2013

Slater & Gordon Limited

Share Purchase Plan

OFFER OPENS

20 May 2013

OFFER CLOSES

12 June 2013

The Share Purchase Plan offer does not take into account the individual investment objectives, financial situation or particular needs of each eligible shareholder. You should consider seeking independent financial and taxation advice before making a decision as to whether or not to accept the offer. This document may not be released or distributed in the United States.

1 Slater & Gordon Share Purchase Plan

Slater & Gordon Limited (**Slater & Gordon**) is pleased to provide eligible Slater & Gordon shareholders with the opportunity to participate in the Slater & Gordon Share Purchase Plan (**SPP**) by paying up to $15,000 to subscribe for additional new fully paid ordinary shares in Slater & Gordon (**New Shares**) without incurring brokerage or other transaction costs. Details of this offer and how to participate are set out below.

Summary of key dates

Announcement of the SPP	7 May 2013
Record Date (the date that eligibility to participate in the SPP is determined)	7:00pm (Melbourne time) on 6 May 2013
Offer opens	9:00am (Melbourne time) on 20 May 2013
Offer closes	5:00pm (Melbourne time) on 12 June 2013
Scaleback policy announced (if applicable)	13-14 June 2013
Settlement of New Shares	17 June 2013
Allotment of New Shares	18 June 2013
Expected quotation on the ASX and normal trading of New Shares commences	18 June 2013
Dispatch of allotment confirmations / holding statements for New Shares	On or around 20 June 2013

Slater & Gordon may change any of the Key Dates at its discretion (even if the offer has opened or applications have been received).

2 Purpose of the SPP

As announced to ASX Limited (**ASX**) on 7 and 8 May 2013, Slater & Gordon successfully conducted a $58.9 million share placement to sophisticated and professional investors at an issue price of $2.55 per share (**Placement**). The Placement was conducted by a fully underwritten unconditional share placement to professional and sophisticated investors.

Eligible Australian and New Zealand shareholders are now invited to participate in the SPP. Slater & Gordon intends to raise approximately $5 million under the SPP.

Slater & Gordon intends to use the proceeds of this offer, together with the proceeds from the Placement, to strengthen its balance sheet and fund the next stage of growth in the United Kingdom, including funding the 3 acquisitions disclosed in the ASX release on 7 May 2013.

3 Eligibility to participate in the SPP

3.1 You are an eligible shareholder and may participate in the SPP (**Eligible Shareholder**) if you were a direct holder of fully paid ordinary shares in Slater & Gordon (**Shares**) at 7:00pm (Melbourne time) on 6 May 2013 (**Record Date**) with an address on the share register in Australia or New Zealand, *unless*:

(a) you hold Shares on behalf of another person who resides outside Australia or New Zealand and do not hold Shares in any other capacity; or

(b) you are in the United States or acting for the account or benefit of a person in the United States.

3.2 The offer under the SPP to New Zealand residents is made pursuant to the provisions of the Securities Act 1978 and, specifically, to the provisions of the Securities Act (Overseas Companies) Exemption Notice 2013.

3.3 The board of directors of Slater & Gordon (**Board**) has determined that because of foreign securities laws, it is not practical for holders of Shares with registered addresses in jurisdictions other than Australia or New Zealand to participate in the SPP.

3.4 **Single holders**: If you are the only registered holder of a holding of Shares, but you receive more than one offer under the SPP (for example, due to multiple registered holdings such as a holding in your personal name and a holding in your self-managed superannuation fund), you may only contribute up to a maximum of $15,000 in applying for New Shares.

3.5 **Joint holders**: If you are recorded with one or more other persons as the joint holder of a holding of Shares, that joint holding is considered to be a single registered holder for the purpose of the SPP, and the joint holders are entitled to participate in the SPP in respect of that holding. If the same joint holders receive more than one offer under the SPP due to multiple identical holdings, the joint holders may only contribute up to a maximum of $15,000 in applying for New Shares across all your holdings.

