

oOh!media Group Limited
ABN 96 091 780 924

ASX and Media Release
13 December 2011



Recommended Proposal for oOh!media Group Limited from CHAMP Private Equity

- oOh!media Group Limited (OOH) and Outdoor Media Operations Pty Ltd have agreed to the acquisition by Outdoor Media Operations Pty Ltd of all of the OOH shares that CHAMP does not already own for either 32.5 cents cash per share (Cash Consideration) or a mix of cash and unlisted scrip (Mixed Alternative)
- Outdoor Media Operations Pty Ltd is owned by the CHAMP III Funds¹ (CHAMP), which are managed and/or advised by CHAMP III Management Pty Ltd (CHAMP Private Equity)
- Cash Consideration of \$0.325 per OOH share, represents a 103% premium to the closing price on 9 November 2011, the day prior to the announcement of OOH granting exclusivity to facilitate due diligence
- Mixed Alternative allows for OOH shareholders to elect to receive a mix of cash and scrip in an unlisted Cayman company and retain an indirect ongoing interest in OOH. Shareholders electing the Mixed Alternative will receive \$0.10 cash plus one share in Outdoor Media Investments Limited for each OOH share. Election for the Mixed Alternative is subject to a minimum take up
- The Cash Consideration has been unanimously recommended by Mr G Jones (Chairman), Mr B Bickmore, Mr B Cook and Mr C Bregenhøj (Recommending Directors) in the absence of a superior proposal and subject to the Independent Expert giving an opinion that the offer is in the best interests of OOH shareholders (other than CHAMP) and that the Cash Consideration is fair and reasonable. Mr D Standen and Mr G Wild give no recommendation given their association with substantial shareholders of OOH

oOh!media Group Limited (ASX: OOH) today announced that it had entered into a Scheme Implementation Agreement (**SIA**) with Outdoor Media Operations Pty Limited, a company owned by CHAMP III Funds, under which Outdoor Media Operations Pty Limited has agreed to offer to acquire all the OOH shares that CHAMP does not already own (**Proposal**). The Proposal is to be implemented by way of a Court approved scheme of arrangement. The consideration that OOH shareholders are offered under the Proposal is as set out in this announcement.

A copy of the SIA, which sets out all the conditions of the Proposal, is attached to this announcement.

The Recommending Directors unanimously recommend that OOH shareholders vote in favour of the Proposal and they also recommend that shareholders should elect to receive the Cash Consideration. The Recommending Directors make no recommendation in relation to the Mixed Alternative.

Directors who hold OOH shares intend to vote those shares in favour of the Proposal.

The Recommending Directors' recommendation and voting intentions as set out above are subject to no superior proposal emerging and the Independent Expert giving an opinion that the Proposal is in the best interests of OOH shareholders (other than CHAMP), and also that the Cash Consideration is fair and reasonable.

¹ The CHAMP III Funds comprise CHAMP Buyout III Pte Ltd, CHAMP Buyout III Trust and the CHAMP Buyout III (SWF) Trust.

OOH Chairman, Graham Jones commented:

“The Cash Consideration of 32.5 cents per OOH share represents a 103% premium to the closing price of OOH shares on 9 November 2011. The Proposal provides a liquidity outcome for all OOH shareholders that they may not otherwise receive in the absence of a superior proposal.”

Mr Jones also said:

“Whilst the Recommending Directors make no recommendation about the Mixed Alternative, if OOH shareholders elect that consideration it will allow them to continue to hold an indirect interest in OOH through the holding of shares in Outdoor Media Investments Limited as well as receiving \$0.10 cash. OOH shareholders should read the Scheme Booklet to be provided in February, and seek appropriate advice before accepting the Mixed Alternative.”

Summary of Proposal

If the Proposal is implemented, OOH shareholders will be entitled to elect to receive either:

- A\$0.325 cash per OOH share (**Cash Consideration**); or
- a consideration comprising \$0.10 cash and one share in Outdoor Media Investments Limited, an unlisted Cayman Company, for each OOH share (**Mixed Alternative**).

OOH shareholders who do not make a valid election before the Record Date will be deemed to have elected the Cash Consideration for their OOH shares.

The Mixed Alternative will not be available to shareholders registered outside of Australia and Singapore (**Ineligible Foreign Shareholders**). Ineligible Foreign Shareholders electing the Mixed Alternative will receive the Cash Consideration.

The Mixed Alternative will only become available if OOH shareholders elect to receive the Mixed Alternative in respect of more than 100,000,000 OOH shares.

The Cash Consideration of \$0.325 cash per OOH share represents a premium of:

- 103% to OOH's closing price on 9 November 2011, the day prior to the announcement of CHAMP's interest in OOH; and
- 92% to OOH's volume-weighted average price in the 30 days to 9 November 2011.

Terms and Conditions of the Proposal

The conditions to the Proposal are contained in the SIA and include:

- approval by OOH shareholders at a meeting which is expected to be held in late February 2012;
- obtaining necessary Court approvals;
- no material adverse change; and
- no Prescribed Occurrences or breach of Warranties.

The SIA contains certain exclusivity arrangements, including a no-shop and a no-talk (subject to standard fiduciary carve-outs).

Intention of OOH Shareholders

Cavendish Square Holding BV (**WPP**) holds 119,000,000 OOH shares. WPP has advised OOH that its intention is to support the Proposal in the absence of an alternative proposal that is superior for WPP and subject to both the Independent Expert giving an opinion that the Proposal is in the best interests of OOH shareholders (other than CHAMP) and WPP reviewing and being satisfied with the full terms of the Proposal to be set out in the Scheme Booklet. WPP has authorised OOH to make this statement of its intention in relation to the Proposal in this announcement.

As at the date of this announcement, Hub X Pty Limited (**Macquarie**) holds 135,752,994 OOH shares. Macquarie has advised OOH that its intention is to vote in favour of the Proposal and accept the Cash

Consideration for any of the OOH shares it holds at the Record Date, in the absence of a superior proposal and subject to each condition set out below also being satisfied. Macquarie has authorised OOH to make this statement of its intention in relation to the Proposal in this announcement and it has informed OOH that, although its intention is as stated, it remains free to deal with its OOH shares at any time. The other conditions specified by Macquarie are:

- the Independent Expert providing an opinion that the Proposal is in the best interests of OOH shareholders (other than CHAMP) and the Cash Consideration is fair and reasonable and there being no change to these opinions at any time before the Proposal is considered by OOH shareholders;
- the vote on the Proposal takes place by no later than 31 March 2012; and
- the Recommending Directors do not change their recommendation at any time before the Proposal is considered by OOH shareholders.

Attachments to Announcement

Attached to this Announcement is a copy of the SIA which includes as Annexure C the Term Sheet for the Articles of Association of Outdoor Media Investments Limited.

Indicative timetable

OOH has appointed Grant Thornton as the Independent Expert to review the Proposal and provide a report on whether the Scheme is in the best interests of OOH shareholders (other than CHAMP) and whether the Cash Consideration is fair and reasonable.

The Scheme Booklet is expected to be issued in late January 2012 and it will include information about the Proposal, including the Independent Expert's Report and the reasons for the Recommending Directors' recommendation.

The OOH shareholder meeting to approve the Scheme is expected to be held in late February 2012, with the transaction to be implemented in March 2012 subject to shareholder and Court approval.

About CHAMP

The CHAMP group has offices in Sydney and Brisbane, Australia and affiliated offices in Singapore and New York, giving it an unrivalled reach amongst Australian based peers. This allows it to identify both Australian and cross border investments, as well as seeking international growth opportunities for existing investee companies.

Since inception in 1987, CHAMP and its predecessor funds have invested in more than 70 private equity investments across a broad range of sectors, including food and beverages, mining services, media, transport, industrial services, education, retail, agribusiness, health and financial services. Successfully exited investments include companies such as Austar Communications, United Malt Holdings, Study Group and Bradken. Current CHAMP investments include Manassen Foods, Centric Wealth, Alleasing, Golding Contractors, LCR Group, ATF Services and International Energy Services.

The investment philosophy at CHAMP is to identify companies that have value creation opportunities through earnings growth. Prudent leverage is a factor in the business model, however, the real driver of value creation is sustainable earnings growth based on superior management and investment in growth initiatives.

For further information on CHAMP Private Equity, visit www.champequity.com

About oOh!media Group Limited

oOh!media is the only single focused out-of-home advertising company listed on the ASX. OOH specialises in providing clients with creative out-of-home solutions across its diverse product offerings of road, retail and experiential media throughout urban and regional Australia.

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CLAYTON UTZ

EXECUTION VERSION

Scheme implementation agreement

oOh!media Group Limited
Target

Outdoor Media Operations Pty Limited
Bidder

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Scheme implementation agreement dated 13 December 2011

Parties **oOh!media Group Limited ABN 96 091 780 924** of Level 2, 76 Berry Street,
North Sydney NSW 2060, Australia (**Target**)

Outdoor Media Operations Pty Limited ACN 154 668 087 of Level 4,
Customs House, 31 Alfred Street, Sydney NSW 2000, Australia (**Bidder**)

Background

- A. The Bidder proposes to acquire all of the Scheme Shares for the Scheme Consideration pursuant to a scheme of arrangement under Part 5.1 of the Corporations Act.
- B. The Target has agreed to propose the Scheme and issue the Explanatory Statement at the request of the Bidder, and the Target and the Bidder have agreed to implement the Scheme on and subject to the terms and conditions of this agreement.

Operative provisions

1. Definitions and interpretation

1.1 Definitions

In this agreement:

Aggregate Cash Consideration means the aggregate of the Cash Consideration and the Mixed Cash Consideration payable to Scheme Shareholders under the Scheme.

Aggregate Scrip Consideration means the aggregate of the Mixed Scrip Consideration (as a component of the Mixed Consideration) payable to Scheme Shareholders under the Scheme.

AIFRS means the International Financial Reporting Standards as adopted in Australia.

All Cash Election means an election by a Target Shareholder to receive the Cash Consideration for each Scheme Share held by that Target Shareholder.

ASIC means the Australian Securities and Investments Commission.

ASX means, as the context requires, ASX Limited ABN 98 008 624 691 or the securities market conducted by ASX Limited.

Bidder Board means the board of directors of the Bidder.

Bidder Group means the Bidder and each Related Entity of the Bidder.

Bidder Indemnified Parties means the Bidder, its Related Entities and each of their respective Representatives.

Bidder Information means all information regarding the Bidder and its Related Entities and the Scheme Consideration that is required by the Corporations Act, Listing Rules and the Policy Statements to be included in the Explanatory Statement including all the information that would be required under sections 636(1)(c), (g), (h), (i), (k)(ii), (l) and (m) of the Corporations Act to be included in a bidder's statement if the Bidder were offering the Scheme Consideration as consideration under a takeover bid together with the Election Form, and for

the avoidance of doubt does not include the Target Information and the Independent Expert's Report.

Bidder Warranties means the warranties set out in Schedule 4.

Business means the business conducted by the Target Group.

Business Day means a business day as defined in the Listing Rules.

Cash Consideration means \$0.325 for each Scheme Share.

Cayman Holdco means Outdoor Media Investments Limited, an exempted company incorporated under the laws of the Cayman Islands

CHAMP means CHAMP III Management Pty Limited ACN 134 673 162 or any of its Related Entities.

Claim means any claim, demand or cause of action whether arising in contract, tort, under statute or otherwise in relation to:

- (a) any provision of a Transaction Document;
- (b) the Scheme Shares or their acquisition by the Bidder; or
- (c) any matter connected with any member of the Target Group.

Competing Proposal means a proposed transaction or arrangement pursuant to which a person other than the Bidder or any of its Related Entities would, if the proposed transaction or arrangement is entered into or completed substantially in accordance with its terms:

- (a) directly or indirectly acquire, have a right to acquire or otherwise acquire an economic interest in, all or a substantial part of, the Business;
- (b) acquire a Relevant Interest in, or enter into any agreement connected with or relating to the acquisition of a Relevant Interest in, 50% or more of Target Shares or otherwise acquire Control of the Target or the Target Group; or
- (c) otherwise acquire or merge with the Target whether by way of takeover offer, scheme of arrangement, shareholder approved acquisition, capital reduction, share buy back, sale or purchase of assets, joint venture, reverse takeover, dual-listed company structure or other synthetic merger or any other transaction or arrangement.

Condition means each condition specified in clause 3.1.

Control has the meaning given in section 50AA of the Corporations Act.

Corporations Act means the Corporations Act 2001 (Cth).

Court means a court of competent jurisdiction determined by the Target with the approval of the Bidder (not to be unreasonably withheld).

Deed Poll means a deed poll to be executed by the Bidder and Cayman Holdco in favour of the Scheme Shareholders, substantially in the form set out in Annexure B or in such other form as the Target and the Bidder agree in writing, such agreement not to be unreasonably withheld or delayed.

Deemed Election has the meaning given in clause 4.3(e)(ii).

Disclosure Letter means the letter from the Target to the Bidder entitled "Disclosure Letter", dated the same date as this agreement and countersigned by the Bidder.

Due Diligence Material means the material in the data room conducted by the Target as at 11:59pm on 5 December 2011 for the purpose of enabling CHAMP to conduct due diligence investigations of the Target, a copy of which is contained on USB sticks held by each of the parties.

Effective means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the orders of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

Effective Date means the date on which the Scheme becomes Effective.

Election means an All Cash Election or a Mixed Election.

Election Form means the form of election under which a Target Shareholder is offered the opportunity to make an Election.

Encumbrance means a mortgage, charge, pledge, lien, encumbrance, security interest, title retention, preferential right, trust arrangement, contractual right of set-off, or any other security agreement or arrangement in favour of any person, whether registered or unregistered, including any Security Interest.

End Date means 31 March 2012.

Explanatory Statement means the explanatory statement to be prepared by the Target pursuant to section 412 of the Corporations Act in respect of the Scheme in accordance with the terms of this agreement and to be dispatched to the Target Shareholders.

Exclusivity Period means the period commencing on the date of this agreement and ending on the earlier of:

- (a) the date this agreement is validly terminated in accordance with its terms;
- (b) the Implementation Date; and
- (c) the End Date.

First Court Date means the first day of hearing of an application made to the Court for an orders pursuant to section 411(1) of the Corporations Act convening the Scheme Meeting or, if the hearing of such application is adjourned for any reason, means the first day of the adjourned hearing.

GST has the meaning given in the GST Act.

GST Act means the A New Tax System (Goods and Services Tax) Act 1999 (Cth).

Guarantee means any guarantee, bond, security deposit, letter of credit or suretyship or any other obligation to pay, purchase or provide funds (whether by the advance of money, the purchase of or subscription for shares or other securities, the purchase of assets or services, or otherwise) for the payment or discharge of, to indemnify against the consequences of default in the payment of, or otherwise be responsible for, any indebtedness of, obligation of, liability of or the insolvency of any other person.

Implementation Date means the date which is 5 Business Days after the Record Date or such other date (after the Record Date) as the Target and the Bidder agree in writing.

Indemnified Losses means, in relation to any fact, matter or circumstance, all losses, costs, damages, expenses and other liabilities arising out of or in connection with that fact, matter or circumstance including all legal and other professional expenses on a solicitor-client basis incurred in connection with investigating, disputing, defending or settling any claim, action, demand or proceeding relating to that fact, matter or circumstance (including any claim, action, demand or proceeding based on the terms of this agreement).

Independent Expert means the independent expert to be engaged by the Target to express an opinion as to whether the Scheme is in the best interests of the Target Shareholders and as to whether the Cash Consideration is fair and reasonable.

Independent Expert's Report means the report from the Independent Expert in respect of the Scheme.

Ineligible Foreign Shareholder means a Scheme Shareholder whose address shown in the Target Share Register at 7.00 pm on the Record Date is a place outside Australia and its external territories and outside Singapore unless the Bidder determines that it is lawful and not unduly onerous or impracticable to provide that Scheme Shareholder with New Bidder Shares when the Scheme becomes Effective.

Insolvency Event means the occurrence of any one or more of the following events in relation to a person:

- (a) an application is made to court (unless it is frivolous or struck out or withdrawn) or a resolution is passed or an order is made by a Court for the winding up or dissolution of the person;
- (b) the person proposes or takes any steps to implement a scheme of arrangement or other compromise or arrangement with its creditors or any class of them;
- (c) a receiver, receiver and manager, liquidator, provisional liquidator, administrator, trustee or similar officer is appointed in respect of the person or any of its assets;
- (d) anything occurs under the law of any jurisdiction which has a substantially similar effect to any of the events set out in paragraphs (a) to (c) in relation to the person.

Listing Rules means the official listing rules of ASX.

Material Adverse Change means any event, occurrence or matter that occurs, is announced or otherwise becomes known to the Bidder (whether or not it becomes public) which individually or when aggregated with all such events, occurrences or matters, has, has had or could reasonably be expected to have:

- (a) the effect of a reduction in the:
 - (i) consolidated net assets of the Target Group (calculated on the basis of AIFRS as at the date of this agreement) of at least 16% compared to the consolidated net assets of the Target Group as at 30 June 2011; or
 - (ii) consolidated earnings before interest, tax, depreciation and amortisation excluding significant non-cash items (calculated on the basis of AIFRS as at the date of this agreement) in the financial year of the Target Group ending 31 December 2012, taken as a whole, to below \$17.8 million,

other than an event, occurrence or matter:

- (b) reasonably attributable to the execution of the Transaction Documents or the announcement of the Scheme and the completion of the transactions contemplated by them; or
- (c) fairly disclosed in the Due Diligence Material or any announcement made by the Target to ASX prior to the date the parties entered into this agreement.

Maximum Cash Consideration means a cash amount equal to the Cash Consideration multiplied by the total number of Scheme Shares.

Minimum Scrip Number means 100,000,000 New Bidder Shares.

Mixed Cash Consideration means \$0.10 for each Scheme Share.

Mixed Consideration means the Mixed Cash Consideration plus the Mixed Scrip Consideration.

Mixed Election means an election by a Target Shareholder to receive the Mixed Consideration for each Scheme Share held by that Target Shareholder.

Mixed Scrip Consideration means one New Bidder Share with an issue price of \$0.225 for each Scheme Share.

New Bidder Share means a fully paid Class B ordinary share in the capital of Cayman Holdco to be provided to Scheme Shareholders under the Scheme.

Policy Statements means all regulatory guides published by ASIC and guidance notes provided by the Takeovers Panel and in force at the date of this agreement.

Prescribed Occurrence means any of the occurrences set out in Schedule 2, other than:

- (a) as required to be done by the Target under the Transaction Documents;
- (b) as approved by the Bidder in writing (prior to the occurrence) such approval not to be unreasonably withheld or delayed;
- (c) in relation to any occurrence except those numbered 1 to 12, as fairly disclosed either in the Due Diligence Material, in writing by the Target to the Bidder before this agreement is executed, or in any announcement made by the Target to ASX prior to the date the parties entered into this agreement; or
- (d) in relation to any occurrence except as described in the Disclosure Letter.

Recommending Directors means all of the Target Directors other than D Standen and G Wild.

Record Date means the date which is 5 Business Days after the Effective Date or such other date (after the Effective Date) as the Bidder and the Target agree in writing.

Regulator's Draft means the draft of the Explanatory Statement which is provided to ASIC pursuant to section 411(2) of the Corporations Act.

Regulatory Authority means:

- (a) any government or local authority and any department, minister or agency of any government; and

- (b) any other authority, agency, commission or similar entity having powers or jurisdiction under any law or regulation or the listing rules of any recognised stock or securities exchange.

Regulatory Condition means the Condition set out in clause 3.1(a).

Regulatory Review Period means the period from the date on which the Target provides the Regulator's Draft to ASIC in accordance with clause 5.2(g) to the date on which ASIC provides a letter indicating whether or not it proposes to appear to make submissions, or will intervene to oppose the Scheme, when the application made to the Court for orders under section 411(1) of the Corporations Act convening the Scheme Meeting to consider the Scheme is heard.

Related Entity of a corporation means:

- (a) a related body corporate of that corporation within the meaning of section 50 of the Corporations Act;
- (b) a trustee of any unit trust in relation to which that corporation, or a corporation referred to in paragraph (a), directly or indirectly:
 - (i) controls the right to appoint the trustee;
 - (ii) is in a position to control the casting of, more than one half of the maximum number of votes that might be cast at a meeting of holders of units in the trust; or
 - (iii) holds or is in a position to control the disposal of more than one half of the issued units of the trust; and
- (c) in the case of Bidder or CHAMP, any investment fund (whether a corporation, trust, partnership, limited partnership or other entity) which is, directly or indirectly, managed or advised by CHAMP or any of its related bodies corporate (within the meaning of section 50 of the Corporations Act).

