corporation and Bulmer Australia Ltd. In addition, Maxine has also served as a member of the Takeovers Panel.

**(b) Grant Jackson retires by rotation in accordance with Rule 11.1(d) of the Company's Constitution and, being eligible, offers himself for re-election.**

#### **Grant Jackson**

Grant was appointed an Independent Director of the Company on 5 August 2009. Grant is a member of the Audit & Risk Committee and the Nomination, Remuneration and HR Committee.

Grant has over 26 years' experience in the property industry, including over 23 years as a qualified valuer. Grant has expertise in a wide range of valuation and property advisory matters on a national basis and he regularly provides expert evidence to Courts and Tribunals. He is the Chief Executive Officer of m3property and a member of the Divisional Professional Board of the Australian Property Institute.

**(c) Norbert Sasse retires by rotation in accordance with Rule 11.1(d) of the Company's Constitution and, being eligible, offers himself for re-election.**

#### **Norbert Sasse**

Norbert was appointed a Director of the Company on 5 August 2009. He is not deemed to be independent as he is the Chief Executive Officer of Growthpoint Properties Limited. Norbert is the Chairman of the Nomination, Remuneration and HR Committee.

Norbert is the Chief Executive Officer and a Director of Growthpoint Properties Limited. He has over 20 years' experience in corporate finance dealing with listings, delistings, mergers, acquisitions and capital raisings, and over 10 years experience in the listed property market.

Each of the proposed resolutions are ordinary resolutions.

*The Board of Directors of the Company (in each case in the absence of the relevant Director) unanimously recommends that securityholders vote in favour of each of the proposed resolutions.*

*The Chairman of the Meeting intends to vote all available proxies **in favour** of each item of business.*

## ***SPECIAL BUSINESS***

### **ITEM 4: APPROVAL OF PROPORTIONAL TAKEOVER PROVISIONS – COMPANY ONLY**

This item of business involves the insertion of clause 8 relating to proportional takeovers in the Company's Constitution. Clause 8 is set out in Schedule 1 to this Notice of Meeting.

The Corporations Act permits a company to include in its constitution a provision which enables the company to refuse to register a transfer of shares under a proportional takeover offer, unless a resolution is first passed by members approving the offer.

Under the Corporations Act, shareholder approval of provisions relating to proportional takeovers extend for a three year period. Once the three year period elapses those provisions cease to have effect unless shareholder approval is renewed.

The Company Constitution, which included provisions in respect of proportional takeovers was adopted by the Company 6 June 2009. The proportional takeover provisions were effective for three years.

Securityholder approval is now sought for the insertion of clause 8 in respect of proportional takeover bids into the Constitution.

The Corporations Act requires the following information to be provided to securityholders when they are considering the inclusion of proportional takeover provisions in a constitution.

#### ***What is a proportional takeover bid, and why do we need the proportional takeover approval provisions?***

A proportional takeover bid (also referred to as a "partial takeover bid") involves the bidder offering to buy a proportion of each shareholder's shares in the target company. This means that control of the company may pass without members having the chance to sell all their shares to the bidder. It also means the bidder may take control of the company without paying an adequate amount for gaining control.

In order to deal with this possibility, the company may provide in its Constitution that:

- in the event of a proportional takeover bid being made for shares in the company, members are required to vote by ordinary resolution and collectively decide whether to accept or reject the offer; and
- the majority decision of the company's members will be binding on all individual members.

The Directors consider that securityholders should be able to vote on whether a proportional takeover bid ought to proceed given such a bid might otherwise allow control of the Company to change without securityholders being given the opportunity to dispose of all of their shares for a satisfactory control premium. The Directors also believe that the right to vote on a proportional takeover bid may avoid securityholders feeling pressure to accept the bid even if they do not want it to succeed.

#### ***What is the effect of the proposed proportional takeover approval provisions?***

If a proportional takeover bid is made, the Directors must ensure that securityholders vote on a resolution to approve the bid more than 14 days before the bid period closes.

The vote is decided on a simple majority. Each person who, as at the end of the day on which the first offer under the bid was made, held bid class securities is entitled to vote, with the exception of the bidder and its associates, who are not allowed to vote.