3.6 **Custodians**: Where a custodian (as defined in ASIC Class Order 09/425 (**ASIC CO 09/425**)) is a registered holder of Shares and holds Shares on behalf of one or more persons (**Beneficiaries**), the SPP offer is made to the custodian and the custodian has the discretion whether to extend the SPP offer to the Beneficiaries. If a custodian applies for New Shares on behalf of a Beneficiary, Slater & Gordon will not issue New Shares unless the custodian certifies the following in writing to Slater & Gordon:

(i) either or both of the following:

(A) that the custodian holds the Shares on behalf of one or more persons that are not custodians (**Participating Beneficiaries**); or

(B) that another custodian (**Downstream Custodian**) holds beneficial interests in Shares on behalf of a Participating Beneficiary, and the custodian holds the Shares to which those beneficial interests relate on behalf of the Downstream Custodian or another custodian,

on the Record Date and that each Participating Beneficiary has subsequently instructed the following persons:

(C) where sub-paragraph (i)(A) applies – the custodian; and

(D) where sub-paragraph (i)(B) applies – the Downstream Custodian,

to apply for Shares under the SPP on their behalf;

(ii) the number of Participating Beneficiaries;

(iii) the name and address of each Participating Beneficiary, and that each Participating Beneficiary's address is located in Australia or New Zealand;

(iv) in respect of each Participating Beneficiary:

(A) where sub-paragraph (i)(A) applies – the number of Shares that the custodian holds on their behalf; and

(B) where sub-paragraph (i)(B) applies – the number of Shares to which the beneficial interests relate;

(v) in respect of each Participating Beneficiary:

(A) where sub-paragraph (i)(A) applies – the number or the dollar amount of Shares they instructed the custodian to apply for on their behalf; and

(B) where sub-paragraph (i)(B) applies – the number or the dollar amount of Shares they instructed the Downstream Custodian to apply for on their behalf;

(vi) there are no Participating Beneficiaries in respect of which the total of the application price for the following exceeds $15,000:

(A) the Shares applied for by the custodian under the SPP in accordance with the instructions referred to in sub-paragraph (v); and

(B) any other Shares issued to the custodian in the 12 months before the application as a result of an instruction given by them to the custodian or the Downstream Custodian to apply for Shares on their behalf under an arrangement similar to the SPP;

(vii) that a copy of this SPP booklet was given to each Participating Beneficiary; and

(viii) where sub-paragraph (i)(B) applies – the name and address of each custodian who holds beneficial interests in the Shares held by the custodian in relation to each Participating Beneficiary.

3.7 Custodians must request a **"Custodian Certificate"** when making an application on behalf of Beneficiaries. To request a Custodian Certificate or further information about the custodian application process, shareholders should contact Slater & Gordon's Shareholder Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (within New Zealand) between 8.30am and 5.30pm (AEST time) Monday to Friday. Applications received from custodians must be accompanied by a duly completed and signed Custodian Certificate.

3.8 **Trustees and Nominees**: If you hold Shares as a trustee or nominee for another person and are expressly noted on the Slater & Gordon register as holding Shares on account of another person (a beneficiary) but you are not a Custodian, the beneficiary will be taken to be the registered holder of those Shares. In this instance, an Application by the trustee or nominee will be taken to be an Application by the beneficiary. This means the beneficiary will be treated as the registered holder and clause 3.4 applies.

3.9 Custodians, trustees and nominees may not participate in the SPP on behalf of beneficial shareholders located outside Australia and New Zealand.

4 Participation is optional

4.1 Participation in the SPP is entirely optional (subject to the eligibility criteria set out above). The offer to acquire New Shares is not a recommendation.

4.2 If you are in any doubt about this offer, whether you should participate in the SPP or how such participation will affect you (including taxation implications), you should contact a professional advisor. Slater & Gordon also recommends that you monitor the Slater & Gordon share price, which can be found on ASX's website at www.asx.com.au or in the financial pages of major newspapers.