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Representatives means, in relation to a party:

- (a) a Related Entity of the party;
- (b) an employee, agent, officer or director of the party or a Related Entity of the party; and
- (c) a debt financier or legal, accounting, tax or financial adviser to the party or a Related Entity of the party, who holds a specific mandate in relation to the Transaction from the party or other than in the case of the Target's financial adviser, a Related Entity of the party.

Required Consultation Period means the period commencing at the time both parties become aware that clause 3.9(a) or 3.9(b) (as applicable) is triggered and ending on the earlier of:

- (a) the end of the day that is 5 Business Days after both parties become so aware; and
- (b) 8.00 am on the Second Court Date.

Rival Bidder has the meaning given in clause 9.5.

Scheme means a scheme of arrangement under Part 5.1 of the Corporations Act between the Target and the Scheme Shareholders substantially in the form set out in Annexure A or in such other form as the Target and the Bidder agree in writing, such agreement not to be unreasonably withheld or delayed.

Scheme Consideration means, depending on the Election (or Deemed Election) made by a Target Shareholder, for Target Shares held by that Target Shareholder at 7.00 pm on the Record Date:

- (a) the Cash Consideration; or
- (b) the Mixed Consideration,

provided that the Cash Consideration will be payable to each Scheme Shareholder in place of the Mixed Consideration (regardless of the Election made by such shareholder) if the Bidder is not obliged to procure the issue of an amount equal to or greater than that number of New Bidder Shares equal to the Minimum Scrip Number in respect of all valid Mixed Elections provided by Target Shareholders.

Scheme Meeting means the meeting to be convened by the Court in relation to the Scheme pursuant to section 411(1) of the Corporations Act .

Scheme Share means a Target Share on issue at 7.00 pm on the Record Date other than those shares held by CHAMP.

Scheme Shareholder means each person who holds Scheme Shares.

Security Interest has the meaning given in section 12 of the Personal Property Securities Act 2009 (Cth).

Second Court Date means the first day of hearing of an application made to the Court for an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme or, if the hearing of such application is adjourned for any reason, means the first day of the adjourned hearing.

Standard Rate in relation to interest payable on any payment due under this agreement means the rate which is the 90 day Bank Bill Swap Reference Rate (Average Bid) as published in the Australian Financial Review on the first date on which interest accrues on that payment (or if that rate or publication is not published, the rate determined by the parties, acting reasonably, to be the nearest equivalent rate having regard to prevailing market conditions) plus (in either case) a margin of 2% per annum.

Subsidiary has the meaning given in section 9 of the Corporations Act.

Superior Proposal means a bona fide Competing Proposal received by the Target after the date of this agreement which the Target Board determines, acting in good faith and acting reasonably:

- (a) is reasonably capable of being valued and completed, taking into account all aspects of the Competing Proposal and the person or persons making it; and
- (b) would, if completed substantially in accordance with its terms, be more favourable to the Scheme Shareholders than the Scheme, taking into account all aspects of the Competing Proposal.

Target Announcement means an announcement in the form of Annexure D.

Target Board means the board of directors of the Target.

Target Director means a director of the Target.

Target Group means the Target and each Related Entity of the Target.

Target Indemnified Parties means the Target, its Related Entities and each of their respective Representatives.

Target Information means all information included in the Explanatory Statement other than the Bidder Information and the Independent Expert's Report.

Target Option means an option to acquire one new Target Share issued to directors and management of the Target with an exercise price of \$0.12 per Target Share and which expires on 20 May 2015.

Target Shareholder means a person who is registered in the Target Share Register as a holder of Target Shares.

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

Target Share Register means the register of members of the Target maintained by or on behalf of the Target in accordance with section 168(1) of the Corporations Act.

Target Share Registry means Computershare Investor Services, Level 3, 60 Carrington Street, Sydney, New South Wales 2000, Australia.

Target Warranties means the warranties set out in Schedule 3.

Third Party means a person other than a member of the Bidder Group or the Target Group.

Timetable means the indicative timetable in relation to the Scheme set out in Schedule 1, or such other indicative timetable as the Target and the Bidder agree in writing.

Transaction means the acquisition by the Bidder of the Scheme Shares for the Scheme Consideration pursuant to the Scheme.

Transaction Documents means:

- (a) this agreement;
- (b) the Scheme; and
- (c) the Deed Poll.

Warranty Claim means any Claim by a party arising out of a breach of a Target Warranty or Bidder Warranty (as applicable).

1.2 Reasonable or best endeavours

Any provision of this agreement which requires a party to use best endeavours, reasonable endeavours or all reasonable endeavours to procure that something is performed or occurs or does not occur does not include any obligation to:

- (a) commence any legal action or proceeding against any person; or
- (b) pay an amount of money to or for the benefit of any Third Party:

- (i) in the form of an inducement or consideration to a Third Party to procure something other than the payment of reasonable expenses or costs and costs of advisers to procure the relevant thing; or
- (ii) in circumstances that are commercially onerous or unreasonable in the context of this agreement,

except where that provision expressly specifies otherwise.

1.3 Knowledge and awareness of the Target or Bidder

If any Target Warranty or Bidder Warranty is qualified by the Target's or the Bidder's awareness or knowledge, the facts of which the Target or the Bidder is aware or that are within the Target's or the Bidder's awareness or knowledge are taken to be all facts of which:

- (a) in the case of the Target, Brendon Cook, Chris Bregenhoj, Simon Yeandle, Michael Egan or any director of the Target; and
- (b) in the case of the Bidder, Darren Smorgon, Paul Kennedy, Dino Sawaya or Stephen Duncan,

is actually aware (or ought reasonably be aware) at the relevant time.

1.4 Business Days

If the day on which any act to be done under this agreement is a day other than a Business Day, that act must be done on or by the next Business Day except where this agreement expressly specifies otherwise.

1.5 Listing rules are law

A listing rule or business rule of a financial market or securities exchange will be regarded as a law for the purposes of this agreement.

1.6 General rules of interpretation

In this agreement headings are for convenience only and do not affect interpretation and, unless the contrary intention appears:

- (a) a word importing the singular includes the plural and vice versa, and a word of any gender includes the corresponding words of any other gender;
- (b) the word **including** or any other form of that word is not a word of limitation;
- (c) if a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (d) a reference to a **person** includes an individual, the estate of an individual, a corporation, an authority, an association or parties in a joint venture, a partnership and a trust;
- (e) a reference to a party includes that party's executors, administrators, successors and permitted assigns, including persons taking by way of novation and, in the case of a trustee, includes any substituted or additional trustee;
- (f) a reference to a document (including this agreement) is to that document as varied, novated, ratified or replaced from time to time;

- (g) a reference to a party, clause, schedule, exhibit, attachment, or annexure is a reference to a party, clause, schedule, exhibit, attachment, or annexure to or of this agreement, and a reference to this agreement includes all schedules, exhibits, attachments, and annexures to it;
- (h) a reference to an agency or body if that agency or body ceases to exist or is reconstituted, renamed or replaced or has its powers or function removed (**obsolete body**), means the agency or body which performs most closely the functions of the obsolete body;
- (i) a reference to a statute includes any regulations or other instruments made under it (**delegated legislation**) and a reference to a statute or delegated legislation or a provision of either includes consolidations, amendments, re-enactments and replacements;
- (j) a reference to \$ or dollar or cents is to Australian currency;
- (k) a reference to time is to Sydney, Australia time; and
- (l) this agreement must not be construed adversely to a party just because that party prepared it or caused it to be prepared.

2. Obligations in relation to Scheme

2.1 Target to propose and implement Scheme

The Target must propose and, subject to it becoming Effective, implement the Scheme on and subject to the terms and conditions of this agreement and the Scheme.

2.2 Bidder to assist

The Bidder must assist the Target to propose and implement the Scheme on and subject to the terms and conditions of this agreement and the Scheme.

3. Conditions precedent

3.1 Conditions

Subject to this clause 3, the obligations of the Bidder under clause 5.3(i) and the Target under clauses 5.2(q) and 5.2(r) do not become binding on the parties and have no force or effect, and the Scheme must not become Effective, until each of the conditions listed in the first column of the following table has been either satisfied or waived in accordance with clause 3.7:

Condition	Right to waive
(a) no temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction, no preliminary or final decision, determination, or order issued by any Regulatory Authority and no other legal restraint preventing any of the transactions contemplated by this agreement is in effect as at 8.00 am on the Second Court Date;	Bidder and Target
(b) the Independent Expert concludes that the Scheme is in the best interests of Scheme Shareholders and the Cash Consideration is fair and reasonable;	Bidder and Target

Condition	Right to waive
(c) no Material Adverse Change has occurred after the date of this agreement and before 8.00 am on the Second Court Date;	Bidder
(d) no Prescribed Occurrence has occurred or becomes known to the Bidder after the date of this agreement and before 8.00 am on the Second Court Date;	Bidder
(e) before 8.00 am on the Second Court Date, the Target Shareholders approve the Scheme by the majorities required under section 411(4)(a)(ii) of the Corporations Act;	None
(f) the Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act;	None
(g) subject to clause 11.2, the Target Warranties are true and correct in all material respects on the date of this agreement and as at 8.00 am on the Second Court Date;	Bidder
(h) the Bidder Warranties are true and correct in all material respects on the date of this agreement and as at 8.00 am on the Second Court Date;	Target
(i) as at 8am on the Second Court Date both: (a) the Target and the Bidder have agreed (in terms acceptable to Bidder) with each holder of Target Options, that all of that holder's Target Options will be either: (i) cancelled for 20.5 cents per Target Option; or (ii) exercised by no later than the Effective Date, and any Target Shares resulting from the exercise are issued and registered by Target, before the Record Date; and (b) either: (i) the ASX has waived the application of ASX Listing Rule 6.23.2 in connection with the cancellation of all Target Options as contemplated by the agreements between the Target, the Bidder and the optionholders; or (ii) Target Shareholders have approved the cancellation of all Target Options for the purposes of ASX Listing Rule 6.23.2 and all other purposes.	Bidder

3.2 Obligations in relation to Conditions

Each party must:

- (a) use all reasonable endeavours to the extent that satisfaction of the condition is within its control or influence to ensure that each Condition:
 - (i) is satisfied as soon as practicable after the date of this agreement and in any event before the End Date; or
 - (ii) continues to be satisfied at all times until the last time it is to be satisfied, as the case requires;
- (b) not take any action that will or is reasonably likely to hinder or prevent the satisfaction of any Condition except to the extent that such action is required to be taken pursuant to, or is otherwise permitted by, this agreement or is required by law;
- (c) co-operate with, and comply with all reasonable requests of, the other party for the purposes of procuring the satisfaction of any Condition; and
- (d) keep the other party informed of any fact, matter or circumstance of which it becomes aware that may result in a Condition not being satisfied in accordance with its terms.

3.3 Obligations in relation to Regulatory Condition

Without limiting clause 3.2 but subject to clause 3.4, the Bidder and the Target must use all reasonable endeavours to ensure that the Regulatory Condition is satisfied as soon as practicable after the date of this agreement and in particular the Bidder and the Target must:

- (a) provide to the other party (as applicable) a draft of each document which it has prepared for the purposes of procuring satisfaction of the Regulatory Condition and a reasonable opportunity to comment on that draft (except to the extent such document contains commercially sensitive information);
- (b) provide to the other party (as applicable) a copy of each notice given, application made and all other information supplied to any third party, and each notice or request received from any Regulatory Authority in connection with procuring the satisfaction of the Regulatory Condition;
- (c) notify the other party (as applicable) of any meetings to be held with a Regulatory Authority for the purposes of procuring the satisfaction of the Regulatory Condition and permit the other party and its professional advisers to be present at such meeting; and
- (d) consult with the other party (as applicable) in relation to any further information to be provided to the relevant Regulatory Authority.

3.4 Provision of undertakings

Notwithstanding any other provision of this agreement, for the purposes of satisfying the Regulatory Condition, neither the Bidder nor the Target is required to agree to any conditions or to provide or to agree to provide any written undertakings to a Regulatory Authority which are not reasonably acceptable to the Bidder or the Target (as the case requires).

3.5 Notice of satisfaction of Conditions

Each party must promptly after becoming aware of the satisfaction of any Condition notify the other party of the satisfaction of that Condition and provide reasonable evidence that the Condition has been satisfied.

3.6 Notice of failure of satisfaction of Conditions

Each party must promptly after becoming aware of the failure to satisfy a Condition notify the other party of the failure to satisfy that Condition.

3.7 Waiver of Conditions

The breach or non-fulfilment of a Condition:

- (a) may not be waived if the word "None" appears in the second column of the table in clause 3.1 opposite that Condition;
- (b) may be waived and may only be waived:
 - (i) if one party is specified in the second column of the table in clause 3.1 opposite that Condition, by that party by notice to the other party; or
 - (ii) if both parties are specified in the second column of the table in clause 3.1 opposite that Condition, by written agreement between both parties.

A party entitled to waive or to agree to waive the breach or non-fulfilment of a Condition under this clause 3.7 may do so in its absolute discretion. A party that waives or agrees to waive a Condition is not prevented from bringing a Claim against the other party in respect of any breach of this agreement that caused that Condition not to be satisfied.

3.8 Certificate in relation to Conditions

Each party must:

- (a) give the Court on the Second Court Date a certificate confirming (in respect of matters within its knowledge) whether or not the Condition (other than the Condition in clause 3.1(f) have been satisfied or waived; and
- (b) give the other party a draft of its certificate by 5.00 pm on the Business Day prior to the Second Court Date.

3.9 Consultation on failure of Conditions

If:

- (a) there is a breach or non-fulfilment of a Condition which is not waived in accordance with this agreement; or
- (b) any fact, matter or circumstance will prevent a Condition being satisfied by the date specified in clause 3.1 for its satisfaction (and the relevant breach or non-fulfilment of the Condition has not otherwise been waived in accordance with this agreement),

the parties must consult in good faith to:

- (c) determine whether a transaction which results in the Bidder having legal and beneficial ownership of all Target Shares may proceed including by an alternative means or method;
- (d) extend the time or date for satisfaction of the relevant Condition or the End Date; or
- (e) change the date of application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme or adjourning that application (as applicable) to another date agreed by the parties (being a date no later than 5 Business Days before the End Date).

3.10 Termination of agreement

If the parties are unable to reach agreement under clause 3.9 within the Required Consultation Period, then unless the breach or non-fulfilment of the Condition is waived in accordance with this agreement, either party may terminate this agreement by notice in writing to the other party without incurring any liability for that termination (other than a liability under clause 10 if applicable), except where the relevant Condition has become incapable of satisfaction, has not been satisfied, or ceases to be satisfied, as a direct result of a failure by the party seeking to terminate to comply with a material obligation under this agreement.

4. Scheme

4.1 Scheme Consideration

The Bidder undertakes to the Target (in the Target's own right and separately as trustee for each of the Scheme Shareholders) that, if the Scheme becomes Effective, in consideration for the transfer to the Bidder of Scheme Shares held by Scheme Shareholders under the terms of the Scheme, the Bidder will:

- (a) accept that transfer; and
- (b) provide, or procure the provision to, each Scheme Shareholder the Scheme Consideration for each Scheme Share in accordance with:
 - (i) subject to clause 4.2, the Election (or Deemed Election) made by that Scheme Shareholder as contemplated by clause 4.3;
 - (ii) clauses 4.4 and 4.5; and
 - (iii) the terms of the Scheme;
- (c) before 12 noon on the Implementation Date:
 - (i) in respect of the Cash Consideration payable to Scheme Shareholders, pay, or procure the payment of, to a trust account operated by or on behalf of the Target, to be held on trust for Scheme Shareholders, an amount in cleared funds equal to the Aggregate Cash Consideration; and
 - (ii) subject to clause 4.2, in respect of the Aggregate Scrip Consideration payable to Scheme Shareholders, procure the allotment of New Bidder Shares to each applicable Scheme Shareholder in accordance with the terms of the Scheme.

4.2 Minimum Scrip Number not reached

The parties agree that if the Bidder is not obliged to procure the issue of an amount equal to or greater than that number of New Bidder Shares equal to the Minimum Scrip Number in respect of all valid Mixed Elections provided by Target Shareholders:

- (a) the Bidder is not required to:
 - (i) comply with any valid Mixed Elections; or
 - (ii) issue any New Bidder Shares to Scheme Shareholders;
- (b) each Scheme Shareholder who gave a valid Mixed Election will not be entitled to receive any New Bidder Shares for its Target Shares but will be entitled to receive the Cash Consideration for those shares; and
- (c) the Bidder must, instead of complying with clauses 4.1(b) and 4.1(c), by no later than 12 noon on the Implementation Date, pay or procure the payment of, to a trust account operated by or on behalf of the Target, to be held on trust for Scheme Shareholders, an amount in cleared funds equal to the Maximum Cash Consideration and will, by doing so, satisfy its obligations under clauses 4.1(b) and 4.1(c).

4.3 Election mechanism

- (a) The Target must ensure that the Explanatory Statement is accompanied by an Election Form.
- (b) The Election Form must state to the effect that:
 - (i) subject to clause 4.3(b)(iv), an Election must be made in accordance with the terms and conditions stated on the Election Form for it to be valid and must be completed and returned in writing to the address specified on the Election Form before 7.00 pm on the Record Date;
 - (ii) an Election will apply to all of the Target Shares of the Target Shareholder as at 7.00 pm on the Record Date;
 - (iii) once made, an Election may be varied before 7.00 pm on the Record Date by notice in writing to the Target; and
 - (iv) in the manner considered appropriate by the Target (acting reasonably), a Target Shareholder who holds one or more parcels of Target Shares as trustee or nominee for, or otherwise on account of, another person, may make separate Elections in relation to each of those parcels of Target Shares.
- (c) The Target must ensure that, to the extent reasonably practicable, persons who acquire Target Shares after the date of the dispatch of the Explanatory Statement and until 7.00 pm on the Record Date are sent an Election Form upon those persons requesting one from the Target.
- (d) In order to facilitate the issue of the New Bidder Shares (if applicable), the Target must provide, or procure the provision, to the Bidder, details of the Election (or Deemed Election) made by each Scheme Shareholder, on the Business Day after the Record Date, including the name and address of each Target Shareholder who has

made a valid Mixed Election and the number of New Bidder Shares that the Bidder must issue to that Target Shareholder to meet its obligations under the Scheme.

- (e) The parties agree that the terms and conditions that will be stated on the Election Form will include the following:
- (i) Ineligible Foreign Shareholders may not make a Mixed Election and that any purported Mixed Election by such persons will be of no effect;
 - (ii) if a Target Shareholder does not make a valid Election, that person will be deemed to have made a valid All Cash Election in respect of the Target Shares held by that Target Shareholder as at 7.00 pm on the Record Date (**Deemed Election**);
 - (iii) Target Shareholders which make a valid Mixed Election agree to become members of Cayman Holdco from the Implementation Date;
 - (iv) Target Shareholders which make a Mixed Election must provide, before 7.00 pm on the Record Date, the information and documents described in the Election Form as being required by the Bidder or Target; and
 - (v) Target Shareholders who make a Mixed Election will not receive New Bidder Shares if the Bidder is not obliged to issue an amount equal to or greater than that number of New Bidder Shares equal to the Minimum Scrip Number in respect of all valid Mixed Elections provided by Target Shareholders and in such circumstances those Target Shareholders will receive Cash Consideration for their shares,

and such other terms and conditions as the Bidder reasonably requires to be stated on the Election Form.

4.4 Cash Consideration

- (a) If a Target Shareholder:
- (i) is an Ineligible Foreign Shareholder;
 - (ii) makes a valid All Cash Election; or
 - (iii) does not make a valid All Cash Election or a valid Mixed Election,
- that Target Shareholder will be entitled to receive the Cash Consideration.
- (b) All Target Shareholders will receive the Cash Consideration if the provisions of clause 4.2 apply.

4.5 Scrip Consideration

If a Target Shareholder makes a valid Mixed Election and clause 4.2 does not apply:

- (a) the Target Shareholder will be entitled to receive the Mixed Consideration;
- (b) if the number of New Bidder Shares to which that shareholder is entitled is not a whole number:

- (i) where the entitlement is to half a New Bidder Share or more, the number of New Bidder Shares will be rounded up to the nearest whole number; and
- (ii) where the entitlement is to less than half a New Bidder Share, the number of New Bidder Shares will be rounded down to the nearest whole number.