If the resolution is not passed, transfers which would have resulted from the acceptance of a bid will not be registered and the bid will be taken to have been withdrawn. If the bid is approved (or taken to have been approved), the transfers must be registered if they comply with the Corporations Act and the Company's Constitution.

The proportional takeover approval provisions do not apply to full takeover bids and only apply for three years after the date of approval. The provisions may be renewed, but only by a special resolution.

### **Potential advantages and disadvantages**

While the insertion of the proportional takeover provisions will allow the Directors to ascertain securityholders' views on a proportional takeover bid, it does not otherwise offer any advantage or disadvantage to the Directors who remain free to make their own recommendation as to whether the bid should be accepted.

The provisions will ensure that all securityholders have an opportunity to study a proportional bid proposal and vote on the bid at a general meeting. This is likely to ensure a potential bidder structures its offer in a way which is attractive to a majority of securityholders, including appropriate pricing. Similarly, knowing the view of the majority of securityholders may help individual securityholders assess the likely outcome of the proportional takeover when determining whether to accept or reject the offer.

However, it is also possible that the inclusion of such provisions in the Constitution may discourage proportional takeover bids and may reduce any speculative element in the market price of the Company's securities arising from the possibility of a takeover offer being made. The inclusion of the provisions may also be considered to constitute an unwarranted additional restriction of the ability of members to freely deal with their securities.

The Board of Directors considers that the potential advantages for securityholders of the proportional takeover approval provisions outweigh the potential disadvantages.

At the date this statement was prepared, no Director is aware of a proposal by a person to acquire, or to increase, a substantial interest in the company.

Rule 8 is set out in Schedule 1 to this Notice of Meeting.

*The Board unanimously recommends that securityholders vote in favour of this resolution.*

*The Chairman of the Meeting intends to vote all available proxies in favour of this item of business.*

### **ITEM 5: APPROVAL OF ISSUE TO TIMOTHY COLLYER (MANAGING DIRECTOR) – COMPANY ONLY**

The Company is seeking the approval of securityholders for the proposed grant of Performance Rights to the Managing Director, Timothy Collyer under Growthpoint Properties Australia's Employee Incentive Plan (**Plan**) for the 2012 financial year.

#### **Why are we seeking securityholder approval?**

Under ASX Listing Rule 10.14, securityholder approval is required for a Director to be issued securities under an employee incentive scheme. As any Growthpoint Stapled Securities to be delivered to Mr Collyer upon vesting of the Performance Rights may be newly issued securities, Growthpoint Properties Australia is seeking securityholder approval for the issue of Performance Rights to Mr Collyer.

#### **Employee Incentive Plan terms and conditions**

If securityholder approval is obtained, Performance Rights will be granted to Mr Collyer as part of his remuneration package for the 2012 financial year. Stapled Securities allocated to Mr Collyer on vesting of the Performance Rights will rank equally with other Growthpoint Properties Australia securities.

As Mr Collyer's grant forms part of his LTI remuneration, the Performance Rights will be granted at no cost to Mr Collyer and no amount is payable on vesting of the Performance Rights. The Performance Rights will be granted under, and subject to, the rules of the Plan. Performance Rights do not carry any distribution or voting rights prior to vesting.

If securityholder approval is obtained, it is anticipated that the Performance Rights will be granted to Mr Collyer shortly after the meeting.

The total number of the resulting Stapled Securities which may potentially be allocated to Mr Collyer at the end of each performance period will depend on factors such as:

- the satisfaction of the Performance Conditions and the resulting number of Performance Rights that vest or lapse; and
- the price of the Stapled Securities on the ASX at the time that the Performance Rights vest.

### **Performance Conditions**

The current measures for the LTI, which are reviewed regularly by the Nomination, Remuneration and HR Committee and/or the Board are:

#### **1. Total Securityholder Returns (TSR) – Weighting 35%**

TSR is defined as being the amount of dividends/distributions paid/payable by Growthpoint Properties Australia during the period and the change in the price at which securities in Growthpoint Properties Australia are traded between the beginning and the end of the period.

The TSR is benchmarked relative to the S&P/ASX A-REIT 300 Accumulation Index over a rolling 3 year period, or a shorter period being the date Growthpoint Properties Australia became a stapled entity to the end of the tranche vesting period (as applicable).

