



MARKET RELEASE

25 July 2016

Smartgroup Corporation Ltd

TRADING HALT

The securities of Smartgroup Corporation Ltd (the “Company”) will be placed in Trading Halt Session State at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in Trading Halt Session State until the earlier of the commencement of normal trading on Wednesday, 27 July 2016 or when the announcement is released to the market.

Security Code: SIQ

Andrew Black

MANAGER, LISTINGS COMPLIANCE (SYDNEY)

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25 July 2016

Dear Sir/Madam

Request for trading halt

I refer to our telephone conversation earlier today.

I confirm that Smartgroup Corporation Ltd ACN 126 266 831 (ASX code: SIQ) (**Company**) seeks a trading halt under ASX Listing Rule 17.1, from the commencement of trading on 25 July 2016.

The Company is seeking a trading halt in order to conduct a placement of new shares (**Placement**). The Placement is to raise proceeds to fund an acquisition.

The Company seeks a trading halt until opening of trading on 26 July 2016 at which time it expects to be able to make an announcement regarding the Placement to ASX.

The Company is not aware of any reason why the trading halt should not be granted by ASX and does not believe that there is any further information which needs to be disclosed to the market at the time of seeking the trading halt.

If you have any queries, please do not hesitate to contact me.

Yours faithfully

A handwritten signature in black ink, appearing to read "Amanda Morgan".

Amanda Morgan
General Counsel and Company Secretary