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GPO Box 998
Sydney NSW 1041

Stockland

5 August 2010

Company Announcements Platform
ASX Limited
Level 4, 20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

Stockland Development Pty Limited as trustee for The Retirement Living Acquisition Trust - Takeover bid for Aevum Limited

On behalf of Stockland Development Pty Limited as trustee for The Retirement Living Acquisition Trust (ABN 32 474 093 417) ("**Stockland Development**"), we enclose, in accordance with section 633(1) item 5 of the Corporations Act, a copy of Stockland Development's bidder's statement ("**Bidder's Statement**") in relation to its off-market takeover bid for all of the shares in Aevum Limited (ABN 80 087 648 691).

The Bidder's Statement was lodged with the Australian Securities & Investments Commission and given to Aevum Limited earlier today.

Regards,

Phillip Hepburn
General Counsel and Group Secretary

BIDDER'S STATEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to how to deal with it, you should consult your legal, financial or other professional adviser as soon as possible.

ACCEPT

the **cash offer** by:

Stockland

Development Pty Limited

a wholly owned subsidiary of Stockland Corporation Limited (ABN 43 000 181 733)

as trustee for

The Retirement Living Acquisition Trust

(ABN 32 474 093 417)

Stockland

to purchase all of your shares in:

Aevum Limited

(ABN 80 087 648 691)

For each Aevum Share you will receive **$1.50 cash**

Please call 1800 646 920 (callers in Australia) or +61 2 8280 7071 (callers outside Australia) if you require assistance with your acceptance.

The Offer is dated **[•]** and will close at 7.00pm (Sydney time) on **[•]**, unless extended.

Legal adviser

MALLESONS STEPHEN JAQUES

Financial adviser

Deutsche Bank

Important notice

This Bidder's Statement is given by Stockland Development Pty Limited as trustee for The Retirement Living Acquisition Trust (ABN 32 474 093 417) ("**Stockland**"), to Aevum Limited (ABN 80 087 648 691) ("**Aevum**") under Part 6.5 of the Corporations Act and sets out certain disclosures required by the Corporations Act together with the terms of the Offer to acquire your Aevum Shares. Stockland Development Pty Limited and The Retirement Living Acquisition Trust are each wholly-owned by Stockland Corporation Limited (ABN 43 000 181 733) ("**Stockland Corporation**").

This Bidder's Statement is dated 5 August 2010. It includes an Offer dated [•] on the terms set out in Appendices 1 and 2 of this Bidder's Statement.

A copy of this Bidder's Statement was lodged with ASIC on 5 August 2010 . ASIC takes no responsibility for the content of this Bidder's Statement.

Defined terms

Terms used in this Bidder's Statement and Appendices 1 and 2 to this Bidder's Statement are defined in the Glossary contained in section 9 of this Bidder's Statement. All references to $ refer to Australian dollars, except where otherwise stated.

Investment decisions

This Bidder's Statement does not take into account the individual investment objectives, financial situation or particular needs of each Aevum Shareholder. You should consider seeking independent financial and taxation advice before making a decision as to whether or not to accept the Offer.

Forward looking statements

Some statements in this Bidder's Statement are in the nature of forward looking statements, including statements of current intention (which include those in section 4 of this Bidder's Statement), statements of opinion and predictions as to possible future events.

You should be aware that such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate. Forward looking statements and statements in the nature of forward looking statements are subject to many inherent risks and uncertainties before actual outcomes are achieved. Those risks and uncertainties are not all within the control of Stockland or Stockland Corporation and cannot be predicted by Stockland or Stockland Corporation and include changes in circumstances or events that may cause objectives to change as well as risks, circumstances and events specific to the industry, countries and markets in which Stockland, Stockland Corporation and Aevum and their respective related bodies corporate operate. They also include general economic conditions, acts of terrorism, natural disasters, prevailing exchange rates and interest rates and conditions in the financial markets that may cause objectives to change or may cause outcomes not to be realised. Although Stockland and Stockland Corporation believe that the expectations reflected in any forward looking statements included in this Bidder's Statement are reasonable, no assurance can be given that such expectations will prove to have been correct. Actual outcomes may differ materially from the events or results expressed or implied in any forward looking statement and any statement in the nature of a forward looking statement in this Bidder's Statement.

None of Stockland, Stockland Corporation, their officers, persons named in this Bidder's Statement with their consent or any other person involved in the preparation of this Bidder's Statement makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any outcomes expressed or implied in any forward looking statement and any statement in the nature of a forward looking statement. You are cautioned not to place undue reliance on any forward looking statement or any statement in the nature of a forward looking statement having regard to the fact that the outcome may not be achieved. The forward looking statements and statements in the nature of forward looking statements in this Bidder's Statement reflect views held only as at the date of this Bidder's Statement.

Information on Aevum

All information in this Bidder's Statement relating to Aevum has been prepared by or on behalf of Stockland using information included in public documents filed by Aevum or published by Aevum on its website. No material information has been provided to the Stockland Group by Aevum. None of the information in this Bidder's Statement relating to Aevum has been commented on or verified by Aevum or the Aevum Board, and has not been independently verified by Stockland, Stockland Corporation or their officers for the purposes of this Bidder's Statement. Accordingly, subject to the Corporations Act, neither Stockland or Stockland Corporation makes any representation or warranty, express or implied, as to the accuracy or completeness of this information. The information on Aevum in this Bidder's Statement should not be considered comprehensive. In addition, the Corporations Act requires the directors of Aevum to provide a Target's Statement to Aevum Shareholders in response to this Bidder's Statement, setting out certain material information concerning Aevum.

Notice to foreign Aevum Shareholders

The distribution of this Bidder's Statement may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this Bidder's Statement should inform themselves of, and observe, those restrictions.

Privacy

Stockland has collected your information from the register of Aevum Shareholders for the purposes of making the Offer and, if accepted, administering your holding of Aevum Shares. The Corporations Act requires the names and addresses of Aevum Shareholders to be held in a public register. Your information may be disclosed on a confidential basis to Stockland and its related bodies corporate, and holders of securities in Stockland Corporation or its related bodies corporate and external service providers, and may be required to be disclosed to regulators, such as ASIC. The registered office of Stockland is Level 25, 133 Castlereagh Street, Sydney NSW 2000.

Internet

Both the Stockland Group and Aevum maintain internet sites. The Stockland Group site is at http://www.stockland.com.au. The Aevum site is at http://www.aevum.com.au. Information contained in, or otherwise accessible through these internet sites is not a part of this Bidder's Statement. All references in this Bidder's Statement to these internet sites are inactive textual references to these sites and are provided for your information only.

How to accept

Acceptances for the Offer must be received in sufficient time to be acted upon before the close of the Offer Period. To accept the Offer you should follow the instructions set out in section 1.2 of this Bidder's Statement.

Enquiries

If you are in any doubt as to how to deal with this Bidder's Statement, you should consult your broker or your legal, financial or other professional adviser.

Should you have any questions about this Bidder's Statement or the Offer or how to accept it, please call the shareholder information line on 1800 646 920 (toll-free) from within Australia or on +61 2 8280 7071 from outside Australia. Please note that these calls may be recorded.

Key Dates

Announcement Date	2 August 2010
Date of this Bidder's Statement	5 August 2010
Date of Offer	[•] 2010
Offer closes (unless extended or withdrawn)	7.00pm (Sydney time), [•] 2010

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Letter from Chairman of Stockland Group

5 August 2010

Dear Aevum Shareholder,

Cash takeover offer for Aevum Limited

On behalf of Stockland Development Pty Limited as trustee for The Retirement Living Acquisition Trust ("**Stockland**"), I am pleased to make this cash offer to acquire all of your shares in Aevum Limited ("**Aevum**") (the "**Offer**").

Stockland is offering $1.50 cash for each of your Aevum Shares.

Based on the closing share price of Aevum on 30 July 2010, being the last Trading Day prior to announcement of the Offer, Stockland's Offer represents:

- a 37.6% premium to the closing price of Aevum Shares of $1.09;
- a 32.7% premium to Aevum's three month volume weighted average price (VWAP) of $1.13; and
- a 40.2% premium to the one month VWAP of $1.07.

In addition, if you accept the Offer before the record date for any final dividend declared by Aevum for the financial year to 30 June 2010, or you are the registered holder on the record date for that dividend, you will be entitled to receive or retain that dividend, up to a maximum of 3 cents per Aevum Share, without any reduction in the Offer price of $1.50.

Strong support for the Offer price

Stockland's recent acquisition of additional Aevum Shares at the Offer price of $1.50 per Aevum Share indicates strong support for Stockland's Offer price. As a result of these purchases, Stockland has increased its interest in Aevum from approximately 10.09% to approximately 15.94% as at the date of this Bidder's Statement.

Benefits of the Offer

Stockland believes this is a compelling offer for Aevum Shareholders:

Attractive premium

Stockland's Offer provides you with certainty of value at a significant premium to the current market value of your Aevum Shares. Prior to the announcement of the Offer, the market price of Aevum Shares had not closed above the Offer price of $1.50 since January 13, 2010.

Cash certainty

Stockland is offering 100% cash, enabling you to realise value for your Aevum Shares with the certainty of cash consideration. The Offer is subject to a limited number of conditions, including that Stockland acquires a relevant interest in at least 50.1% of the

Aevum Shares. The conditions to the Offer are set out in full in Appendix 2 to this Bidder's Statement.

The Offer is fully funded from Stockland Group's ample existing cash reserves and undrawn debt facilities so you can be confident that sufficient funds are available to complete the Offer.

Stockland considers that the likelihood of another party emerging with a superior proposal is low, given Stockland's existing shareholding in Aevum and the substantial cash premium offered.

<u>Benefits to other stakeholders</u>

In the fragmented retirement living sector, joining the two businesses and utilising Stockland Group's position as Australia's largest diversified property group, will provide greater diversity and scale to the benefit of Aevum's stakeholders including employees and importantly, residents.

- *Employee opportunities*: Exciting opportunities for staff and management as part of a leading diversified property group with a national retirement living presence; and

- *Confidence for residents*: Residents can be confident in Stockland Group's commitment to being a leader in the retirement living sector, its track record in maintaining excellent resident satisfaction ratings and its commitment to continue investing in village development for the benefit of residents.

Additional benefits of Stockland's Offer are described on pages 8 to 13 of this Bidder's Statement.

About Stockland Group

Founded in 1952, Stockland Group has grown to become Australia's largest diversified property group, developing and managing a large portfolio of residential, retirement living and commercial property assets. The retirement living sector is one of our key strategic growth platforms. With a focus on growth through acquisition and development, we consider Aevum's business to be a strong strategic fit with our own retirement village operations. A successful Offer will solidify Stockland Group's position as a leader in the Australian retirement living sector. Further information about Stockland and the Stockland Group is set out at section 2 of this Bidder's Statement.

Conclusion

I encourage you to read this Bidder's Statement for more details about the Offer and Stockland. The Offer is open for your acceptance until 7.00pm (Sydney time) on **[•]** 2010 (unless extended or withdrawn). If you wish to accept the Offer, please complete and return the enclosed Acceptance Form.

If you have any questions, please do not hesitate to contact the shareholder information line on 1800 646 920 from within Australia or on +61 2 8280 7071 from outside Australia or consult your financial or other professional adviser.

Thank you for your consideration of our Offer. We look forward to receiving your acceptance.

Yours sincerely

Graham Bradley
Chairman

Features of the Offer

This summary provides an overview of the Offer and is qualified by the detailed information contained in this Bidder's Statement and in Appendices 1 and 2 to this Bidder's Statement. You should read the Bidder's Statement in full before deciding whether or not to accept the Offer.

Features of the Offer:

Bidder	Stockland Group is making the Offer through its wholly owned Subsidiary, Stockland Development Pty Limited as trustee for The Retirement Living Acquisition Trust ("**Stockland**"). Stockland Group is a property development and investment management group listed on ASX which is involved in developing and managing a large portfolio of residential, retirement living and commercial property assets. For more information about Stockland Group, please refer to section 2 of this Bidder's Statement.
Offer	Stockland is offering **$1.50** cash per Aevum Share for all of your Aevum Shares. In addition, if you accept the Offer before the record date for any Permitted Dividend, or you are the registered holder on the record date for any Permitted Dividend, you will also be entitled to receive or retain that Permitted Dividend without any reduction in the Offer price of $1.50.
Closing date	The Offer closes at 7.00pm (Sydney time) on **[•]** 2010, unless it is extended or withdrawn by Stockland.
Payment terms	If you accept the Offer, Stockland will pay you the consideration to which you are entitled on or before one week after the later of receipt of your acceptance and the date on which the Offer becomes unconditional.
Brokerage	If your Aevum Shares are registered in an Issuer Sponsored Holding and you deliver them directly to Stockland, <u>you will not incur any brokerage fees</u> in connection with your acceptance of the Offer. If your Aevum Shares are registered in a CHESS Holding (your HIN starts with an "X"), or if you are a beneficial owner whose Aevum Shares are registered in the name of a Broker, bank, custodian or other nominee you should ask your Controlling Participant (usually your Broker) or that nominee whether it will charge any transactional fees or service charges in connection with acceptance of the Offer.
Conditions	The Offer is subject to the conditions summarised in section 1.1 of this Bidder's Statement and set out in full in Appendix 2 to this Bidder's Statement. Stockland may choose to waive all or some of these conditions. For further details as to how these conditions can be waived, please refer to clause 6.4 of Appendix 1 to this Bidder's Statement.

Reasons why you should ACCEPT Stockland's Offer for your Aevum Shares

1 YOU WILL RECEIVE A SUBSTANTIAL PREMIUM FOR YOUR AEVUM SHARES

The cash consideration of $1.50 per Aevum Share represents a substantial premium of:

- 37.6% to the closing Aevum Share price of $1.09 on the last Trading Day for Aevum Shares prior to the Announcement Date;
- 40.2% to the 1 month VWAP of $1.07 of Aevum Shares on the last Trading Day for Aevum Shares prior to the Announcement Date;
- 32.7% to the 3 month VWAP of $1.13 of Aevum Shares on the last Trading Day for Aevum Shares prior to the Announcement Date; and
- 4.9% to the effective $1.43 price of Aevum Shares that former IOR shareholders received as consideration for the merger with Aevum in January 2010. (On the last Trading Day before the Announcement Date Aevum Shares closed at a 23.8% discount to that effective price).

