



Southern Cross Media Group Limited
Level 2, 257 Clarendon Street
South Melbourne VIC 3205
ABN 91 116 024 536

ASX RELEASE

Tuesday, 7 April 2020

Completion of Institutional Component of Entitlement Offer and Placement

Southern Cross Media Group Limited (ASX: SXL) (**SCA** or the **Company**) is pleased to announce the successful completion of the fully underwritten¹ placement to institutional and sophisticated investors (**Placement**) and the institutional component of its 1.75 for 1 accelerated pro-rata non-renounceable entitlement offer (**Entitlement Offer**) of fully paid ordinary shares in the Company (**New Shares**), details of which were announced to the ASX on Monday, 6 April 2020.

The fully underwritten¹ Placement and the Entitlement Offer (together, the **Offer**) is expected to raise approximately \$169 million (before costs).

Approximately \$149 million (before costs) was raised across the Placement and institutional component of the Entitlement Offer (**Institutional Entitlement Offer**)². The Offer price was A\$0.09 per New Share.

SCA directors and senior leadership team members who are shareholders have confirmed their intention to participate in the retail component of the Entitlement Offer by taking up their pro rata entitlement for New Shares.

Placement and Institutional Entitlement Offer

The Placement received strong demand and the Institutional Entitlement Offer had a take up rate by eligible institutional shareholders of approximately 92%. New Shares in respect of institutional entitlements not taken up under the Institutional Entitlement Offer and New Shares that would have represented the entitlements of ineligible institutional shareholders were offered and placed to institutional and sophisticated investors.

Approximately 1,655 million New Shares subscribed for under the Placement and Institutional Entitlement Offer are expected to be settled on Friday, 17 April 2020 and to be issued and commence trading on the ASX on Monday 20 April 2020². New Shares issued under the Offer will rank equally with existing SCA shares as at their date of issue; however, New Shares issued under the Placement will not be entitled to participate in the Entitlement Offer.

In conducting the Placement, SCA has relied on the class waiver decision "Temporary Extra Placement Capacity" issued by ASX on 31 March 2020 which lifts the limit on the number of New Shares that SCA can issue without obtaining prior shareholder approval pursuant to Listing Rule 7.1 from 15% to 25%. The class waiver also permits the Company to include in its calculation for the purposes of Listing Rule 7.1 the number of New Shares that may be issued under the fully underwritten¹ Entitlement Offer.

1 Please refer to note 1 on Page 1 of the Company's investor presentation released to ASX on 6 April 2020.

2 The issue (and associated settlement) of ~43 million shares under the Institutional Entitlement Offer has been deferred until 4 May 2020 for regulatory reasons, being the same day as the issue date for New Shares to be issued under the retail component of the Entitlement Offer.

3449-6142-6191v1

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

SCA expects ASX to lift the voluntary suspension and for the Company's ordinary shares to resume trading on the ASX from market open today (Tuesday, 7 April 2020).

Retail Entitlement Offer

The retail component of the Entitlement Offer, which is fully underwritten¹ is expected to raise a further \$19.5 million (before costs) (**Retail Entitlement Offer**). The Retail Entitlement Offer is expected to open on Wednesday, 15 April 2020 and close on Monday, 27 April 2020.

Eligible retail shareholders with a registered address in Australia or New Zealand on the Record Date of 7.00pm (Sydney time), Wednesday, 8 April 2020, will have the opportunity to invest in New Shares at the offer price of A\$0.09 per New Share under the Retail Entitlement Offer. Further details as to eligibility will be set out in the retail offer booklet to be sent to eligible retail shareholders on Wednesday, 15 April 2020.

In conducting the Entitlement Offer, SCA has relied on the class waiver decision "Non-renounceable Offers" issued by ASX on 31 March 2020 which permits the ratio of New Shares to be offered under the Entitlement Offer to be greater than one New Share offered for each Share held.

Further information

Further information on the Offer is set out in the Investor Presentation separately lodged with ASX on Monday, 6 April 2020.