4.6 Share splitting

If the Bidder and the Target are of the opinion that a number of Scheme Shareholders and/or other persons (who, to avoid doubt, may include other Scheme Shareholders) have, before 7.00 pm on the Record Date, been party to a shareholding splitting or division or an acquisition of Scheme Shares in an attempt to obtain, or which provides, an advantage by reference to the rounding provided for in the calculation of each Scheme Shareholder's entitlement to New Bidder Shares as a component of the Mixed Consideration (as contemplated by clause 4.5(b)(i)) the Bidder may give notice to those Scheme Shareholders prior to the Implementation Date:

- (a) setting out the names and registered addresses of all of those Scheme Shareholders;
- (b) stating that opinion; and
- (c) attributing to one of them specifically identified in the notice the Scheme Shares held by all of them,

and, after the notice has been so given, the Scheme Shareholder specifically identified in the notice will, for the purposes of the Scheme, be taken to hold all those Scheme Shares and each of the other Scheme Shareholders whose names are set out in the notice will, for the purposes of the Scheme, be taken to hold no Scheme Shares.

4.7 Ineligible Foreign Shareholders

The Bidder has no obligation to provide, and will not provide, under the Scheme any New Bidder Shares to any Ineligible Foreign Shareholder, regardless of the Election made by those persons, but must pay the Cash Consideration to each Ineligible Foreign Shareholder who is a Scheme Shareholder in accordance with the Scheme.

4.8 Provision of Target Share information

In order to facilitate the provision of New Bidder Shares to Scheme Shareholders the Target must provide, or procure the provision, to the Bidder a complete copy of the Target Share Register as at 7.00 pm on the Record Date (which must include the name, address and registered holding of each Scheme Shareholder as at 7.00 pm on the Record Date), within 2 Business Days after the Record Date and in such form as the Bidder reasonably requires.

4.9 Status of New Bidder Shares

The Bidder undertakes in favour of the Target (in the Target's own right and separately as trustee for each of the Scheme Shareholders) that, on issue, each New Bidder Share will be fully paid and free from all Encumbrances.

5. Implementation of Scheme

5.1 Timetable

The parties acknowledge that the Timetable is an indicative timetable and will consult with each other regularly in relation to:

- (a) performing their respective obligations within the framework established by the Timetable; and
- (b) any need to modify the Timetable.

5.2 Target's obligations

The Target must take all steps reasonably necessary to propose and implement the Scheme as soon as reasonably practicable after the date of this agreement and use reasonable endeavours so as to complete the Transaction substantially in accordance with the Timetable, and in particular the Target must:

- (a) **promote merits of Transaction:** subject to proper performance by the Target Directors of their fiduciary and statutory duties, participate in, and ensure the Target Board participates in, efforts reasonably requested by the Bidder to promote the merits of the Transaction to Target Shareholders, including meeting with key Target Shareholders at the reasonable request of the Bidder;
- (b) **appoint counsel and approach court:** appoint Senior Counsel or Queen's Counsel reasonably experienced in schemes of arrangement to represent the Target in Court on the First Court Date and the Second Court Date and apply to the Court for the First Court Date and Second Court Date hearings;
- (c) **Explanatory Statement:** prepare the Explanatory Statement (other than the Bidder Information and Independent Expert's Report) in accordance with the requirements of the Corporations Act, the Listing Rules and the Policy Statements, provide a close to final draft of the Explanatory Statement to the Bidder and allow the Bidder a reasonable opportunity to review and comment on that draft, consult with the Bidder in relation to the content and presentation of that draft and consider in good faith comments on, and suggested amendments to, that draft from the Bidder and its Representatives;
- (d) **Independent Expert:** promptly appoint the Independent Expert and provide all assistance and information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report and any other materials to be prepared by the Independent Expert for inclusion in the Explanatory Statement;
- (e) **Bidder Information:** incorporate the Bidder Information in the Explanatory Statement and update and amend such Bidder Information as reasonably requested by the Bidder prior to finalising the Regulator's Draft;
- (f) **proposed Regulator's Draft:** provide the Bidder with the proposed Regulator's Draft at least 2 Business Days before its proposed submission to ASIC to enable the Bidder to review the proposed Regulator's Draft;
- (g) **provide Regulator's Draft to ASIC:** as soon as reasonably practicable, provide the Regulator's Draft to:

- (i) ASIC for its review for the purposes of section 411(2) of the Corporations Act; and
 - (ii) the Bidder,
- and liaise with ASIC as necessary during the Regulatory Review Period;
- (h) **keep the Bidder informed:** during the Regulatory Review Period:
- (i) promptly provide to the Bidder and include in revised drafts of the Explanatory Statement any new information in relation to the Target Group not included in the Regulator's Draft which is required by the Corporations Act, Listing Rules or the Policy Statements to be included in the Explanatory Statement; and
 - (ii) promptly notify, and consult with, the Bidder in relation to any matters raised by ASIC in connection with the Explanatory Statement or the Scheme and any presentation or submission to, or at any proposed meeting with, ASIC, and co-operate and consult with the Bidder to resolve any such matters;
- (i) **Court documents:** consult with the Bidder in relation to the content of the documents required for the purposes of the hearings on the First Court Date and the Second Court Date, including for the purposes of sections 411(1) and 411(4)(b) of the Corporations Act in relation to the Scheme (including originating process, affidavits, submissions and draft minutes of Court orders) and consider in good faith comments on, and suggested amendments to, those documents from the Bidder and its Representatives;
- (j) **approval of Explanatory Statement:** as soon as reasonably practicable after the end of the Regulatory Review Period (or, if earlier and applicable, after ASIC informs the Target that it does not propose to make submissions to the Court under section 411(2)(b)(ii) of the Corporations Act), procure that a meeting of the Target Board is convened to consider approving the Explanatory Statement for dispatch to Target Shareholders, subject to the approval of the Court;
- (k) **First Court Hearing:** provided the approval of the Target Board referred to in clause 5.2(j) is given, lodge all necessary documents with the Court and take all other reasonable steps to ensure that an application is heard by the Court for an order under section 411(1) of the Corporations Act directing the Target to convene the Scheme Meeting;
- (l) **registration of Explanatory Statement:** request ASIC to register the explanatory statements included in the Explanatory Statement in relation to the Scheme in accordance with section 412(6) of the Corporations Act;
- (m) **comply with Court orders:** comply with the orders of the Court including, if ordered dispatch the Explanatory Statement to the Target Shareholders and convene and hold the Scheme Meeting;
- (n) **update Explanatory Statement:** if it becomes aware of information after dispatch of the Explanatory Statement that is material for disclosure to Target Shareholders in deciding whether to approve the Scheme or that is required to be disclosed to Target Shareholders under any applicable law, inform Target Shareholders of the information in an appropriate and timely manner, in accordance with applicable law and, if considered necessary by the Target after consultation with the Bidder, after having applied to the Court for such orders (if any) in relation to that disclosure as

are appropriate, after consulting with the Bidder as to the content and presentation of that information;

- (o) **section 411(17)(b) statement:** apply to ASIC for the production of a statement in writing pursuant to section 411(17)(b) of the Corporations Act stating that ASIC has no objection to the Scheme;
- (p) **Second Court Date:** if the resolution submitted to the Scheme Meeting in relation to the Scheme is passed by the majorities required under section 411(4)(a)(ii) of the Corporations Act and provided all other Conditions (other than the Condition referred to in clause 3.1(f)) are satisfied or waived in accordance with this agreement, apply to the Court for orders approving the Scheme under section 411(4)(b) of the Corporations Act;
- (q) **lodge copy of Court orders:** if the Court makes orders under section 411(4)(b) of the Corporations Act approving the Scheme, promptly lodge with ASIC an office copy of those orders in accordance with section 411(10) of the Corporations Act;
- (r) **registration:** if the Court makes orders under section 411(4)(b) of the Corporations Act approving the Scheme:
 - (i) use reasonable endeavours to procure that ASX suspends trading in Target Shares from the close of trading on the Effective Date;
 - (ii) close the Target Share Register as at 7.00 pm on the Record Date and determine the identity of the Scheme Shareholders and their entitlements to the Scheme Consideration in accordance with the Scheme;
 - (iii) provide to the Bidder all information about the Scheme Shareholders that the Bidder reasonably requires in order for the Bidder to provide or procure the provision of the Scheme Consideration in accordance with the Scheme;
 - (iv) subject to the Bidder satisfying its obligations under clause 5.3(i), execute proper instruments of transfer of and effect and register the transfer of the Scheme Shares in the name of the Bidder (or the Bidder's nominee) in accordance with the Scheme; and
 - (v) do all other things contemplated by or necessary to give effect to the Scheme and the order of the Court approving the Scheme;
- (s) **ASX listing:** use reasonable endeavours to maintain its admission to the official list of ASX and the quotation of Target Shares on ASX up to and including the Implementation Date or such later date as the Bidder reasonably requests; and
- (t) **Target incentive plans:** as soon as reasonably practicable, suspend all of Target executive and employee incentive plans that will or could result in securities being granted or offered to Target Group officers and employees (without prejudice to the rights of holders of Target Options which are in existence at the date of this agreement).

5.3 Bidder's obligations

The Bidder must take all steps reasonably necessary to assist the Target to propose and implement the Scheme as soon as is reasonably practicable after the date of this agreement and use reasonable endeavours so as to complete the transaction substantially in accordance with the Timetable, and in particular the Bidder must:

- (a) **Bidder Information:** prepare and provide to the Target the Bidder Information in a form appropriate for inclusion in the Explanatory Statement (the Bidder acknowledging that the Target will rely on such information to prepare the Explanatory Statement and agreeing the Bidder Information will be provided in good faith), consult with the Target in relation to the content and presentation of that information in the Explanatory Statement and consider in good faith comments on, and suggested amendments to, that information from the Target and its Representatives, and ensure that the Bidder Information is not misleading or deceptive (including by omission) in any material respect at the time the Explanatory Statement is despatched;
- (b) **assist Independent Expert:** subject to the Independent Expert entering into arrangements with the Target as to confidentiality in a form reasonably acceptable to the Bidder, provide all assistance and information reasonably requested by the Independent Expert to enable it to prepare its reports for inclusion in the Explanatory Statement and any other materials to be prepared by it for inclusion in the Explanatory Statement;
- (c) **review Explanatory Statement:** as soon as reasonably practicable after receipt from the Target of a draft of the Explanatory Statement in accordance with clause 5.2(c) provide the Target with any comments or suggested amendments to that draft in good faith;
- (d) **comments on Regulator's Draft:** as soon as reasonably practicable after receipt from the Target of the proposed Regulator's Draft provided in accordance with clause 5.2(f), either:
 - (i) confirm in writing to the Target that the Bidder Information in the form and context in which it appears in the proposed Regulator's Draft is not misleading or deceptive in any material respect and does not contain any material omission; or
 - (ii) provide to the Target the changes required to ensure that the Bidder Information in the form and context in which it appears in the proposed Regulator's Draft is not misleading or deceptive in any material respect and does not contain any material omission;
- (e) **approval of Explanatory Statement:** as soon as reasonably practicable after the end of the Regulatory Review Period (or, if earlier and applicable, after ASIC informs the Target that it does not propose to make submissions to the Court under section 411(2)(b)(ii) of the Corporations Act), procure that a meeting of the Bidder Board is convened to consider approving those sections of the Explanatory Statement that relate to any Bidder Indemnified Parties appropriate for dispatch to Target Shareholders, subject to the approval of the Court and provide to the Target its consent to inclusion of the Bidder Information in the Explanatory Statement to be sent to Target Shareholders;
- (f) **update Bidder Information:** if at any time after the dispatch of the Explanatory Statement it becomes aware:
 - (i) of new information which, were it known at the time of dispatch, should have been included in any Bidder Information provided previously to the Target; or

- (ii) that any part of the Bidder Information contained in the Explanatory Statement is misleading or deceptive in any material respect (whether by omission or otherwise),

advise the Target so that the Target can determine whether supplementary disclosure to Target Shareholders is required;

- (g) **Deed Poll:** prior to or on the First Court Date, execute the Deed Poll and deliver the executed Deed Poll to the Target;
- (h) **representation:** procure that it is separately represented at the hearings on the First Court Date and the Second Court Date, at which hearings the Bidder will undertake (if requested by the Court) to do all such things and take all such steps within its power as may be reasonably necessary in order to ensure the fulfilment of its obligations under this agreement and the Scheme;
- (i) **Scheme Consideration:** if the Scheme becomes Effective, provide, or procure the provision of, the Scheme Consideration on the Implementation Date in accordance with the Scheme; and
- (j) **Employees and Director arrangements:** after the Scheme becomes Effective, comply with and honour, and cause the Target to comply with and honour, all employment contracts with all Target employees and, subject to law, directors.

5.4 Target registry details

For the purposes of clause 5.2(r), the Target must give all necessary directions to the Target Registry to ensure that any information that the Bidder reasonably requests in relation to the Target Share Register, including any CHESS sub-register and any issuer sponsored sub-register, is promptly provided to the Bidder and, where requested by the Bidder, the Target must procure that such information is made available in such electronic form as is reasonably requested by the Bidder.

5.5 Responsibility for information

The Bidder takes no responsibility for information in the Explanatory Statement other than the Bidder Information and the Target takes no responsibility for the Bidder Information that is included in the Explanatory Statement. The Explanatory Statement must include a statement that:

- (a) the Bidder Indemnified Parties are not responsible for any information contained in the Explanatory Statement other than the Bidder Information and the Bidder Indemnified Parties take no responsibility for the accuracy or completeness of the Target Information; and
- (b) the Target Indemnified Parties are not responsible for any information contained in the Explanatory Statement other than the Target Information and the Target Indemnified Parties take no responsibility for the accuracy or completeness of the Bidder Information.

5.6 Disputes in relation to information

If there is a dispute between the parties in relation to the presentation or content of any part of the Explanatory Statement (including the Bidder Information), the parties must consult in good faith and use their reasonable endeavours to resolve the dispute within 2 Business Days of the dispute arising. If the parties fail to agree on the disputed presentation or content:

- (a) the Target will have the final decision on any information other than the Bidder Information; and
- (b) the Bidder will have the final decision on any Bidder Information.

The parties must continue to perform their obligations under this agreement even where there is a dispute in relation to the presentation or content of any part of the Explanatory Statement.

5.7 Verification

The Target and the Bidder must undertake reasonable verification processes in relation to the Explanatory Statement and make the results of such processes available on request by the other party to comply with their respective obligations under clauses 5.2(j) and 5.3(e).

5.8 Reconstitution of Target Board

Subject to the implementation of the Scheme, the Target must take all actions necessary to:

- (a) procure that any Target Directors or directors of each Subsidiary of the Target who are not nominees of the Bidder on the Implementation Date resign from their office on the Implementation Date after the Bidder has complied with its obligations under clause 4.1(c); and
- (b) cause the appointment, on the Implementation Date, to the Target Board and to the board of each Subsidiary of the Target of any persons nominated by the Bidder after the Bidder has complied with its obligations under clause 4.1(c), subject to those persons having provided a consent to act as directors of the relevant companies.

5.9 CHAMP transfers of Target Shares

The Target will cause the Target Registry to promptly process and implement all transfers of Target Shares which are not Scheme Shares as required by the Bidder in cases where such transfers are from one entity comprised in CHAMP to another entity comprised in CHAMP.

6. Conduct of business and requests for access

6.1 Conduct of business

Subject to clause 6.2, from the date of this agreement until the earlier of the Implementation Date and the date when this agreement is terminated, the Target must procure that each member of the Target Group conducts the Business in the ordinary and usual course consistent with its usual business practices and in accordance with all applicable laws and regulations and does not make any significant change to the nature or scale of any activity comprised in the Business.

6.2 Ordinary and usual course of conduct

The parties agree that the following activities of the Target are in the ordinary course:

- (a) the acquisition of businesses with an aggregate purchase price of up to \$5,000,000 together with those described in the Disclosure Letter, provided the consideration is payable in cash and funded from the Target's existing cash reserves or existing (as at the date of this agreement) or any replacement bank facilities;
- (b) the giving of new guarantees or the provision of new bank guarantees to site owners in replacement of guarantees that are in place at the date of this agreement; and

- (c) the giving of new guarantees or provision of new bank guarantees to site owners which are not in replacement of existing bank guarantees up to an aggregate amount of \$1,000,000.

For the avoidance of doubt, the payment of vendor earn-outs for scrip in the Target (instead of cash), and the issue of shares in joint ventures to which the Target or its subsidiaries are a party the terms of which have not been disclosed in the Due Diligence Material or otherwise disclosed in the Disclosure Letter, will not be activities in the ordinary course of business.

6.3 Permitted activities

Nothing in clause 6.1 restricts any member of the Target Group from any activity which:

- (a) is required to be done by the Target under the Transaction Documents;
- (b) is approved by the Bidder in writing (prior to the activity); or
- (c) has been fairly disclosed in the Due Diligence Material, in the Disclosure Letter or to ASX, prior to the date of this agreement.

6.4 Transition and integration plan

As soon as practicable after executing the agreement, the Target must consult with the Bidder in good faith to discuss and agree a transition and integration plan, to the extent that to do so will not constitute a breach of the fiduciary or statutory duties of the Target Board.

7. Recommendation and intentions

7.1 Recommending Directors recommendation

Subject to clause 7.2, each Recommending Director in office at the relevant time must, in the Target Announcement and the Explanatory Statement, recommend that Target Shareholders vote in favour of all resolutions to be proposed at the Scheme Meeting in relation to the Scheme and approve the Scheme without any qualification other than a qualification that the recommendation is subject to:

- (a) no Superior Proposal being made; and
- (b) the Independent Expert opining that the Scheme is in the best interests of the Target Shareholders and the Cash Consideration is fair and reasonable.

7.2 Maintenance of recommendation

Neither a Target Director nor the Target Board may make any public statement or publicly take (or fail to take) any other action which qualifies their support for, or their expressed position in respect of, the Scheme and the Transaction, or which contradicts, or subsequently change, withdraw or modify the recommendation referred to in clause 7.1 except where:

- (a) a Competing Proposal constitutes a Superior Proposal, provided the Target and the Target Board have complied with their obligations under clause 9;
- (b) the Independent Expert does not opine in its final report to the Target for inclusion in the Explanatory Statement or any subsequent modification to that report by the Independent Expert that the Scheme is in the best interests of Target Shareholders and the Cash Consideration is fair and reasonable; or

- (c) the Target Board has determined in good faith, having received written legal and financial advice, that the duties of the Recommending Directors require them to change their recommendation.

7.3 Target Director intentions

Subject to clause 7.4, each Target Director must announce in the Target Announcement and the Explanatory Statement their intention to vote in favour of the Scheme any Target Shares in which they have a Relevant Interest and in respect of which they have power to vote, without any qualification other than a qualification that the intention is subject to:

- (a) no Superior Proposal being made; and
- (b) the Independent Expert opining that the Scheme is in the best interests of the Target Shareholders and the Cash Consideration is fair and reasonable.

7.4 Maintenance of intentions

A Target Director may make any public statement which qualifies their stated intention referred to in clause 7.3, where:

- (a) the Target Board determines that a Competing Proposal constitutes a Superior Proposal, provided the Target and the Target Board have complied with their obligations under clause 9;
- (b) the Independent Expert does not opine in its final report to the Target for inclusion in the Explanatory Statement that the Scheme is in the best interests of Target Shareholders and the Cash Consideration is fair and reasonable, or where the Independent Expert modifies its report to this effect; or
- (c) clause 7.2(c) applies.

7.5 Target procurement

The Target must use its best endeavours to procure that each Target Director acts in accordance with their obligations under clauses 7.1, 7.2, 7.3 and 7.4.

8. Announcements

8.1 Announcement of transaction

Immediately after the execution of this agreement, the Target must issue the Target Announcement to ASX.

8.2 Public announcements

Subject to clause 8.3, neither the Target nor the Bidder may make any public announcement or disclosure in relation to the Scheme or the Transaction (excluding any staff, supplier or customer announcements or presentations) or termination of this agreement without prior consultation with the other party.

8.3 Exception

The Target or the Bidder may make any announcement or disclosure in relation to the Scheme or the Transaction without consulting with the other party if immediate disclosure is required by law.

9. Exclusivity

9.1 No shop

During the Exclusivity Period, the Target must not, and must ensure that its Representatives do not, except with the prior written consent of the Buyer solicit or invite any Competing Proposal or initiate discussions with any third party which may reasonably be expected to lead to a Competing Proposal.

