

APPENDIX 3B

New Issue Announcement

RULE 2.7, 3.10.3, 3.10.4, 3.10.5

APPENDIX 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

Slater & Gordon Limited

ABN

93 097 297 400

We (the entity) give ASX the following information.

1.1. Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | Fully paid Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 2,129,046 fully paid Ordinary shares issued to various employees under the Employee Ownership Plan (EOP), vested and converted from the same number of Vesting, Convertible, Redeemable shares (VCR Shares) currently on issue (EOP Shares) |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid Ordinary Shares |

+ See chapter 19 for defined terms.

4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Yes in all respects except that the EOP Shares are subject to disposal/sale restrictions under the EOP.
5 Issue price or consideration	The EOP shares are converted from the same number of VCR Shares issued to various employees under the EOP on various dates between 2006 and 2011. The issue price was the market price as at the date of the issue of the VCR Shares as follows: • 103,571 VCR Shares were issued at \$0.635 per share; • 50,000 VCR Shares were issued at \$1.75 per share; • 730,475 VCR Shares were issued at \$1.31 per share; • 650,000 VCR Shares were issued at \$1.63 per share; • 595,000 VCR Shares were issued at \$2.05 per share
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Issue of shares under the EOP as part of employee remuneration packages.
7 Dates of entering +securities into uncertificated holdings or despatch of certificates	31 August 2011

8	Number and ⁺ class of all ⁺ securities quoted on ASX (including the securities in clause 2 if applicable)	Number 149,178,605 + 2,129,046 = a Total of 151,307,651	⁺ Class Existing fully paid Ordinary Shares Plus new fully paid Ordinary shares issued under the EOP
9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the securities in clause 2 if applicable)	Number 5,569,044 -2,129,046 = a Total of 3,439,998 VCR Shares	⁺ Class Existing VCR Shares Less shares converted to Ordinary Shares from the same number of VCR Shares
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Same as for existing fully paid Ordinary shares.	

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	Not applicable.
12	Is the issue renounceable or non-renounceable?	Not applicable.
13	Ratio in which the ⁺ securities will be offered	Not applicable.
14	⁺ Class of ⁺ securities to which the offer relates	Not applicable.
15	⁺ Record date to determine entitlements	Not applicable.
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable.
17	Policy for deciding entitlements in relation to fractions	Not applicable.

+ See chapter 19 for defined terms.

18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Not applicable.
19	Closing date for receipt of acceptances or renunciations	Not applicable.
20	Names of any underwriters	Not applicable.
21	Amount of any underwriting fee or commission	Not applicable.
22	Names of any brokers to the issue	Not applicable.
23	Fee or commission payable to the broker to the issue	Not applicable.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	Not applicable.
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	Not applicable.
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Not applicable.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable.
28	Date rights trading will begin (if applicable)	Not applicable.
29	Date rights trading will end (if applicable)	Not applicable.

⁺ See chapter 19 for defined terms.

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|----|--|-----------------|
| 30 | How do ⁺ security holders sell their entitlements <i>in full</i> through a broker? | Not applicable. |
| 31 | How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | Not applicable. |
| 32 | How do ⁺ security holders dispose of their entitlements (except by sale through a broker)? | Not applicable. |
| 33 | ⁺ Despatch date | Not applicable. |

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) ☒ Securities described in Part 1
- (b) ☐ All other securities
- Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
- 1 - 1,000
 - 1,001 - 5,000
 - 5,001 - 10,000
 - 10,001 - 100,000
 - 100,001 and over

⁺ See chapter 19 for defined terms.

37 ☐ A copy of any trust deed for the additional ⁺securities

Entities that have ticked box 34(b)

38 Number of securities for which ⁺quotation is sought Not applicable.

39 Class of ⁺securities for which quotation is sought Not applicable.

40 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

Not applicable.

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

Not applicable.

	Number	⁺ Class
42 Number and ⁺ class of all ⁺ securities quoted on ASX (including the securities in clause 38)	Not applicable.	Not applicable.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: _____ Date: 29 August 2011

(Director/Company secretary)

Print name: WAYNE BROWN
COMPANY SECRETARY

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