2 STRONG SUPPORT FOR THE OFFER PRICE

Stockland has recently acquired additional Aevum Shares at the Offer price of $1.50 per Aevum Share, indicating there is strong support for the Offer price. As a result of these purchases, Stockland has increased its interest in Aevum from approximately 10.09% to approximately 15.94% as at the date of this Bidder's Statement.

3 THE 100% CASH OFFER PROVIDES CERTAINTY OF VALUE FOR YOUR AEVUM SHARES

The $1.50 per Aevum Share cash Offer will enable you to realise a certain value for your Aevum Shares through 100% cash consideration (subject to the Offer conditions being satisfied or waived).

4 THE RISKS TO COMPLETION OF THE OFFER ARE LOW

Stockland intends to fully fund the Offer through its ample existing cash reserves and undrawn debt facilities. The Offer is not conditional upon the raising of further funds by Stockland.

Stockland's Offer is subject only to a limited number of conditions, including a condition that by the end of the Offer Period Stockland acquires a relevant interest in at least 50.1% of the Aevum Shares.

5 THE LIKELIHOOD OF A COUNTERBIDDER EMERGING WITH A SUPERIOR PROPOSAL IS CONSIDERED LOW

Stockland believes that the likelihood of another bidder emerging with a superior proposal is low, given the substantial cash premium offered and Stockland's 15.94% shareholding in Aevum as at the date of this Bidder's Statement. This makes it substantially more difficult for a competing proposal to succeed without Stockland's support.

6 THE OFFER PRESENTS AN ATTRACTIVE MEANS FOR FORMER IOR SHAREHOLDERS TO REALISE A SUBSTANTIAL PREMIUM FOR THEIR AEVUM SHARES

Since the merger with IOR in January 2010 and prior to the Announcement Date, Aevum has consistently traded below the effective $1.43 issue price of Aevum Shares issued to former IOR shareholders. Accepting this Offer will enable former IOR shareholders to realise an attractive premium on their Aevum Shares.

7 IF YOU DO NOT ACCEPT, YOU MAY BE EXPOSED TO A VARIETY OF RISKS

If you do not accept Stockland's Offer, you may be subject to the following risks:

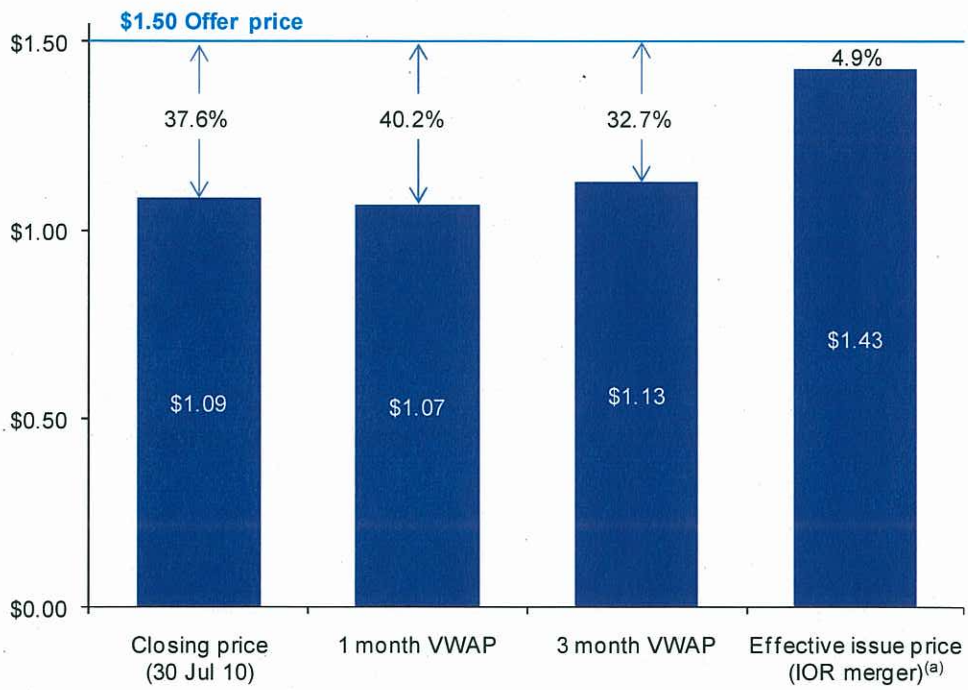
- the Aevum Share price listed on ASX may fall and trade at a discount to the Offer price;
- the market for your Aevum Shares may become less liquid;
- your shareholding may continue to be subject to market volatility;
- if Stockland becomes entitled to compulsorily acquire your Aevum Shares, you will receive consideration at a later date than if you had accepted the Offer; and
- if Stockland gains effective control of Aevum, it is Stockland's intention that Aevum would be self funding, which may restrict Aevum's ability to pay dividends.

Stockland's cash offer provides an exceptional opportunity to realise an attractive premium representing certainty of value for your Aevum Shares

1 YOU WILL RECEIVE A SUBSTANTIAL PREMIUM FOR YOUR AEVUM SHARES

The Offer price of $1.50 for your Aevum Shares represents a premium of:

- 37.6% to the closing Aevum Share price of $1.09 on the last Trading Day for Aevum Shares prior to the Announcement Date;
- 40.2% to the 1 month VWAP of $1.07 of Aevum Shares on the last Trading Day for Aevum Shares prior to the Announcement Date;
- 32.7% to the 3 month VWAP of $1.13 of Aevum Shares on the last Trading Day for Aevum Shares prior to the Announcement Date; and
- 4.9% to the effective $1.43 price of Aevum Shares that former IOR shareholders received as consideration for the merger with Aevum in January 2010. (On the last Trading Day before the Announcement Date Aevum Shares closed at a 23.8% discount to that effective price).



Note (a): Effective issue price for IOR merger as disclosed in Aevum Half Year 2010 Results Presentation released to ASX on 3 February 2010.

Prior to the announcement of Stockland's Offer, Aevum Shares consistently traded at a material discount to the Net Tangible Assets per share ("**NTA**") of $1.95 (as disclosed in the pro forma financial information for the merged Aevum/IOR group in the IOR Group Scheme Booklet dated 1 December 2009). As such, Stockland believes that NTA is not an appropriate measure of value for Aevum Shares.

2 STRONG SUPPORT FOR THE OFFER PRICE

Stockland has recently acquired approximately 5.85% of the total Aevum Shares on issue at the Offer price of $1.50 per Aevum Share, indicating there is strong support for the Offer price. As a result of these purchases, Stockland has increased its interest in Aevum from approximately 10.09% to approximately 15.94% as at the date of this Bidder's Statement.

3 THE 100% CASH OFFER PROVIDES CERTAINTY OF VALUE FOR YOUR AEVUM SHARES

There is timing and value certainty around the $1.50 cash per Aevum Share which you will receive if the Offer becomes unconditional.

By contrast, if the Offer does not succeed, the amount which you will be able to realise for your Aevum Shares is uncertain and subject to a number of risks.

By accepting the Offer you will receive $1.50 cash per Aevum Share which will be paid within one week of the later of receipt of your acceptance and the date the Offer becomes unconditional.

Aevum Shareholders have experienced a highly volatile trading history, accompanied by a substantial decline in the value of their shareholdings. In the last twelve months, the price of Aevum Shares has fallen from a high of $1.65 in October 2009 to a price of $1.09 (as at the last Trading Day prior to the Announcement Date).

The cash Offer allows Aevum Shareholders to realise certainty of value for their Aevum Shares in a timely manner.

4 THE RISKS TO COMPLETION OF THE OFFER ARE LOW

Stockland intends to fully fund the acquisition from Stockland Group's existing cash reserves and existing undrawn debt facilities and the Offer is not conditional upon the raising of further funds by Stockland.

Stockland's Offer for your Aevum Shares is only subject to a limited number of conditions, being:

- Stockland acquires a relevant interest in at least 50.1% of Aevum Shares;
- no material adverse change;

- no "prescribed occurrences"; and
- the S&P ASX 200 Index does not fall by 10% or more over a certain period.

See Appendix 2 of this Bidder's Statement for full details of these conditions to the Offer.

5 THE LIKELIHOOD OF A COUNTERBIDDER EMERGING WITH A SUPERIOR PROPOSAL IS CONSIDERED LOW

Stockland Group sees itself as the natural and strategic acquirer of Aevum's business. Stockland Group believes that its natural strategic fit and existing position as Aevum's largest shareholder with an interest in approximately 15.94% of the Aevum Shares mean that the likelihood of another bidder emerging with a superior proposal is low.

6 THE OFFER PRESENTS AN ATTRACTIVE MEANS FOR FORMER IOR SHAREHOLDERS TO REALISE A SUBSTANTIAL PREMIUM FOR THEIR AEVUM SHARES

Since the completion of the Aevum and IOR merger in January 2010 and prior to the Announcement Date, the closing price of Aevum Shares has remained below the effective $1.43 issue price at which former IOR shareholders entered the Aevum share register.

As at the last Trading Day prior to the Announcement Date, Aevum Shares were trading at $1.09 per share, being 23.8% below the effective $1.43 issue price. Stockland's Offer represents a 4.9% premium to the effective issue price to former IOR shareholders over a short period of time, and represents a substantial and attractive premium to former IOR shareholders given the closing price of Aevum Shares of $1.09 on the last Trading Day prior to the Announcement Date.

In addition, Aevum Shares are currently thinly traded. Although one of the claimed benefits for IOR shareholders of merging Aevum with IOR in January 2010 was to provide greater liquidity to IOR shareholders, since the merger Aevum Shares have traded very thinly. Such limited liquidity can make it difficult for Aevum Shareholders to sell larger shareholdings. The Offer now provides Aevum Shareholders (including former IOR shareholders) with an exceptional opportunity to sell their Aevum Shares for a substantial and attractive premium.

- The average daily trading volume for Aevum Shares for the twelve months prior to the Announcement Date has been approximately 117,000 shares
- The average daily trading volume for Aevum Shares for the last month prior to the Announcement Date has been approximately 56,000 shares

7 IF YOU DO NOT ACCEPT YOU MAY BE EXPOSED TO A VARIETY OF RISKS

The price of Aevum Shares listed on ASX may fall

If Stockland's Offer does not proceed and no other proposal is received the Aevum Share price may fall. While there are many factors that will influence the market price of Aevum Shares, in the absence of the Offer or a competing proposal it is likely that the Aevum Share price will fall below the value implied by the Offer.

For the 1 month period prior to the Announcement Date, the volume weighted average price of Aevum Shares was $1.07.

The market for your Aevum Shares may become less liquid

Depending on the level of acceptances that Stockland receives under the Offer, the market for your Aevum Shares may become less liquid or less active.

If Stockland obtains effective control of Aevum and there is a limited spread or volume of Aevum Shareholders remaining at the end of the Offer Period, it intends to consider removal of Aevum from the official list of ASX.

ASX requires a listed entity to maintain a sufficient spread of shareholders to ensure there is an orderly and liquid market in the listed entity's shares. ASX has the power to suspend Aevum Shares from quotation if the spread requirement is not met.

Your shareholding may continue to be subject to market volatility

The Australian and international economic outlook and recent volatility in world markets may continue to impact upon:

- movements in general levels of security prices on local stock markets, including Aevum;
- Aevum's ability to access debt and equity capital;
- general economic conditions including inflation and interest rates that may impact upon Aevum's business operations; and
- the demand for listed shares, including Aevum.

If Stockland becomes entitled to compulsorily acquire your Aevum Shares, you will receive consideration at a later date than if you had accepted the Offer

If Stockland becomes entitled to compulsorily acquire your Aevum Shares, it intends to exercise those rights. If your Aevum Shares are compulsorily acquired, you will still receive the Offer price for your Aevum Shares but at a later date than you would have received it if you had accepted the Offer.

Aevum's ability to pay dividends in the future may be reduced if Stockland gains effective control of Aevum

The capacity for Aevum to pay dividends in the future will depend on the capital expenditure requirements of Aevum's substantial pipeline of development projects as well as its established operations. It is Stockland's intention that Aevum would be self funding in this regard, which may restrict Aevum's ability to pay dividends.

Stockland's Directors strongly encourage you to accept the Offer to maximise the value of your Aevum Shares

Frequently asked questions in relation to the Offer

The table below answers some key questions that you may have about the Offer and is qualified by and should be read in conjunction with the detailed information contained in this Bidder's Statement and in Appendices 1 and 2 to this Bidder's Statement. You should read the Bidder's Statement in full before deciding whether or not to accept the Offer.

If you have further questions please call the Offer Information Helpline on: 1800 646 920 (toll-free) from within Australia or on +61 2 8280 7071 from outside Australia. Please note, these calls may be recorded.

Questions	Answers
What is the Offer?	The Offer by Stockland is **$1.50 cash** per Aevum Share for all of your Aevum Shares. In addition, if you accept the Offer before the record date for any Permitted Dividend, or you are the registered holder on the record date for any Permitted Dividend, you will also be entitled to receive or retain that Permitted Dividend without any reduction in the Offer price of $1.50.
What is this Bidder's Statement?	This Bidder's Statement was prepared by Stockland for distribution to Aevum Shareholders. It sets out the terms of Stockland's Offer for your Aevum Shares and information relevant to your decision whether or not to accept the Offer. This Bidder's Statement is an important document. If you are in any doubt as to how to deal with this document, you should consult your broker or your legal, financial or other professional adviser as soon as possible.
Who is Stockland Group?	Please refer to section 2 of this Bidder's Statement for further information on Stockland Group.
Who is Stockland?	Stockland is a wholly-owned Subsidiary of Stockland Corporation and is the Stockland Group Member which is making this Offer in its capacity as the trustee of the Retirement Living Acquisition Trust (which is also wholly-owned by Stockland Corporation). Securities in Stockland Corporation and Stockland Trust are jointly listed on ASX as stapled securities (ASX Code: SGP). Please refer to section 2 of this Bidder's Statement for further information on Stockland and the Stockland Corporation.

