

ASX RELEASE  
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## VOCUS SUCCESSFULLY COMPLETES INSTITUTIONAL ENTITLEMENT OFFER AND PLACEMENT

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Vocus Communications Limited (ASX:VOC) ("**Vocus**") today announced the successful completion of the institutional component of its fully underwritten 1 for 8.90 accelerated, renounceable entitlement offer with retail rights trading (the "**Institutional Entitlement Offer**") and the successful completion of its fully underwritten institutional placement (the "**Placement**").

#### Key highlights

- Placement and Institutional Entitlement Offer successfully completed, raising approximately A\$430 million
- Very strong demand from both existing institutional shareholders and new investors
- Institutional Bookbuild clearing price of A\$8.42, equal to the theoretical ex-rights price ("**TERP**")<sup>1</sup> and representing an A\$0.87 premium to the Entitlement Offer price of A\$7.55 per share
- Approximately 24 million new shares will be issued under the Placement at a price of A\$8.42 per new share
- Retail Entitlement Offer opens on Thursday, 7 July 2016

On 29 June 2016, Vocus announced a fully underwritten equity capital raising of approximately A\$652 million to support the acquisition of Nextgen Networks from the Nextgen Group as well as two development projects, the North West Cable System ("**NWCS**") and Australia Singapore Cable ("**ASC**"), for total upfront consideration of approximately A\$807 million (the "**Acquisition**") and deferred consideration of up to A\$54 million<sup>2</sup>.

The Institutional Entitlement Offer raised approximately A\$230 million from subscriptions for new fully paid ordinary shares in Vocus ("**New Shares**") at a price of A\$7.55 per New Share ("**Offer Price**"). The Institutional Entitlement Offer had very strong support from institutional shareholders with an approximate take-up rate by eligible institutional shareholders of 97%.

A bookbuild for Institutional Entitlement Offer shortfall shares and Placement shares was conducted on Friday, 1 July 2016 ("**Institutional Bookbuild**") and attracted considerable demand from both existing shareholders and new institutional investors. The bookbuild cleared at a price of A\$8.42 per share, which is equal to TERP and represents a premium of \$0.87 above the Offer Price.

Eligible institutional shareholders who elected to not take up their entitlements and certain ineligible institutional shareholders will receive A\$0.87 for each entitlement sold through the Institutional Bookbuild, less any applicable withholding tax.

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<sup>1</sup> The theoretical ex-rights price is the theoretical price at which Vocus shares should trade immediately after the ex-date for the Entitlement Offer. The TERP is a theoretical calculation only and the actual price at which Vocus shares trade immediately after the ex-date for the Entitlement Offer may vary from TERP. TERP is calculated by reference to Vocus' closing price of A\$8.52 per share on 28 June 2016, being the last trading day prior to the announcement of the Entitlement Offer. Excludes shares issued under the Placement.

<sup>2</sup> Based on A\$700 million upfront consideration for Nextgen Networks and US\$80 million (~A\$107 million) upfront consideration for NWCS converted to AUD at FX rate of 0.7466. Additional amounts of up to US\$40 million (~A\$54 million) are payable for the two development projects, subject to certain conditions. Excludes transaction costs.

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Commenting on the outcome of the Institutional Entitlement Offer and Placement, Vocus' Chairman, David Spence, said: *"We are delighted with the exceptionally strong support shown for the institutional tranche of the capital raising. We are pleased that investors share our vision of the unique and compelling strategic opportunity that the Acquisition provides to Vocus. We expect that when these assets are added to Vocus' existing infrastructure network, they will enable us to provide an enhanced offering to our customers and a strengthened platform for continued growth."*

New Shares to be issued under the Institutional Entitlement Offer and Placement will rank equally with existing Vocus shares in all respects.

Settlement of New Shares issued as part of the Institutional Entitlement Offer and Placement (including as part of the Institutional Bookbuild) is expected to occur on Friday 8, July 2016. The issue of those New Shares is expected to occur on Monday, 11 July 2016, with trading commencing on the same day.

### **Retail Entitlement Offer**

The retail component of the Entitlement Offer ("**Retail Entitlement Offer**") will open on Thursday, 7 July 2016 and close at 5.00pm on Monday, 18 July 2016. Eligible retail shareholders with a registered address in Australia or New Zealand will be able to subscribe for 1 New Share for every 8.90 fully paid ordinary shares in VOC held as at 7.00pm (AEST) on the record date of Monday, 4 July 2016, at the same offer price of A\$7.55 per New Share as the Institutional Entitlement Offer.

Eligible retail shareholders will be allotted entitlements ("**Retail Entitlements**") which can be traded on ASX (Ticker: VOCR) from Monday, 4 July 2016 to Thursday, 7 July 2016 on a deferred settlement basis and from Friday, 8 July 2016 to Monday, 11 July 2016 on a normal settlement basis.

Eligible retail shareholders are encouraged to carefully read the Retail Offer Booklet for further details relating to the Retail Entitlement Offer. Vocus expects to lodge the Retail Offer Booklet with ASX and despatch the Retail Offer Booklet and personalised entitlement and acceptance forms to eligible retail shareholders no later than Thursday, 7 July 2016. Retail Offer Booklets and personalised entitlement and acceptance forms will be sent electronically to those eligible retail shareholders who have elected to receive communications from Vocus electronically. Notwithstanding any such election, eligible retail shareholders can also request a physical copy by calling the number below on or after 7 July 2016.

### **Shareholder enquiries**

Retail shareholders who have questions relating to the Entitlement Offer should call the Vocus Shareholder Information Line on 1300 855 080 (within Australia) or +61 3 9415 4000 (outside Australia), or consult their stockbroker, accountant or other professional adviser.

The Vocus Shareholder Information Line is open from 8.30am to 5.30pm (AEST), Monday to Friday. Alternatively, you can access information about the Retail Entitlement Offer online at [www.vocusoffer.com.au](http://www.vocusoffer.com.au).

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### Forward looking statements

This announcement contains forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events. Forward looking statements should, or can generally, be identified by the use of forward looking words such as “believe”, “expect”, “estimate”, “will”, “may”, “target” and other similar expressions within the meaning of securities laws of applicable jurisdictions, and include but are not limited to the expected outcome of the Acquisition. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements. Such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate. These forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements. Those risks, uncertainties, assumptions and other important factors are not all within the control of Vocus and cannot be predicted by Vocus and include changes in circumstances or events that may cause objectives to change as well as risks, circumstances and events specific to the industry, countries and markets in which Vocus operates. They also include general economic conditions, exchange rates, interest rates, competitive pressures, selling price, market demand and conditions in the financial markets which may cause objectives to change or may cause outcomes not to be realised.

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