The vesting criteria for the TSR benchmark is based upon the below:

- At or below the 50th percentile - 0%
- At the 51st percentile - 50%
- Above the 51st percentile but below the 76th percentile - 50%, plus 2% for each percentile above the 51st percentile
- At or above the 76th percentile 100%

#### **2. Return On Equity (ROE) – Weighting 35%**

ROE measures the total return on equity employed and takes into account both capital appreciation of the assets of Growthpoint Properties Australia and cash distributions of income. The return will be calculated on the starting net tangible asset (NTA) per security and includes the change in NTA per security over the vesting period plus the distribution made as a return on the starting NTA per security.

The ROE would be benchmarked relative to the ROE's of A-REIT's in the S&P/ASX A-REIT 300 Index over a rolling 3 year period, or a shorter period being the date Growthpoint Properties Australia became a stapled entity to the end of the tranche vesting period (as applicable).

The vesting criteria for the ROE benchmark is based upon the below:

- Below the benchmark return - 0%
- Achievement of benchmark - 50%
- At 1 % or > and < 2% above the benchmark - 75% (pro-rata)
- At 2% or > above the benchmark - 100%

#### **3. Distributable Income – Weighting 30%**

Achievement of the annual distributable income per security (DPS) that is budgeted for by Growthpoint Properties Australia and signed off by the Board at the commencement of the financial year.

The vesting criteria for the Distributable Income benchmark is based upon the below:

- Below the benchmark return - 0%
- Achievement of benchmark - 50%
- Above benchmark and < 2% above the benchmark - 75% (pro-rata)
- At 2% or > above the benchmark - 100%

### **Employee Incentive Plan – proposed issue in respect of 2012 financial year**

In advance of each financial year, the Board establishes an LTI pool in respect of the upcoming financial year and determines Mr Collyer's maximum share of the LTI pool, which under Mr Collyer's Employment Contract, will not be more than 80% of his base salary.

The Nomination, Remuneration and HR Committee, based upon external independent advice, has assessed the Company's performance against the three performance conditions outlined above for the 2012 financial year and have determined that 87.814% (rounded to 3 decimal places) of the performance conditions have been achieved, meaning 87.814% of the LTI pool will be granted to Mr Collyer.

The value of Performance Rights to be issued to Mr Collyer in respect of the 2012 financial year is \$395,163.

The Performance Rights will vest in four tranches. 25% will vest on each of 30 November 2012, 30 September 2013, 30 September 2014, and 30 September 2015.

The number of Performance Rights that Mr Collyer will receive in respect of the 2012 financial year for each of the four tranches will be determined by dividing the total value of Performance Rights Mr Collyer is entitled to receive by four and dividing this figure by the VWAP of Stapled Securities. The VWAP is calculated for the 20 trading days preceding 30 September of each year.

For example, the first tranche of Mr Collyer's 2012 Performance Rights (vesting on or about 30 November 2012) will have a value of 25% of \$395,163 (being \$98,791). The VWAP of Stapled Securities for the 20 trading days preceding 30 September 2012 was \$2.1131. Therefore, the number of Performance Rights that Mr Collyer will receive, if shareholder approval is obtained, on or around 30 November 2012 will be 46,752. This is determined by dividing the value of the Performance Rights for the relevant tranche (\$98,791) by the VWAP of Stapled Securities (\$2.1131) and rounding to the nearest whole number. Each of these Performance Rights will convert into one Stapled Security.

The same method of calculating the number of Performance Rights will apply in respect of the remaining three tranches (which vest on 30 September 2013, 30 September 2014 and 30 September 2015).

### **Cessation of employment**

If Mr Collyer ceases employment with Growthpoint Properties Australia due to death, disability, bona fide redundancy or other reason with the approval of the Board, all Performance Rights held by Mr Collyer (whether or not the applicable Performance Conditions and service requirement have been satisfied) as at the date of cessation of employment will vest and Mr Collyer will be issued with Stapled Securities in respect of all of his Performance Rights.

If Mr Collyer ceases employment for any other reason, all outstanding Performance Rights will lapse (regardless of whether or not the Performance Conditions have been satisfied), unless the Board determines otherwise.

## Change of control

In the event of the Board recommending that securityholders accept a takeover bid or a takeover bid becoming unconditional or a scheme of arrangement, reconstruction or winding up of the Company, the Board may determine that some or all Performance Rights granted to Mr Collyer will vest, having regard to whether performance is in line with the Performance Conditions over the period from the grant date to the date of the relevant event.