Questions	Answers
If I accept the Offer, when will I be paid?	If you accept the Offer, Stockland will pay you the consideration to which you are entitled on or before one week after the later of receipt of your acceptance and the date on which the Offer becomes unconditional.
How do I accept the Offer?	To accept the Offer, you should follow the instructions set out in section 1.2 of this Bidder's Statement (immediately following these frequently asked questions) and on the enclosed Acceptance Form.
Will I need to pay brokerage or stamp duty if I accept the Offer?	If your Aevum Shares are registered in an Issuer Sponsored Holding (your SRN starts with an "I") in your name and you deliver them directly to Stockland, you will not incur any brokerage fees or be obliged to pay stamp duty in connection with your acceptance of the Offer. If your Aevum Shares are registered in a CHESS Holding (your HIN starts with an "X"), or if you are a beneficial owner whose Aevum Shares are registered in the name of a Broker, bank, custodian or other nominee you will not be obliged to pay stamp duty by accepting the Offer but you should ask your Controlling Participant (usually your Broker) or that nominee whether it will charge any transactional fees or service charges in connection with acceptance of the Offer. You will likely incur brokerage costs if you choose to sell your Aevum Shares on ASX.
What are the tax implications of acceptance?	A general summary of the likely Australian tax consequences of accepting the Offer is set out in section 7 of this Bidder's Statement. In addition, Stockland recommends that you seek independent professional advice in relation to your own particular circumstances.
Can I accept the Offer for part of my holding?	No. You cannot accept the Offer for part of your holding. You may only accept the Offer for ALL of your Aevum Shares. However, if you hold one or more parcels of Aevum Shares as trustee or nominee, you may accept the Offer as if a separate offer had been made in relation to each of those parcels and any parcel you hold in your own right. A person holding Aevum Shares on trust for, as nominee for, or on account of, another person should refer to section 10 of Appendix 1 to this Bidder's Statement.

Questions	Answers
When does the Offer close?	The Offer is currently scheduled to close at 7:00pm (Sydney time) on **[•]** 2010 unless extended or withdrawn.
Can I withdraw my acceptance?	Under the Offer Terms, you cannot withdraw your acceptance unless a withdrawal right arises under the Corporations Act. Such a withdrawal right will arise if, after you have accepted the Offer, Stockland varies the Offer in a way that postpones, for more than one month, the time when Stockland has to meet its obligations under the Offer.
Can Stockland extend the Offer Period?	Yes, the Offer Period can be extended at Stockland's election. Aevum Shareholders will be sent written notice of any extension, and the extension will be announced to ASX.
Can I sell my Aevum Shares on market?	Yes, but you may incur brokerage costs and GST if you do. If you have already accepted the Offer, you will be unable to settle any subsequent sale of your Aevum Shares, subject to you being entitled to withdraw your acceptance - see "Can I withdraw my acceptance?" above.
What is the effect of the Offer on my Aevum Share Options?	Stockland's Offer extends to all Aevum Shares which are issued during the Offer Period as a result of the exercise of Aevum Share Options. However, Stockland is not offering to acquire any Aevum Share Options. Stockland encourages holders of Aevum Share Options to exercise their Aevum Share Options, to the extent they are entitled to do so, and accept the Offer in respect of the Aevum Shares issued on exercise if they wish to participate in the Offer. Further details of the effects of the Offer on Aevum Share Options and Stockland's intentions in respect of Aevum Share Options can be found at section 5.2 of this Bidder's Statement.

Questions	Answers
Will I be entitled to retain any final dividend declared by Aevum for the financial year to 30 June 2010?	If you accept the Offer before the record date for any final dividend declared by Aevum for the financial year to 30 June 2010, up to a maximum of 3 cents per Aevum Share (a "**Permitted Dividend**"), or you are the registered holder on the record date for any Permitted Dividend, you will be entitled to receive or retain that Permitted Dividend, without any reduction in the Offer price of $1.50. If you are registered as an Aevum Shareholder on the record date for a Permitted Dividend and you participate in the Aevum DRP in respect of that dividend and you accept the Offer, you will receive the Offer price of $1.50 cash consideration per Aevum Share (including any Aevum Shares issued under the DRP in respect of the Permitted Dividend).
What happens if the Aevum Board pays a dividend after the Announcement Date, other than a Permitted Dividend?	Under the Offer Terms, the amount of consideration you receive directly from Stockland will be reduced by the amount or value of any Rights (other than rights to a Permitted Dividend) attaching to Aevum Shares on or after the Announcement Date, which Stockland does not receive.
Are there any conditions to the Offer?	Yes, the Offer is subject to conditions, which are set out in detail in Appendix 2 to this Bidder's Statement. Note that Stockland may choose to waive certain conditions in accordance with the Offer Terms. Details as to how these conditions can be waived are set out in clause 6.4 of Appendix 1 to this Bidder's Statement.
What if the conditions of the Offer are not satisfied?	If the Offer closes with conditions remaining unsatisfied, the Offer will lapse, and your acceptance will be void. In other words, you will continue to hold your Aevum Shares. Stockland will inform you if the conditions have been satisfied or waived during the Offer Period in accordance with its obligations under the Corporations Act. Stockland may extend the Offer Period in accordance with the Corporations Act in order to give time for conditions to be satisfied - see "Can Stockland extend the Offer Period?" above.

Questions	Answers
What happens if I do not accept the Offer and Stockland achieves a relevant interest in 90% of the Aevum Shares?	If you do not accept the Offer and Stockland acquires a relevant interest in at least 90% of the Aevum Shares and the other conditions of the Offer are satisfied or waived, Stockland intends to proceed to compulsorily acquire your Aevum Shares. If this occurs, you will be paid the Offer consideration at the conclusion of the compulsory acquisition process. In these circumstances, you would have received the Offer consideration sooner if you had accepted the Offer prior to its close.
What happens if I do not accept the Offer and Stockland achieves a relevant interest in less than 90% of the Aevum Shares but gains effective control of Aevum?	If you do not accept the Offer and the conditions of the Offer are satisfied or waived and Stockland gains effective control of Aevum but acquires a relevant interest in less than 90% of the Aevum Shares, Stockland will not be entitled to proceed to compulsorily acquire your Aevum Shares. However, if this occurs, your Aevum shareholding will be exposed to a variety of risks, including the risk that it may become harder to sell your Aevum Shares and that Aevum's ability to pay dividends may become restricted. More details of the risks of remaining as an Aevum Shareholder are set out on pages 12 and 13 of this Bidder's Statement.

1 Overview of the Offer

1.1 Summary of the Offer Terms

Offer

Stockland offers to acquire all of your Aevum Shares for **$1.50 cash** per Aevum Share on the Offer Terms set out in Appendices 1 and 2 to this Bidder's Statement.

If you accept the Offer before the record date for any Permitted Dividend, or you are the registered holder on the record date for any Permitted Dividend, you will also be entitled to receive or retain that Permitted Dividend without any reduction in the Offer price of $1.50.

The Offer relates to Aevum Shares that exist or will exist as at **[●]**.

The Offer also extends to all Aevum Shares that are issued between that date and the end of the Offer Period as a result of the exercise of Aevum Share Options. Stockland is not offering to acquire any Aevum Share Options.

The Offer also extends to any Aevum Shares that are issued under the Aevum DRP during the Offer Period in respect of the final dividend payable by Aevum for the financial year ended 30 June 2010 (pursuant to the Relief granted by ASIC, as detailed in section 8.3 of this Bidder's Statement).

Stockland will not rely on any breach of an Offer condition to terminate the Offer which is caused by the issue of Aevum Shares:

- as a result of the exercise of Aevum Share Options that exist or will exist as at **[●]**; or
- under the Aevum DRP in respect of the final dividend payable by Aevum for the financial year ended 30 June 2010.

Under the Offer Terms, the amount of consideration you receive directly from Stockland will be reduced by the amount or value of any Rights (other than rights to the Permitted Dividend) attaching to Aevum Shares, on or after the Announcement Date, which Stockland does not receive.

Offer Period

The Offer is scheduled to close at 7.00pm (Sydney time) on **[●]** (but it may be extended).

Payment Date

If you accept the Offer, you will be paid within one week after the later of receipt of your acceptance and the date on which the Offer becomes unconditional.

Conditions

The Offer is subject to a number of conditions as set out in Appendix 2 to this Bidder's Statement, being:

(a) Stockland acquires a relevant interest in at least 50.1% of Aevum Shares;

(b) no material adverse change;

(c) no "prescribed occurrences"; and

(d) the S&P ASX 200 Index does not fall by 10% or more over a certain period.

This is only a summary of the conditions. The conditions are set out in full in Appendix 2 to this Bidder's Statement.

1.2 How to accept the Offer

The Offer may only be accepted for all of your Aevum Shares. How you accept the Offer depends on whether your Aevum Shares are in an Issuer Sponsored Holding or a CHESS Holding:

(a) **If you hold your Aevum Shares in an Issuer Sponsored Holding (your SRN starts with an "I")**, to accept the Offer you must complete, sign and return the enclosed Acceptance Form in accordance with the instructions on it and return it to the address indicated on the form (and set out below) before the end of the Offer Period.

(b) **If you hold your Aevum Shares in a CHESS Holding (your HIN starts with an "X")**, to accept the Offer you must either:

   (i) instruct your Controlling Participant (for example, your Broker) to initiate acceptance of the Offer before the end of the Offer Period; or

   (ii) complete the accompanying Acceptance Form and send the completed Acceptance Form (together with all other documents required by the instructions on the form) directly to your Broker or other Controlling Participant in sufficient time for the Offer to be accepted before the end of the Offer Period with instructions to initiate acceptance of the Offer on your behalf before the end of the Offer Period; or

   (iii) complete, sign and return the Acceptance Form in accordance with the instructions on it and lodge it by returning it to the address indicated on the form (and set out below) so that your acceptance is received before 7.00pm (Sydney time) on the second last Business Day of the Offer Period. This will authorise Stockland to instruct your Broker or other Controlling Participant to initiate acceptance of the Offer on your behalf.

(c) **If you are a Broker or a ASTC Participant**, to accept the Offer you must initiate acceptance in accordance with the requirements of the ASTC Settlement Rules before the end of the Offer Period.

(d) **If some of your Aevum Shares are in an Issuer Sponsored Holding and some in a CHESS Holding**, your acceptance of this Offer will require action under paragraphs 1.2(a) and 1.2(b) above in relation to the separate portions of your Aevum Shares.

The postal and delivery addresses for completed Acceptance Forms are as follows.

The postal address is:

Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

The transmission of the Acceptance Form and other documents is at your own risk.

You may deliver the Acceptance Form and any associated documents in person to:

Link Market Services Limited
Level 12
680 George Street
Sydney NSW 2000

For full details see clause 4 of the Offer Terms in Appendix 1 to this Bidder's Statement.

2 Information on Stockland

2.1 Overview of Stockland Group and its principal activities

Stockland Group is one of Australia's leading diversified property groups.

Some key facts about Stockland Group include:[1]

- Total assets exceeding $14 billion as at 31 December 2009
- Formed in 1952 and listed since 1957
- Australia's largest diversified property group
- Market capitalisation in excess of $9 billion
- Approximately 50,000 securityholders
- Top 25 ASX listed company
- Approximately 98% of Stockland's assets are located in Australia

Stockland Group is structured as a stapled entity made up of Stockland Corporation and Stockland Trust and each of their controlled entities. Stockland Trust Management is the Responsible Entity of Stockland Trust.

2.2 Principal activities

Stockland Group is one of Australia's leading diversified property groups – actively managing a portfolio of properties across different asset classes and locations. Stockland Group seeks to achieve the best balance between risk and return on assets that include office buildings, retail offerings, industrial sites, residential communities, apartments and retirement living – and often various combinations of these. All information about Stockland in this section 2.2 is correct as at 31 December 2009.

Commercial Property

Office

The office portfolio comprises 31 properties valued at $2.6 billion. Stockland Group is focused on maximising investment returns across the portfolio.

Industrial

Stockland Group's industrial portfolio is valued at $1.0 billion, with 17 properties, incorporating well over one million square metres of building area. Properties are strategically positioned in key locations for logistics, infrastructure and employment.

Retail

[1] As at the Announcement Date unless otherwise indicated.

Stockland Group is one of the largest retail property owners, managers and developers in Australia. The portfolio comprises 40 retail centres valued at approximately $4.0 billion. The properties accommodate more than 2,600 tenants and generate in excess of $4.7 billion in retail sales per annum.

Residential

Communities

Stockland Group is the leading residential developer in Australia and is focused on delivering a range of master planned and mixed-use communities in growth areas across the country. Stockland Group has over 64,000 lots and projects with a total end value of approximately $15.5 billion.

Apartments

Stockland Group has a range of quality apartment projects in high profile locations across Australia, with an end market value of approximately $1.3 billion.

Retirement

Retirement Living

Stockland Group is established as a top 5 retirement living operator within Australia, with 3,974 established units across Victoria and Queensland. The portfolio also includes a short-medium term development pipeline of over 2,800 units.

2.3 Strategic rationale of proposed transaction

Stockland Group views the Retirement Living sector as one of its key strategic growth platforms. With a focus on growth through acquisition and development, Stockland Group considers Aevum's business to be a strong strategic fit with its own retirement village operations.

2.4 Directors - Stockland Corporation

The Directors of Stockland Corporation Limited are:

GRAHAM BRADLEY
Chairman (Non-Executive)

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, Po Valley Energy Limited and Boart Longyear Limited. Mr Bradley has been a Director of Singapore Telecommunications Limited since March 2004 and was a Director of MBF Australia Limited from November 2003 to November 2007.

