



Notice of Meetings

Annual General Meeting of Stockland Corporation Limited and Meeting of Unit Holders of Stockland Trust

Notice is given that the Annual General Meeting of Shareholders of Stockland Corporation Limited ("the Company") will be held in conjunction with a meeting of Unit Holders of Stockland Trust ("the Trust"), which meetings will be held on:

Date: Tuesday, 19 October 2010

Time: 2.30 pm

Place: Grand Ballroom
Four Seasons Hotel
199 George Street
Sydney NSW 2000

Ordinary Business of the Company

1 Financial Statements and Report

As required by section 317 of the Corporations Act, the Annual Financial Report, including the Directors' Report and Financial Statements for the year ended 30 June 2010, together with the Independent Auditor's Report will be laid before the meetings. The combined reports of the Company and the Trust for the year ended 30 June 2010 will also be laid before the meetings. No resolution is required for this item of business.

2 Election of Director – Carol Schwartz

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

"That Ms Carol Schwartz, who retires in accordance with the Company's Constitution and, being eligible and having offered herself for election, is elected as a Director of the Company."

Ms Schwartz was appointed to the Board on 1 July 2010. She has extensive experience in business, property and community organisations, is Executive Chairman of Qualitas Property Partners and on the Board of a number of organisations including Yarra Capital Partners, The Sydney Institute and the City of Melbourne's Enterprise Melbourne Advisory Board. Her other appointments include Executive in Residence at Melbourne Business School and Chairman of Our Community. Ms Schwartz is a past National President of the Property Council of Australia. She has also previously been Chairman of Industry Superannuation Property Trust, Executive Director, Highpoint Property Group and a Director of OPSM Group Limited. She has served on a number of government boards including Melbourne's Docklands Authority and the Victorian Growth Areas Authority Task Force.

The election of Ms Schwartz is unanimously recommended by the Board.



3 Re-election of Director – Duncan Boyle

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

“That Mr Duncan Boyle, who retires in accordance with the Company’s Constitution and, being eligible and having offered himself for re-election, is re-elected as a Director of the Company.”

Mr Boyle was appointed to the Board on 7 August 2007. He has over thirty six years experience as a Senior Executive and Director within the insurance industry in Australia, New Zealand and the United Kingdom. Mr Boyle is a Director of QBE Insurance Group Limited (appointed September 2006), Clayton Utz (appointed November 2008) and O’Connell Street Associates Pty Limited. Mr Boyle is a member of the Stockland Audit and Risk and Treasury Committees.

The re-election of Mr Boyle is unanimously recommended by the Board.

4 Re-election of Director – Barry Neil

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

“That Mr Barry Neil, who retires in accordance with the Company’s Constitution and, being eligible and having offered himself for re-election, is re-elected as a Director of the Company.”

Mr Neil was appointed to the Board on 23 October 2007 and has forty years experience in property, both in Australia and overseas. He is a Director of Terrace Tower and Dymocks Holdings Pty Limited and was previously Director of Property for Woolworths Limited. He also served as Chief Executive Officer, Investment Division (1999 to 2004), and Executive Director (1987 to 2004) of Mirvac Limited. Mr Neil is a member of the Corporate Responsibility and Sustainability Committee.

The re-election of Mr Neil is unanimously recommended by the Board.

5 Re-election of Director – Graham Bradley

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

“That Mr Graham Bradley, who retires in accordance with the Company’s Constitution and, being eligible and having offered himself for re-election, is re-elected as a Director of the Company.”