5 Offer price

5.1 The offer price for each New Share under the SPP is $2.55 which is the same price at which New Shares were offered under the Placement. The offer price represents a 14.1% discount to the last close price of $2.97 on 6 May 2013, being the trading day on which the Company entered into a trading halt.

5.2 No brokerage commission or other transaction costs are payable by shareholders in respect of the issue of New Shares under the SPP.

5.3 In accordance with the requirements under ASX Listing Rule 7.2, the offer price of $2.55 is at least 80% of the average market closing price for Shares over the last 5 days on which Shares were recorded before the date on which the SPP was announced.

5.4 You should note that Slater & Gordon's share price may rise or fall between the date of this offer and the date when New Shares are issued under the SPP. This means that the price you would pay per New Share pursuant to this offer may be either higher or lower than the Slater & Gordon share price at the time the New Shares are issued under the SPP.

6 Number of New Shares offered under the SPP

6.1 Applications may only be made for New Shares in the amounts as designated on your Application Form from a minimum of $1,000 up to a maximum of $15,000.

6.2 Subject to scaleback, the number of New Shares that will be allotted to you will be determined by dividing the amount of your application monies by the offer price, rounded down to the nearest whole number of New Shares.

7 Scaleback

7.1 Slater & Gordon has the discretion to determine the aggregate amount to be raised through the SPP. Slater & Gordon will scaleback applications if it receives applications of more than the aggregate amount it determines to be made. A "scaleback" is a reduction in the number of New Shares issued (compared to the number applied for). Slater & Gordon will undertake a scaleback in the event that it receives applications under the SPP for more New Shares than it wishes to issue. Slater & Gordon intends to raise approximately $5 million under the SPP.

7.2 If applications are scaled back, Slater & Gordon will refund to applicants the difference between the New Shares issued to that applicant and the parcel that applicant applied for (calculated at the offer price), without interest payable to the applicant.

7.3 If a scaleback produces a fractional number of New Shares when applied to your parcel, the number of New Shares you will be issued will be rounded down to the nearest whole number of New Shares.

8 Maximum Applications

8.1 The offer under the SPP needs to comply with requirements prescribed by the Australian Securities and Investments Commission (**ASIC**). Under ASIC CO 09/425, Eligible Shareholders may only pay up to $15,000 to subscribe for additional New Shares under a share purchase plan in any 12-month period. Slater & Gordon has not conducted a share purchase plan in the 12 months preceding the date of this SPP letter.

8.2 Under these requirements, the maximum limitation of $15,000 applies irrespective of the number of Shares you held on the Record Date. In light of these requirements, Slater & Gordon has determined that the maximum number of New Shares that will be offered under the SPP to each Eligible Shareholder will be 5,882 New Shares. This limit applies irrespective of whether you hold Shares in more than one account or capacity or are sent more than one Application Form.

8.3 Please note that as part of your application for New Shares under the SPP you must certify that the aggregate application amount of all your applications under the SPP does not exceed $15,000.

8.4 Slater & Gordon reserves the right to reject or reduce any application for New Shares under the SPP to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements.

9 Non-renounceable offer

9.1 The offer to purchase New Shares under the SPP is non-renounceable. This means that you cannot transfer your right to purchase New Shares under the offer to anyone else.

10 No other participation costs

10.1 No brokerage, commission or other participation costs are payable by you in respect of the acquisition of New Shares under the SPP.

11 Ranking of New Shares

11.1 All New Shares issued under the SPP will rank equally with existing Shares from the date of issue, and therefore will carry the same voting rights, dividend rights and other entitlements as existing Shares.

12 Binding terms

12.1 By accepting the offer to purchase New Shares under the SPP, you agree to be bound by these SPP Terms and Conditions and Slater & Gordon's constitution.