9.2 No talk and no due diligence

Subject to clause 9.3, during the Exclusivity Period, the Target must not, and must ensure that its Representatives do not, except with the prior written consent of the Buyer:

- (a) participate in any negotiations in relation to a Competing Proposal or which may reasonably be expected to lead to a Competing Proposal; or
- (b) provide any information to a third party for the purposes of enabling that party to make a Competing Proposal.

9.3 Exception

Clause 9.2 does not apply if the Target Board, acting in good faith determines that:

- (a) the Competing Proposal is or may reasonably be expected to lead to a Superior Proposal; and
- (b) failing to respond to the Competing Proposal in a manner described in clause 9.2 would be likely to constitute a breach of the Target Board's fiduciary or statutory duties.

9.4 No commitments

During the Exclusivity Period, the Target must not, and must ensure that its Representatives do not, except with the prior written consent of the Buyer, enter into any deed, arrangement or understanding in relation to a Competing Proposal which would have the effect of requiring the Target to abandon, or otherwise fail to proceed with, the Transaction unless the Target Board, acting in good faith and in order to satisfy its fiduciary or statutory duties, determines that the Competing Proposal is a Superior Proposal.

9.5 Notice of Competing Proposal

Subject to clause 9.6, during the Exclusivity Period, the Target must promptly notify the Buyer if it or any of its Representatives receive any inquiry or proposal from any person (**Rival Bidder**) which may reasonably be expected to lead to a Competing Proposal together with the identity of the Rival Bidder and reasonable details of the Competing Proposal sufficient to enable the Buyer to assess whether to make a proposal to the Target that delivers a benefit to Target Shareholders that is at least equal to that of the Competing Proposal.

9.6 Exception to clause 9.5

Clause 9.5 does not apply if the Target Board, acting in good faith and in order to satisfy its statutory and fiduciary duties determines that complying with the relevant clause would be likely to constitute a breach of the Target Board's fiduciary or statutory duties.

9.7 Warranty

The Target warrants to the Bidder that as at the date of this agreement:

- (a) neither it nor any of its Representatives is in discussions or negotiations with any party which may reasonably be expected to lead to an Competing Proposal; and
- (b) it and its Representatives have ceased any existing discussions or negotiations with any party which may reasonably be expected to lead to a Competing Proposal.

10. Liability of directors and employees

10.1 No action by Target against Bidder officers and Representatives

The Target waives and must procure that each other member of the Target Group waives all rights and claims that they may have against the current or former officers, employees or Representatives of any member of the Bidder Group in relation to any matter arising directly or indirectly in connection with a Transaction Document, except to the extent that such rights or claims arise out of the fraud, wilful misconduct or wilful default of such person. The parties acknowledge and agree that:

- (a) the Bidder has sought and obtained this waiver as agent for and on behalf of the current and former officers, employees and Representatives of each member of the Bidder Group and holds the benefit of this clause 10.1 as trustee for them; and
- (b) the provisions of this clause 10.1 may be enforced by the Bidder on behalf of and for the benefit of the current and former officers, employees and Representatives of any member of the Bidder Group and those persons may plead this clause 10.1 in answer to any claim made by any member of the Target Group against them.

10.2 No action by Bidder against Target officers and Representatives

The Bidder waives and must procure that each other member of the Bidder Group waives all rights and claims that they may have against the current or former officers, employees or Representatives of any member of the Target Group in relation to any matter arising directly or indirectly in connection with a Transaction Document except to the extent that such rights or claims arise out of the fraud, wilful misconduct or wilful default of such person. The parties acknowledge and agree that:

- (a) the Target has sought and obtained this waiver as agent for and on behalf of the current and former officers, employees and Representatives of each member of the Target Group and holds the benefit of this clause 10.2 as trustee for them; and
- (b) the provisions of this clause 10.2 may be enforced by the Target on behalf of and for the benefit of the current and former officers, employees and Representatives of any member of the Target Group and those persons may plead this clause 10.2 in answer to any claim made by any member of the Bidder Group against them.

11. Warranties

11.1 Target warranties

The Target warrants to the Bidder that, notwithstanding anything contained in any confidentiality agreement between the Target and a member of the Bidder Group, each Target Warranty is true and correct.

11.2 Limitation of liability

The Target is not liable in respect of a Warranty Claim in relation to a Target Warranty, nor shall a Target Warranty not be true and correct for the purposes of clause 3.1(g), if the fact, matter, circumstance or act giving rise to the Warranty Claim or the assertion that the Target Warranty is not true and correct:

- (a) was required to be done by the Target under the Transaction Documents;
- (b) was approved by the Bidder in writing (prior to the fact, matter, circumstance or act occurring);
- (c) was fairly disclosed in any announcement made by the Target to ASX prior to the date the parties entered into this agreement;
- (d) is described in the Disclosure Letter or has been fairly disclosed in the Due Diligence Material; or
- (e) was otherwise within the knowledge of Darren Smorgon, Paul Kennedy, Dino Sawaya or Stephen Duncan, as at the date the parties entered into the agreement.

11.3 Bidder warranties

The Bidder warrants to the Target that, notwithstanding anything contained in any confidentiality agreement between the Target and a member of the Bidder Group, each Bidder Warranty is true and correct.

11.4 Limitation of liability

The Bidder is not liable in respect of a Warranty Claim in relation to a Bidder Warranty if the fact, matter, circumstance or act giving rise to the Warranty Claim:

- (a) was required to be done by the Bidder under the Transaction Documents;
- (b) was approved by the Target in writing (prior to the fact, matter, circumstance or act occurring);
- (c) has been fairly disclosed in writing by the Bidder to the Target prior to the date the parties entered into this agreement; or
- (d) was otherwise within the knowledge of Brendon Cook, Chris Bregenhøj, Simon Yeandle, Michael Egan or any director of the Target as at the date the parties entered into the agreement.

11.5 Timing of warranties

Each Bidder Warranty and each Target Warranty is given:

- (a) as at the date of execution of this agreement; and
- (b) at 8.00 am on the Second Court Date,

unless the warranty is expressed to be given only at a particular time in which case it is given as at that time.

11.6 Notifications

If a party becomes aware of any fact, matter or circumstance which results in or is reasonably likely to result in a breach of any warranty given by it in this agreement, that party must promptly provide the other party notice describing that fact, matter or circumstance in reasonable detail (provided that nothing in this clause 11.6 obliges a party to make enquiries as to whether any such fact, matter or circumstance has arisen).

11.7 Warranties separate and survival

Each Target Warranty and each Bidder Warranty:

- (a) is to be treated as a separate warranty and is not limited by reference to any other warranty or any other provision of this agreement; and
- (b) will remain in full force and effect after termination of this agreement and a Warranty Claim is not limited to breaches identified prior to termination.

12. Termination

12.1 Termination by either party

Either party may terminate this agreement by written notice to the other:

- (a) if the Scheme has not become Effective by the End Date;
- (b) at any time before 8.00 am on the Second Court Date if:
 - (i) the other party has materially breached any provision of this agreement (including any warranty);
 - (ii) the party wishing to terminate has given written notice to the other setting out the relevant circumstances of the breach and stating an intention to terminate the agreement; and
 - (iii) the relevant circumstances continue to exist for 5 Business Days (or any shorter period ending at 8.00 am on the Second Court Date) from the time the notice in clause 12.1(b)(ii) is given;
- (c) at any time before 8.00 am on the Second Court Date, if the Independent Expert considers (whether in its original or any subsequent opinion) that the Scheme is not in the best interests of the Scheme Shareholders;
- (d) if the Scheme is not approved by the majorities required under section 411(4)(a)(ii) of the Corporations Act; or
- (e) if it is permitted to in accordance with clause 3.10.

12.2 Termination by Bidder

The Bidder may terminate this agreement by notice in writing to the Target at any time before 8.00 am on the Second Court Date if a Target Director, for any reason:

- (a) fails to recommend as described in clause 7.1;
- (b) makes any public statement or publicly takes any action that contradicts their recommendation;

- (c) qualifies their support for the Scheme, or withdraws their recommendation; or
- (d) recommends against the Scheme.

12.3 Termination by Target

The Target may terminate this agreement by notice in writing to the Bidder:

- (a) at any time before 8.00 am on the Second Court Date if a any of the Recommending Directors have changed, withdrawn or modified their recommendation (as described in clause 7.1) in a circumstances permitted by clause 7.2(a), 7.2(b) or 7.2(c); or
- (b) at any time after 8.00 am on the Second Court Date and prior to the Implementation Date if the Bidder suffers an Insolvency Event.

12.4 Written agreement

The parties may terminate this agreement by another written agreement between them.

12.5 Notice of breach

Each party must give notice to the other as soon as practicable after it becomes aware of a breach by it of this agreement.

12.6 Effect of termination

If this agreement is terminated then:

- (a) the provisions of this agreement shall cease to have effect except for the provisions of clauses 1, 8.2, 8.3 and 10 to 20 which will survive termination; and
- (b) each party retains the rights it has against the others in respect of any breach of this agreement occurring before termination.

13. Limitation on liabilities

13.1 Limitation of damages

Notwithstanding any other provision contained in this agreement, the liability of each party to the other in respect of all claims against it in relation to this agreement is limited to \$1.7 million.

13.2 Disclosure Letter

Any matter described in the Disclosure Letter cannot, despite any provision to the contrary in this agreement, constitute:

- (a) a Prescribed Occurrence;
- (b) a breach of a Target Warranty or a fact, matter or circumstances which would cause a Target Warranty not to be true or correct; or
- (c) a breach by Target of any obligation imposed on Target under this agreement.

14. Confidentiality

14.1 Confidentiality agreement

The parties acknowledges and agrees that, subject to clause 14.3, any confidentiality agreement between the Target and a member of the Bidder Group in effect as at the date of this agreement remains in full force and effect in accordance with its terms after the date of this agreement.

14.2 Bidder information

Subject to clause 14.3, the Target must, and must procure that its Representatives, use reasonable endeavours to keep confidential any confidential information relating to the Bidder Group which is provided to the Target or the Target's Representatives after the execution of this agreement.

14.3 Permitted disclosure

The parties agree that any confidential information disclosed to the Bidder under a confidentiality agreement between the Target and a member of the Bidder Group and confidential information relating to the Bidder (as described in clause 14.2) may be disclosed by the Bidder and the Target respectively where:

- (a) disclosure is reasonably required to enable a party to perform its obligations under this agreement or for the purpose of implementing the Scheme or the Transaction (including preparing the Explanatory Statement);
- (b) disclosure is required to be made by law or the rules of a recognised stock or securities exchange and the party whose obligation it is to keep matters confidential or procure that those matters are kept confidential:
 - (i) has not through any voluntary act or omission (other than the execution of this agreement) caused the disclosure obligation to arise; and
 - (ii) has, where practicable to do so, before disclosure is made notified each other party of the requirement to disclose and, where the relevant law or rules permit and, where practicable to do so, given each other party a reasonable opportunity to comment on the requirement for and proposed contents of the proposed disclosure;
- (c) disclosure is made by way of a written announcement the terms of which have been agreed in writing by the parties prior to the making of the announcement;
- (d) disclosure is made to any professional adviser of a party who has been retained to advise in relation to the transactions contemplated by the Transaction Documents or to the auditor of a party;
- (e) the prior written approval of each party other than the party whose obligation it is to keep those matters confidential or procure that those matters are kept confidential has been obtained; or
- (f) the information has come into the public domain otherwise than as a result of a breach by any party of this agreement.

15. Payments

15.1 Direction

Any reference in this agreement to a payment to any party includes payment to another person at the direction of that party.

15.2 Method of payment

Payment of any amount due under this agreement by any party must be made by the paying party to the recipient party by electronic funds transfer to bank account specified by the recipient party to the paying party at least 3 Business Days before the due date for payment and confirmed by the paying party to the recipient party by notice.

15.3 Payment of Scheme Consideration

The Bidder must provide or procure the provision of the Scheme Consideration in accordance with clause 6 of the Scheme.

15.4 No deduction

Any payment to be made under this agreement must be made free and clear of any deduction or withholding, except where that deduction or withholding is required or compelled by law.

15.5 Gross-up for withholdings

Any person who is required or compelled by law to make any deduction or withholding from any amount payable by one party to another under this agreement must, to the extent permitted by law, pay to the payee an additional amount sufficient to ensure that the amount received by the payee equals the full amount that would have been received by the payee, if that deduction or withholding had not been required or compelled.

15.6 Default interest

If any party (the **Payor**) fails to make a payment to any other party (the **Payee**) under this agreement on or before the due date for payment, then, without limiting any other remedy of the Payee, the Payor must pay to the Payee upon demand interest on the due amount calculated at the rate which is 2% above the Standard Rate, with interest to accrue from the due date to the day immediately before the actual date of payment, calculated daily on the basis of a 365 day year and capitalised monthly.

16. GST

16.1 Interpretation

The parties agree that:

- (a) except where the context suggests otherwise, terms used in this clause 16 have the meanings given to those terms by the GST Act (as amended from time to time);
- (b) any part of a supply that is treated as a separate supply for GST purposes (including attributing GST payable to tax periods) will be treated as a separate supply for the purposes of this clause 16; and

- (c) any consideration that is specified to be inclusive of GST must not be taken into account in calculating the GST payable in relation to a supply for the purpose of this clause 16.

16.2 Reimbursements and similar payments

Any payment or reimbursement required to be made under this agreement or any other Transaction Document that is calculated by reference to a cost, expense, or other amount paid or incurred will be limited to the total cost, expense or amount less the amount of any input tax credit to which an entity is entitled for the acquisition to which the cost, expense or amount relates.

16.3 GST payable

If GST is payable in relation to a supply made under or in connection with this agreement or any other Transaction Document then any party (**Recipient**) that is required to provide consideration to another party (**Supplier**) for that supply must pay an additional amount to the Supplier equal to the amount of that GST at the same time as other consideration is to be provided for that supply or, if later, within 5 Business Days of the Supplier providing a valid tax invoice to the Recipient.

16.4 Variation to GST payable

If the GST payable in relation to a supply made under or in connection with this agreement or any other Transaction Document varies from the additional amount paid by the Recipient under clause 16.3 then the Supplier will provide a corresponding refund or credit to, or will be entitled to receive the amount of that variation from, the Recipient. Any ruling, advice, document or other information received by the Recipient from the Australian Taxation Office in relation to any supply made under this agreement or any other Transaction Document will be conclusive as to the GST payable in relation to that supply. Any payment, credit or refund under this clause 16 is deemed to be a payment, credit or refund of the additional amount payable under clause 16.3.

17. Notices

17.1 How notice to be given

Each communication (including each notice, consent, approval, request and demand) under or in connection with this agreement:

- (a) may be given by personal service, post, or facsimile;
- (b) must be in writing;
- (c) must be addressed as follows (or as otherwise notified by that party to each other party from time to time):

- (i) if to the Target:

Address: Level 2, 76 Berry Street, North Sydney NSW
2060, Australia

Fax number: +61 2 9927 5599

For the attention of: Mike Egan

- (ii) if to the Bidder:

Address: Level 4, Customs House, 31 Alfred Street, Sydney
NSW 2000, Australia

Fax number: +61 2 8248 8877

For the attention of: Darren Smorgon

- (d) must be signed by the party making it or (on that party's behalf) by the solicitor for, or any attorney, director, secretary or authorised agent of, that party; and
- (e) must be delivered by hand or posted by prepaid post to the address, sent by fax to the number, of the addressee, in accordance with clause 17.1(c).

17.2 When notice taken to be received

Each communication (including each notice, consent, approval, request and demand) under or in connection with this agreement is taken to be received by the addressee:

- (a) (in the case of prepaid post sent to an address in the same country) on the third day after the date of posting;
- (b) (in the case of prepaid post sent to an address in another country) on the fifth day after the date of posting by airmail;
- (c) (in the case of fax) at the time in the place to which it is sent equivalent to the time shown on the transmission confirmation report produced by the fax machine from which it was sent; and
- (d) (in the case of delivery by hand) on delivery,

but if the communication would otherwise be taken to be received on a day that is not a working day or after 5.00 pm, it is taken to be received at 9.00 am on the next working day ("working day" meaning a day that is not a Saturday, Sunday or public holiday and on which banks are open for business generally, in the place to which the communication is posted, sent or delivered).

18. Entire agreement

Subject to clause 14.1, the Transaction Documents constitute the entire agreement between the parties in relation to their subject matter and supersede all previous agreements and understandings between the parties in relation to their subject matter.

19. General

19.1 Amendments

This agreement may only be varied by a document signed by or on behalf of each party.

19.2 Assignment

A party cannot assign or otherwise transfer any of its rights under this agreement without the prior consent of each other party.

19.3 Consents

Unless this agreement expressly provides otherwise, a consent under this agreement may be given or withheld in the absolute discretion of the party entitled to give the consent and to be effective must be given in writing.

19.4 Counterparts

This agreement may be executed in any number of counterparts and by the parties on separate counterparts. Each counterpart constitutes an original of this agreement, and all together constitute one agreement.

19.5 Further acts and documents

Each party must promptly do all further acts and execute and deliver all further documents (in form and content reasonably satisfactory to that party) required by law or reasonably requested by another party to give effect to this agreement.

19.6 No merger

A party's rights and obligations do not merge on completion of any transaction under this agreement.

19.7 Severance

If any provision or part of a provision of this agreement is held or found to be void, invalid or otherwise unenforceable (whether in respect of a particular party or generally), it will be deemed to be severed to the extent that it is void or to the extent of violability, invalidity or unenforceability, but the remainder of that provision will remain in full force and effect.

19.8 Stamp duties

The Bidder:

- (a) must pay all stamp duties and any related fines and penalties in respect of this agreement, the performance of this agreement and each transaction effected by or contemplated by or made under this agreement;
- (b) must pay to the Target on demand the amount of any Indemnified Loss suffered or incurred by the Target arising out of or in connection with any failure to comply with clause 19.8(a); and
- (c) is authorised to apply for and retain the proceeds of any refund due in respect of stamp duty paid under this clause.

19.9 Waivers

Without limiting any other provision of this agreement, the parties agree that:

- (a) failure to exercise or enforce, or a delay in exercising or enforcing, or the partial exercise or enforcement of, a right, power or remedy provided by law or under this agreement by a party does not preclude, or operate as a waiver of, the exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this agreement;
- (b) a waiver given by a party under this agreement is only effective and binding on that party if it is given or confirmed in writing by that party; and

- (c) no waiver of a breach of a term of this agreement operates as a waiver of another breach of that term or of a breach of any other term of this agreement.

20. Governing law and jurisdiction

20.1 Governing law

This agreement is governed by the law applying in New South Wales.

20.2 Jurisdiction

Each party irrevocably:

- (a) submits to the non exclusive jurisdiction of the courts of New South Wales, Commonwealth courts having jurisdiction in that state and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought at any time relating to this agreement; and
- (b) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within clause 20.2(a).

Schedule 1 Timetable

Event	Date
Target lodges draft Explanatory Statement with ASIC	23 December 2011
First Court Date	24 January 2012
Dispatch of Explanatory Statement completed	30 January 2012
Scheme Meeting	29 February 2012
Second Court Date	2 March 2012
Effective Date	On or within 1 Business Day after the Second Court Date
Record Date	5 Business Days after the Effective Date
Implementation Date	5 Business Days after the Record Date

Schedule 2 Prescribed Occurrences

1. The Target converting all or any of its shares into a larger or smaller number of shares.
2. Any member of the Target Group (other than a direct or indirect wholly-owned subsidiary of the Target) resolving to reduce its capital in any way or re-classifying, combining, splitting, redeeming or re-purchasing directly or indirectly any of its shares.
3. Any member of the Target Group (other than a direct or indirect wholly-owned subsidiary of the Target):
 - (a) entering into a buy-back agreement; or
 - (b) resolving to approve the terms of a buy-back agreement under the Corporations Act.
4. Any member of the Target Group issuing shares, or granting an option over its shares or agreeing to make such an issue or grant such an option (other than in respect of exercise of a Target Option on issue as at the date of this agreement).
5. Any member of the Target Group issuing, or agreeing to issue, convertible notes or any other security convertible into shares.
6. Any member of the Target Group (other than a direct or indirect wholly-owned subsidiary of the Target) agreeing to pay, declaring or paying a dividend or any other form of distribution of profits or return of capital to its members.
7. Any member of the Target Group disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property.
8. Any member of the Target Group creating or agreeing to create any mortgage, charge, lien or other encumbrance over, or declare itself the trustee of, the whole, or a substantial part, of its business or property otherwise than in the ordinary course of business.
9. An application being made to court (unless it is frivolous or struck out or withdrawn) or a resolution being passed or an order is made for the winding up or dissolution of any member of the Target Group.
10. A receiver, receiver and manager, liquidator, provisional liquidator, administrator, trustee or similar officer being appointed in respect of any member of the Target Group or any of its assets.
11. Any member of the Target Group proposing or taking any steps to implement a scheme of arrangement or other compromise or arrangement with its creditors or any class of them.
12. The Target making or proposing to make any change to its constitution.
13. Any member of the Target Group, other than in the ordinary course of business:
 - (a) increasing the remuneration of, or paying any bonus, or otherwise varying the employment arrangements with, any of its directors or executives;
 - (b) accelerating the rights of any of its directors or executives to benefits of any kind;
or
 - (c) paying or agreeing to pay a director or executive a termination payment (including a "golden parachute").