Mr Bradley was appointed to the Board on 9 February 2004 and was appointed Chairman on 25 October 2005. He is President of the Business Council of Australia, Chairman of HSBC Bank Australia Limited, Anglo American Australia Limited and Po Valley Energy Limited (appointed as a Director September 2004). Mr Bradley has been a Director of Singapore Telecommunications Limited since March 2004. He was also Chairman of Boart Longyear Limited from February 2007 to August 2010, a Director of MBF Australia Limited from November 2003 to November 2007 and a Director and Chairman of Film Finance Australia Limited from January 2004 to June 2008. Mr Bradley was the Managing Director of Perpetual Limited for eight years until September 2003 and was the National Managing Partner of Blake Dawson and a Principal of McKinsey & Company prior to that. Mr Bradley is a member of the Human Resources and Corporate Responsibility and Sustainability Committees.

The re-election of Mr Bradley is unanimously recommended by the Board.



6 Approval of Remuneration Report

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

“That the Company’s Remuneration Report for the financial year ended 30 June 2010 be approved.”

This resolution is advisory only and does not bind the Directors of the Company.

Special Business of the Trust and the Company

7 Grant of Performance Rights to Managing Director

To consider and, if thought fit, to pass the following resolution as separate ordinary resolutions of each of the Company and the Trust:

“That approval is given for all purposes, including under the Corporations Act and the Listing Rules of ASX Limited, for:

- (a) the participation in the Stockland Performance Rights Plan by Mr M Quinn, Managing Director as to 1,029,000 performance rights; and
- (b) the issue to and acquisition by Mr M Quinn of those performance rights and, in consequence of vesting of those performance rights, of Stockland Stapled Securities,

in accordance with the Stockland Performance Rights Plan Rules as amended from time to time and on the basis described in the Explanatory Notes on Items of Business accompanying the Notice of Meeting convening these meetings.”

Information concerning Resolutions 6 and 7 is set out in the Explanatory Statement accompanying this Notice of Meeting.

By order of the Board

A handwritten signature in black ink, appearing to read "Phillip Hepburn".

P A Hepburn
Secretary

DATE: 14th September 2010



Background information

Quorum and voting

The constitution of the Company provides that at least five securityholders present in person or by proxy constitute a quorum. The constitution of Stockland Trust provides that at least five securityholders present in person or by proxy who together hold at least 20% of all Units entitled to vote represent a quorum. The quorum must be present at all times during the meetings.

If a quorum is not present within 30 minutes after the scheduled time for the meetings, the meetings will be adjourned. The Directors of the Company and of Stockland Trust Management Limited (STML) have decided that the adjourned meetings will be held immediately after the adjournment. Members present (being at least two) in person or by proxy 30 minutes after the commencement of the adjourned meetings will constitute a quorum.

On a show of hands each securityholder present in person or by proxy has one vote. On a poll:

- (a) in the case of a resolution of the Company, each shareholder has one vote for each share held in the Company; and
- (b) in the case of a resolution of the Trust, each unit holder has one vote for each \$1.00 of the value of the Units held in the Trust.

The **ordinary resolutions** of the Company and the Trust must be passed by more than 50% of the total votes cast on the resolution by securityholders present in person or by proxy and entitled to vote.

Stapled Securities

The Company and the Trust have only Stockland Stapled Securities on issue. A Stapled Security consists of a share in the Company and a unit in the Trust. These securities are “stapled” together and quoted jointly on the ASX.

Individuals

If you plan to attend the meetings, we ask that you arrive at the meeting venue at least 30 minutes prior to the designated time so we may validate the number of votes you hold, record your attendance and provide you with your voting cards.

Corporations

In order to attend and vote on a show of hands at the meetings, a securityholder which is a corporation must appoint a person to act as its representative or appoint a proxy. The appointment of a corporate representative must comply with Sections 250D and 253B of the Corporations Act. The representative should bring to the meetings evidence of his or her appointment including any authority under which it is signed.

Voting entitlements

Pursuant to Corporations Regulations 7.11.37 and 7.11.38, and the ASTC operating rules, the Directors of the Company and of STML have determined that subject to the voting exclusions set out below, the holding of each securityholder for the purposes of ascertaining the voting entitlements for the Annual General Meeting and the meeting of unit holders will be as it appears in the Share/Unit Register at 7 pm (Sydney time) on Sunday, 17th October 2010.



