

ASX Release

The Manager
Company Announcements Office
Australian Securities Exchange
Level 40, Central Park
152 – 158 St Georges Terrace
Perth WA 6000

Dear Sir/Madam,

iiNet Shareholders Vote in Favour of Scheme of Arrangement

27 July 2015: At the Scheme Meeting of iiNet Limited (“iiNet”) (ASX:IIN) held in Perth today, iiNet shareholders voted overwhelmingly in favour of the scheme of arrangement under which TPG Telecom Limited (“TPG”) (ASX:TPM) will acquire 100% of the share capital of iiNet that it does not already own¹ (“Scheme”).

The Scheme received significant support from iiNet shareholders, with 95.09% voting for compared to 4.91% voting against the resolution, representing a total of 105,823,861 shares voted at the meeting.

The Scheme remains subject to the satisfaction of certain Conditions Precedent, including ACCC approval and Second Court approval, in order to be implemented.

Voting Results

iiNet advises that the resolution to approve the Scheme, as set out in Notice of Scheme Meeting dated 12 June 2015, was passed by the requisite majorities of iiNet shareholders, with:

- 89.93% of iiNet shareholders present and voting (either in person or by proxy) in favour of the resolution; and
- 95.09% of votes cast in favour of the resolution.

¹ TPG owns 6.25% of iiNet.

The results for the poll were as follows:

	For	Against	Total Votes	Abstain ²
Votes	100,630,888	5,192,973	105,823,861	87,578
Holders	2,573	288	2,861	23
Percentage of Votes	95.09%	4.91%	100%	n/a
Percentage of Holders	89.93%	10.07%	100%	n/a

The proxies received were as follows:

	For	Open	Against	Total Votes
Votes	99,017,261	1,376,834	5,167,097	105,561,192
Holders	2,248	307	280	2,835
Percentage of Votes	93.80%	1.30%	4.90%	n/a
Percentage of Holders	79.29%	10.83%	9.88%	n/a

The Scheme remains subject to a number of Conditions Precedent. These Conditions Precedent include approvals from the ACCC and the Federal Court of Australia, amongst others. The ACCC's final decision is scheduled to be released on Thursday, 20 August 2015. Following ACCC's decision, and subject to the other Conditions Precedent having been satisfied, iiNet will seek orders from the Federal Court of Australia for the approval of the Scheme at a hearing which is scheduled for 10.15 am WST on Friday, 21 August 2015.

Scheme Consideration

If the Scheme is approved by the ACCC and the Federal Court of Australia, iiNet shareholders will receive the Scheme Consideration on the Implementation Date, which is expected to be 7 September 2015.

Consideration to be provided for Share Elections

As announced on 22 July 2015, iiNet Shareholders who made a valid Share Election will receive, for each iiNet Share held continuously from the Election Date until the Record Date (currently expected to be 5.00pm (WST) on Monday, 31 August 2015):

- **0.5533** New TPG Shares;
- **\$3.77** in cash; and
- a Discretionary Special Dividend of up to \$0.75 per iiNet Share (if declared) in cash and top-up cash consideration for the difference between the amount of the Discretionary Special Dividend declared (if any) and \$0.75.

The share and cash components of the Scheme Consideration set out above have been rounded. When calculating each individual shareholder's entitlement, the full formulae as set out in section 4.3(b) of the Scheme Booklet will be used and rounding will only be applied to the total consideration to be paid to that shareholder. Fractional entitlements to New TPG Shares will be rounded to the nearest whole share, and the cash proportion of the Scheme Consideration (as a result of the scale back) will be rounded to the nearest whole cent.

² Note that votes relating to a shareholder who abstains from voting are not counted in determining the requisite majorities.

Consideration to be provided for Cash Elections

iiNet Shareholders who made (or are deemed to have made) a Cash Election will receive total consideration of \$9.55 per iiNet Share, consisting of:

- Cash consideration of \$8.80 per iiNet Share; and
- a Discretionary Special Dividend of up to \$0.75 per iiNet Share (if declared) in cash and top-up cash consideration for the difference between the amount of the Discretionary Special Dividend declared (if any) and \$0.75.

Timetable

Key dates for the implementation of the Scheme are as follows:

Event	Dates
ACCC announcement of its final decision	Thursday, 20 August 2015
Second Court Date (Second Court Hearing for approval of the Scheme)	Friday, 21 August 2015
Outcome of the Second Court Hearing announced	Friday, 21 August 2015
Effective Date	Monday, 24 August 2015
iiNet Shares suspended from trading on the ASX	Monday, 24 August 2015
Ex-dividend date (for ASX purposes) for Discretionary Special Dividend, if declared	Tuesday, 25 August 2015
New TPG Shares commence trading on the ASX on a deferred settlement basis	Tuesday, 25 August 2015
Dividend Record Date (for determining entitlements to the Discretionary Special Dividend), if declared	5.00pm (WST) on Thursday, 27 August 2015
Ex-dividend date (for tax purposes) for Discretionary Special Dividend, if declared	Friday, 28 August 2015
Record Date (for determining entitlements to Scheme Consideration)	5.00pm (WST) on Monday, 31 August 2015
Payment of the Discretionary Special Dividend by iiNet, if declared	Monday, 7 September 2015
Implementation Date (transfer of Scheme Shares to TPG and payment/issue by TPG of Scheme Consideration to Scheme Shareholders)	Monday, 7 September 2015
Last day of deferred settlement trading on the ASX in New TPG Shares	Monday, 7 September 2015
New TPG Shares commence trading on the ASX on a normal settlement basis	Tuesday, 8 September 2015

The above dates are indicative only and are subject to, among other things, the ACCC and Federal Court of Australia approval processes. Any changes to the above timetable (which may include an earlier or later date for the Second Court Hearing) will be announced on the ASX.

Shareholder Information Line and Scheme Website

iiNet shareholders requiring further information should contact iiNet's Shareholder Information Line on 1300 812 892 (within Australia) or +61 2 9098 9204 (outside Australia) or visit the Scheme website at www.iinetscheme.net.au.

For further information please contact:

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About iiNet

iiNet is Australia's second largest DSL Internet Service Provider and the leading challenger in the telecommunications market. Publicly listed on the ASX 200, this billion-dollar company has been recognised as a global leader in customer service, winning a silver medal at the Contact Centre World Awards in 2014.

We employ more than 2,500 inquisitive staff across three countries – 80 per cent of whom are employed to directly service nearly one million customers. We maintain our own broadband network and support over 1.8 million broadband, telephony and Internet Protocol TV (IPTV) services nationwide.

We're committed to making it simple for all Australians to connect across both our own network and on the NBN. Our vision is to lead the market with services that harness the potential of the Internet and then differentiate with award-winning customer service.



A full list of current awards can be viewed at iiNet Awards
<http://www.iinet.net.au/about/awards.html>