He was also 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 8 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 Stockland Group Human Resources and Corporate Responsibility and Sustainability Committees.

NICHOLAS GREINER
Deputy Chairman (Non-Executive)

Mr Greiner has been Deputy Chairman of the Board since his appointment in September 1992. He was a member of the NSW Parliament from 1980 to 1992 and Premier and Treasurer for the last 5 years of that period. Prior to entering Parliament and after a distinguished academic career, he held executive positions in the United States of America and in Australia. He is currently Chairman of Bradken Limited, Valemus Limited (formerly Bilfinger Berger Australia), QBE Lenders Mortgage Insurance Ltd, Citigroup Australia, Deputy Chairman of CHAMP Private Equity and a Director of various private groups.

Mr Greiner is Chair of the Stockland Group Corporate Responsibility and Sustainability Committee.

MATTHEW QUINN
Managing Director

Mr Quinn has an extensive background in commercial, retail, industrial, and residential property investment and development. He began his career in the United Kingdom as a Chartered Accountant and moved to Australia in 1987 with Price Waterhouse.

In 1988 he joined the Rockingham Park Group, a substantial Western Australian private property group. Mr Quinn joined Stockland Group in 1999 and was appointed to his current role of Managing Director in October 2000. Mr Quinn held the position of National President of the Property Council of Australia from March 2003 until March 2005. He is a Fellow of the Australian Property Institute and the Royal Institute of Chartered Surveyors. He was appointed Chairman of Australian Business and Community Network Limited in November 2007.

Mr Quinn is a member of the Stockland Group Corporate Responsibility and Sustainability Committee and a Director of Stockland Capital Partners Limited, the Responsible Entity for Stockland Group's unlisted funds.

DUNCAN BOYLE
(Non-Executive)

Mr Boyle was appointed to the Board on 7 August 2007. He has over 36 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, Clayton Utz and O'Connell Street Associates Pty Limited.

Mr Boyle is a member of the Stockland Group Audit and Risk and Treasury Committees.

CAROLYN HEWSON
(Non-Executive)

Ms Hewson was appointed to the Board on 1 March 2009. She has over 25 years experience in the financial sector, with extensive financial markets, risk management and investment management expertise. Ms Hewson is a non-executive Director of Westpac, BT Investment Management and BHP Billiton, and previously served as a Director on the Boards of The Australian Gas Light Company, AGL Energy Limited, AMP, CSR Limited, South Australia Water and the Economic Development Board of South Australia.

Ms Hewson is a member of the Stockland Group Audit and Risk and Human Resources Committees.

BARRY NEIL
(Non-Executive)

Mr Neil was appointed to the Board on 23 October 2007 and has over 37 years experience in property, both in Australia and overseas. He is a Director of Dymocks Book Arcade 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 Stockland Group Corporate Responsibility and Sustainability Committee.

PETER SCOTT
(Non-Executive)

Mr Scott was appointed to the Board on 9 August 2005. He is Chairman of Sinclair Knight Merz Holdings Limited and Chairman elect of Perpetual Limited where he was appointed a Director on 31 July 2005. Mr Scott is a Director of Pilotlight, a non-profit making organisation and O'Connell Street Associates Pty Limited. He was appointed to the Advisory Board of Laing O'Rourke Australia in August 2008. Mr Scott was the Chief Executive Officer of MLC and Executive General Manager, Wealth Management of National Australia Bank until January 2005. Prior to this, he held a number of senior positions with Lend Lease, following a successful career as a consulting engineer in Australia and overseas.

Mr Scott is Chairman of the Stockland Group Human Resources Committee and Stockland Capital Partners Limited, the Responsible Entity for Stockland Group's unlisted funds.

CAROL SCHWARTZ
(Non-Executive)

Ms Schwartz was appointed to the Board on 1 July 2010. She has extensive experience in business, property and community organisations and 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 Dockland's Authority and the Victorian Growth Areas Authority Task Force.

TERRY WILLIAMSON
(Non-Executive)

Mr Williamson was appointed to the Board in April 2003. He is a Director of Avant Insurance Limited, ING Australia Limited and a member of the University of Sydney Faculty of Economics and Business Studies Advisory Board. Mr Williamson was previously the Chief Financial Officer of Bankers Trust Australia Limited / BT Financial Group Pty Limited from 1997 to 2002 and prior to that was a partner of Price Waterhouse for 17 years.

Mr Williamson is Chair of the Stockland Group and Stockland Capital Partners Audit and Risk Committees, the Stockland Group Treasury Committee and the Stockland Group and Stockland Capital Partners Financial Services Compliance Committees.

2.5 Directors - Stockland

The Directors of Stockland Development Pty Limited are:

MATTHEW QUINN
Managing Director

Refer to the section on Stockland Corporation above for the biography details of Mr Quinn.

TIM FOSTER
Chief Financial Officer

Tim Foster joined Stockland Group in February 2010 with 25 years of financial experience, including 15 years in the financial services industry. For the past 10 years he has held CFO roles in three major organisations including Colonial First State Investments, Challenger Financial Services and HBOS Australia.

In his most recent role at HBOS Australia, Mr Foster led the Corporate Services Division, managing over 400 people across five divisions including Finance, Legal, Program Management Office, Shared Services and Strategy. He was also the Chairman of the HBOSA Assets & Liabilities Committee and the HBOSA Learning Council.

With significant exposure to the property sector throughout his career, he was a Director of Colonial First State's property trust and managed the property accounting team for the trust.

Mr Foster commenced his career with a major global accounting firm in the UK.

He has a Dual Honours degree in Economics, Accounting and Financial Management from Sheffield University and is a Fellow of the Institute of Chartered Accountants in England and Wales.

MARK HUNTER
Chief Executive Officer, Residential (alternate director for Tim Foster on the board of Stockland)

Mr Hunter has spent his entire career in the property industry, joining Stockland Group in 2000. Before becoming CEO, Residential in 2009, Mr Hunter was the General Manager of Stockland Group's Residential portfolio in Queensland. This included some of Stockland Group's most challenging and successful masterplanned communities such as Pacific Pines on the Gold Coast and North Lakes in Brisbane.

With over 28 years experience in property, Mr Hunter has worked across many fields including planning, development, sales, marketing and design.

Before moving from South Africa to Australia, he spent a number of years working with government and the private sector developing affordable housing initiatives in growth areas. Prior to this, he managed his own planning practice for eight years where he worked with community organisations focusing on the delivery of affordable housing and infrastructure in new and emerging communities.

Mr Hunter has a Bachelor of Arts from the University of South Africa and a Bachelor of Town and Regional Planning from the University of Pretoria.

2.6 Stockland's existing interest in Aevum Shares

On 10 October 2008, Stockland acquired a relevant interest in 17,903,350 Aevum Shares. Stockland increased its relevant interest to 28,292,261 Aevum Shares pursuant to the acquisitions of Aevum Shares detailed at section 5.5 of this Bidder's Statement. Based on material lodged by Aevum with ASX as at the day prior to the date of this Bidder's Statement, Stockland understands that this relevant interest currently represents approximately 15.94% of the total Aevum Shares on issue.

2.7 Publicly available information

Stockland Corporation and Stockland Trust are listed on ASX as a stapled entity (ASX Code: SGP). Stockland Trust and Stockland Corporation are disclosing entities for the purposes of the Corporations Act. As disclosing entities, Stockland Trust and Stockland Corporation are subject to regular reporting and disclosure obligations. Stockland Trust and Stockland Corporation are required to lodge various documents with ASIC. Copies of any documents lodged in relation to Stockland Trust and Stockland Corporation with ASIC may be obtained from, or inspected at any office of ASIC. Information as to what documents have been lodged with ASIC may be obtained from the ASIC website at www.asic.gov.au.

As a stapled entity, Stockland Corporation and Stockland Trust are subject to the ASX Listing Rules which require them to comply with continuous disclosure rules. Copies of documents lodged by Stockland Corporation and Stockland Trust are available for inspection at ASX during normal business hours and can be viewed on ASX's website at www.asx.com.au.

A substantial amount of information about Stockland Group (including financial statements) is also available in electronic form from Stockland Group's website at www.stockland.com.au.

3 Information on Aevum

3.1 Disclaimer

The following information on Aevum has been prepared by Stockland using publicly available information, and has not been independently verified. No material information has been provided to Stockland or any member of the Stockland Group by Aevum. Accordingly, Stockland does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of this information.

The information on Aevum in this Bidder's Statement should not be considered comprehensive. The Corporations Act requires the directors of Aevum to provide a Target's Statement to Aevum Shareholders in response to this Bidder's Statement, setting out certain material information concerning Aevum.

3.2 Overview of Aevum and its principal activities

Aevum is an ASX-listed company and an established owner, operator and developer of retirement villages and aged care facilities.

Based on material lodged with ASX on 3 February 2010, Stockland understands that Aevum owns and manages 3,108 retirement units and 367 aged care beds, in 29 villages and four aged care facilities across New South Wales, Victoria, Queensland, South Australia and Western Australia and employs over 600 staff.

Aevum completed a merger with IOR on 29 January 2010 pursuant to a court-approved scheme of arrangement.

3.3 Substantial shareholders

Based on material lodged with ASX as at the date of this Bidder's Statement pursuant to section 671B of the Corporations Act, each of the following persons (on behalf of itself and its related bodies corporate) had the following substantial holdings in the issued ordinary share capital of Aevum:

Aevum Shareholder	Aevum Shares	% of issued ordinary share capital of Aevum
Stockland	28,292,261	15.94[2]
Fisher Funds Management Limited	15,519,228	8.74

3.4 Publicly available information

Aevum is a company listed on ASX and is subject to the periodic and continuous disclosure requirements of the Corporations Act and ASX Listing Rules, which require continuous disclosure of any information which Aevum has concerning it which a reasonable person would expect to have a material effect on the price or value of its securities.

[2] Note: Including the acquisition of 10,388,911 Aevum Shares by Stockland on 2 August 2010 as detailed at section 5.5 of this Bidder's Statement.

Aevum's annual report for the year ended 30 June 2009 was given to ASX on 12 August 2009.

Information (including copies of financial statements) may also be obtained from Aevum's website at http://www.aevum.com.au.

4 Stockland's intentions

4.1 Introduction

This section sets out Stockland's intentions, on the basis of the facts and information concerning Aevum which are known to it and the existing circumstances affecting the business of Aevum, in relation to the following:

(a) the continuation of the business of Aevum;

(b) any major changes to be made to the business of Aevum, including any redeployment of the fixed assets of Aevum; and

(c) the future employment of the present employees of Aevum.

Stockland has the same intentions as the Stockland Group in relation to these matters.

4.2 Review

Stockland and its advisers have reviewed information that has been publicly released on Aevum, its current activities and its plans for the future. However, Stockland does not currently have knowledge of all material information, facts and circumstances that are necessary to assess the operational, commercial, taxation and financial implications of its current intentions. Consequently, final decisions on these matters have not been made.

Following the close of the Offer, Stockland will, to the extent that information is available to it, conduct a review of the operations, assets, structure and employees of Aevum in light of that information. Final decisions will only be reached after that review and in light of all material facts and circumstances. As such, statements set out in this section are statements of current intention only which may change as new information becomes available or circumstances change. The statements in this section 4 should be read in this context.

4.3 Intentions upon acquisition of 90% or more of Aevum Shares

This section sets out Stockland's current intentions if it acquires 90% or more of the Aevum Shares and is entitled to proceed to compulsory acquisition of the outstanding Aevum Shares.

(a) Compulsory acquisition

If it becomes entitled to do so under the Corporations Act, Stockland intends to:

(i) give notices to compulsorily acquire any outstanding Aevum Shares in accordance with section 661B of the Corporations Act; and

(ii) if appropriate once further details of the Aevum Share Options are available to Stockland, give notices to Aevum Shareholders and holders of Aevum Share Options to compulsorily acquire any outstanding Aevum Shares and Aevum Share Options in accordance with section 664C of the Corporations Act.

If it is required to do so under section 662A and section 663A of the Corporations Act, Stockland intends to give notices to Aevum Shareholders and holders of Aevum Share Options offering to acquire their Aevum Shares and Aevum Share Options in accordance with section 662B and section 663C of the Corporations Act.

(b) Directors

Stockland will replace all members of the Aevum Board and of any company in respect of which Aevum has nominee directors with its own nominees.

(c) ASX listing

At the conclusion of the compulsory acquisition process, Stockland intends to arrange for Aevum to be removed from the official list of ASX.

(d) Head office

Stockland intends to undertake a review of Aevum's head office functions in Sydney with a view to fully integrating them into Stockland Group's Sydney head office.

(e) Operations and assets

Stockland intends to undertake an extensive review of Aevum's retirement living operations and assets, with the overall objective of integrating them with Stockland Group's retirement living business, leveraging wherever practical the complementary nature of the two businesses to create more efficient operations, improved asset utilisation and accelerated growth of the business through new village developments.

Stockland is committed to the wellbeing of aged care residents and will ensure that existing operations are maintained. Stockland will undertake a strategic review of Aevum's aged care operations to identify the most appropriate action to take, consistent with Stockland Group's strategy, which has been to offer access to aged care services through specialist third party providers rather than directly managed operations.

(f) Employees

Subject to undertaking the reviews noted in sections 4.3(d) and (e), Stockland expects that there may be some corporate, managerial and operational duplication in Aevum's and Stockland Group's businesses, and as such certain positions may become redundant. However, Stockland cannot determine the extent of such redundant positions until it has completed these reviews. If it is not feasible for Stockland Group to offer alternative roles to the employees holding these positions, it is expected that they will be offered redundancy packages in accordance with Aevum's redundancy policies and applicable employment laws

4.4 Intentions upon acquisition of less than 90% of Aevum Shares

This section sets out Stockland's intentions if Stockland were to gain effective control of Aevum although not becoming entitled to compulsorily acquire the outstanding Aevum Shares.