14. Any member of the Target Group entering into any Guarantee or indemnity on behalf of any person or providing security for the obligations of any person except in the ordinary course of business (including as permitted by clause 6.2).
15. Any member of the Target Group paying any retirement allowance or superannuation benefit to any director or employee, except for any payment required by law or any payment made in the ordinary course of business.
16. Any member of the Target Group authorising, or agreeing conditionally or otherwise to do, any of the things referred to in this Schedule 2.

Schedule 3 Target Warranties

1. The Target is a company properly incorporated and validly existing under the laws of the country or jurisdiction of its incorporation, has the legal right and full corporate power and capacity to execute, deliver and perform its obligations under this agreement and has obtained all necessary authorisations and consents and taken all other actions necessary to enable it to do so.
2. Each Transaction Document constitutes (or will when executed constitute) valid legal and binding obligations of the Target and is enforceable against the Target in accordance with their respective terms.
3. The execution, delivery and performance of each Transaction Document by the Target does not and will not result in a breach of or constitute a default under:
 - (a) any provision of the constitution of the Target; or
 - (b) to the knowledge of Target, any law or regulation or any order, judgment or determination of any court or Regulatory Authority by which the Target is bound.
4. None of the following events has occurred in relation to the Target:
 - (a) a receiver, receiver and manager, liquidator, provisional liquidator, administrator or trustee is appointed in respect of the Target or any of its assets or anyone else is appointed who (whether or not as agent for the Target) is in possession, or has control, of any of the Target's assets for the purpose of enforcing a charge;
 - (b) an event occurs that gives any person the right to seek an appointment referred to in paragraph (a);
 - (c) an application is made to court (unless it is frivolous or struck out or withdrawn) or a resolution is passed or an order of the Court is made for the winding up or dissolution of the Target;
 - (d) the Target proposes or takes any steps to implement a scheme of arrangement or other compromise or arrangement with its creditors or any class of them;
 - (e) the Target stops paying its debts when they become due or is declared or taken under any applicable law to be insolvent or the Target Board resolves that the Target is, or is likely to become at some future time, insolvent; or
 - (f) any person in whose favour the Target has granted any Encumbrance becomes entitled to enforce any security under that Encumbrance or any floating charge under that Encumbrance crystallises.
5. The Target is not in breach of its continuous disclosure obligations under the Corporations Act or the Listing Rules and, as at the date of this agreement, the Target is not relying on the exception to Listing Rule 3.1 in Listing Rule 3.1A to withhold any information from ASX (other than the fact of its discussions with the Bidder in relation to the Transaction).
6. As at the date of this agreement:
 - (a) there are 501,225,275 Target Shares on issue and those shares have been validly issued and are fully paid up;
 - (b) there are 23,000,000 Target Options on issue;

- (c) other than pursuant to the Target Options, no person has any option or other right of any nature to require the issue of any shares or other securities in any member of the Target Group (or may, by virtue of an option vesting or otherwise, ever have that right) and no member of the Target Group has made any offer that may result in any person having such a right, except for Target Shares which may be issued after 31 December 2012 in connection with vendor earn-outs only in the event the Target has at no time ceased to be listed on ASX;
 - (d) all of the shares in the Subsidiaries of the Target are legally and beneficially owned by the Target and those shares have been validly issued and are fully paid up;
 - (e) there is no Encumbrance, option, right of pre-emption, right of first or last refusal or other third party right over any of the shares in the Subsidiaries of the Target;
 - (f) no member of the Target Group has in place any plans or schemes relating to the provision of shares, options or other equity entitlements to officers or employees of that member; and
 - (g) no member of the Target Group has given any commitment to any officer or employee of that member in relation to a change of ownership of the Target.
7. As at the time the Explanatory Statement or supplementary disclosure is dispatched to Target Shareholders, the information contained in the Explanatory Statement or supplementary disclosure (other than the Bidder Information and the Independent Expert's Report) is true and correct in all material respects, complies with all applicable laws in all material respects and to the knowledge of the Target, does not contain any statement which is materially misleading or deceptive and does not contain any material omission.
 8. Other than as disclosed to the Bidder either in the Due Diligence Materials or in writing prior to the date of this agreement, the Target has no arrangement with any corporate or financial adviser under which the Target has agreed to pay a fee to that adviser if the Scheme does not become Effective or if the Scheme does become Effective.
 9. As at the date of this agreement, each Target Director in office as at the date of this agreement has informed the Target that they:
 - (a) will take such action as necessary (including resigning from office and approving all necessary resolutions) to enable the Target to comply with its obligations under clause 5.8; and
 - (b) will only act contrary to the advice referred to in paragraph (a) if they consider it reasonably necessary having regard to their fiduciary or statutory obligations at the time of acting (or failing to act).
 10. Prior to entering into this agreement the Target and the Target Board received external legal and financial advice on this agreement including on the operation of clause 9.
 11. The Target and the Target Board consider that it is appropriate to agree to the terms in clause 9 in order to secure the benefits to the Target Shareholders resulting from the Scheme.
 12. To the knowledge of Target, as at the date of this agreement the Target Group holds, and complies with the material terms and conditions of, all material licences and material authorisations required to conduct its Business in the manner it is conducted as at the date of this agreement.

Schedule 4 Bidder Warranties

1. The Bidder is a company properly incorporated and validly existing under the laws of the country or jurisdiction of its incorporation, has the legal right and full corporate power and capacity to execute, deliver and perform its obligations under this agreement and has obtained all necessary authorisations and consents and taken all other actions necessary to enable it to do so.
2. Each Transaction Document constitutes (or will when executed constitute) valid legal and binding obligations of the Bidder and is enforceable against the Bidder in accordance with their respective terms.
3. The execution, delivery and performance of each Transaction Document by the Bidder does not and will not result in a breach of or constitute a default under:
 - (a) any provision of the constitution of the Bidder; or
 - (b) to the knowledge of Bidder, any law or regulation or any order, judgment or determination of any court or Regulatory Authority by which the Bidder is bound.
4. None of the following events has occurred in relation to the Bidder:
 - (a) a receiver, receiver and manager, liquidator, provisional liquidator, administrator or trustee is appointed in respect of the Bidder or any of its assets or anyone else is appointed who (whether or not as agent for the Bidder) is in possession, or has control, of any of the Bidder's assets for the purpose of enforcing a charge;
 - (b) an event occurs that gives any person the right to seek an appointment referred to in paragraph (a);
 - (c) a resolution is passed or an order of the Court is made for the winding up or dissolution of the Bidder;
 - (d) the Bidder proposes or takes any steps to implement a scheme of arrangement or other compromise or arrangement with its creditors or any class of them;
 - (e) the Bidder stops paying its debts when they become due or is declared or taken under any applicable law to be insolvent or the Bidder Board resolves that the Bidder is, or is likely to become at some future time, insolvent; or
 - (f) any person in whose favour the Bidder has granted any Encumbrance becomes entitled to enforce any security under that Encumbrance or any floating charge under that Encumbrance crystallises.
5. The Bidder Information provided to the Target for inclusion in the Explanatory Statement:
 - (a) at the time it was provided, was provided in good faith and on the understanding that each of the Target Indemnified Parties will rely on that information to prepare the Explanatory Statement or supplementary disclosure to Target Shareholders and to propose and implement the Scheme; and
 - (b) at the time the Target commenced dispatch of the Explanatory Statement or supplementary disclosure to Target Shareholders, is true and correct in all material respects, complies with all applicable laws, does not contain any statement which is materially misleading or deceptive and does not contain any material omission.

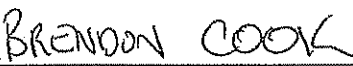
6. At both 8.00 am on the First Court Date and on the Implementation Date, the Articles of Association of Cayman Holdco will include provisions to apply on and from the Implementation Date which are substantially in accordance with those set out in the term sheet contained in Annexure C; provided that the Articles may have additional provisions which, to the extent that they are material for disclosure in relation to the New Bidder Shares, will also be disclosed in the Bidder Information.
7. All shares in the capital of Cayman Holdco subscribed for by CHAMP on or prior to the Implementation Date will have an issue price of no less than \$0.225 per share.
8. Upon provision of the Scheme Consideration to Scheme Shareholders in accordance with the Scheme, there will be no more than 595 million shares issued in the capital of Cayman Holdco, excluding any New Bidder Shares which are provided to Scheme Shareholders in respect of Target Shares (if any) which are issued upon exercise of Target Options.

Executed as an agreement.

Executed by oOh!media Group Limited
ACN 091 780 924 in accordance with
section 127 of the Corporations Act 2001 (Cth):



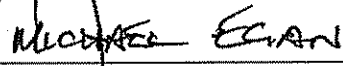
Signature of director



Full name of director



Signature of company secretary/director



Full name of company secretary/director

Executed by Outdoor Media Operations
Pty Limited ACN 154 668 087 in accordance
with section 127 of the Corporations Act 2001
(Cth):

Signature of director

Full name of director

Signature of company secretary/director

Full name of company secretary/director

Executed as an agreement.

**Executed by oOh!media Group Limited
ACN 091 780 924** in accordance with
section 127 of the Corporations Act 2001 (Cth):

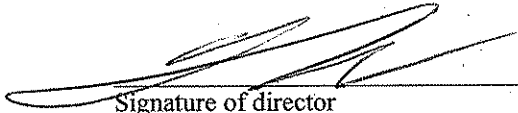
Signature of director

Full name of director

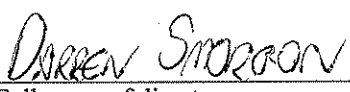
Signature of company secretary/director

Full name of company secretary/director

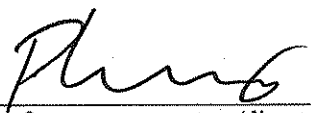
**Executed by Outdoor Media Operations
Pty Limited ACN 154 668 087** in accordance
with section 127 of the Corporations Act 2001
(Cth):



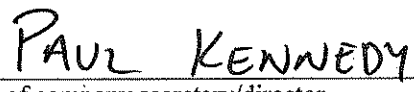
Signature of director



Full name of director



Signature of company secretary/director



Full name of company secretary/director

Annexure A Scheme

Scheme of arrangement made under section 411 of the Corporations Act

Parties **oOh!media Group Limited ABN 96 091 780 924** of Level 2, 76 Berry Street, North Sydney NSW 2060, Australia (Target)

Each person registered as a holder of fully paid ordinary shares in the capital of the Target as at 7.00 pm on the Record Date (other than CHAMP)

Background

- A. The Target and the Bidder have entered into the Implementation Agreement, pursuant to which, amongst other things, the Target has agreed to propose this scheme to Target Shareholders and each of the Target and the Bidder have agreed to take certain steps to give effect to this scheme.
- B. If this scheme becomes Effective, the Bidder or Cayman Holdco will provide or procure the provision of the Scheme Consideration to the Scheme Shareholders in accordance with the provisions of this scheme, and the Bidder will acquire all Scheme Shares.

Operative provisions

1. Definitions and interpretation

1.1 Definitions

In this scheme:

Aggregate Cash Consideration means the aggregate of the Cash Consideration and the Mixed Cash Consideration payable to Scheme Shareholders under the Scheme.

All Cash Election means an election by a Target Shareholder to receive the Cash Consideration for each Scheme Share held by that Target Shareholder using an Election Form.

ASIC means the Australian Securities and Investments Commission.

ASX means, as the context requires, ASX Limited ABN 98 008 624 691 or the securities market conducted by ASX Limited.

Bidder means Outdoor Media Operations Pty Limited ACN 154 668 087 of Level 4, Customs House, 31 Alfred Street, Sydney, New South Wales 2000, Australia.

Bidder Share Register means the register of members of Cayman Holdco maintained by or on behalf of Cayman Holdco.

Business Day means a business day as defined in the Listing Rules.

Cash Consideration means \$0.325 for each Scheme Share.

Cayman Holdco means Outdoor Media Investments Limited.

CHAMP means CHAMP III Management Pty Limited ACN 134 673 162 or any of its Related Entities.

CHESS means the Clearing House Electronic Subregister System for the electronic transfer of Target Shares and other financial products operated by ASX Settlement Pty Limited ABN 49 008 504 532.

Corporations Act means the Corporations Act 2001 (Cth).

Court means the Federal Court of Australia.

Deed Poll means the deed poll dated 2012 executed by the Bidder and Cayman Holdco in favour of the Scheme Shareholders.

Deemed Election has the meaning given in clause 5.1(c) of this Scheme.

Effective means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to this scheme.

Effective Date means the date on which this scheme becomes Effective.

Election means an All Cash Election or a Mixed Election.

Election Form means the form of election under which a Target Shareholder is offered the opportunity to make an Election.

Encumbrance means a mortgage, charge, pledge, lien, encumbrance, security interest, title retention, preferential right, trust arrangement, contractual right of set-off, or any other security agreement or arrangement in favour of any person, whether registered or unregistered, including any Security Interest.

End Date means 31 March 2012.

Implementation Agreement means the scheme implementation agreement dated 2011 between the Target and the Bidder.

Implementation Date means the date which is 5 Business Days after the Record Date or such other date as the Target and the Bidder agree in writing.

Ineligible Foreign Shareholder means a Scheme Shareholder whose address shown in the Target Share Register as at 7.00 pm on the Record Date is a place outside Australia and its external territories and outside Singapore unless the Bidder determines that it is lawful and not unduly onerous or impracticable to provide that Scheme Shareholder with New Bidder Shares when this scheme becomes Effective.

Listing Rules means the official listing rules of ASX.

Marketable Parcel means a marketable parcel as defined by the market rules of ASX.

Maximum Cash Consideration means a cash amount equal to the Cash Consideration multiplied by the total number of Scheme Shares.

Minimum Scrip Number means 100,000,000 New Bidder Shares.

Mixed Cash Consideration means \$0.10 for each Scheme Share.

Mixed Consideration means the Mixed Cash Consideration plus the Mixed Scrip Consideration.

Mixed Election means an election by a Target Shareholder to receive the Mixed Consideration for each Scheme Share held by that Target Shareholder using an Election Form.

Mixed Scrip Consideration means one New Bidder Share with an issue price of \$0.225 for each Scheme Share.

New Bidder Share means a fully paid Class B ordinary share in the capital of Cayman Holdco to be provided to Scheme Shareholders under this scheme.

Record Date means the date which is 5 Business Days after the Effective Date or such other date (after the Effective Date) as the Bidder and the Target agree in writing.

Registered Address means, in relation to a Scheme Shareholder, the address of the Scheme Shareholder as recorded in the Target Share Register.

Related Entity of a corporation means:

- (a) a related body corporate of that corporation within the meaning of section 50 of the Corporations Act;
- (b) a trustee of any unit trust in relation to which that corporation, or a corporation referred to in paragraph (a), directly or indirectly:
 - (i) controls the right to appoint the trustee;
 - (ii) is in a position to control the casting of, more than one half of the maximum number of votes that might be cast at a meeting of holders of units in the trust; or
 - (iii) holds or is in a position to control the disposal of more than one half of the issued units of the trust; and
- (c) any investment fund (whether a corporation, trust, partnership, limited partnership or other entity) which is, directly or indirectly, managed or advised by CHAMP or any of its related bodies corporate (within the meaning of section 50 of the Corporations Act).

Scheme Consideration means, subject to the terms of this scheme:

- (a) the Cash Consideration; or
- (b) the Mixed Consideration.

Scheme Meeting means the meeting to be convened by the Court in relation to this scheme pursuant to section 411(1) of the Corporations Act.

Scheme Share means a Target Share on issue as at 7.00 pm on the Record Date other than those shares held by CHAMP.

Scheme Shareholder means each person who holds Scheme Shares.

Second Court Date means the first day of hearing of an application made to the Court for an order pursuant to section 411(4)(b) of the Corporations Act approving this scheme or, if the hearing of such application is adjourned for any reason, means the first day of the adjourned hearing.

Security Interest has the meaning given in section 12 of the Personal Property Securities Act 2009 (Cth).

Target Options means an option to acquire one unissued Target Share issued to directors and management of the Target with an exercise price of \$0.12 per Target Share and which expire on 20 May 2015.

Target Shareholder means a person who is registered in the Target Share Register as a holder of Target Shares.

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

Target Share Register means the register of members of the Target maintained by or on behalf of the Target in accordance with section 168(1) of the Corporations Act.

Target Share Registry means Computershare Investor Services, Level 3, 60 Carrington Street, Sydney, New South Wales 2000, Australia.

1.2 Business Days

If the day on which any act to be done under this scheme is a day other than a Business Day, that act must be done on or by the next Business Day except where this scheme expressly specifies otherwise.

1.3 Listing rules are law

A listing rule or business rule of a financial market or securities exchange will be regarded as a law for the purposes of this scheme.

1.4 General rules of interpretation

In this scheme headings are for convenience only and do not affect interpretation and, unless the contrary intention appears:

- (a) a word importing the singular includes the plural and vice versa, and a word of any gender includes the corresponding words of any other gender;
- (b) the word **including** or any other form of that word is not a word of limitation;
- (c) if a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (d) a reference to a **person** includes an individual, the estate of an individual, a corporation, an authority, an association or parties in a joint venture, a partnership and a trust;
- (e) a reference to a party includes that party's executors, administrators, successors and permitted assigns, including persons taking by way of novation and, in the case of a trustee, includes any substituted or additional trustee;
- (f) a reference to a document (including this scheme) is to that document as varied, novated, ratified or replaced from time to time;
- (g) a reference to a party, clause, schedule, exhibit, attachment or annexure is a reference to a party, clause, schedule, exhibit, attachment or annexure to or of this scheme, and a

reference to this scheme includes all schedules, exhibits, attachments and annexures to it;

- (h) a reference to an agency or body if that agency or body ceases to exist or is reconstituted, renamed or replaced or has its powers or function removed (**obsolete body**), means the agency or body which performs most closely the functions of the obsolete body;
- (i) a reference to a statute includes any regulations or other instruments made under it (**delegated legislation**) and a reference to a statute or delegated legislation or a provision of either includes consolidations, amendments, re-enactments and replacements;
- (j) a reference to \$ or **dollar** is to Australian currency;
- (k) a reference to time is to Sydney, Australia time; and
- (l) this scheme must not be construed adversely to a party just because that party prepared it or caused it to be prepared.

2. Preliminary matters

2.1 Target

- (a) The Target is a public company limited by shares, incorporated in Australia and registered in the State of Victoria.
- (b) The Target is admitted to the official list of ASX and Target Shares are officially quoted on ASX. As at 2011, the Target had the following securities on issue:
 - (i) 501,225,275 Target Shares; and
 - (ii) 23,000,000 Target Options.

2.2 Bidder

The Bidder is a proprietary company limited by shares, incorporated in Australia and registered in the State of Victoria. The Bidder is a wholly owned subsidiary (within the meaning of that term in section 9 of the Corporations Act) of Cayman Holdco.

2.3 Cayman Holdco

Cayman Holdco is an exempted company incorporated under the laws of the Cayman Islands.

2.4 Implementation Agreement

The Bidder and the Target have agreed, by executing the Implementation Agreement, to implement this scheme.

2.5 Deed Poll

The Bidder and Cayman Holdco have agreed, by executing the Deed Poll, to perform their obligations under this scheme, including the obligation to provide or procure the provision of the Scheme Consideration to the Scheme Shareholders in accordance with the terms of the Scheme.