13 New Zealand

13.1 The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of Slater & Gordon with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

14 Applying for New Shares under the SPP

14.1 To participate in the SPP, please carefully read these SPP Terms and Conditions and the instructions on the enclosed application form (**Application Form**). To apply and pay for New Shares under the SPP you have two options:

Option 1: Application Form and cheque, bank draft or money order

You can complete the Application Form and return it to Computershare Investor Services Pty Limited, together with your cheque, bank draft or money order made payable to 'Slater & Gordon Limited SPP' in accordance with the instructions on the Application Form.

Cheques, bank drafts and money orders must be made in Australian currency, drawn on an Australian bank for the correct amount and sent in the enclosed reply paid envelope (New Zealand holders will need to affix the appropriate postage stamp).

Do not forward cash. Receipts for payment will not be issued.

Option 2: BPAY ®[1]

If you have an Australian bank account, you may make a BPAY payment by using the personalised customer reference number shown on your Application Form which is required to identify your holding. If you make your payment by BPAY, you are not required to return your Application Form, but your payment will constitute your application for New Shares under the SPP and you are taken to make the certifications and representations described in these SPP Terms and Conditions.

14.2 It is your responsibility to ensure that your Application Form or BPAY payment is received by no later than 5.00pm (Melbourne time) on 12 June 2013. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment, and you should therefore take this into consideration when making payment. Applications received after that time will not be accepted.

14.3 Applications may only be made for New Shares in the amounts as designated on your Application Form from a minimum of $1,000 up to a maximum of $15,000. If the amount of the cheque, bank draft or money order tendered with your Application Form or your BPAY payment is:

(a) less than $1,000 - Slater & Gordon will not allot any New Shares to you and will refund your application money to you;

(b) greater than $15,000 - subject to scale back, Slater & Gordon will allot the maximum number of New Shares to you in relation to $15,000 and will refund the excess application money to you; or

(c) for an amount between $1,000 and $15,000 that is not one of the designated amounts - subject to scale back Slater & Gordon will allot to you the number of New Shares that would have been allotted to you had you applied for the highest designated amount that is less than the amount of your cheque, bank draft, money order or BPAY payment, and will refund the excess application money to you.

14.4 Slater & Gordon will refund application monies received from persons it considers ineligible shareholders, subject to compliance with its legal obligations.

14.5 If your cheque does not clear, your application will not be accepted and you agree to be responsible for any dishonour fees or other costs incurred. If your cheque is dishonoured, it will not be re-presented.

14.6 If your Application Form is incomplete, contains errors or is otherwise invalid or defective, Slater & Gordon may, in its sole discretion, accept, reject, correct or amend your application, issue such number of New Shares to you as it considers appropriate, refund your application money, or take any combination of these actions.

14.7 Applications and payments under the SPP may not be withdrawn once they have been received by Slater & Gordon. Application money will not bear interest under any circumstances.

14.8 Please read the enclosed Application Form for further details of how to apply for New Shares under the SPP.

15 Shareholder Representations

15.1 By applying to participate in the SPP by submitting a BPAY payment or completing and returning the Application Form with application monies, you will be deemed to have represented, warranted and agreed on behalf of each person on whose account you are acting that:

[1] ® registered to BPAY Pty Limited ABN 69 079 137 518.

(a) your application is made on these SPP Terms and Conditions, the terms set out on the Application Form and that you cannot withdraw or cancel your application and your application is unconditional;

(b) you are an Eligible Shareholder and represent and warrant that you are not in the United States and are not a person to whom it would otherwise be illegal to make an offer or issue New Shares under the SPP;

(c) you acknowledge that the New Shares have not been, and will not be, registered under the US Securities Act of 1933 or in any other jurisdiction outside Australia or New Zealand and accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws; and

(d) you will not send any materials relating to the SPP to any person in the United States or any other country outside Australia and New Zealand.