(a) ASX listing

Stockland would seek to review (following receipt of legal and financial advice in light of Stockland's post-Offer holding of Aevum Shares and a consideration of the spread of Aevum Shareholders and liquidity of Aevum Shares) whether to retain the listing of Aevum on ASX.

Stockland may also consider taking further actions following the Offer, as may be permitted by the Corporations Act, the ASX Listing Rules and Aevum's constitution, to manage the resultant spread of Aevum Shareholders and liquidity of Aevum Shares, including, without limitation, considering the use of a sale facility for unmarketable parcels held by Aevum Shareholders.

(b) Directors

Subject to the Corporations Act and Aevum's constitution, Stockland intends to procure the appointment of all or a majority of the Aevum Board after gaining effective control of Aevum (and to requisition a meeting of Aevum for that purpose if necessary), but the Aevum Board will continue to have at least two independent directors while Aevum remains listed on ASX. At this stage Stockland has not identified who its proposed nominee directors would be.

(c) Operations, assets and employees

If, following the close of the Offer, Aevum becomes a controlled entity but not a wholly owned Subsidiary of Stockland, it is the present intention of Stockland to attempt to procure that the Aevum Board implements the objectives outlined in section 4.3 to the extent possible and appropriate.

(d) Dividend policy

The capacity for Aevum to pay dividends in the future will depend on the capital expenditure requirements of Aevum's substantial pipeline of development projects as well as its established operations. It is Stockland's intention that Aevum would be self funding in this regard, which may restrict Aevum's ability to pay dividends.

(e) Limitations on intentions

To the extent that Aevum does not become a wholly owned Subsidiary of Stockland and there are minority Aevum Shareholders, Stockland intends that the directors of Aevum appointed by it will act at all times in accordance with their fiduciary duties and that all requisite shareholder approvals and other legal requirements are complied with in pursuing any of the intentions outlined above.

Those requirements may require the approval of minority Aevum Shareholders to the implementation of any particular objective.

The requirement to have regard to those fiduciary duties in the context of a partly owned company and the possible requirements of minority Aevum Shareholder approval may prevent the particular objective being achieved.

4.5 Intentions upon acquisition of less than 50.1% of Aevum Shares

Stockland reserves its right to declare the Offer free from the 50.1% minimum acceptance condition (and any other conditions) but has no present intention to do so. If Stockland does waive this condition and acquires less than 50.1% of the Aevum Shares, Stockland intends to seek the appointment of a number of its representatives on the Aevum Board (and to requisition a meeting of Aevum for that purpose if necessary) and gain a more detailed understanding of all the businesses, assets and operations of Aevum to evaluate the performance, profitability and prospects of Aevum and will endeavour to implement its intentions as outlined in section 4.4 above to the extent it is able to do so.

4.6 Intentions generally

Except for the changes and intentions set out in this section 4, Stockland intends, based on the information presently known to it:

(a) to continue the business of Aevum;

(b) not to make any major changes to the business of Aevum or the deployment of Aevum's assets;

(c) to continue the employment of Aevum's employees; and

(d) to the extent possible, minimise any disruption and changes to Aevum's residents.

5 Share capital information

5.1 Capital structure

According to documents lodged by Aevum with ASX, the total number of securities in Aevum on issue as at the date of this Bidder's Statement is as follows:

(a) 177,508,093 Aevum Shares; and

(b) 1,087,630 Aevum Share Options.

5.2 Aevum Employee or Executive Share Plans

Stockland understands that Aevum currently operates employee and executive share plan arrangements under the Aevum Employee or Executive Share Plans. Based on materials lodged with ASX, including disclosures in Aevum's annual report for the financial year ended 30 June 2009 and financial report for the half-year to 31 December 2009, Stockland understands that as at 31 December 2009 there were approximately 1,087,630 Aevum Share Options on issue which are convertible into Aevum Shares under the terms of Aevum Employee or Executive Share Plans.

(a) Aevum Share Options

Stockland is not aware of the detailed terms of all of the Aevum Employee or Executive Share Plans and, in particular, does not have definitive details of when Aevum Share Options may vest and any rights which may entitle early vesting of Aevum Share Options in connection with the Offer by Stockland Corporation or otherwise. However, based on publicly available information, including the annual report for the financial year ended 30 June 2009 and the copy of "Employee Incentive Scheme Rules" released to ASX by Aevum on 16 November 2004, Stockland understands that, if there is a change of control of Aevum (within the meaning of section 50AA of the Corporations Act) certain unvested Aevum Share Options known as "zero exercise price options" may vest and become exercisable immediately regardless of whether any performance targets or other criteria have been met. Stockland understands that the number of unvested zero exercise price options that vest and become exercisable will be calculated pro-rata based on the period that has elapsed between the date of grant and the vesting date, and that any unvested options will lapse (unless any contract of employment provides otherwise).

Stockland's Offer extends to all Aevum Shares which are issued during the Offer Period as a result of the exercise of Aevum Share Options. However, Stockland is not offering to acquire any Aevum Share Options. Stockland encourages holders of Aevum Share Options to exercise their Aevum Share Options, to the extent they are entitled to do so, and accept the Offer in respect of the Aevum Shares issued on exercise if they wish to participate in the Offer.

Although Stockland is not offering to acquire any Aevum Share Options, Stockland reserves the right, at its discretion, to make private treaty offers to holders of Aevum Share Options to acquire or cancel any vested Aevum Share Options for a cash amount equivalent in value to the Offer price per vested Aevum Share Option (less any exercise or other costs), subject to the Offer becoming or being declared unconditional. As noted at section 4.3(a) above, if there are any Aevum Share Options outstanding after the close of the Offer and

Stockland is entitled to exercise compulsory acquisition powers under the Corporations Act, Stockland presently intends to compulsorily acquire any outstanding Aevum Shares and Aevum Share Options, although it reserves the right not to do subject to reviewing the terms of those outstanding Aevum Share Options.

(b) Restricted Aevum Shares

Stockland understands that Aevum has in the past issued Aevum Shares under the Aevum Employee or Executive Share Plans which are subject to restrictions on transfer, but understands that there are no Aevum Shares currently on issue which are subject to such transfer restrictions.

To the extent that there are any Aevum Shares currently on issue which are subject to transfer restrictions, Stockland notes that the terms of the "Employee Incentive Scheme Rules" released to ASX by Aevum on 16 November 2004, indicate that, if there is a change of control of Aevum (within the meaning of section 50AA of the Corporations Act), any such restricted Aevum Shares will immediately vest and have any transfer restrictions or holding locks released. Accordingly, Stockland intends that this Offer extends to any such restricted Aevum Shares which are on issue, and encourages holders to accept the Offer in respect of them to the extent they are entitled to do so.

5.3 Details of relevant interests in Aevum securities

Details of Stockland's relevant interests in the securities of Aevum are set out in the table below:

Class of securities	Total number in class	Relevant interest of Stockland immediately before Bidder's Statement lodged with ASIC	Relevant interest of Stockland immediately before first Offer sent
Aevum Shares	177,508,093	28,292,261 (15.94%)	[•] ([•]%)

5.4 Details of voting power in Aevum

Stockland's voting power in Aevum as at the date of this Bidder's Statement is 15.94%.

Stockland's voting power in Aevum as at the date immediately before the first Offer is sent is [•]%.

5.5 Consideration provided for Aevum securities during previous four months

Except as set out below Stockland and its associates have not acquired or disposed of Aevum Shares during the period of four months including on the day immediately before the date of the Offer.

On 2 August 2010, Stockland entered into a number of transactions to acquire in aggregate 10,388,911 Aevum Shares at a price of $1.50 per Aevum Share, for a total consideration of $15,583,367.

5.6 Inducing benefits given during previous four months

Except as set out in this Bidder's Statement, neither Stockland nor any of its associates has, during the period of four months ending on the day immediately before the date of the Offer, given, offered or agreed to give, a benefit to another person where the benefit was likely to induce the other person, or an associate, to:

(a) accept an Offer; or

(b) dispose of Aevum Shares,

which benefit was not offered to all holders of Aevum Shares under the Offer.

6 Funding

6.1 Maximum cash consideration

The consideration for the acquisition of Aevum Shares to which the Offer relates will be satisfied wholly in cash and, if the Offer is accepted in respect of all the Aevum Shares to which the Offer relates (including the maximum number of Aevum Shares which could be issued upon the exercise of the Aevum Share Options referred to at section 5.2 of this Bidder's Statement), will be approximately $225 million.

6.2 Stockland's access to funding

Stockland Group has existing cash reserves and existing undrawn and available debt facilities significantly in excess of the maximum consideration payable pursuant to the Offer, and Stockland intends to fund the Offer solely through utilising these existing reserves or facilities (the "**Facilities**"). The terms of the Facilities do not have any material pre-conditions to making the funds available and Stockland expects that funds will be available for immediate drawdown in connection with the Offer throughout the Offer Period.

(a) Particulars of cash reserves

As at the date of this Bidder's Statement, Stockland Group has on deposit with financial institutions existing cash reserves significantly in excess of the maximum consideration payable pursuant to the Offer, which are available to Stockland where required in connection with the Offer.

(b) Particulars of the Facilities

To the extent that Stockland elects to utilise external third party funds rather than its existing cash reserves to fund any of the consideration payable pursuant to the Offer, such funds will be drawn by Stockland Group under the Facilities. The Facilities are made available by a number of banking institutions with whom Stockland Group has ongoing banking relationships. As at the date of this Bidder's Statement, Stockland Group has significantly in excess of the maximum consideration payable pursuant to the Offer available for drawdown under the Facilities. There are no restrictions on the application of funds under the Facilities, and no material pre-conditions to the drawdown of funds in relation to the Offer.

Each Facility contains events of default, undertakings, representations and warranties and other provisions usual for facilities of this nature. Stockland has no reason to believe that any of the events of default will occur such that a drawdown will not be able to be made if required.

6.3 Stockland's internal funding arrangements

Stockland has entered into an agreement with Stockland Corporation under which Stockland Corporation has unconditionally and irrevocably agreed to procure that Stockland is provided with all amounts Stockland requires to make payment pursuant to the Offer as and when those payments are due to be made. The money will be provided in whatever form and manner Stockland requires.

7 Taxation considerations

7.1 Introduction

The following is an outline of the principal Australian income tax consequences applicable to an Aevum Shareholder who disposes of Aevum Shares under the Offer. The comments set out below are also relevant to those Aevum Shareholders who do not accept the Offer if Stockland proceeds to compulsorily acquire their shares following Stockland having a relevant interest in at least 90% of Aevum Shares (by number) on issue at any time during the Offer Period.

This outline reflects the current provisions of the *Income Tax Assessment Act 1936 (Cwlth)* and the *Income Tax Assessment Act 1997 (Cwlth)* and the regulations made under those Acts, taking into account Stockland's understanding of the current administrative practices of the Australian Taxation Office. The outline does not otherwise take into account or anticipate changes in the law, whether by way of judicial decision or legislative action, nor does it take into account tax legislation of countries apart from Australia.

The following outline is not exhaustive of all possible Australian income tax considerations that could apply to Aevum Shareholders. In particular, the summary is only relevant to those Aevum Shareholders who hold their shares on capital account and it does not address all tax considerations applicable to Aevum Shareholders that may be subject to special tax rules, such as banks, insurance companies, tax exempt organisations, superannuation funds, dealers in securities, Aevum Shareholders which hold the Aevum Shares on behalf of another person or Aevum Shareholders who acquired their Aevum Shares as part of an employee share scheme. For Aevum Shareholders who are non-residents of Australia for tax purposes, it is assumed that the Aevum Shares are not held and have never been held, as an asset of a permanent establishment of that Aevum Shareholder in Australia.

This outline does not constitute tax advice. Each Aevum Shareholder should consult their own tax adviser regarding the consequences of acquiring, holding or disposing of their Aevum Shares.

7.2 Taxation on the disposal of Aevum Shares

If you accept the Offer, you will be treated as having disposed of your Aevum Shares for Australian income tax purposes.

7.3 Australian resident Aevum Shareholders

Unless you are treated as having acquired your Aevum Shares before 20 September 1985, the following consequences will apply to you.

You will realise a capital gain in connection with the disposal of an Aevum Share to the extent that the amount you receive (or will receive) for the disposal of that Aevum Share is more than the cost base of that Aevum Share. You will realise a capital loss to the extent that the amount you receive (or will receive) is less than the reduced cost base of the Aevum Share. Capital losses can usually only be offset against capital gains you realise in the same income year or in later income years.

The cost base of an Aevum Share should be the total amount you paid for the Aevum Share, your acquisition costs and other costs relating to the holding and disposal of the Aevum Share, to the extent to which you have not claimed an income tax deduction for such costs. The reduced cost base of an Aevum Share is usually determined in a similar, but not identical, manner. There are a number of circumstances which may result in your cost base or reduced cost base being calculated in a different manner to that outlined above. We recommend that you consult your tax adviser to confirm the cost base or reduced cost base of your Aevum Shares.

If you are an Aevum Shareholder because you received your Aevum shares pursuant to the 2010 Scheme of Arrangement involving Aevum and IOR and you elected to obtain CGT roll-over relief in relation to the disposal of your shares in IOR, the cost base or reduced cost base of your Aevum Shares will need to be determined by reference to Class Ruling CR 2007/45 issued by the Commissioner of Taxation. If that is the case, we recommend that you consult your tax adviser to confirm the cost base or reduced cost base of your Aevum Shares.

Any net capital gain should be included in your assessable income for that income year. Broadly, your net capital gain in respect of an income year will be calculated by aggregating all of your capital gains realised in that income year and reducing that amount by your capital losses realised in that income year and any available net capital losses from prior years.

Aevum Shareholders who are individuals, trusts or complying superannuation funds may be eligible for discount capital gains treatment in respect of an Aevum Share if they have held that Aevum Share for at least 12 months. Companies are not eligible for discount capital gains treatment.