## Other information

In relation to the Employee Incentive Plan:

- Mr Collyer is the only Director entitled to participate in the Plan. If securityholders vote in favour of Item 5, no additional Director who becomes entitled to participate in the Plan will participate until approval is obtained under ASX Listing Rule 10.14.
- Pursuant to securityholder approval received at the 2011 Annual General Meeting, Mr Collyer has received 76,033 Performance Rights in respect of the first and second tranches of his LTI award for the 2011 financial year.
- There are no loans to be granted to Mr Collyer in connection with the Plan.
- Details of any securities issued under the Plan will be published in each Annual Report relating to a period in which securities have been issued. The Annual Report will also note that approval for the issue of securities was obtained under ASX Listing Rule 10.14.
- Growthpoint Properties Australia will issue or acquire the Performance Rights described in this Explanatory Memorandum no later than 3 years after this Annual General Meeting.

A voting exclusion statement applies to this resolution as set out in the Notice of Meeting.

*The Board (other than Mr Collyer) unanimously recommends that securityholders vote in favour of this resolution.*

*The Chairman of the Meeting intends to vote all available proxies **in favour** of this item of business*

## ITEM 6: APPROVAL OF AMENDMENTS TO THE COMPANY'S CONSTITUTION – COMPANY ONLY

The Company's Constitution currently provides that superannuation contributions made by the Company for the benefit of Non-executive Directors in accordance with superannuation guarantee legislation are excluded from the maximum aggregate amount payable to Non-executive Directors in any year and approved by securityholders under rule 11.3(a).

As a result of recent changes to ASX Listing Rule 10.17, superannuation contributions made by the Company for the benefit of Non-executive Directors are now required to be included in the maximum aggregate amount approved by securityholders. It is proposed that Rule 11.3(b) of the Company's Constitution be amended to reflect the change to ASX Listing Rule 10.17.

Any amount payable to Non-executive Directors for performing extra services for the benefit of the Company will continue to be paid in addition to the maximum aggregate amount payable to all Non-executive Directors and approved by securityholders under rule 11.3(a). It is proposed that Rule 11.3(g) of the Company's Constitution be amended to clarify this.

In addition, it is proposed that the definition of 'ASTC Settlement Rules' be updated to 'ASX Settlement Operating Rules' to reflect current terminology.

Under section 136(2) of the Corporations Act, it is necessary for a special resolution of shareholders to be passed to amend the Company's Constitution.

A full copy of the amended Constitution is available to securityholders and can be viewed prior to the AGM from the website of Growthpoint Properties Australia at [www.growthpoint.com.au](http://www.growthpoint.com.au)

(refer to the Corporate Governance section) or by contacting the Company Secretary on +61 (0)3 8681 2900. A copy of the amended Constitution will also be available for inspection at the AGM.

*The Board unanimously recommends that securityholders vote in favour of this resolution.*

*The Chairman of the Meeting intends to vote all available proxies **in favour** of this item of business.*

## Information for Securityholders

### Voting entitlement

The Board has determined that for the purposes of voting at the Annual General Meeting of the Company and concurrent meeting of unit holders in the Trust (**Meeting**), securities will be taken to be held by persons who are registered as securityholders as at 7:00pm (Brisbane time) on Sunday, 25 November 2012. Accordingly, security transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

### Corporations

If a securityholder 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 Meeting, in accordance with section 250D of the Corporations Act 2001; and
- provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the Meeting.

If such evidence is not received prior to the commencement of the Meeting, then the body corporate proxy (through its representative) will not be permitted to act as the securityholder's proxy.

A form of the certificate may be obtained from Computershare (whose contact details are listed below).

### Proxies

A member who is entitled to attend and cast a vote at the Meeting may appoint a person as the member's proxy to attend and vote for the member at the Meeting.

The proxy form enables members to vote For, Against or Abstain from voting on a resolution. The appointment may specify the proportion or number of votes that the proxy may exercise. Proxies need not be securityholders. Where a member has given a proxy in favour of the Chairman but does not direct the Chairman how to vote on a particular resolution, the Chairman will exercise the proxy vote in favour of the resolution.

