

12 June 2015

UPDATE ON PROPOSED TPG TELECOM LIMITED ACQUISITION OF iiNET LIMITED: COURT CONVENES SCHEME MEETING AND ACC APPROVAL PROCESS PROGRESSING

As announced to the ASX on 6 May 2015, TPG Telecom Limited (**TPG**) and iiNet Limited (**iiNet**) entered into a Scheme Implementation Agreement, under which TPG proposes to acquire those shares in iiNet that it does not already own for Total Consideration of at least \$9.55 per iiNet Share (**Scheme**).

Today, the Federal Court of Australia made orders convening a meeting of iiNet shareholders to consider and vote on the Scheme. The meeting of iiNet shareholders will take place at 10.00am (WST) on Monday, 27 July 2015, at the Pan Pacific Perth, 207 Adelaide Terrace, Perth, Western Australia (**Scheme Meeting**).

Information relating to the Scheme, including the notice convening the Scheme Meeting, will be included in the Scheme Booklet, which is expected to be registered with ASIC on Monday and then sent to iiNet shareholders next week.

The iiNet Board of Directors continues to unanimously recommend that iiNet shareholders vote in favour of the Scheme, in the absence of a superior proposal, and subject to the Independent Expert maintaining its conclusion that the Scheme is in the best interests of iiNet shareholders.

The Independent Expert, Lonergan Edwards & Associates, has concluded that the Scheme is fair and reasonable and is in the best interests of iiNet shareholders, in the absence of a superior proposal. The Independent Expert's Report will be included in the Scheme Booklet, which will be made available next week after lodgment with ASIC.

If the Scheme is approved by iiNet shareholders at the Scheme Meeting on 27 July 2015 and all other conditions precedent to the Scheme are satisfied or waived, the Scheme will proceed by way of TPG acquiring all iiNet shares it does not already own in August 2015, bringing together two of Australia's ISP challenger brands to create a leading Australian telecommunications business.

This timetable reflects the release yesterday by the Australian Competition and Consumer Commission (**ACCC**) of a 'Statement of Issues' regarding the Scheme. The Statement of Issues reflects the ACCC's preliminary views on the Scheme and identifies lines of inquiry through which the ACCC will seek further information prior to announcing its final view. TPG welcomes this next step in the ACCC approval process and, together with iiNet, will continue to engage closely with the ACCC as it works towards a final decision. The ACCC's final decision is due on or before 20 August 2015, prior to 24 August 2015, being the date on which the Scheme is expected to become effective.

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