The above comments will not apply to you if you buy and sell shares in the ordinary course of business, or if you acquired the shares for resale at a profit. In those cases, any gain is generally taxed as ordinary income. The above comments will also not apply to you if you are treated as having acquired your Aevum Shares before 20 September 1985. We recommend that those Aevum Shareholders seek their own tax advice.

Aevum Shareholders should seek their own advice as to the tax consequences of disposing of their Aevum Shares, in particular as to the availability of the discount capital gains tax concession.

7.4 Australian resident Aevum Shareholders - Pre-CGT Aevum Shares

If your Aevum Shares are treated as having been acquired before 20 September 1985, the tax consequences will be significantly different.

Generally, you should not be taxed on any gain on the sale of your Aevum Shares.

Aevum Shareholders are encouraged to seek advice from their own tax adviser as to whether their Aevum Shares are treated as having been acquired before 20 September 1985.

The above comments do not apply to you if you buy and sell shares in the ordinary course of business, or if you acquired the shares for resale at a profit. In those cases, any gain will generally be taxed as ordinary income. You should seek your own advice.

7.5 Non-resident Aevum Shareholders

If you are not a resident of Australia for income tax purposes, you will generally not have to pay Australian tax on any capital gain when you dispose of your Aevum Shares, unless both of the following requirements are satisfied:

(a) you hold a "non-portfolio interest" in Aevum; and

(b) the Aevum Shares pass the "principal asset test".

If either element is absent, any capital gain made on the disposal of your Aevum Shares should not be subject to income tax in Australia.

You will hold a "non-portfolio interest" in Aevum if you (together with your associates) own, or owned, throughout a 12 month period during the two years preceding the sale of your Aevum Shares, 10% or more of (broadly) all of the shares in Aevum.

Broadly, the Aevum Shares would pass the "principal asset test" if the market value of Aevum's direct and indirect interests in Australian land (including leases and mining rights) is more than the market value of its other assets at the time you accept the Offer. Detailed calculations are necessary to determine the results of the "principal asset test".

If you hold a "non-portfolio interest" in Aevum, you should contact Aevum to determine if the Aevum Shares would pass the "principal asset test".

If you buy and sell shares in the ordinary course of business, or acquired the shares for resale at a profit, any gain could be taxed in Australia as ordinary income and not as a capital gain (subject to any available relief under a double tax treaty that Australia has concluded with your country of residence). Again, you should seek your own tax advice.

You should seek advice from your tax adviser as to the taxation implications of accepting the Offer in your country of residence.

7.6 GST

The disposal of Aevum Shares should not be subject to GST.

7.7 Stamp duty

Any stamp duty payable on the transfer of Aevum Shares to Stockland pursuant to the Offer will be paid by Stockland.

8 Additional information

8.1 Conditions

The Offer is subject to a number of conditions, which are set out in full in Appendix 2. Under the terms of the Offer and the Corporations Act, any or all of those conditions may be waived by Stockland.

If an event occurs which results (or would result) in the breach or non-fulfilment of a condition of the Offer, Stockland might not make a decision as to whether it will either rely on that occurrence, or instead waive the relevant condition in respect of that occurrence, until the date for giving notice as to the status of the conditions of the Offer under section 630(3) of the Corporations Act (see clause 6.5 of the Offer Terms at Appendix 1). If Stockland decides that it will waive a condition to the Offer it will announce that decision to ASX in accordance with section 650F of the Corporations Act.

If any of the conditions to the Offer are breached or not fulfilled, and Stockland decides to rely on that breach or non-fulfilment, then any contract resulting from acceptance of the Offer will become void at (or, in some cases, shortly after) the end of the Offer Period, and the relevant Aevum Shares will be returned to the holder.

8.2 Acquisitions of Aevum Shares

You should be aware that Stockland may purchase securities otherwise than under the Offer, such as in on-market or privately negotiated purchases, to the extent permitted under Australian law. Stockland has no intention of engaging in such on-market or privately negotiated purchases at any time that the market price for Aevum Shares is above the Offer price. If the market price becomes lower than the Offer price, Stockland will determine at that time whether to make on-market or privately negotiated purchases of Aevum Shares. Any such purchases will be disclosed to ASX in substantial holder notices which Stockland is required to lodge pursuant to Part 6C.1 of the Corporations Act.

Aevum Shareholders who sell their Aevum Shares on-market on ASX will receive payment on a T+3 basis (being three Trading Days after the date of the transaction). Aevum Shareholders who sell their Aevum Shares on-market on ASX cannot subsequently accept Stockland's Offer in respect of Shares sold on ASX. Additionally, Aevum Shareholders who sell their Aevum Shares on ASX may incur brokerage charges which they may not incur if they accepted Stockland's Offer.

8.3 Miscellaneous matters

ASIC modifications

ASIC has published various "Class Orders" providing for exemptions and modifications that apply generally to all persons, including Stockland, in relation to the operation of Chapter 6 of the Corporations Act as it applies to this Offer.

Among others, Stockland has relied on the modification to section 636(3) of the Corporations Act set out in paragraph 11 of ASIC Class Order 01/1543 "Takeover Bids" to include, without obtaining specific consent, statements which are made in, or based on statements made in, documents announced on the company announcements platform of ASX by Aevum. If you would like to receive a copy of any of these documents or relevant extracts containing the statements (free of charge), please contact the shareholder information line on 1800 646 920 (toll-free) from within Australia or on +61 2 8280 7071 from outside Australia. Stockland notes that these documents are also available on ASX's website at www.asx.com.au under the 'announcements' platform and Aevum Shareholders can view and print a copy of these documents from that website.

Stockland has also received relief from ASIC (pursuant to ASIC relief instrument 10-0711 dated 4 August 2010)("**Relief**") to permit the Offer, to the extent necessary, to extend to any Aevum Shares issued under the Aevum DRP during the Offer Period.

8.4 Approvals for payment of consideration

Stockland is not aware of any Aevum Shareholders who require any approval referred to in section 5.7 of Appendix 1 in order to be entitled to receive any consideration under the Offer.

8.5 Consents

This Bidder's Statement contains statements made by, or statements based on statements made by, each of Stockland Corporation (on behalf of Stockland Group) and Stockland. Each of Stockland Corporation and Stockland has consented to the inclusion of:

(a) each statement it has made; and

(b) each statement which is based on a statement it has made,

in this Bidder's Statement in the form and context in which those statements appear and has not withdrawn that consent as at the date of this Bidder's Statement.

Deutsche Bank AG, Sydney branch (ABN 13 064 165 162) has acted as financial adviser to, Mallesons Stephen Jaques has acted as legal adviser to, and Link Market Services Limited has acted as share registrar for Stockland Group in relation to the Offer. Each of Deutsche Bank AG, Sydney branch, Mallesons Stephen Jaques and Link Market Services Limited has consented to be named in this Bidder's Statement in the form and context in which it is named and has not withdrawn its consent as at the date of this Bidder's Statement, but should not be regarded as having caused or authorised the issue of this Bidder's Statement or any statements made in it or to have been in any way involved in the making of the Offer. To the maximum extent permitted by law, each of Deutsche Bank AG, Sydney branch, Mallesons Stephen Jaques and Link Market Services Limited disclaims and takes no responsibility for this Bidder's Statement (other than references to its respective name) or any part of any statements in or omissions from this Bidder's Statement.

8.6 Other material information

Except as set out elsewhere in this Bidder's Statement, there is no other information that is:

(a) material to the making of a decision by an Aevum Shareholder whether or not to accept an Offer; and

(b) known to Stockland,

that has not previously been disclosed to the Aevum Shareholders.

9 Glossary

9.1 Definitions

The following defined terms are used throughout this Bidder's Statement unless the contrary intention appears or the context requires otherwise:

Acceptance Form means the form of acceptance and transfer accompanying the Offer or any replacement or substitute acceptance form provided by or on behalf of Stockland.

Aevum means Aevum Limited (ABN 80 087 648 691), a company incorporated in Australia.

Aevum Board means the board of directors of Aevum.

Aevum DRP means the dividend reinvestment plan operated by Aevum under the "Dividend Reinvestment Plan Rules" released to ASX by Aevum on 25 October 2007 (as may be amended from time to time).

Aevum Employee or Executive Share Plan means any plan adopted by Aevum to enable participation by its employees and executives in equity ownership of Aevum, including any of the Aevum plans referred to as the Employee Share Option Plan, the Senior Management Option Plan, the Senior Executive Incentive Scheme, the Management Incentive Scheme, the Special Bonus Scheme, the Employee Share Plan or the Staff Share Plan which may be in operation.

Aevum Group means Aevum and each of its Subsidiaries.

Aevum Shareholders means holders of Aevum Shares.

Aevum Shares means fully paid ordinary shares in the capital of Aevum.

Aevum Share Options means options issued in accordance with an Aevum Employee or Executive Share Plan that are, subject to the terms of issue and other conditions, able to be converted into Aevum Shares and any other options issued by Aevum to subscribe for or otherwise acquire Aevum Shares.

Announcement Date means 2 August 2010, being the date of announcement of the Offer.

ASIC means Australian Securities and Investments Commission.

ASTC Participant means an ASTC participant under the ASTC Settlement Rules.

ASX means ASX Limited or the Australian Securities Exchange, as appropriate.

ASX Listing Rules means the listing rules of ASX and any other rules of ASX which are applicable while the relevant entity is admitted to the official list of ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX.

ASTC means ASX Settlement Pty Limited (formerly ASX Settlement and Transfer Corporation Pty Limited) (ABN 49 008 504 532), the body which administers the CHESS system in Australia.

ASTC Settlement Rules means the settlement rules of ASTC.

Bidder's Statement means this document, being the statement of Stockland under Part 6.5 Division 2 of the Corporations Act relating to the Offer.

Broker means a person who is a share broker and a participant in CHESS.

Business Day means a day on which banks are open for general banking business in Sydney (not being a Saturday, Sunday or public holiday in that place).

CHESS means the Clearing House Electronic Subregister System, which provides for electronic share transfer in Australia.

CHESS Holding means a holding of Aevum Shares on the CHESS subregister of Aevum.

Controlling Participant means the Broker or ASTC Participant who is designated as the controlling participant for shares in a CHESS Holding in accordance with the ASTC Settlement Rules.

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

Encumbrance means any:

(a) security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, option, right of pre-emption, power, title retention, or flawed deposit arrangement; or

(b) right, interest or arrangement which has the effect of giving another person a preference, priority or advantage over creditors including any right of set-off; or

(c) right that a person (other than the owner) has to remove something from land (known as a profit à prendre), easement, public right of way, restrictive or positive covenant, lease, or licence to use or occupy; or

(d) third party right or interest or any right arising as a consequence of the enforcement of a judgment,

or any agreement to create any of them or allow them to exist.

Excluded Rights means the right to receive a Permitted Dividend (if any).

HIN means a Holder Identification Number, which is the number that starts with an "X", allocated by your Controlling Participant, to identify an Aevum Shareholder with a CHESS Holding.

IOR means IOR Group Pty Limited (ABN 31 124 030 253).

IOR Group means IOR and its Subsidiaries.

Issuer Sponsored Holding means a holding of Aevum Shares on Aevum's issuer sponsored subregister.

Offer means the offer by Stockland on the Offer Terms to acquire Aevum Shares (and for the avoidance of doubt includes each such offer made to an individual Aevum Shareholder pursuant to that offer).

Offer Period means the period commencing on [●]and ending on [●], or such later date to which the Offer has been extended.

Offer Terms means the terms and conditions of the Offer set out in Appendices 1 and 2 to this Bidder's Statement.

Permitted Dividend means a final dividend declared by Aevum for the financial year ended 30 June 2010 prior to the end of the Offer Period to the extent that such dividend does not exceed 3 cents per Aevum Share.

Rights means all accretions, rights or benefits of whatever kind attaching to or arising from Aevum Shares directly or indirectly after the Announcement Date, including but not limited to all dividends or other distributions and all rights to receive any dividends or other distributions, or to receive or subscribe for shares, stock units, notes, bonds, options or other securities, declared, paid or made by Aevum or an Aevum Subsidiary, other than the Excluded Rights.

SRN means a Security holder Reference Number, which is the number which starts with an "I", allocated by Aevum to identify an Aevum Shareholder with an Issuer Sponsored Holding.

Stockland means Stockland Development Pty Limited (ABN 71 000 064 835) as trustee for The Retirement Living Acquisition Trust (ABN 32 474 093 417).

Stockland Corporation means Stockland Corporation Limited (ABN 43 000 181 733).

Stockland Group means Stockland Corporation and Stockland Trust and their respective Subsidiaries and trusts.

Stockland Group Member means a member of the Stockland Group.

Stockland's Takeover Transferee Holding means the holding of Aevum Shares on the CHESS subregister of Stockland established for the purposes of the Offer.

Stockland Trust means Stockland Trust (ARSN 092 897 348), acting by its responsible entity, Stockland Trust Management.

Stockland Trust Management means Stockland Trust Management Limited (ABN 86 001 900 741).

Subsidiary means a subsidiary as that term is defined in the Corporations Act.

Trading Day has the meaning given in the ASX Listing Rules.

VWAP means the volume weighted average share price.

9.2 General Interpretation

The following rules of interpretation apply unless the contrary intention appears or the context requires otherwise:

(a) A reference to time or to "Sydney time" is a reference to AEST (Australian Eastern Standard Time) or AEDT (Australian Eastern Summer Time) as applicable in New South Wales at the relevant time.

(b) Headings are for convenience only and do not affect interpretation.

(c) The singular includes the plural and conversely.

(d) A reference to a section is to a section of this Bidder's Statement.

(e) A gender includes all genders.

(f) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.

(g) $, or cents is a reference to the lawful currency in Australia, unless otherwise stated.

(h) A reference to a person includes a body corporate, an unincorporated body or other entity and conversely.