3. Conditions precedent

3.1 Conditions

- (a) This scheme is conditional on and will have no force or effect until each of the following conditions is satisfied:
 - (i) all the conditions precedent in clause 3.1 of the Implementation Agreement (other than the condition in clause 3.1(f)) having been satisfied or waived in accordance with the terms of the Implementation Agreement by 8.00 am on the Second Court Date;
 - (ii) the Implementation Agreement or Deed Poll not having been terminated in accordance with its terms before 8.00 am on the Second Court Date;
 - (iii) approval of this scheme by the Court under section 411(4)(b) of the Corporations Act, including with such other conditions imposed by the Court under section 411(6) of the Corporations Act, as are acceptable to the Target and the Bidder, having been satisfied; and
 - (iv) the orders of the Court made under section 411(4)(b) (and if applicable, section 411(6)) of the Corporations Act approving this scheme coming into effect, under section 411(10) of the Corporations Act.
- (b) This scheme will lapse and be of no further force or effect if the Effective Date does not occur on or before the End Date unless Target and Bidder otherwise agree in writing.

3.2 Certificate in relation to conditions

The Target and the Bidder must provide to the Court on the Second Court Date a certificate, or such other evidence as the Court requests, confirming (in respect of matters within their knowledge) whether or not as at 8.00 am on the Second Court Date all the conditions precedent in clause 3.1 of the Implementation Agreement (other than the condition in clause 3.1(f)) have been satisfied or waived.

3.3 Conclusive evidence

The giving of a certificate by the Target and the Bidder under clause 3.2 will be conclusive evidence that such conditions precedent are satisfied, waived or taken to be waived.

4. Implementation

4.1 Lodgement of Court orders

The Target must lodge with ASIC an office copy of any Court orders under section 411(10) of the Corporations Act approving this scheme by 5.00 pm on the first Business Day following the date on which the Court approves this scheme or by 5.00 pm on the first Business Day following the date on which the Court orders are entered, whichever is later.

4.2 Consequences of this scheme becoming Effective

If this scheme becomes Effective:

- (a) it will override the constitution of the Target, to the extent of any inconsistency;

- (b) the Bidder or Cayman Holdco must (pursuant to their obligations under the Deed Poll) provide or procure the provision of the Scheme Consideration in the manner contemplated by this scheme;
- (c) subject to the provision of the Scheme Consideration as contemplated by clause 4.2(b), all the Scheme Shares (together with all rights and entitlements attaching to the Scheme Shares at the Implementation Date) will be transferred to the Bidder; and
- (d) the Target will enter the name of the Bidder in the Target Share Register in respect of all the Scheme Shares.

4.3 Transfer of Scheme Shares

On the Implementation Date:

- (a) subject to the provision of the Scheme Consideration in the manner contemplated by this scheme and the Bidder or Cayman Holdco providing the Target with written confirmation of that, all of the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares at the Implementation Date, will be transferred to the Bidder, without the need for any further act by any Scheme Shareholder (other than acts performed by the Target or its officers as agent and attorney of the Scheme Shareholders under clause 9.4 or otherwise) by:
 - (i) the Target delivering to the Bidder a duly completed and executed share transfer form to transfer all the Scheme Shares to the Bidder; and
 - (ii) the Bidder duly executing such transfer form and delivering it to the Target for registration; and
- (b) as soon as practicable after receipt of the transfer form in accordance with clause 4.3(a)(ii), the Target must enter the name of the Bidder in the Target Share Register in respect of all the Scheme Shares.

5. Scheme Consideration

5.1 Election

- (a) Subject to clause 5.2, each Scheme Shareholder is entitled to receive the Scheme Consideration in respect of each Scheme Share held by that Scheme Shareholder, depending on the Election (or Deemed Election) made by a Target Shareholder.
- (b) Subject to the terms of this scheme:
 - (i) an Election may be made by a Scheme Shareholder, and if it is made it must be made in accordance with the terms and conditions on the Election Form for it to be valid and must be completed and returned before 7.00 pm on the Record Date to the address specified on the Election Form;
 - (ii) an Election will apply to all of the Target Shares of the Target Shareholder as at 7.00 pm on the Record Date;
 - (iii) once made, an Election by a Target Shareholder may be varied before 7.00 pm on the Record Date by notice in writing to the Target; and

- (iv) in the manner considered appropriate by the Target (acting reasonably), a Target Shareholder who holds one or more parcels of Target Shares as trustee or nominee for, or otherwise on account of, another person, may make separate Elections in relation to each of those parcels of Target Shares.
- (c) Any Target Shareholder who does not make a valid Election is, for the purpose of the Scheme, deemed to have made a valid All Cash Election in respect of the Target Shares held by that Target Shareholder as at 7.00 pm on the Record Date (**Deemed Election**).

5.2 Minimum Scrip Number not reached

If the Bidder or Cayman Holdco are not obliged to procure the issue of an amount equal to or greater than that number of New Bidder Shares equal to the Minimum Scrip Number in respect of all valid Mixed Elections provided by Target Shareholders:

- (a) the Bidder and Cayman Holdco need not, and will not:
 - (i) comply with any valid Mixed Elections; or
 - (ii) issue any New Bidder Shares to Scheme Shareholders; and
- (b) each Scheme Shareholder who gave a valid Mixed Election will not be entitled to receive any New Bidder Shares for their Scheme Shares but will be entitled to receive the Cash Consideration for those shares.

5.3 Ineligible Foreign Shareholders

The Bidder and Cayman Holdco have no obligation to procure the issue of, and will not procure the issue of, any New Bidder Shares to any Ineligible Foreign Shareholder (regardless of any Election made by those persons), and, instead, must pay the Cash Consideration to each Ineligible Foreign Shareholder who is a Scheme Shareholder in accordance with clause 6.

5.4 Fractional entitlement

If the number of Scheme Shares held by a Scheme Shareholder is such that an entitlement of that Scheme Shareholder to New Bidder Shares is not a whole number then any fractional entitlement will:

- (a) where the entitlement is to half a New Bidder Share or more, be rounded up to the nearest whole number of New Bidder Shares; and
- (b) where the entitlement is to less than half a New Bidder Share, be rounded down to the nearest whole number of New Bidder Shares.

5.5 Share splitting

If the Bidder and the Target are of the opinion that a number of Scheme Shareholders and/or other persons (who, to avoid doubt, may include other Scheme Shareholders) have, before 7.00 pm on the Record Date, been party to a shareholding splitting or division or an acquisition of Scheme Shares in an attempt to obtain, or which provides, an advantage by reference to the rounding provided for in the calculation of each Scheme Shareholder's entitlement to the New Bidder Shares as a component of the Mixed Consideration, the Bidder and Target may give notice to those Scheme Shareholders prior to the Implementation Date:

- (a) setting out the names and registered addresses of all of those Scheme Shareholders;

- (b) stating that opinion; and
- (c) attributing to one of them specifically identified in the notice the Scheme Shares held by all of them,

and, after the notice has been so given, the Scheme Shareholder specifically identified in the notice shall, for the purposes of the Share Scheme, be taken to hold all those Scheme Shares and each of the other Scheme Shareholders whose names are set out in the notice shall, for the purposes of the Share Scheme, be taken to hold no Scheme Shares.

6. Provision of Scheme Consideration

6.1 Provision of Aggregate Cash Consideration

- (a) The obligation of the Bidder or Cayman Holdco to provide, or procure the provision of, the Aggregate Cash Consideration to Scheme Shareholders will be satisfied by the Bidder or Cayman Holdco:
 - (i) paying, or procuring the payment of, before 12.00 noon on the Implementation Date, an amount at least equal to the Aggregate Cash Consideration into a trust account operated by or on behalf of the Target, to be held on trust for the Scheme Shareholders, except that any interest on the amount deposited (less bank fees and other charges) will be to the Bidder's account; and
 - (ii) providing the Target with written confirmation of that payment.
- (b) Within 5 Business Days after the Implementation Date and subject to compliance with clause 6.1(a) by the Bidder or Cayman Holdco, the Target must pay from the account referred to in clause 6.1(a) to each Scheme Shareholder such amount of cash as is due to that Scheme Shareholder under clause 6.1(a) as Cash Consideration or Mixed Cash Consideration (as applicable) in respect of all that Scheme Shareholder's Scheme Shares.
- (c) The amount referred to in clause 6.1(b) must be paid by the Target doing any of the following at its election:
 - (i) sending (or procuring the Target Share Registry to send) that amount to the Scheme Shareholder's Registered Address by cheque in Australian currency drawn out of the trust account referred to in clause 6.1(a); or
 - (ii) if the Scheme Shareholder has a payment direction (including a direction used for the payment of dividends) for a bank account with any Australian ADI (as defined in the Corporations Act) recorded in the Target Share Register as at 7.00 pm on the Record Date, depositing (or procuring the Target Share Registry to deposit) that amount into that account.
- (d) In the case of joint holders of Scheme Shares, the Cash Consideration or Mixed Cash Consideration (as applicable) must be paid by a cheque forwarded in the names of those joint holders to the holder who's name appears first in the Target Share Register as at 7.00pm on the Record Date or where the joint holders have nominated a bank account under clause 6.1(c)(ii), the amount must be deposited directly to the nominated bank account of the joint holders.

- (e) The Target may cancel a cheque issued under clause 6.1(c)(i) if the cheque:
 - (i) is returned to the Target; or
 - (ii) has not been presented for payment within six months after the date on which the cheque was sent,

provided that, during the period of one year commencing on the Implementation Date, on request from a Scheme Shareholder, the Target must reissue a cheque that was previously cancelled under this clause 6.1(e).

- (f) If there is any surplus in the amount held by the Target in the trust account, that surplus must be paid by the Target to the Bidder following the satisfaction of the Target's obligations under this clause 6.1.

- (g) Subject to clause 6.1(e), in the event that a cheque sent to the Scheme Shareholder's Registered Address by the Target for the purpose of clause 6.1(c)(i) is returned to sender and no account has been notified for the purposes of clause 6.1(c)(ii), or a deposit into such an account is rejected or refunded, Target may credit the amount payable to the relevant Scheme Shareholder to a separate bank account of Target to be held on trust by Target for the Scheme Shareholder until the Scheme Shareholder claims the amount or the amount is dealt with in accordance with any applicable unclaimed money legislation (except that any interest accruing on the amount will be for the account of Bidder after the deduction of any costs, expenses or applicable taxes). An amount credited to the account is to be treated as having been paid to the Scheme Shareholder when credited to the account. Target must maintain records of the amount paid, the people who are entitled to the amounts and any transfer of the amounts.

- (h) If any amount is required under any law or by any government or any governmental, semi-governmental or judicial entity or authority to be:
 - (i) withheld from an amount payable under clause 6.1(b) and paid to that entity or authority; or
 - (ii) retained by the Target out of an amount payable under clause 6.1(b),

its payment or retention by the Target (or the Target Share Registry) will constitute the full discharge of the Target's obligations under clauses 6.1(b), 6.1(c) and 6.1(d) with respect to the amount so paid or retained until, in the case of clause 6.1(h)(ii), it is no longer required to be retained.

6.2 Provision of Mixed Scrip Consideration

- (a) Subject to clauses 5.2, 5.3, 5.4 and 5.5, the obligation of the Bidder or Cayman Holdco to provide, or procure the provision of, the Mixed Scrip Consideration (if any) to Scheme Shareholders will be satisfied by the Bidder or Cayman Holdco procuring:
 - (i) before 12.00 noon on the Implementation Date, the allotment of New Bidder Shares to each applicable Scheme Shareholder in accordance with the terms of the Scheme; and
 - (ii) that the name and address of each such Scheme Shareholder is entered into the Bidder Share Register on the Implementation Date in respect of the New Bidder Shares to which it is entitled under this scheme.

- (b) in the case of joint holders of Scheme Shares, the New Bidder Shares to be provided under this scheme will be provided to and registered in the names of the joint holders.

6.3 Status of New Bidder Shares

Subject to this scheme becoming Effective, the Bidder must ensure that each such New Bidder Share is duly issued, fully paid and free from any Encumbrance.

6.4 Provision of share certificate or holding statement

The Bidder or Cayman Holdco shall procure:

- (a) that within 5 Business Days after the Implementation Date, a share certificate or holding statement (or equivalent document) is sent to the Registered Address of each Scheme Shareholder representing or stating, as applicable, the number of New Bidder Shares to be provided to the Scheme Shareholder pursuant to this scheme; and
- (b) in the case of joint holders of Scheme Shares, the share certificate or holding statement (or equivalent document) is forwarded to the holder whose name appears first in the Target Share Register as at 7.00 pm on the Record Date.

7. Dealings in Target Shares

7.1 Dealings in Target Shares by Target Shareholders

To establish the identity of the Scheme Shareholders, dealings in Target Shares will only be recognised if:

- (a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Target Share Register as the holder of the relevant Target Shares by no later than 7.00 pm on the Record Date; and
- (b) in all other cases, registrable transmission applications or transfers in respect of those dealings are received by no later than 7.00 pm on the Record Date at the place where the Target Share Register is kept,

and for the purpose of establishing the persons who are Scheme Shareholders, the Target will not accept for registration nor recognise any transfer or transmission application in respect of the Target Shares received after such times or received prior to such times but not in registrable form.

7.2 Target Share Register

- (a) The Target must maintain the Target Share Register in accordance with the provisions of this clause 7.2 until the Scheme Consideration has been provided to the Scheme Shareholders and the Target Share Register in this form will solely determine entitlements to the Scheme Consideration.
- (b) The Target must register valid registrable transmission applications or transfers of the kind referred to in clause 7.1(b) by no later than 7.00 pm on the Record Date (provided that for the avoidance of doubt nothing in this clause 7.2(b) requires the Target to register a transfer that would result in a Target Shareholder holding a parcel of Target Shares that is less than a Marketable Parcel).

- (c) The Target will not accept for registration or recognise for any purpose any transmission application or transfer in respect of Target Shares received after 7.00 pm on the Record Date other than in respect of Target Shares held by CHAMP.
- (d) From 7.00 pm on the Record Date until the earlier of registration of the Bidder in respect of all Scheme Shares under clause 4.3(b) or the End Date, no Target Shareholder other than CHAMP may deal with Target Shares in any way except as set out in this scheme and any attempt to do so will have no effect.

7.3 Information to be made available to the Bidder

As soon as practicable after the Record Date and in any event at least 2 Business Days before the Implementation Date, the Target will ensure that details of the names, Registered Addresses and holdings of Target Shares for each Scheme Shareholder are available to the Bidder in the form the Bidder reasonably requires.

7.4 Effect of share certificates and holding statements

- (a) Each entry which is current on the Target Share Register as at 7.00 pm on the Record Date is the sole evidence of entitlement to the Scheme Consideration in respect of the Target Shares relating to that entry.
- (b) Upon the Scheme Consideration being provided to the Scheme Shareholders in accordance with this Scheme, all certificates and statements of holding for Target Shares will cease to have any effect as documents of title in respect of those shares (other than statements of holding in favour of CHAMP or the Bidder and its successors in title).

8. Quotation of Target Shares

- (a) The Target will apply to ASX to suspend trading on ASX in Target Shares with effect from the close of trading on the Effective Date.
- (b) On a date after the Implementation Date to be determined by the Bidder, the Target will apply:
 - (i) for termination of the official quotation of Target Shares on ASX; and
 - (ii) to have itself removed from the official list of ASX.

9. General scheme provisions

9.1 Consent

If the Court proposes to approve this scheme subject to any alterations or conditions, the Target may, by its counsel or solicitors, consent on behalf of all persons concerned to those alterations or conditions to which the Bidder has consented.

9.2 Agreement of Scheme Shareholders

Each Scheme Shareholder:

- (a) agrees to the transfer of their Target Shares in accordance with terms of this scheme and agrees to the variation, cancellation or modification of the rights attached to their Target Shares constituted by or resulting from this scheme;
- (b) acknowledges that this scheme binds the Target and all Scheme Shareholders (including those who do not attend the Scheme Meeting or do not vote at that meeting or vote against this scheme at the Scheme Meeting);
- (c) who is issued New Bidder Shares under this scheme agrees to become a shareholder of Cayman Holdco in respect of those New Bidder Shares and to be bound by the memorandum and articles of association of Cayman Holdco; and
- (d) who is an Ineligible Foreign Shareholder agrees and acknowledges that the payment to it of an amount in accordance with clause 5.3 constitutes the satisfaction in full of its entitlement to the Scheme Consideration.

9.3 Warranties by Scheme Shareholders

Each Scheme Shareholder is deemed to have warranted to the Target and the Bidder, and appointed and authorised the Target as its attorney and agent to warrant to the Bidder that:

- (a) all their Scheme Shares (including any rights and entitlements attaching to those Scheme Shares) which are transferred to the Bidder under this scheme will, on the date they are transferred to the Bidder, be fully paid;
- (b) all their Scheme Shares (including any rights and entitlements attaching to those Scheme Shares) which are transferred to the Bidder under this scheme will, on the date they are transferred to the Bidder, be free from all Encumbrances and third party rights or interests of any kind; and
- (c) they have full power and capacity to sell and to transfer their Scheme Shares (including any rights and entitlements attaching to those Scheme Shares) to the Bidder.

The Target undertakes that it will provide such warranty to the Bidder as agent and attorney for each Scheme Shareholder.

9.4 Authority given to the Target

Upon this scheme becoming Effective, each Scheme Shareholder without the need for any further act:

- (a) irrevocably appoints the Target and all of its directors, secretaries and officers (jointly and severally) as its attorney and agent for the purpose of:
 - (i) enforcing the Deed Poll against the Bidder and Cayman Holdco; and
 - (ii) executing any document necessary to give effect to this scheme including, a proper instrument of transfer of its Scheme Shares for the purposes of ~~section 1071B of the Corporations Act which may be a master transfer of all~~ the Scheme Shares,

and the Target accepts such appointment; and

- (b) will be deemed to have authorised the Target to do and execute all acts, matters, things and documents on the part of each Scheme Shareholder necessary to implement this scheme, including executing, as agent and attorney of each Scheme Shareholder, a share transfer or transfers in relation to Scheme Shares as contemplated by clause 9.4(a).

9.5 Appointment of sole proxy

Upon the Scheme Consideration being provided to the Scheme Shareholders and until the Target registers the Bidder as the holder of all Target Shares in the Target Share Register, each Scheme Shareholder:

- (a) is deemed to have irrevocably appointed the Bidder as its attorney and agent (and directed the Bidder in such capacity) to appoint any director, officer, secretary or agent nominated by the Bidder as its sole proxy and, where applicable, corporate representative to attend shareholders' meetings of the Target, exercise the votes attaching to the Scheme Shares registered in their name and sign any Target Shareholders' resolutions, whether in person, by proxy or by corporate representative;
- (b) undertakes not to otherwise attend or vote at any of those meetings or sign or vote on any resolutions (whether in person, by proxy or by corporate representative) other than as pursuant to clause 9.5(a);
- (c) must take all other actions in the capacity of a registered holder of Scheme Shares as the Bidder reasonably directs; and
- (d) acknowledges and agrees that in exercising the powers referred to in clause 9.5(a), the Bidder and any director, officer, secretary or agent nominated by the Bidder under clause 9.5(a) may act in the best interests of the Bidder as the intended registered holder of the Scheme Shares.

9.6 Title to Target Shares

Upon the Scheme Consideration being provided to the Scheme Shareholders and until the Target registers the Bidder as the holder of all Target Shares in the Target Share Register, the Bidder will be beneficially entitled to all of the Scheme Shares transferred to it under the Scheme.

10. General

10.1 Stamp duties

The Bidder and Cayman Holdco must pursuant to their obligations under the Deed Poll:

- (a) pay all stamp duties and any related fines and penalties in respect of the transfer of the Scheme Shares to the Bidder and is authorised to apply for and retain the proceeds of any refund due in respect of stamp duty paid under this clause; and
- (b) indemnify each Scheme Shareholder against any liability from a failure to comply with clause 10.1(a).

10.2 Notices

- (a) If a notice, transfer, transmission application, direction or other communication referred to in this scheme is sent by post to the Target, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at the place where the Target's Share Registry is kept.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such a notice by any Target Shareholder may not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

10.3 Further acts and documents

The Target must do all further acts (on its own behalf and on behalf of each Scheme Shareholder) and execute and deliver all further documents required by law or necessary to give effect to this scheme and the transactions contemplated by it.

10.4 No liability when acting in good faith

Neither Target nor Bidder (nor any director, officer or secretary of any of those companies will be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.

11. Governing law and jurisdiction

11.1 Governing law

This scheme is governed by the law applying in New South Wales.