Voting exclusions – Resolution 7

In accordance with the ASX Listing Rules, the Company and STML will disregard any votes cast on Resolution 7 by any Director of the Company or STML (except one who is ineligible to participate in any employee incentive scheme in relation to the Company or STML), and any associate of those persons.

However, the Company and STML need not disregard a vote if:

- (i) it is cast by a person referred to above 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 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.

In accordance with Section 253E of the Corporations Act, STML and its associates are not entitled to vote on any resolution of the Trust if they have an interest in the resolution other than as a member of the Trust.

Proxies

If you are unable or do not wish to attend the meetings, you may appoint a proxy to attend and vote on your behalf. A proxy need not be a securityholder.

If a securityholder is entitled to two or more votes they may appoint two proxies and may specify the number or percentage of votes each proxy is appointed to exercise. If no such number or percentage is specified, each proxy may exercise half the securityholder's votes.

If you appoint a body corporate as your proxy, the body corporate will need to appoint an individual as its corporate representative to exercise its powers at the meetings and provide satisfactory evidence of the appointment of its corporate representative prior to the commencement of the meetings.

Securityholders are able to lodge proxies by electronic means, by facsimile, or by mail. If securityholders wish to lodge their proxies by electronic means, they should do so through Stockland's Registry website (www.investorvote.com.au).

Alternatively, securityholders may complete the enclosed proxy form and return it in the reply paid envelope provided. The proxy form must be lodged at Stockland's registered office or with Stockland's registry using the reply paid envelope or by posting, delivery or facsimile to:

Stockland Security Registry
c/- Computershare Investor Services Pty Limited
Level 4, 60 Carrington Street, Sydney NSW 2000
GPO Box 242, Melbourne VIC 3001
Facsimile No. (03) 9473 2555

Stockland
Level 25
133 Castlereagh Street
Sydney NSW 2000
Facsimile No. (02) 8988 2687

Proxy forms must be received no later than 2.30 pm on Sunday, 17 October 2010. As a practical matter, if you are posting your proxy form, the proxy form would need to be received by 5.00 pm on Friday, 15 October 2010.

If you are hand delivering your proxy form, it must be delivered by 5.00 pm on Friday, 15 October 2010.

The proxy form enables a securityholder to vote for or against, or abstain from voting on a resolution. A securityholder may direct the proxy holder how to vote in respect of each resolution.



Submission of written questions to the Company, Trust or Auditor

A securityholder who is entitled to vote at the meetings may submit a written question to the Company, Trust or Auditor in advance of the meetings:

- (1) about the business of the Company or Trust;
- (2) about the Remuneration Report (see Explanatory Statement); or
- (3) if the question is directed to the Auditor, provided it relates to:
 - (a) the content of the Auditor's Report to be considered at the meetings;
 - (b) the conduct of the audit or the Auditor's independence; or
 - (c) the accounting policies adopted by Stockland in relation to the preparation of the Financial Statements.

All questions must be sent to the Company and must be received by the Company no later than five (5) business days before the date of the Annual General Meeting. Any questions should be directed to <http://www.stockland.com.au>



Explanatory Statement

This Explanatory Statement contains further information about the resolutions that will be considered at the Annual General Meeting of the Company and the meeting of the Trust to be held on Tuesday, 19 October 2010. The meetings are important. You should read this Explanatory Statement and the enclosed Notice of Meetings carefully and, if necessary, seek your own independent advice on any aspect about which you are not certain.

Ordinary Business of the Company

Resolution 6 – Approval of Remuneration Report

The Corporations Act requires the Directors' Report for listed companies to set out a Section called the "Remuneration Report".