(i) A reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including, but not limited to, persons taking by novation) and assigns.

(j) A reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and all regulations and statutory instruments issued under it.

(k) A reference to any instrument or document includes any variation or replacement of it.

(l) A term not specifically defined in this Bidder's Statement has the meaning given to it (if any) in the Corporations Act or the ASTC Settlement Rules, as the case may be.

(m) A reference to a right or obligation of any two or more persons confers that right, or imposes that obligation, as the case may be, jointly and individually.

(n) A reference to you is to a person to whom the Offer is made under Appendix 1 to this Bidder's Statement.

10 Approval of Bidder's Statement

The copy of this Bidder's Statement that is to be lodged with ASIC has been approved by a resolution passed by the directors of Stockland on 5 August 2010.

Signed by Matthew Quinn of Stockland in accordance with section 351 of the Corporations Act.

Director: Matthew Quinn

Date: 5 August 2010

Appendix 1 - Formal terms of the Offer

1 Offer

Stockland offers to acquire all of your Aevum Shares, together with all Rights (other than any rights to the Permitted Dividend) attaching to them, on the following terms and conditions. This Offer relates to Aevum Shares that exist or will exist at [•] and extends to any Aevum Shares that are issued between that date and the end of the Offer Period as a result of the exercise of Aevum Share Options. The Offer also extends to any Aevum Shares that are issued under the Aevum DRP during the Offer Period in respect of the final dividend payable by Aevum for the financial year ended 30 June 2010 (pursuant to the Relief granted by ASIC, as detailed in section 8.3 of this Bidder's Statement).

You may only accept this Offer for all of your Aevum Shares. Subject to clause 10.1(b) of these Offer Terms, partial acceptance is not permitted under the terms of the Offer.

By accepting this Offer, you undertake to transfer to Stockland not only the Aevum Shares to which this Offer relates but also all Rights attached to those Aevum Shares (see clauses 5.4 and 5.5).

2 Consideration

The consideration offered for each Aevum Share is $1.50 cash.

If you accept the Offer before the record date for any Permitted Dividend, or you are the registered holder on the record date for any Permitted Dividend, you will also be entitled to receive or retain that Permitted Dividend without any reduction in the Offer price of $1.50.

However, in accordance with clauses 5.4 and 5.5 the amount of consideration you receive directly from Stockland may be reduced by the amount or value of any Rights (other than any rights to the Permitted Dividend) attaching to Aevum Shares, which you (or any previous holder of your Aevum Shares) receive, including any dividend declared by Aevum.

3 Offer Period

This Offer will, unless withdrawn, remain open for acceptance during the period commencing on the date of this Offer, being [•], and ending at 7.00pm (Sydney time) on:

(a) [•]; or

(b) any date to which the period of this Offer is extended in accordance with the Corporations Act,

whichever is the later.

4 How to accept this Offer

4.1 Acceptance Forms

Acceptances must be received in the manner specified below prior to the close of the Offer Period at 7.00pm (Sydney time) on **[•]**, unless extended (and in the case of any acceptance in respect of a CHESS Holding, lodged at or sent to an address as indicated under clause 4.3(e) before 7.00pm on the second last Business Day of the Offer Period in accordance with clause 4.3(a)(iii)).

4.2 All of your holding

This Offer is for all of your Aevum Shares.

4.3 Acceptance procedure for Aevum Shareholders

How you accept this Offer depends on whether your Aevum Shares are held in a CHESS Holding or an Issuer Sponsored Holding (the Acceptance Form outlines which type of holding you have):

(a) **If you hold your Aevum Shares in a CHESS Holding** (your HIN starts with an "X") you must comply with the ASTC Settlement Rules.

If you hold your Aevum Shares in a CHESS Holding, to accept this Offer you must either:

(i) instruct your Controlling Participant (usually your Broker) to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASTC Settlement Rules in sufficient time for this Offer to be accepted before the end of the Offer Period; or

(ii) complete and sign the Acceptance Form and send the completed Acceptance Form (together with all other documents required by the instructions on the form) directly to your Controlling Participant (usually your Broker) in sufficient time for this Offer to be accepted before the end of the Offer Period with instructions to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASTC Settlement Rules before the end of the Offer Period; or

(iii) complete and sign the Acceptance Form and lodge it by returning it to an address as indicated under clause 4.3(e) so that your acceptance is received before 7.00pm on the second last Business Day of the Offer Period. This will authorise Stockland to instruct your Controlling Participant (usually your Broker) to initiate acceptance of this Offer on your behalf.

(b) **If you are a Broker or an ASTC Participant**, to accept this Offer you must initiate acceptance in accordance with the requirements of the ASTC Settlement Rules before the end of the Offer Period.

(c) **If you hold your Aevum Shares in an Issuer Sponsored Holding** (your SRN starts with an "I")

If your Aevum Shares are in an Issuer Sponsored Holding, to accept this Offer you must **complete and sign** the Acceptance Form in accordance with the instructions on it and lodge it by returning it (together with all other documents required by the instructions on the Acceptance Form) to an address as indicated under clause 4.3(e) so that your acceptance is received before the end of the Offer Period.

(d) **If some of your Aevum Shares are held in a number of forms**

If some of your Aevum Shares are in different holdings, your acceptance of this Offer will require action under clauses 4.3(a) and 4.3(c) in relation to the separate portions of your Aevum Shares.

(e) **Postal and delivery addresses**

The postal and delivery addresses for completed Acceptance Forms are as follows.

The postal address is:

Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

Alternatively you may deliver the Acceptance Form and any associated documents in person to:

Link Market Services Limited
Level 12
680 George Street
Sydney NSW 2000

A reply paid envelope (not able to be used by Aevum Shareholders outside Australia) is enclosed for your convenience.

The transmission of the Acceptance Form and other documents is at your own risk.

(f) **Acceptance Form**

The Acceptance Form which accompanies this Offer forms part of it. Subject to clause 4.5, the requirements on the Acceptance Form must be observed in accepting this Offer in respect of your Aevum Shares.

4.4 Power of attorney, deceased estate

When accepting this Offer, you should also forward for inspection:

(a) if the Acceptance Form is executed by an attorney, a certified copy of the power of attorney; and

(b) if the Acceptance Form is executed by the executor of a will or the administrator of the estate of a deceased Aevum Shareholder, a certified copy of the relevant grant of probate or letters of administration.

4.5 When acceptance is complete

Acceptance of this Offer will not be complete until the completed Acceptance Form has been received at one of the addresses set out in clause 4.3(e) and the requirements of clause 4 have otherwise been met, provided that:

(a) Stockland may in its sole discretion and without notice to you waive any or all of those requirements at any time (including but not limited to requirements in relation to the manner or method of acceptance, or the deadline for receipt of acceptances specified under clause 4.3(a)(iii)); and

(b) where such requirements have been complied with in respect of some but not all of your Aevum Shares, Stockland may, in its sole discretion, deem your acceptance of this Offer complete in respect of those Aevum Shares for which the requirements have been complied with but not in respect of the remainder (unless Stockland waives those requirements in accordance with clause 4.5(a)).

Where Stockland elects to waive any requirement of clause 4, your acceptance of this Offer will be complete regardless of any failure by you to comply with the waived requirement.

5 Payment for your shares

5.1 How payment for your shares will be made

The consideration payable by Stockland to you in respect of your Aevum Shares will be paid to you by cheque in Australian currency.

5.2 When consideration is paid

Subject to clause 5.3, if the contract resulting from your acceptance of this Offer becomes unconditional, Stockland will provide the consideration to which you are entitled on acceptance of this Offer:

(a) if this Offer is unconditional at the time of your acceptance, within one week after the date this Offer is validly accepted by you; or

(b) if this Offer is subject to a defeating condition when accepted, within one week after this Offer or the contract resulting from your acceptance of this Offer becomes unconditional.

5.3 Where additional documents are required

Where the Acceptance Form or any subsequent request from Stockland requires additional documents to be given with your acceptance (such as a certified copy of any of a power of attorney, grant of probate or letters of administration, or any other document reasonably requested by Stockland to give better effect to your acceptance):

(a) if the documents are given with your acceptance, Stockland will provide the consideration in accordance with clause 5.2; or

(b) if the documents are given after acceptance and before the end of the Offer Period and this Offer is subject to a defeating condition at the time that Stockland is given the documents, Stockland will provide the consideration within one week after the contract resulting from your acceptance of this Offer becomes unconditional; or

(c) if the documents are given after acceptance and before the end of the Offer Period and this Offer is unconditional at the time that Stockland is given the documents, Stockland will provide the consideration within one week after Stockland is given the documents; or

(d) if the documents are given after the end of the Offer Period, Stockland will provide the consideration within one week after the documents are given; but if at the time Stockland is given the documents, the contract resulting from your acceptance of this Offer is still subject to one or more of the conditions referred to in paragraph (c) of Appendix 2, Stockland will provide the consideration within one week after that contract becomes unconditional.

If you do not provide Stockland with the required additional documents within one month after the end of the Offer Period, Stockland may, in its sole discretion, rescind the contract resulting from your acceptance of this Offer.

5.4 Where Stockland is entitled to any Rights

If Stockland becomes entitled to any Rights as a result of your acceptance of this Offer, it may require you to give Stockland all documents necessary to vest those Rights in Stockland or otherwise to give Stockland the benefit or value of those Rights. If you do not give those documents to Stockland, or if you have received the benefit of those Rights, then Stockland may deduct from the consideration otherwise due to you the amount (or value, as reasonably assessed by Stockland) of those Rights in accordance with clause 5.5.

5.5 Rights generally

If:

(a) you have (or any previous holder of your Aevum Shares has) received the benefit of any Rights (whether in respect of non-cash benefits or otherwise); or

(b) you are (or any previous holder of your Aevum Shares is) entitled to receive the benefit of any Rights under the terms that provide for or otherwise apply to those Rights (for example, if the Right is to receive a dividend, if you are (or any previous holder of your Aevum Shares is) the registered holder of the share at the specified time for determining those entitled to the dividend); or

(c) your Aevum Shares were issued (or otherwise came into existence) on or after the record date in respect of any Rights to Aevum Shareholders,

then:

(d) in the case of Rights to non-cash benefits, Stockland may deduct the value (as reasonably assessed by Stockland) of such Rights from any consideration otherwise payable to you; or

(e) in the case of Rights to cash benefits, Stockland may deduct the amount of such Rights from any consideration otherwise payable to you.

If Stockland does not, or cannot, make such a deduction, you must pay such value or amount to Stockland.

5.6 Manner of payment

Payment of the cash amount to which you are entitled will be mailed by cheque (or otherwise as agreed by Stockland) in Australian currency. Cheques will be sent to the address on the Acceptance Form or such other address as you may notify in writing to Stockland, by pre-paid ordinary mail or, if you have an overseas address, by pre-paid airmail.

5.7 Clearances for offshore residents

If, at the time of acceptance of this Offer, any consent, authority or clearance is required for you to receive any consideration under this Offer including, but not limited to consent, authority or clearance of:

(a) the Minister for Foreign Affairs (whether under the *Charter of the United Nations Act* 1945 (Cwlth), the Charter of the United Nations (Terrorism and Dealings with Assets) Regulations 2002 or any other regulations made thereunder, or otherwise);

(b) the Reserve Bank of Australia (whether under the *Banking (Foreign Exchange) Regulations* 1959 (Cwlth) or otherwise); or

(c) the Australian Taxation Office,

then acceptance of this Offer will not create or transfer to you any right (contractual or contingent) to receive (and you will not be entitled to receive) any consideration under this Offer unless and until all such consents, authorities or clearances have been received by Stockland.

6 Conditions of this Offer

6.1 Conditions

This Offer and the contract that results from acceptance of this Offer are subject to fulfilment of the conditions set out in Appendix 2.

6.2 Nature of conditions

Each of the conditions set out in each paragraph and subparagraph of Appendix 2:

(a) constitutes and will be construed as a separate, several and distinct condition;

(b) is a condition subsequent; and

(c) until the expiration of the Offer Period (or in the case of the conditions referred to in paragraph (c) of Appendix 2, until three Business Days after the end of the Offer Period) will be for the benefit of Stockland alone and may be relied upon only by Stockland.

6.3 Effect of breach or non-fulfilment

The breach or non-fulfilment of any of the conditions subsequent set out in Appendix 2 does not, until the end of the Offer Period, prevent a contract arising to acquire your Aevum Shares resulting from your acceptance of this Offer but, if at the end of the Offer Period (or, in the case of the conditions in paragraph (c) of Appendix 2 at the end of three Business Days after the end of the Offer Period), in respect of any condition in Appendix 2:

(a) Stockland has not declared this Offer (and it has not become) free from that condition; and

(b) that condition has not been fulfilled,

all contracts resulting from the acceptance of the Offer and all acceptances that have not resulted in binding contracts are void. In such a case, Stockland will notify ASTC of the lapse of the Offer in accordance with Rule 14.19 of the ASTC Settlement Rules.

6.4 Stockland may decide Offer is free from all or any of the conditions

Stockland may at any time at its sole discretion, but in compliance with the Corporations Act, declare the Offer free from all or any of the conditions set out in each paragraph and subparagraph of Appendix 2 by notice in writing to Aevum:

(a) in the case of the conditions referred to in paragraph (c) of Appendix 2 - not later than three Business Days after the end of the Offer Period; or

(b) in any other case - not later than seven days before the end of the Offer Period.

6.5 Date for giving notice on status of conditions

The date for giving a notice on the status of the conditions as required by section 630(1) of the Corporations Act is [•], subject to variation in accordance with section 630(2) of the Corporations Act in the event that the Offer Period is extended.