11.2 Jurisdiction

Each party irrevocably:

- (a) submits to the non-exclusive jurisdiction of the courts of New South Wales, Commonwealth courts having jurisdiction in that state and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought at any time relating to this scheme; and
- (b) waives any objection it may have now or in the future to the venue of any proceedings, and any claim it may have now or in the future that any proceedings have been brought in an inconvenient forum, if that venue falls within clause 11.2(a).

Annexure B Deed Poll

Deed poll dated

By **Outdoor Media Operations Pty Limited ACN 154 668 087** of Level 4, Customs House, 31 Alfred Street, Sydney NSW 2000, Australia (**Bidder**)
Outdoor Media Investments Limited of Level 4, Customs House, 31 Alfred Street, Sydney NSW 2000, Australia (**Cayman Holdco**)

In favour of **Each person registered as a holder of fully paid ordinary shares in the capital of oOh!media Group Limited ABN 96 091 780 924** of Level 2, 76 Berry Street, North Sydney NSW 2060, Australia (**Target**) on issue as at the Record Date (other than CHAMP) (**Scheme Shareholders**)

Background

- A. On 2011, the Target and the Bidder entered into a scheme implementation agreement (**Implementation Agreement**) to provide for the implementation of the Scheme.
- B. The effect of the Scheme will be to transfer all Scheme Shares to the Bidder in exchange for the Scheme Consideration.
- C. The Bidder and Cayman Holdco enter into this deed poll to covenant in favour of the Scheme Shareholders to provide or procure the provision of the Scheme Consideration in accordance with the Scheme.

It is declared as follows

1. Definitions and interpretation

1.1 Definitions

In this deed poll:

Scheme means the proposed scheme of arrangement under Part 5.1 of the Corporations Act between the Target and its shareholders, as contemplated by the Implementation Agreement.

Regulatory Authority means:

- (a) any government or local authority and any department, minister or agency of any government; and
- (b) any other authority, agency, commission or similar entity having powers or jurisdiction under any law or regulation or the listing rules of any recognised stock or securities exchange.

1.2 Terms defined in the Scheme

Capitalised words and phrases defined in the Scheme and not in this deed poll have the same meaning in this deed poll as in the Scheme unless the context requires otherwise.

1.3 Interpretation

The provisions of clauses 1.2, 1.3 and 1.4 of the Scheme form part of this deed poll as if set out in full in this deed poll, except that references to "scheme" in those clauses will be taken to be references to "deed poll".

1.4 Nature of this deed poll

The Bidder and Cayman Holdco acknowledge that this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not a party to it.

2. Condition precedent

2.1 Condition

The obligations of the Bidder and Cayman Holdco under clause 3 are subject to the Scheme becoming Effective.

2.2 Termination

The obligations of the Bidder and Cayman Holdco under this deed poll will automatically terminate and this deed poll will be of no further force or effect if:

- (a) the Implementation Agreement is terminated in accordance with its terms prior to the Court approving the Scheme; or
- (b) the Scheme is not Effective by the End Date,

unless the Bidder and the Target otherwise agree in writing.

2.3 Consequences of termination

If this deed poll terminates under clause 2.2, in addition to and without prejudice to any other rights, powers or remedies available to it:

- (a) the Bidder and Cayman Holdco are released from their obligations to further perform this deed poll; and
- (b) each Scheme Shareholder retains the rights they have against the Bidder and Cayman Holdco in respect of any breach of this deed poll which occurs before it was terminated.

3. Provision of the Scheme Consideration

3.1 Undertaking

Subject to clause 2, the Bidder and Cayman Holdco undertake in favour of each Scheme Shareholder:

- (a) to provide or procure the provision of the Scheme Consideration to each Scheme Shareholder in accordance with the terms of the Scheme; and
- (b) to undertake or procure the undertaking of all other actions attributed to either Bidder or Cayman Holdco under the Scheme.

3.2 Status of New Bidder Shares

The Bidder and Cayman Holdco undertake in favour of each Scheme Shareholder that the New Bidder Shares which are provided to Scheme Shareholders in accordance with the Scheme will be duly issued, fully paid and free from any Encumbrance.

4. Warranties

Each of the Bidder and Cayman Holdco warrants to each Scheme Shareholder that:

- (a) it is a company properly incorporated and validly existing under the laws of the country or jurisdiction of its incorporation;
- (b) it has the legal right and full corporate power and capacity to execute, deliver and perform its obligations under this deed poll and to carry out the transactions contemplated by this deed poll;
- (c) it has taken all necessary corporate action to authorise its entry into this deed poll and has taken or will take all necessary corporate action to authorise the performance of this deed poll and to carry out the transactions contemplated by this deed poll;
- (d) this deed poll constitutes (or will when executed constitute) valid legal and binding obligations of it and is enforceable against it in accordance with its terms;
- (e) it is solvent and no resolutions have been passed nor has any other step been taken or legal proceedings commenced or threatened against it for its winding up or dissolution or for the appointment of a liquidator, receiver, administrator or similar officer over any or all of its assets (or any event under any law which is analogous to, or which has a substantially similar effect to, any of the events referred to in this paragraph);
- (f) the execution, delivery and performance of this deed poll by it does not and will not result in a breach of or constitute a default under:
 - (i) any agreement to which it is party;
 - (ii) any provision of the constitution or articles of association (as applicable); or
 - (iii) any law or regulation or any order, judgment or determination of any court or Regulatory Authority by which it is bound.
- (g) as at the date of this deed poll and so far as it is aware, no regulatory action of any nature has been taken which would prevent, inhibit or otherwise have a material adverse effect on its ability to fulfil its obligations under this deed poll.

5. Continuing obligations

This deed poll is irrevocable and remains in full force and effect until the Bidder and Cayman Holdco have fully performed their obligations under it or the earlier termination of this deed poll under clause 2.

6. General

6.1 Notices

Each communication (including each notice, consent, approval, request and demand) under or in connection with this deed poll:

- (a) must be in writing;

- (b) must be addressed as follows:

if to the Bidder or to Cayman Holdco:

Address: Level 4, Customs House

31 Alfred Street

Sydney NSW 2000

Australia

Fax number: +61 2 8248 8877

For the attention of: Darren Smorgon

- (c) must be signed by the party making it or (on that party's behalf) by the solicitor for, or any attorney, director, secretary or authorised agent of, that party;
- (d) must be delivered by hand or posted by prepaid post to the address, or sent by fax to the number, of the addressee, in accordance with clause 6.1(b); and
- (e) is taken to be received by the addressee:
- (i) (in the case of prepaid post sent to an address in the same country) on the third day after the date of posting;
 - (ii) (in the case of prepaid post sent to an address in another country) on the fifth day after the date of posting by airmail;
 - (iii) (in the case of fax) at the time in the place to which it is sent equivalent to the time shown on the transmission confirmation report produced by the fax machine from which it was sent; and
 - (iv) (in the case of delivery by hand) on delivery,

but if the communication is taken to be received on a day that is not a working day or after 5.00 pm, it is taken to be received at 9.00 am on the next working day ("working day" meaning a day that is not a Saturday, Sunday or public holiday and on which banks are open for business generally, in the place to which the communication is posted, sent or delivered).

6.2 Governing law

This deed poll is governed by and must be construed according to the law applying in New South Wales.

6.3 Jurisdiction

Bidder irrevocably:

- (a) submits to the non-exclusive jurisdiction of the courts of New South Wales, Commonwealth courts having jurisdiction in that state and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought at any time relating to this deed poll; and
- (b) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within clause 6.3(a).

6.4 Submission to jurisdiction

- (a) Cayman Holdco irrevocably agrees, subject to paragraph (b), that the courts of Australia are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this deed poll and that any suit, action or proceeding (Proceeding) arising out of or in connection with this deed poll may, subject to clause 6.4 of this deed poll, be brought in such courts.
- (b) Cayman Holdco irrevocably waives any objection which it may have now or in the future to:
 - (i) the laying of the venue of any Proceedings in the courts of Australia; and
- (c) any claim that any such Proceedings have been brought in an inconvenient forum, and further irrevocably agrees that a judgment in any Proceedings brought in the courts of Australia will be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.
- (d) Nothing contained in this clause 6.4 limits the right of the Target or a Scheme Shareholder to take Proceedings against Cayman Holdco in any court of competent jurisdiction that is not a court of Australia, nor will the taking of Proceedings by the Target or a Scheme Shareholder in one or more jurisdictions preclude the taking of Proceedings by the Target or other Scheme Shareholder in any other jurisdiction, whether concurrently or not.
- (e) Cayman Holdco irrevocably appoints Darren Smorgon of Level 4, Customs House, 31 Alfred Street, Sydney NSW 2000, Australia as its agent for the service of process in Australia in relation to any writ, judgment, initiating process, notice of process or other notice or document in connection with Proceedings in Australia. If Darren Smorgon ceases to be able to act as such or have an address in Australia, Cayman Holdco agrees to appoint immediately a new process agent in Australia and deliver to Target within 5 Business Days a copy of a written acceptance of appointment by the process agent, upon receipt of which Darren Smorgon's appointment as process agent ceases and the new appointment becomes effective for the purpose of this deed poll. Cayman Holdco must inform Target and each Scheme Shareholder in writing of any change in the address of its process agent prior to the provision of the Scheme Consideration, promptly after it becomes aware of the change and in any event within 5 Business Days of the change.
- (f) Cayman Holdco irrevocably agrees that any notice, writ, judgment, initiating process, notice of process or other notice or document in connection with any Proceedings shall be sufficiently and effectively served on it:
 - (i) if delivered to Darren Smorgon, or any new process agent under paragraph (d), in the case of any writ, judgment, initiating process, notice of process or other notice or document in connection with Proceedings in Australia; or
 - (ii) if a copy thereof is sent by certified air mail, to the address for the time being for the services of notices on it or at its business address in the country last notified in writing by Cayman Holdco to Target and each Scheme Shareholder.
- (g) Nothing in this Agreement limits a party's right to serve any notice, writ, judgment, initiating process, notice of process or other notice or document in any other manner permitted by law.

- (h) Cayman Holdco consents generally in respect of any Proceedings arising out of or in connection with this deed poll to the giving of any relief and the issue of any process in connection with such Proceedings including the making, enforcement or execution against any property whatsoever of any order or judgment which may be made or given in such Proceedings.
- (i) To the extent that Cayman Holdco may be entitled in any jurisdiction to claim for itself or its assets immunity from suit, execution, attachment (whether in aid or execution, before judgment or otherwise) or legal process or to the extent that in any such jurisdiction there may be attributed to it or its assets such immunity (whether or not claimed) among other things it irrevocably agrees not to claim and irrevocably waives such immunity to the fullest extent permitted by the laws of such jurisdiction with the intent that the above waivers of immunity have irrevocable effect.
- (j) Cayman Holdco acknowledges that Target or a Scheme Shareholder may seek to register, and agrees not to do anything to prevent the registration by Target or a Scheme Shareholder of a judgment of an Australian court against Cayman Holdco in any other jurisdiction.

6.5 Amendments

This deed poll may be amended only by another deed poll entered into by the Bidder and Cayman Holdco, and then only if the amendment is agreed to by the Target in writing and the Court indicates that the amendment would not preclude approval of the Scheme.

6.6 Waiver

- (a) Failure to exercise or enforce, or a delay in exercising or enforcing, or the partial exercise or enforcement of, a right, power or remedy provided by law or under this deed poll by a party does not preclude, or operate as a waiver of, the exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this deed poll.
- (b) A waiver or consent given by a party under this deed poll is only effective and binding on that party if it is given or confirmed in writing by that party.
- (c) No waiver of a breach of a term of this deed poll operates as a waiver of another breach of that term or of a breach of any other term of this deed poll.

6.7 Further acts and documents

The Bidder and Cayman Holdco must do all further acts and execute and deliver all further documents required by law or necessary to give effect to this deed poll and the transactions contemplated by it.

6.8 Assignment

The rights of each Scheme Shareholder under this deed poll are personal and cannot be assigned, novated or otherwise transferred without the prior written consent of the Bidder.

6.9 Stamp duties

The Bidder and Cayman Holdco must:

- (a) pay all stamp duties and any related fines and penalties in respect of this deed poll, the performance of this deed poll and each transaction effected by or made under

this deed poll and is authorised to apply for and retain the proceeds of any refund due in respect of stamp duty paid under this clause; and

- (b) indemnify each Scheme Shareholder against any liability arising from a failure to comply with clause 6.9(a).

6.10 Cumulative rights

The rights, powers and remedies of the Bidder, Cayman Holdco and each Scheme Shareholder under this deed poll are cumulative and do not exclude any other rights, powers or remedies provided by the law independently of this deed poll.

Executed and delivered as a deed poll.

**Executed by Outdoor Media Operations
Pty Limited ACN 154 668 087** in accordance
with section 127 of the Corporations Act 2001
(Cth):

Signature of director

Signature of company secretary/director

Full name of director

Full name of company secretary/director

Executed by _____)
for and on behalf of _____)
Outdoor Media Investments Limited)
in the presence of:

Signature of Director

Witness

Annexure C Term sheet for the Articles of Association of Cayman Holdco

Term Sheet for Articles of Association

for

Outdoor Media Investments Limited

In this Term Sheet:

Company means Outdoor Media Investments Limited. The Company will be the ultimate holding company of oOh!Media Group Limited (**Target**).

CHAMP Member means any shareholder of the Company that is an investment fund (whether a corporation, trust, partnership, limited partnership or other entity) which is, directly or indirectly, managed or advised by CHAMP III Management Pty Limited or any of its related bodies corporate (within the meaning of section 50 of the Corporations Act) and its permitted transferees. At implementation of the Scheme, it is expected that 3 of the CHAMP III Funds will be the CHAMP Members.

A reference to **shareholders or Members** is a reference to shareholders in the Company.

Special Majority Resolution means a resolution passed by:

- (a) a majority of the votes cast by the CHAMP Members; and
- (b) at least the Relevant Percentage of all votes cast by Class A Members and Class B Members voting together,

where **Relevant Percentage** means 66 ⅔%, except in clauses 11 and 12 where **Relevant Percentage** means 80%.

1. Rights attaching to Class A Shares and Class B Shares

- (a) The share capital of the Company shall be divided into two classes of ordinary shares (Class A Shares and Class B Shares) (**Shares**) with the following rights:
 - (i) subject to paragraph (b), on a poll, one vote per share;
 - (ii) equal rights to such dividends as the Board may from time to time declare;
 - (iii) equal rights, in the event of a winding-up or dissolution of the Company, whether voluntary or involuntary or for the purpose of a reorganization or otherwise or upon any distribution of capital, be entitled to the surplus assets of the Company; and
 - (iv) generally be entitled to enjoy all of the rights attaching to shares.
- (b) Class A Shares which will be held by the CHAMP Members will have an additional voting right which arises whenever there are more Class B Shares on issue than Class A Shares. This additional voting right will be that, on a poll, the votes attached to Class A Shares, in aggregate, shall comprise 51% of the total votes attaching to all Class A Shares and Class B Shares.

2. Issues of shares (and debt raisings)

- (a) Subject to paragraph (b), the Board shall have the power to issue any unissued shares of the Company on such terms and conditions as it may determine and any shares or class of shares (including the issue or grant of options, warrants and other rights, renounceable or otherwise in respect of shares) may be issued with such preferred, deferred or other special rights or such restrictions, (including, without limitation, shares that are by their terms, redeemable or convertible) whether in regard to dividend, voting, return of capital, or otherwise.
- (b) After implementation of the Scheme, other than in relation to Shares and preference shares:
 - (i) in the case of Class A Shares, issued to any of the CHAMP Members in consideration of the transfer to the Group by the CHAMP Members of the shares held by the CHAMP Members in the Target at the same issue price as Class B Shares are issued pursuant to the Scheme in consideration of the transfer to the Group of shares in the Target;
 - (ii) in the case of Class A Shares, issued to any of the CHAMP Members in respect of funding to meet transaction costs in connection with the Scheme and scheme implementation agreement for the Scheme and to finance the net debt of the Target group following completion of the Scheme;
 - (iii) issued to a person eligible to participate in an **Employee Incentive Scheme** (an incentive scheme established by the Board for employees, executives or consultants of or to the Group);
 - (iv) in the case of Shares, issued in circumstances where the issue price is to be satisfied other than in cash in respect of the acquisition of, or merger with, a company or the acquisition of a business or assets by the Group; and
 - (v) issued pursuant to an **IPO** (an initial public offering of Shares or Securities, or securities of any special purpose vehicle which becomes the holding company of the Company, in conjunction with the admission or quotation of those securities to the list or quotation system of any recognised stock or securities exchange),

if the Company proposes to issue any Shares or preference shares (**Offer Shares**) then, the Company must first offer the Offer Shares to all Eligible Members pro rata. An Eligible Member may take up all or some of the Offer Shares offered to it. The CHAMP Members may take up the Offer Shares which have not been taken up by Eligible Members. Any Offer Shares not so taken up may be issued on terms no more favourable than the terms set out in an Offer Notice to a Member or a Qualified Buyer.

Eligible Members means a Member to whom offers and issues of Shares may lawfully be made under applicable laws without need for any preparation of a disclosure document, prospectus or other formal document or registration, lodgement, approval, formality or filing with or by a governmental agency.

Qualified Buyer is a person of good standing, good repute and financial substance, and neither it nor any of its related bodies corporate (within the meaning of section 50 of the Corporations Act) may be one of the top 10 media agency customers of the Group, as reasonably determined by the CHAMP Members.

- (c) The CHAMP Members may contribute 100% of any debt raising by the Company or any of its subsidiaries (**Group**).

3. Disposal of shares

- (a) Subject to paragraph (b), the Board may in its absolute discretion and without assigning any reason therefor refuse to register the transfer of a share.
- (b) After implementation of the Scheme, no disposal of shares in the Company is permitted except:
 - (i) by any shareholder to a related body corporate of that shareholder or in the case of a CHAMP Member who is a trustee, custodian or responsible entity of a trust, to a replacement trustee, custodian or responsible entity;
 - (ii) by the CHAMP Members, to an investment fund directly or indirectly advised or managed by CHAMP III Management Pty Limited or its related bodies corporate (**CHAMP Group**);
 - (iii) where a shareholder, other than the CHAMP Members or a Member pursuant to an Employee Share Scheme, wishes to dispose of any of its Shares, if it first offers the Shares to the CHAMP Members providing all terms (including price and the name of the proposed buyer which must be a Qualified Buyer). The CHAMP Members may accept all or some of the Shares offered to them either unconditionally or conditional only upon receipt of any required regulatory consents (stating why such regulatory consents are required and which condition must be satisfied or waived within 60 business days of acceptance). If the CHAMP Members elect not to purchase any Shares, the shareholder may dispose of such Shares to such Qualified Buyer on no more favourable terms;
 - (iv) pursuant to an Employee Incentive Scheme;
 - (v) pursuant to an exit process in clause 4; and
 - (vi) pursuant to compulsory acquisition in clause 4.

4. Exit

- (a) The CHAMP Members may initiate an Exit at any time without the approval of the other shareholders. An **Exit** means:
 - (i) the sale of all or part of the shares held in the Company by the CHAMP Members;
 - (ii) the sale of the whole or substantially all of the business of the Group or a material part of the Group;

- (iii) an IPO; or
 - (iv) the sale of all of the share capital of the Company or any other Group company whose business (including its subsidiaries) comprises substantially all of the business of the Group or the business of a material part of the Group.
- (b) The Company, all Members and the directors must cooperate with the Exit process. All expenses of an Exit to be paid by the Company.
- (c) On an Exit by the sale of shares in the Company (other than in connection with an IPO), if the CHAMP Members wish to sell any or all of their shares in the Company (the **Sale Shares**):
 - (i) the other shareholders will have no right of pre-emption;
 - (ii) the CHAMP Members may drag all other shareholders (provided that where the CHAMP Members are selling less than 100% of their shares the drag along of other shareholders shall be on a proportional basis);
 - (iii) if the CHAMP Members are selling less than 50% of their shares in the Company, the CHAMP Members must comply with paragraph (d); and
 - (iv) if the CHAMP Members are selling at least 50% of their shares in the Company, the CHAMP Members may sell the Sale Shares; provided that the other shareholders are invited to tag along (on a proportional basis where the CHAMP Members are selling less than 100% of their shares). The CHAMP Members will specify the name of the proposed purchaser of the Sale Shares and the price for the Sale Shares unless the sale is in circumstances where there is a bid or dual track process underway, in which case the CHAMP Members will not be required to specify the proposed purchaser and will specify a minimum price for the price for the Sale Shares.
- (d) **Right of First Offer.** If the CHAMP Members are selling less than 50% of their shares in the Company, the CHAMP Members must invite unconditional irrevocable offers from any or all other shareholders to purchase all (and not some) of the Sale Shares from the CHAMP Members (**Offer or Offers**).
 - (i) Such Offers must include the following:
 - A. the proposed cash price for each Sale Share which must be in Australian dollars (**Transfer Price**); and
 - B. confirmation that the Transfer Price will be paid in cash; and
 - C. no conditions other than regulatory consents from a regulatory authority and any financing conditions that are necessary for the Member (provided that if any financing condition is neither satisfied nor waived within 30 business days of acceptance of the Offer, the relevant Offer will lapse and cease to be of any force or effect); and

D. the termination date of the Offer (which must not be less than one month after the date of the Offer);

and may not include any requirement for due diligence of any kind or warranties by the CHAMP Members other than as to title and capacity.