Stockland's remuneration philosophy is designed to reflect Stockland's need to attract talent and retain Directors and employees whose contribution is critical to the achievement of the continued growth and success of Stockland. The Board takes very seriously its responsibility to ensure that Stockland's remuneration policies provide fair, competitive and not excessive remuneration to Directors and Executives on a through the cycle basis. The Board believes that the Remuneration Report reflects sound remuneration practices, appropriate to the circumstances and needs of Stockland. Full details of Stockland's policies for Director and Executive remuneration are set out on pages 21 to 42 of the Annual Financial Report.

Listed companies are required to provide the opportunity for securityholders to vote on whether or not they approve the Remuneration Report at the Company's Annual General Meeting. Under the Corporations Act, the vote is advisory only and does not bind the Directors or the Company.

Special Business of the Trust and the Company

Resolution 7 - Managing Director participation in the Performance Rights Plan ("PRP")

The Board proposes to offer participation in the PRP to Mr Matthew Quinn (Managing Director) who is eligible to participate in the PRP as an Executive Director. Under Listing Rule 10.14, the ASX requires that securityholders approve any acquisition of securities under an employee incentive scheme by a Director. Accordingly, securityholder approval is sought for the grant of 1,029,000 performance rights to Mr Quinn and in consequence of vesting of those performance rights, the pro rata acquisition of Stapled Securities by Mr Quinn, in accordance with the PRP Rules and on the terms summarised in this Notice of Meetings.

Stockland remuneration policy

Stockland's remuneration policy aims to ensure executive remuneration is commensurate with the executive's position and responsibilities, competitive with market standards, linked with Stockland's strategic goals and performance, and aligned with the interests of securityholders. Remuneration consists of a fixed annual component and a performance related component (including participation in the PRP). The Directors of the Company and of STML (excluding Mr Quinn) believe that participation in the PRP by Mr Quinn, on the terms and conditions described below, is an appropriate equity based incentive given his responsibilities and commitment. In the Board's view, participation by Stockland senior executives in the PRP is an important part of the Board's strategy for retaining key talent and motivating them to improve Stockland's profit performance.



Level of participation

The level of participation offered to Mr Quinn under the PRP has been determined with reference to market practice and within the framework of Stockland's remuneration philosophy as set out in the Remuneration Report. The Long Term Incentive amount for the Managing Director is 90% of fixed pay (which includes salary, superannuation and other employee benefits). The number of rights allocated to all participants in the Performance Rights Plan was determined by dividing their Long Term Incentive amount by the estimated fair value of a performance right at 30 June 2010 which was calculated based on advice from an independent qualified consultant to be \$1.6625.

Performance conditions of proposed grants

- 1 The performance conditions will be measured over a three year period from 1 July 2010 to 30 June 2013 ("performance period").
- 2 The measures used to determine performance are Earnings Per Security Growth ("EPS Growth") and Total Securityholder Return ("TSR"). The vesting of one half of the performance rights granted to the Managing Director will be subject to the EPS Growth condition, while the remaining half will be subject to the TSR condition.

Earnings Per Security Growth (EPS Growth)

EPS is the base earnings per security adjusted for significant items and other items determined by the Board, as disclosed in the Notes to Stockland's Financial Statements.

EPS Growth will be measured as the percentage increase in EPS (with respect to the previous financial year) in each of the three consecutive financial years commencing the year in which the performance rights are granted. The aggregate of the EPS Growth rates over the 3 year performance period is then compared to the aggregate of the individual target EPS Growth rates as determined by the Board for the corresponding financial years ("EPS Target"). For example, for the grants expected to be made in 2010, Target Rates will be determined at the beginning of each of the financial years ending 30 June 2011, 2012 and 2013. Actual EPS Growth will be determined at the conclusion of each of the financial years within the performance period, and both target and actual are disclosed in the Remuneration Report at the end of each financial year.