7 Effect of Acceptance

7.1 Revocation of acceptance

Once you have accepted this Offer, you will be unable to revoke your acceptance and the contract resulting from your acceptance will be binding on you. In addition, you will be unable to withdraw your acceptance of this Offer or otherwise dispose of your Aevum Shares, except as follows:

(a) if, by the times specified in clause 7.2, the conditions in Appendix 2 have not all been fulfilled or waived, then this Offer will automatically terminate and your Aevum Shares will be returned to you; or

(b) if the Offer Period is varied in a way that postpones for more than one month the time when Stockland has to meet its obligations under the Offer and, at that time, this Offer is subject to one or more of the conditions in Appendix 2, then you may be able to withdraw your acceptance in accordance with section 650E of the Corporations Act.

7.2 Times

The relevant times for the purposes of clause 7.1(a) are:

(a) in the case of the defeating conditions referred to in paragraph (c) of Appendix 2 - three Business Days after the end of the Offer Period; and

(b) in the case of all other defeating conditions in Appendix 2 - the end of the Offer Period.

7.3 Your agreement

By signing and returning the Acceptance Form, or otherwise accepting this Offer you will be deemed to have:

(a) irrevocably authorised Stockland to alter the Acceptance Form on your behalf by:

   (i) inserting correct details of your Aevum Shares (including details of a parcel of Aevum Shares required by clause 10.4(b));

   (ii) filling in any blanks remaining on the Acceptance Form; and

   (iii) rectifying any errors in, and omissions from, the Acceptance Form,

   as may be necessary to make the Acceptance Form a valid acceptance of this Offer and to enable registration of the transfer of your Aevum Shares to Stockland, and agreed to provide any document reasonably requested by Stockland to make the Acceptance Form a valid acceptance of this Offer or to otherwise give better effect to your acceptance; and

(b) if any of your Aevum Shares are in a CHESS Holding, irrevocably authorised Stockland to:

   (i) instruct your Controlling Participant to initiate acceptance of this Offer in respect of all such Aevum Shares in accordance with the ASTC Settlement Rules; and

   (ii) give any other instructions in relation to those Aevum Shares to your Controlling Participant on your behalf under the sponsorship agreement between you and the Controlling Participant; and

(c) agreed to indemnify Stockland in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your HIN or SRN or in consequence of the transfer of your Aevum Shares to Stockland being registered by Aevum without production of your HIN or SRN; and

(d) irrevocably accepted this Offer in respect of all your Aevum Shares despite any difference between that number and the number of Aevum Shares shown on the Acceptance Form; and

(e) agreed to the terms and conditions of this Offer and, subject to the conditions contained in Appendix 2 being fulfilled or waived, agreed to transfer (or consented to the transfer in accordance with the ASTC Settlement Rules) to Stockland of your Aevum Shares; and

(f) represented and warranted to Stockland, as a fundamental condition of the contract resulting from your acceptance of this Offer, that at the time of acceptance and at the time of transfer of your Aevum Shares to Stockland:

  (i) you have paid to Aevum all amounts which are due for payment in respect of your Aevum Shares; and

  (ii) all of your Aevum Shares are fully paid and free from all Encumbrances and restrictions on transfer of any nature; and

  (iii) you have full power and capacity to sell and transfer those Aevum Shares; and

(g) on this Offer or any takeover contract becoming unconditional:

  (i) irrevocably appointed Stockland and each of its directors from time to time individually as your agent and attorney on your behalf to:

    (A) attend and vote in respect of your Aevum Shares at all general meetings of Aevum;

    (B) receive from Aevum or any other party, and retain, any share certificates which were held by Aevum, or any other party, whether pursuant to the terms of any employee incentive scheme (including, without limitation, any employee share scheme) or otherwise; and

    (C) sign all documents (including an instrument appointing one of Stockland's directors as a proxy in respect of any or all of your Aevum Shares and any application to Aevum for a replacement certificate in respect of any share certificate which has been lost or destroyed) and resolutions relating to your Aevum Shares, and generally to exercise all powers and rights which you may have as an Aevum Shareholder and perform such actions as may be appropriate in order to vest good title in your Aevum Shares in Stockland, and to have agreed that, in exercising such powers, any such director is entitled to act in Stockland's interests as the beneficial owner and intended registered holder of your Aevum Shares; and

  (ii) agreed not to vote in person at any general meeting of Aevum or to exercise (or purport to exercise) in person, by proxy or otherwise, any of the powers conferred on the directors of Stockland by 7.3(g)(i); and

  (iii) irrevocably authorised and directed Stockland to direct Aevum to pay to Stockland, or to account to Stockland for, all Rights in respect of your Aevum Shares, subject to Stockland accounting to you for any such Rights received by Stockland if this Offer is withdrawn or any contract resulting from your acceptance to this Offer is rescinded or rendered void; and

(iv) irrevocably authorised Stockland to notify Aevum on your behalf that your place of address for the purposes of serving notices upon you in respect of your Aevum Shares is the address specified by Stockland in the notification; and

(v) where, at that time, you have a right to be registered as a holder of the Aevum Shares the subject of your acceptance as the result of an on-market purchase (but are not an Aevum Shareholder):

(A) agreed to use best endeavours to procure the delivery of the Aevum Shares the subject of your acceptance to Stockland in accordance with your acceptance (including giving Stockland all documents necessary to vest those Aevum Shares in Stockland or otherwise to give Stockland the benefit or value of those Aevum Shares);

(B) agreed not to do or omit to do anything which may frustrate your acceptance of this Offer, or otherwise obstruct registration of the transfer of the Aevum Shares the subject of your acceptance to Stockland;

(C) irrevocably assigned to Stockland all contractual rights and recourse against the vendor in respect of your on-market purchase which contractual rights and recourse may arise by reason of that person's failure to complete that trade;

(D) agreed to assign to Stockland (without any further action being required) all rights in respect of your on-market purchase immediately on any failure by you to complete that trade, including irrevocably assigning to Stockland the right to (at Stockland's ultimate discretion) complete that trade on your behalf, and agreed that Stockland may deduct from the consideration otherwise payable to you (pursuant to a valid acceptance of this Offer and the delivery of the Aevum Shares the subject of that acceptance) any amount paid by Stockland in order to settle that on-market purchase on your behalf. If Stockland does not, or cannot, make such a deduction, you must pay such amount to Stockland; and

(E) agreed that if you are unable to assign to Stockland any of the rights and recourse specified under clause 7.3(g)(v)(C) and (D), you will assign such rights and recourse as soon as you are legally able to; and

(h) if at the time of acceptance of this Offer your Aevum Shares are in a CHESS Holding, authorised, with effect from the date that this Offer or any contract resulting from acceptance of this Offer is declared free from all its conditions or those conditions are satisfied, Stockland to cause a message to be transmitted to ASTC in accordance with Rule 14.17.1 of the ASTC Settlement Rules so as to transfer all of your Aevum Shares to Stockland's Takeover Transferee Holding. Stockland will be so authorised even though at the time of such transfer it has not provided the consideration due to you under this Offer.

By accepting this Offer you will be deemed to have agreed to the matters set out in clauses 7.3(a) to (h), notwithstanding where this Offer has been caused to be accepted in accordance with the ASTC Settlement Rules.

Except in relation to Aevum Shares in a CHESS Holding, Stockland may at any time deem the receipt of a signed Acceptance Form to be a valid acceptance of this Offer even though you omit to include your share certificate(s) (if any) or there is non-compliance with any one or more of the other requirements for acceptance but, if Stockland does so, Stockland is not obliged to make the consideration available to you until all of the requirements for acceptance have been met.

8 Withdrawal

Stockland may withdraw unaccepted Offers at any time with the written consent of ASIC and subject to the conditions (if any) specified in such consent.

9 Variation

Stockland may vary this Offer in accordance with the Corporations Act.

10 Acceptances by transferees and nominees

10.1 Who may accept this Offer

During the Offer Period:

(a) any person who is able to give good title to a parcel of your Aevum Shares may accept this Offer (if they have not already accepted an offer in the form of this Offer) as if an offer on terms identical with this Offer has been made to them; and

(b) any person who holds one or more parcels of Aevum Shares as trustee, nominee, or otherwise on account of another person, may accept as if a separate and distinct offer had been made in relation to:

  (i) each of those parcels; and

  (ii) any parcel they hold in their own right.

10.2 Holding shares

(a) A person is taken to hold Aevum Shares if the person is, or has a right to be registered as, the holder of those Aevum Shares.

(b) A person who has a right to be registered as a holder of Aevum Shares may accept this Offer by completing and signing the Acceptance Form in accordance with the instructions on it and lodging it by returning it (together with all other documents required by the instructions on the Acceptance Form) to an address indicated under clause 4.3(e) so that the acceptance is received before the end of the Offer Period.

10.3 Holding shares on trust or as a nominee

A person is taken to hold Aevum Shares on trust for, as nominee for, or on account of, another person if they:

(a) are entitled to be registered as the holder of particular Aevum Shares; and

(b) hold their interest in the Aevum Shares on trust for, as nominee for, or on account of, that other person.

10.4 Effective acceptance

An acceptance of an offer under clause 10.1(b) is ineffective unless:

(a) the person who holds on account of another person, gives Stockland a notice stating that the Aevum Shares consist of a separate parcel; and

(b) the acceptance specifies the number of Aevum Shares in that parcel.

References in this Offer to your Aevum Shares will be treated to relate to that separate parcel.

10.5 Notice of acceptance

A notice under clause 10.4(a) of these terms must be made:

(a) if it relates to Aevum Shares entered on an ASTC subregister - in an electronic form approved by the ASTC Settlement Rules; or

(b) otherwise - in writing.

A person may, at the one time, accept for two or more parcels under this clause as if there had been a single offer for a separate parcel consisting of those parcels.

11 Other matters

11.1 Notices and other communications

Subject to the Corporations Act, a notice or other communication given by Stockland to you in connection with this Offer shall be deemed to be duly given if it is in writing and:

(a) is delivered at your address as recorded on the register of members of Aevum or the address shown in the Acceptance Form; or

(b) is sent by pre-paid ordinary mail, or in the case of an address outside Australia by pre-paid airmail, to you at either of those addresses.

11.2 Return of documents

If:

(a) this Offer is withdrawn after your Acceptance Form has been sent to Stockland, but before it has been received; or

(b) for any other reason Stockland does not acquire the Aevum Shares to which your Acceptance Form relates,

you may request Stockland by notice in writing to despatch (at your risk) your Acceptance Form together with all other documents forwarded by you, to such address as you nominate. Where such address is inside Australia, the documents will be despatched by pre-paid ordinary mail. Where such address is outside Australia, the documents will be despatched by pre-paid airmail.

11.3 Costs and expenses

All costs and expenses of the preparation, despatch and circulation of the Bidder's Statement and this Offer and all stamp duty payable in respect of a transfer of Aevum Shares in respect of which Offers are accepted, will be paid by Stockland.

11.4 Foreign laws

This Offer is not registered in any jurisdiction outside Australia (unless an applicable foreign law treats it as registered as a result of the Bidder's Statement being lodged with ASIC). It is your sole responsibility to satisfy yourself that you are permitted by any foreign law applicable to you to accept this Offer.

11.5 Governing law

This Offer and any contract resulting from acceptance of it is governed by the law in force in New South Wales.

Appendix 2 - Conditions of the Offer

The Offer and any contract resulting from acceptance of the Offer is subject to fulfilment of the following conditions:

(a) (**minimum ownership**) during, or at the end of, the Offer Period, the number of Aevum Shares in which Stockland and its associates together have relevant interests (disregarding any relevant interest that Stockland has merely because of the operation of section 608(3) of the Corporations Act) is at least 50.1% of all the Aevum Shares (even if that number later becomes less than 50.1% as a result of the issue of further Aevum Shares).

(b) (**no material adverse effect**) that no specified event occurs that will or is reasonably likely to have a material adverse effect on the assets and liabilities, financial position and performance, profits and losses or prospects of Aevum and the Aevum Subsidiaries, including as a result of making the Offer or the acquisition of Aevum Shares pursuant to the Offer. For these purposes, a "specified event" is:

(i) an event or occurrence that occurs during the Offer Period;

(ii) an event or occurrence that occurs or circumstance that exists prior to the Offer Period but is only announced or publicly disclosed during or after the Announcement Date; or

(iii) an event or occurrence that will or is likely to occur following the Offer Period and which has not been publicly announced prior to the Announcement Date.

(c) (**no prescribed occurrences**) that during the period beginning on the Announcement Date and ending at the end of the Offer Period, none of the following events happen:

(i) Aevum converts all or any of its shares into a larger or smaller number of shares;

(ii) Aevum or an Aevum Subsidiary resolves to reduce its share capital in any way;

(iii) Aevum or an Aevum Subsidiary:

(A) enters into a buy-back agreement; or

(B) resolves to approve the terms of a buy-back agreement under section 257C(1) or section 257D(1) of the Corporations Act;

(iv) Aevum or an Aevum Subsidiary issues shares, or grants an option over its shares, or agrees to make such an issue or grant such an option;

(v) Aevum or an Aevum Subsidiary issues, or agrees to issue, convertible notes;

(vi) Aevum or an Aevum Subsidiary disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;

(vii) Aevum or an Aevum Subsidiary charges, or agrees to charge, the whole, or a substantial part, of its business or property;

(viii) Aevum or an Aevum Subsidiary resolves to be wound up;

(ix) a liquidator or provisional liquidator of Aevum or of an Aevum Subsidiary is appointed;

(x) a court makes an order for the winding up of Aevum or of an Aevum Subsidiary;

(xi) an administrator of Aevum or of an Aevum Subsidiary is appointed under sections 436A, 436B or 436C of the Corporations Act;

(xii) Aevum or an Aevum Subsidiary executes a deed of company arrangement; or

(xiii) a receiver or a receiver and manager is appointed in relation to the whole, or a substantial part, of the property of Aevum or of an Aevum Subsidiary.

(d) (**index decline**) that between the Announcement Date and the end of the Offer Period the S&P ASX 200 Index does not fall to a level that is 90% or less of the level as at the close of trading on the Business Day immediately before the Announcement Date and remain at or below that 90% level for at least 3 Business Days or until the Business Day immediately prior to the end of the Offer Period.