(ii) The CHAMP Members may accept and sell all of the Sale Shares pursuant to any Offer.

(iii) The CHAMP Members may sell all of the Sale Shares to a buyer (who is a Qualified Buyer) other than pursuant to an Offer:

A. if Offers are not received by the CHAMP Members for all of the Sale Shares within 15 days of the invitation; or

B. if the CHAMP Members accept an Offer, but the sale does not complete (subject to any applicable conditions) within 10 business days other than because of default by the CHAMP Members; or

C. if one or more Offers are received for all of the Sale Shares, but the CHAMP Members have not accepted any such Offers; provided that, if there is one or more Offers with no regulatory consent (other than a regulatory consent where the CHAMP Members form the view, acting reasonably, that such regulatory consent can be obtained in a reasonable time frame) or financing condition as part of an Offer, the price received for the Sale Shares must not be less than the highest total consideration contained in such Offers at which all the Sale Shares could be sold.

(e) If the Exit is pursuant to an IPO (which includes the sale of Shares to any special purpose vehicle which becomes the holding company of the Company) and the CHAMP Members wish to sell any or all of their Shares (**IPO Sale Shares**):

(i) the other Members will have no rights of pre-emption in respect of the IPO Sale Shares;

(ii) the CHAMP Members may sell the IPO Sale Shares provided that the CHAMP Members must invite each other Member to tag along and sell its Shares pursuant to the IPO (on a proportional basis where the CHAMP Members are selling less than 100% of its shares) at the same time as the sale by the CHAMP Members of the IPO Sale Shares pursuant to the IPO and on the same terms. The notice will specify a price range for the price for the IPO Sale Shares; and

(iii) each of the Members, the directors and the Company must do all acts, matters and things (including, without limitation, passing any necessary resolutions) within its power in its capacity as a Member, director or the Company (as the case may be) to obtain and achieve the IPO.

- (f) If, pursuant to an Exit, there is to be a merger between the Company and the proposed buyer of the Shares, the CHAMP Members will endeavour to negotiate an offer from such buyer for Members to roll over their Shares in the Company for shares in the buyer or the merged entity (taking into account their proportional shareholding in the Company and the relative values of the Company and the buyer/merged entity).
- (g) For so long as the CHAMP Members are shareholders, any statutory merger or consolidation of the Company pursuant to Cayman Islands law requires the approval of a Special Majority Resolution.
- (h) At any time after the date which is 2 years after the effective date of the Scheme, Shareholders who in aggregate hold not less than 90% of the shares in the Company may compulsorily acquire the shares of the minority shareholders for their fair market value (as determined by an independent valuer).

5. Alterations in capital

- (a) The Company may from time to time, with the approval of the CHAMP Members do any of the following:
 - (i) increase its capital by such sum divided into shares of such amounts as the resolution shall prescribe or, if the Company has shares without par value, increase its share capital by such number of shares without nominal or par value, or increase the aggregate consideration for which its shares may be issued, as it thinks expedient (for the avoidance of doubt, this paragraph (i) does not apply to the issuance of shares under clause 2);
 - (ii) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (iii) convert all or any of its paid-up shares into stock, and reconvert that stock into paid-up shares of any denomination;
 - (iv) subdivide its shares or any of them into shares of an amount smaller than that fixed by the memorandum of association; or
 - (v) cancel shares which have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled or, in the case of shares without par value, diminish the number of shares into which its capital is divided.
- (b) The Company may by Special Majority Resolution reduce its share capital with or without a cancellation of shares.

6. Dividends

- (a) Subject to paragraph (b), the Board may declare a dividend to be paid to the Shareholders, in proportion to the number of Shares held by them. Dividends may be paid in cash or wholly or partly by the distribution of specific assets (which may consist of the shares or securities of any other company). Dividends may be declared

and paid out of profits of the Company, realised or unrealised, or from any reserve set aside from profits which the Board determines is no longer needed, or not in the same amount. Dividends may also be declared and paid out of share premium account.

- (b) Unless otherwise approved by a Special Majority Resolution, the Company shall distribute on an annual basis, the maximum amount of profits available for distribution subject to such reasonable and proper reserves being retained for working capital requirements, potential future acquisitions, capital expenditure, debt amortization or other actual or contingent liabilities or commitments of the Group as the Board considers reasonably appropriate; and also provided that such distribution shall not result in a breach of any covenant or undertaking of any company in the Group to any bank or financial institution.

7. General Meetings

- (a) All general meetings of the Company will be held in Australia. All shareholders have a right to attend and, subject to any restrictions in the articles of association on voting, vote at general meetings.
- (b) The Board may convene a general meeting of the Company whenever in their judgement such a meeting is necessary.
- (c) The Board shall, on the requisition of shareholders holding at the date of the deposit of the requisition not less than 20% of such of the paid-up share capital of the Company as at the date of the deposit carries the right to vote at general meetings of the Company, forthwith proceed to convene an extraordinary general meeting of the Company. To be effective, the requisition shall state the objects of the meeting, shall be in writing, signed by the requisitionists, and shall be deposited at the registered office of the Company. The requisition may consist of several documents in like form each signed by one or more requisitionists. If the Board does not, within 21 days from the date of the requisition, duly proceed to call an extraordinary general meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene an extraordinary general meeting; but any meeting so called shall not be held more than 90 days after the requisition. An extraordinary general meeting called by requisitionists shall be called in the same manner, as nearly as possible, as that in which general meetings are to be called by the Board.
- (d) At least 5 days' notice of a general meeting shall be given to each shareholder entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held and the general nature of the business to be conducted at the meeting.
- (e) Subject to the requirements for a Special Majority Resolution, at any general meeting, persons present in person and representing in person or by proxy in excess of 50% of the total issued voting shares in the Company shall form a quorum for the transaction of business provided that the CHAMP Members must also be present to form the quorum, and further provided that if the Company shall at any time have only one member, one member present in person or by proxy shall form a quorum for the transaction of business at any general meeting of the Company held during such time.

- (f) Subject to the provisions of the law or as otherwise set out in the articles of association, any question proposed at any general meeting shall be decided by a majority of the votes cast and in the case of an equality of votes the resolution shall fail. For the avoidance of doubt, the chairman of a meeting of shareholders shall not have a casting vote.
- (g) Anything which may be done by resolution of the Company in general meeting may be done by resolution in writing signed by all the shareholders who at the date of the resolution would be entitled to attend the meeting and vote on the resolution.

8. Directors

- (a) The Board must be constituted by a minimum of 3 directors and a maximum of 9 directors or such number in excess thereof as the Board may determine, the majority of whom must be Australian residents and of which the CHAMP Members have the right to appoint, remove and replace the greater of 3 directors and not less than a majority of the directors. The CHAMP Members shall also have a right to appoint the chairman of the Board.
- (b) A director may at any time appoint any person approved by the CHAMP Members to be his alternate director and may at any time terminate such appointment.
- (c) The remuneration of the directors shall be determined by the Board (provided that any director who is an employee of the CHAMP Group will not receive directors' fees). The Company will pay or reimburse the reasonable costs of a director.
- (d) The Board will be vested with full management powers except for those powers required to be exercised by the shareholders.
- (e) A director who has a financial interest, whether directly or indirectly, in any agreement, proposed agreement or transaction with the Company (**Interested Director**) shall disclose the material facts of his interest to the Board (if such material facts are not already known by the other directors) prior to or at the time that such agreement, proposed agreement or transaction is to be voted on. An Interested Director who has complied with this requirement may:
 - (i) vote in respect such agreement, proposed agreement or transaction; and/or
 - (ii) be counted in the quorum for the meeting at which the agreement, proposed agreement or transaction is to be voted on.
- (f) The directors and other officers will be granted an indemnity out of the assets of the Company from and against all liabilities incurred with respect to the performance of their duties provided that the indemnity shall not extend to any matter in respect of any fraud or dishonesty. The Company will also effect appropriate D&O insurance.

9. Board meetings

- (a) A director may, and the secretary on the requisition of a director shall, at any time call a Board meeting. Notice of a Board meeting shall be deemed to be duly given to a director if it is given to such director verbally (in person or by telephone) or

otherwise communicated or sent to such director by post, cable, telex, telecopier, facsimile and electronic mail.

- (b) All Board meetings will be held in Australia.
- (c) A resolution put to the vote at a Board meeting shall be carried by the votes of a majority of the votes cast and in the case of an equality of votes the resolution shall fail. For the avoidance of doubt, the chairman of a meeting of directors shall not have a casting vote.
- (d) The quorum necessary for the transaction of business at a Board meeting shall be 3 directors at least 2 of which must be CHAMP Members' nominees.

10. **Financial**

- (a) The financial year end of the Company shall be 31 December in each year unless otherwise determined by the Board. Accounts for the Group will be prepared in accordance with Australian Equivalent of International Financial Reporting Standards.
- (b) All shareholders are entitled to receive:
 - (i) a copy of the half-yearly unaudited consolidated balance sheet, profit and loss account and cashflow statements for the Company; and
 - (ii) a copy of the audited consolidated annual balance sheet, profit and loss account and cashflow statements for the Company.

11. **Alteration to Constitutional Documents and Liquidation**

For so long as the CHAMP Members are shareholders, the following matters require approval by a Special Majority Resolution:

- (a) alterations to the memorandum and articles of association; and
- (b) other than on an Exit, any resolution proposed to voluntarily liquidate the Company or (where the Company is not insolvent) to voluntarily enter into any form of insolvency procedure or arrangement with creditors generally.

12. **Other decisions requiring a Special Majority Resolution**

The following matters must only be permitted if approved by a Special Majority Resolution:

- (a) the entry into or the variation of any material transaction with any CHAMP Member or a manager or general partner of a CHAMP Member or a related entity of any of them other than:
 - (i) the vending into the Group of other assets on arm's length terms;
 - (ii) an issue of any securities or notes or the incurring by the Group of any indebtedness;
 - (iii) in the ordinary course of business of the Group; or

- (iv) any transaction related to an Exit or any funding that is referred to in clauses 2(b) and 2(c),

unless unanimously approved by directors of the Company who do not have a conflict in relation to the matter;

- (b) other than, in the ordinary course of business of the Group, the making of any payment of fees, bonus, remuneration or other benefit or distribution (excluding: (i) fees to be shared proportionately amongst shareholders; (ii) a dividend which has been approved in accordance with the articles of association; and (iii) payments to any member of management or non-executive director of a Group company) to any shareholder (directly or indirectly, including the making of any such payment to any company or partnership in which any shareholder has any interest other than a Group company or to any director or employee of, or any person connected or associated with, a shareholder) or the variation of the terms or amount of any such payment which has been previously approved by the shareholders;
- (c) the entry into, or variation or termination of any Material contract agreement or arrangement outside the ordinary course of business other than in relation to the vending into the Group of other assets on arm's length terms, any transaction related to an Exit or any funding that is referred to in clauses 2(b) and 2(c). **Material** contract agreement or arrangement means any contract agreement or arrangement to which a member of the Group is a party that requires or may require payments to or by that company in excess of A\$20 million in aggregate; or
- (d) a material change to the business of the Group that results in the Group not being substantially engaged in away from home, out of home advertising and/or advertising sales representation.

Annexure D Target Announcement

oOh!media Group Limited
ABN 96 091 780 924

ASX and Media Release
13 December 2011



Recommended Proposal for oOh!media Group Limited from CHAMP Private Equity

- oOh!media Group Limited (OOH) and Outdoor Media Operations Pty Ltd have agreed to the acquisition by Outdoor Media Operations Pty Ltd of all of the OOH shares that CHAMP does not already own for either 32.5 cents cash per share (Cash Consideration) or a mix of cash and unlisted scrip (Mixed Alternative)
- Outdoor Media Operations Pty Ltd is owned by the CHAMP III Funds¹ (CHAMP), which are managed and/or advised by CHAMP III Management Pty Ltd (CHAMP Private Equity)
- Cash Consideration of \$0.325 per OOH share, represents a 103% premium to the closing price on 9 November 2011, the day prior to the announcement of OOH granting exclusivity to facilitate due diligence
- Mixed Alternative allows for OOH shareholders to elect to receive a mix of cash and scrip in an unlisted Cayman company and retain an indirect ongoing interest in OOH. Shareholders electing the Mixed Alternative will receive \$0.10 cash plus one share in Outdoor Media Investments Limited for each OOH share. Election for the Mixed Alternative is subject to a minimum take up
- The Cash Consideration has been unanimously recommended by Mr G Jones (Chairman), Mr B Bickmore, Mr B Cook and Mr C Bregenhøj (Recommending Directors) in the absence of a superior proposal and subject to the Independent Expert giving an opinion that the offer is in the best interests of OOH shareholders (other than CHAMP) and that the Cash Consideration is fair and reasonable. Mr D Standen and Mr G Wild give no recommendation given their association with substantial shareholders of OOH

oOh!media Group Limited (ASX: OOH) today announced that it had entered into a Scheme Implementation Agreement (SIA) with Outdoor Media Operations Pty Limited, a company owned by CHAMP III Funds, under which Outdoor Media Operations Pty Limited has agreed to offer to acquire all the OOH shares that CHAMP does not already own (**Proposal**). The Proposal is to be implemented by way of a Court approved scheme of arrangement. The consideration that OOH shareholders are offered under the Proposal is as set out in this announcement.

A copy of the SIA, which sets out all the conditions of the Proposal, is attached to this announcement.

The Recommending Directors unanimously recommend that OOH shareholders vote in favour of the Proposal and they also recommend that shareholders should elect to receive the Cash Consideration. The Recommending Directors make no recommendation in relation to the Mixed Alternative.

Directors who hold OOH shares intend to vote those shares in favour of the Proposal.

The Recommending Directors' recommendation and voting intentions as set out above are subject to no superior proposal emerging and the Independent Expert giving an opinion that the Proposal is in the best interests of OOH shareholders (other than CHAMP), and also that the Cash Consideration is fair and reasonable.

¹ The CHAMP III Funds comprise CHAMP Buyout III Pte Ltd, CHAMP Buyout III Trust and the CHAMP Buyout III (SWF) Trust.

OOH Chairman, Graham Jones commented:

"The Cash Consideration of 32.5 cents per OOH share represents a 103% premium to the closing price of OOH shares on 9 November 2011. The Proposal provides a liquidity outcome for all OOH shareholders that they may not otherwise receive in the absence of a superior proposal."

Mr Jones also said:

"Whilst the Recommending Directors make no recommendation about the Mixed Alternative, if OOH shareholders elect that consideration it will allow them to continue to hold an indirect interest in OOH through the holding of shares in Outdoor Media Investments Limited as well as receiving \$0.10 cash. OOH shareholders should read the Scheme Booklet to be provided in February, and seek appropriate advice before accepting the Mixed Alternative."

Summary of Proposal

If the Proposal is implemented, OOH shareholders will be entitled to elect to receive either:

- A\$0.325 cash per OOH share (**Cash Consideration**); or
- a consideration comprising \$0.10 cash and one share in Outdoor Media Investments Limited, an unlisted Cayman Company, for each OOH share (**Mixed Alternative**).

OOH shareholders who do not make a valid election before the Record Date will be deemed to have elected the Cash Consideration for their OOH shares.

The Mixed Alternative will not be available to shareholders registered outside of Australia and Singapore (**Ineligible Foreign Shareholders**). Ineligible Foreign Shareholders electing the Mixed Alternative will receive the Cash Consideration.

The Mixed Alternative will only become available if OOH shareholders elect to receive the Mixed Alternative in respect of more than 100,000,000 OOH shares.

The Cash Consideration of \$0.325 cash per OOH share represents a premium of:

- 103% to OOH's closing price on 9 November 2011, the day prior to the announcement of CHAMP's interest in OOH; and
- 92% to OOH's volume-weighted average price in the 30 days to 9 November 2011.

Terms and Conditions of the Proposal

The conditions to the Proposal are contained in the SIA and include:

- approval by OOH shareholders at a meeting which is expected to be held in late February 2012;
- obtaining necessary Court approvals;
- no material adverse change; and
- no Prescribed Occurrences or breach of Warranties.

The SIA contains certain exclusivity arrangements, including a no-shop and a no-talk (subject to standard fiduciary carve-outs).

Intention of OOH Shareholders

Cavendish Square Holding BV (**WPP**) holds 119,000,000 OOH shares. WPP has advised OOH that its intention is to support the Proposal in the absence of an alternative proposal that is superior for WPP and subject to both the Independent Expert giving an opinion that the Proposal is in the best interests of OOH shareholders (other than CHAMP) and WPP reviewing and being satisfied with the full terms of the Proposal to be set out in the Scheme Booklet. WPP has authorised OOH to make this statement of its intention in relation to the Proposal in this announcement.

As at the date of this announcement, Hub X Pty Limited (**Macquarie**) holds 135,752,994 OOH shares. Macquarie has advised OOH that its intention is to vote in favour of the Proposal and accept the Cash

Consideration for any of the OOH shares it holds at the Record Date, in the absence of a superior proposal and subject to each condition set out below also being satisfied. Macquarie has authorised OOH to make this statement of its intention in relation to the Proposal in this announcement and it has informed OOH that, although its intention is as stated, it remains free to deal with its OOH shares at any time. The other conditions specified by Macquarie are:

- the Independent Expert providing an opinion that the Proposal is in the best interests of OOH shareholders (other than CHAMP) and the Cash Consideration is fair and reasonable and there being no change to these opinions at any time before the Proposal is considered by OOH shareholders;
- the vote on the Proposal takes place by no later than 31 March 2012; and
- the Recommending Directors do not change their recommendation at any time before the Proposal is considered by OOH shareholders.

Attachments to Announcement

Attached to this Announcement is a copy of the SIA which includes as Annexure C the Term Sheet for the Articles of Association of Outdoor Media Investments Limited.

Indicative timetable

OOH has appointed Grant Thornton as the Independent Expert to review the Proposal and provide a report on whether the Scheme is in the best interests of OOH shareholders (other than CHAMP) and whether the Cash Consideration is fair and reasonable.

The Scheme Booklet is expected to be issued in late January 2012 and it will include information about the Proposal, including the Independent Expert's Report and the reasons for the Recommending Directors' recommendation.

The OOH shareholder meeting to approve the Scheme is expected to be held in late February 2012, with the transaction to be implemented in March 2012 subject to shareholder and Court approval.

About CHAMP

The CHAMP group has offices in Sydney and Brisbane, Australia and affiliated offices in Singapore and New York, giving it an unrivalled reach amongst Australian based peers. This allows it to identify both Australian and cross border investments, as well as seeking international growth opportunities for existing investee companies.

Since inception in 1987, CHAMP and its predecessor funds have invested in more than 70 private equity investments across a broad range of sectors, including food and beverages, mining services, media, transport, industrial services, education, retail, agribusiness, health and financial services. Successfully exited investments include companies such as Austar Communications, United Malt Holdings, Study Group and Bradken. Current CHAMP investments include Manassen Foods, Centric Wealth, Alleasing, Golding Contractors, LCR Group, ATF Services and International Energy Services.

The investment philosophy at CHAMP is to identify companies that have value creation opportunities through earnings growth. Prudent leverage is a factor in the business model, however, the real driver of value creation is sustainable earnings growth based on superior management and investment in growth initiatives.

For further information on CHAMP Private Equity, visit www.champequity.com

About oOh!media Group Limited

oOh!media is the only single focused out-of-home advertising company listed on the ASX. OOH specialises in providing clients with creative out-of-home solutions across its diverse product offerings of road, retail and experiential media throughout urban and regional Australia.

For more information:

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