The Board believes that setting annual targets for EPS growth, and aggregating them over three years, is the most suitable and rigorous target setting process. Each annual target is set to reflect the Board's performance expectations for the coming year, taking into account prevailing market conditions and outlook. The Board believes that this approach is better aligned to securityholders' interests than setting a three year target which may become unreasonably high or low as market conditions change over the three year period.

The proportion of the EPS grant that vests will be as follows:

Cumulative EPS growth over a 3 year period	Proportion of EPS grant vesting
Less than or equal to EPS Target	0%
Greater than EPS Target	50%
Up to 5% greater than EPS Target	Proportion of EPS grant vesting increases in a straight line between 50% and 100%
5% (or more) greater than EPS Target (stretch target)	100%



Total Securityholder Return (TSR)

TSR measures the growth in the price of securities plus cash distributions notionally reinvested in securities. In order for the TSR grant to vest, Stockland's TSR must be greater than the growth in the ASX/Australian Real Estate Investment Trust ("A-REIT") Index ("TSR Target") (reconstituted to exclude Stockland). The performance period commences on 1 July 2010 and ends on 30 June 2013.

TSR Growth for Stockland and the companies in the Index will be calculated as follows:

- TSR will be measured over the performance period and calculated by an independent third party;
- For the purpose of this measurement, Stockland's security price and the Index will be averaged over the 30 days preceding the start and end date of the performance period;
- Dividends or distributions will be assumed to have been re-invested on the ex-dividend date; and
- Tax and any franking credits (or equivalent) will be ignored.

The proportion of the TSR grant that vests will be as follows:

TSR of Stockland compared to Index growth over the 3 year period	Proportion of TSR grant vesting
Less than or equal to the TSR Target	0%
Greater than the TSR Target	50%
Up to 10% greater than the TSR Target	Proportion of TSR grant vesting increases in a straight line between 50% and 100%
10% or more greater than the TSR Target (stretch target)	100%

Other terms of the proposed grants

- 1 Any performance rights that do not vest following the measurement of performance against the TSR and EPS conditions described above, will lapse. No re-testing is to be allowed.
- 2 Disposal of Stapled Securities once released from the PRP will be subject to Stockland's security trading policy.
- 3 If an employee leaves Stockland, any unvested rights lapse and are forfeited, except at the discretion of the Board in circumstances such as death, disability, retirement or redundancy. In cases of retirement or redundancy, the Board generally exercises such discretion if the departure is within a year of the performance measurement date in which case the rights may be allowed to remain for the rest of the measurement period, with vesting determined in accordance with the original hurdles.
- 4 The Board will not accelerate the vesting of any performance right in the event of a change in control of Stockland except to the extent that applicable performance conditions (determined as at the date of the change in control) have been satisfied.
- 5 Performance rights will not attract dividends and voting rights until they vest and Stapled Securities are allocated whether or not the Stapled Securities are subject to non-disposal restrictions.



Valuation

The Board has engaged a qualified independent consultant, Deloitte Touche Tohmatsu (“Deloitte”) to advise on the estimated fair value of performance rights issued to Mr Quinn under the PRP, taking into account the performance conditions set by the Board. This valuation was performed as at 30 June 2010 and again, for the purpose of providing more current information to securityholders in this Notice of Meetings, as at 19 August 2010. The final fair value of performance rights will be determined at the proposed grant date, which will be as soon as practicable after securityholder approval is obtained.

Deloitte has used a Monte Carlo simulation based model to determine the fair value of each performance right which is subject to the Total Securityholder Return (“TSR”) performance hurdle and a Black-Scholes option pricing model, to determine the fair value of a performance right, which is subject to the Earnings Per Security (“EPS”) performance hurdle. Assuming that the target levels of performance for both TSR and EPS are exceeded, 50% of the performance rights would be allocated. The estimated value of the total allocation as at 19 August 2010 would be \$1.7525 per performance right.

The following table sets out the estimated value provided to Mr Quinn if Resolution 7 is approved, based on the independent valuation as at 19 August 2010 provided by Deloitte and calculated in accordance with AASB 2, Share-based payments.