16 Shareholder Certification

16.1 By completing and submitting the Application Form with the application monies or making a BPAY payment **you certify** that the aggregate of the application price paid by you for:

(a) the New Shares the subject of your Application Form or BPAY payment; and

(b) any other Shares applied for by you, or which you have instructed a Custodian (or Downstream Custodian) to acquire on your behalf, under the SPP or any similar share purchase plan arrangement operated by Slater & Gordon in the 12 months prior to the date of lodgement of the Application Form or BPAY payment,[2]

does not exceed $15,000.

16.2 Slater & Gordon reserves the right, and in certain circumstances may be required by ASIC CO 09/425 or other conditions, to reject any application for New Shares under the SPP (in whole or in part), including where it considers that the application (whether alone or in conjunction with other applications) does not comply with these or any other legal requirements.

17 Allotment and quotation dates

17.1 New Shares are expected to be allotted under the SPP on 18 June 2013, and Slater & Gordon will apply for those New Shares to be listed for quotation on ASX.

17.2 Slater & Gordon will dispatch a holding statement or confirmation advice in respect of the New Shares allotted to you under the SPP. You should confirm your holding before trading in any New Shares you believe have been allotted to you under the SPP.

17.3 In advance of your receiving your statement or confirmation, you can check the number of New Shares issued under the SPP by using the Computershare Investor Centre at http://www.investorcentre.com/ and following the security access instructions.

18 Foreign securities restrictions

18.1 This document is not an offer of securities in the United States. The New Shares have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state or other jurisdiction of the United States and accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws.

[2] Slater & Gordon has not conducted a share purchase plan or similar plan in the prior 12 months.

18.2 Because of these legal restrictions, you must not send any materials relating to the SPP to any person in the United States or anywhere else outside Australia and New Zealand.

18.3 Consistent with the representations contained in these SPP Terms and Conditions and the Application Form, you may not submit an application under this SPP for any person in the United States or anywhere else outside Australia and New Zealand. Failure to comply with these restrictions may result in violations of applicable securities laws.

19 ASIC C0 09/425 compliance

19.1 This offer for New Shares under the SPP is made in accordance with the requirements of ASIC C0 09/425. This Class Order grants relief from the requirement to prepare a prospectus for the offer of shares under the SPP.

20 Withdrawal, suspension, termination, anomalies and disputes

20.1 Slater & Gordon reserves the right to waive strict compliance with any provision of these SPP Terms and Conditions, to amend or vary these SPP Terms and Conditions and to suspend or terminate the SPP at any time. Any such amendment, variation, suspension or termination will be binding on all Eligible Shareholders, even where Slater & Gordon does not notify you of that event.

20.2 Slater & Gordon may make determinations in any manner it thinks fit, in relation to any difficulties, anomalies, or disputes which may arise in connection with or by reason of the operation of the SPP whether generally or in relation to any participant or application. Any determinations by Slater & Gordon will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates.

20.3 Slater & Gordon's rights may be exercised by the Board or any delegate of the Board.

21 No underwriting

21.1 The SPP will not be underwritten.

22 Currency

22.1 References to $ means Australian dollars.

23 Privacy

23.1 Chapter 2C of the *Corporations Act 2001* (Cth) (**the Act**) requires information about shareholders (including name, address and details of the shares held) to be included in Slater & Gordon's public register. If a shareholder ceases to be a shareholder, Chapter 2C of the Act requires this information to be retained in Slater & Gordon's public register. These statutory obligations are not altered by the Privacy Act 1988 (Cth) as amended. Information is collected to administer shareholder's security holdings.

24 Governing law

24.1 This offer is governed by the law in force in Victoria. By accepting this offer, you submit to the non-exclusive jurisdiction of the courts of Victoria.

25 Additional questions

25.1 If you have any questions in respect of the SPP, please call the Shareholder Information Line on 1300 850 505 (within Australia), or +61 3 9415 4000 (outside Australia), between 8.30am and 5.00pm (Melbourne time), Monday to Friday.