For further information in relation to the Retail Entitlement Offer, please contact the Offer Information Line on 1300 069 341 (within Australia) or +61 3 9415 4282 (from outside Australia) at any time between 8.30am and 5.30pm (Sydney time), Monday to Friday during the retail offer period. For other questions, please consult your broker, solicitor, accountant, financial adviser, or other professional adviser.

This announcement has been authorised for release to ASX by the SCA Board of Directors.

For further information, please contact:

Investor Relations:

Nick McKechnie
Chief Financial Officer
Tel: 03 9922 2001

Media:

Rochelle Burbury
Corporate Communications Manager
Tel: 0408 774 577

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

About Southern Cross Austereo

Southern Cross Austereo (SCA) is one of Australia's leading media companies reaching more than 95% of the Australian population through its radio, television and digital assets. Under the Triple M and Hit network brands, SCA owns 98 stations across FM, AM and DAB+ radio. SCA provides national sales representation for 23 other regional radio stations. SCA broadcasts 93 free to air TV signals across regional Australia, reaching 4.4 million people a week, with Nine Network programming and advertising representation across Australia's East Coast, Seven Network programming in Tasmania and Darwin, and Seven, Nine and Ten programming in Spencer Gulf. SCA operates Australia's leading premium podcasting network - PodcastOne Australia – and provides Australian sales representation for global open audio platform SoundCloud. SCA's premium brands are supported by social media, live events, video, online and mobile assets that deliver national and local entertainment and news content.
<https://www.southerncrossaustereo.com.au/>

Not for release or distribution in the United States

This announcement has been prepared for publication in Australia and may not be released or distributed in the United States. This announcement does not constitute an offer, invitation or recommendation to subscribe for or purchase any security or financial product and neither this announcement nor anything attached to this announcement shall form the basis of any contract or commitment. In particular, this announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to any person who is acting for the account or benefit of any person in the United States (to the extent such person is acting for the account or benefit of a person in the United States), or in any other jurisdiction in which, or to any person to whom, such an offer would be illegal. None of the entitlements or the New Shares have been, or will be, registered under the U.S. Securities Act of 1933 (U.S. Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, none of the entitlements nor the New Shares may be offered or sold, directly or indirectly, in the United States, or to any person who is acting for the account or benefit of any person in the United States (to the extent such person is acting for the account or benefit of a person in the United States), except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities law of any state or other jurisdiction of the United States.

Forward-looking statements and forecasts

This announcement contains certain "forward looking statements" which involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies including those risk factors associated with the media and entertainment industry, many of which are outside the control of, change without notice, and may be unknown to the Company. Statements as to timetable and outcome of the Offer, use of funds, and statements about the plans and strategies of the Company are forward looking statements, as are statements about market and industry trends, which are based on interpretation of market conditions. Forward looking statements can generally be identified by the use of forward looking words such as "anticipate", "expect", "likely", "propose", "will", "intend", "should", "could", "may", "believe", "forecast", "estimate", "target", "outlook", "guidance" and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, the future performance of the Company and the outcome and effects of the Offer and use of proceeds.

No representation, warranty or assurance, express or implied, is given or made in relation to any forward looking statement. In particular no representation, warranty or assumption, express or implied, is given in relation to any underlying assumption or that any forward looking statement will be achieved. Actual and future events may vary materially from the forward looking statements and the assumptions on which the forward looking statements were based, because events and actual circumstances frequently do not occur as forecast and future results are subject to know and unknown risks such as changes in market conditions and regulations.

Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements, and should rely on their own independent enquiries, investigations and advice regarding information contained in this announcement. Any reliance by a reader on the information contained in this announcement is wholly at the reader's own risk.

To the maximum extent permitted by law or any relevant listing rules of the ASX, the Company and its related bodies corporate and affiliates and their respective directors, officers, employees, advisors, agents and intermediaries disclaim any obligation or undertaking to disseminate any updates or revisions to the information in this announcement to reflect any change in expectations in relation to any forward looking statements or any such change in events, conditions or circumstances on which any such statements were based.

- ENDS -

3449-6142-6191v1