	Performance Rights Issued	Estimated Value of Potential Awards
Mr M Quinn	1,029,000	\$1,803,323

In preparing their valuation, Deloitte has made the following assumptions as at 19 August 2010:

- the market price of a Stapled Security of \$3.89 (being the 5 day volume weighted average price of Stapled Securities traded on the ASX up to and including 19 August 2010);
- a risk free interest rate of 4.50% equal to the three year zero coupon bond yield;
- brokers’ consensus estimates of the dividend yield of the Stapled Securities over the vesting period being 6.7% per annum;
- volatility over the expected life of the instrument and of the relevant index are a reasonable proxy for prospective volatility measures over the performance rights’ vesting period; and
- correlation over the last three years between the Stapled Security price and of the relevant index is a reasonable proxy for prospective correlation over the performance rights’ vesting period.

Maximum number of Stapled Securities

Subject to adjustment, each vested performance right will translate into one Stapled Security. Accordingly, the maximum number of Stapled Securities that may be acquired by Mr Quinn, for which securityholder approval under Resolution 7 is sought, is 1,029,000 Stapled Securities. The number of Stapled Securities to which a performance right relates will only be adjusted in the event of a bonus issue or reorganisation of Stapled Securities and only in accordance with the Listing Rules.

Price payable on grant or exercise of performance rights

Mr Quinn will not be required to pay any amount on the grant or vesting of his performance rights. The performance rights are not transferable. The Company may fund a plan company or plan trust to acquire Stapled Securities on-market or to subscribe Stapled Securities at market value and transfer those Stapled Securities to executives in order to satisfy the Company’s obligations under the PRP. Alternatively, the Company may procure the direct issue of Stapled Securities to executives for no payment in satisfaction of its obligations under the PRP.



Name of the Executive Director who received Performance Rights under the last approval

Mr Quinn received performance rights in October 2009 under the approval granted in October 2009 for nil consideration.

Mr Quinn received 1,260,000 performance rights in 2009. Those performance rights are subject to the three year performance period ending on 30 June 2012.

Mr Quinn is the only person referred to in Listing Rule 10.14 who is entitled to participate in the PRP.

Date by which grants of performance rights may be made

The proposed grants of performance rights to Mr Quinn will be made as soon as practicable after securityholder approval is obtained, and in any event no later than 12 months after this meeting.

Current remuneration of the Executive Director

Details of the remuneration of Mr Quinn for the year ended 30 June 2010 and his holding of Stapled Securities is set out in the Remuneration Report section of the 2010 Annual Financial Report on pages 21 to 42.

Requirements for approval

Securityholder approval of the above participation in the PRP by Mr Quinn and his acquisition of performance rights, and of Stapled Securities on vesting of those performance rights is sought for all purposes under the Corporations Act and the Listing Rules of ASX Limited including under Listing Rule 10.14, as an entity must not permit securities to be acquired by a related party (such as a Director or a company controlled by a Director) under an employee incentive scheme without the approval of securityholders. Accordingly, approval of securityholders is sought for the purpose of Listing Rule 10.14 to enable Mr Quinn to acquire performance rights, and, on vesting of those performance rights, Stapled Securities, to issue or transfer Stapled Securities to Mr Quinn.

Recommendations of the Directors of the Company

The Directors of the Company and STML, excluding Mr Quinn, unanimously recommend that securityholders vote in favour of Resolution 7 for the reasons set out below:

- (i) the Directors believe the proposed equity incentives are necessary to attract and retain key executive talent;
- (ii) the Directors believe the total remuneration arrangements are fair and reasonable and consistent with ASX Corporate Governance Guidelines – Principle 8; and
- (iii) the equity incentives proposed align the interests of the Managing Director with the interests of securityholders.

Copies of the PRP Rules are available on the Stockland website www.stockland.com.au