If the member is entitled to cast 2 or more votes at the Meeting, the member may appoint 2 proxies and may specify the proportion or number of votes each proxy may exercise.

Any directed proxies that are not voted on a poll at the meeting by a member's appointed proxy will automatically default to the Chairman of the Meeting, who is required to vote proxies as directed on a poll.

Where two proxies are appointed a separate form should be used for each. Members are requested to show on the form a specified number or proportion of the member's voting rights which the proxy may exercise. If no such proportion is specified, each proxy may exercise half of the member's votes.

On a poll, securityholders have one vote for every fully paid security held. On a show of hands, every person present and qualified to vote has one vote. Where a securityholder appoints two proxies, only one proxy may vote on a show of hands. Where a proxy has two or more appointments that specify different ways to vote on a resolution, the proxy must not vote on a show of hands.

To be valid, the enclosed proxy form (and if the appointment is signed by the appointor's attorney, the original authority under which the appointment was signed or a certified copy of the authority) must be completed and signed and received not later than 3.00pm (Brisbane time) on Sunday 25 November 2012 either by:

- returning by post in the reply paid envelope;
- delivering in person to Computershare Investor Services Pty Limited, 452 Johnston Street, Abbotsford, Victoria; or
- sending by facsimile to Computershare on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia).

## Schedule 1

### 8 Plebiscite to approve proportional takeover bids

---

Sections 648D to 648H inclusive of the Act contain additional provisions relating to proportional takeovers.

#### 8.1 Definitions

The meanings of the terms used in this rule 8 are set out below.

| Term                                 | Meaning                                                                                                                                                                                                                  |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Approving Resolution</b>          | in relation to a Proportional Takeover Bid, means a resolution to approve the Proportional Takeover Bid passed in accordance with rule 8.3.                                                                              |
| <b>Approving Resolution Deadline</b> | in relation to a Proportional Takeover Bid, means the day that is 14 days before the last day of the bid period, during which the offers under the Proportional Takeover Bid remain open or a later day allowed by ASIC. |
| <b>Proportional Takeover Bid</b>     | a takeover bid that is made or purports to be made under section 618(1)(b) of the Act in respect of Securities included in a class of Securities in the company.                                                         |
| <b>Relevant Class</b>                | in relation to a Proportional Takeover Bid, means the class of Securities in the company in respect of which offers are made under the Proportional Takeover Bid.                                                        |

#### 8.2 Transfers not to be registered

Despite rules 7.1(c) and 7.2, a transfer giving effect to a contract resulting from the acceptance of an offer made under a Proportional Takeover Bid must not be registered unless an Approving Resolution to approve the Proportional Takeover Bid has been passed or is taken to have been passed in accordance with rule 8.3.

#### 8.3 Approving Resolution

- (a) Where offers have been made under a Proportional Takeover Bid, the Directors must:
- (1) convene a meeting of the persons entitled to vote on the Approving Resolution for the purpose of considering and, if thought fit, passing a resolution to approve the Proportional Takeover Bid; and
  - (2) ensure that the resolution is voted on in accordance with this rule 8.3, before the Approving Resolution Deadline.
- (b) The provisions of this constitution relating to general meetings apply, with such modification as the circumstances require, to a meeting that is convened under rule 8.3(a), as if that meeting were a general meeting of the company.

- (c) The bidder under a Proportional Takeover Bid and any associates of the bidder are not entitled to vote on the Approving Resolution and if they do vote, their votes must not be counted.
- (d) Subject to rule 8.3(c), a person who, as at the end of the day on which the first offer under the Proportional Takeover Bid was made, held Securities in the company of the relevant class, is entitled to vote on the Approving Resolution relating to the Proportional Takeover Bid.
- (e) An Approving Resolution that has been voted on is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%, and otherwise is taken to have been rejected.
- (f) If an Approving Resolution has not been voted on in accordance with this rule 8.3 as at the end of the day before the Approving Resolution Deadline, an Approving Resolution will be taken to have been passed in accordance with this rule 8.3 on the Approving Resolution Deadline.

#### **8.4 Sunset**

Rules 8.1, 8.2 and 8.3, cease to have effect at the end of 3 years beginning:

- (a) where those rules have not been renewed in accordance with the Act, on the date that those rules were adopted by the company; or
- (b) where those rules have been renewed in accordance with the Act, on the date those rules were last renewed.