

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Southern Cross Media Group Limited (SCMGL)

ABN

91 116 024 536

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares in the capital of SCMGL |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 68,567,822,750 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | As per the terms of existing fully paid ordinary shares. |

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

- 4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

The ordinary shares will rank equally with existing ordinary shares from their date of issue, but following their issue all ordinary shares will be consolidated to a smaller number of shares on a 182:1 basis.

- 5 Issue price or consideration

- 9,091,866,000 ordinary shares will be issued in consideration for the transfer to SCMGL of all of the ordinary shares in Southern Cross Media International Limited ARBN 118 577 423 (**SCMIL**) pursuant to the terms of the scheme of arrangement approved by SCMIL shareholders on 17 December 2009.
- 59,475,956,750 ordinary shares will be issued in consideration for the transfer to SCMGL of all of the ordinary shares in Southern Cross Media No. 3 Limited ACN 140 526 683 (**SCM3**) not already held by SCMGL, subject to the issue of a notice by SCMGL under article 15.4 of the SCM3 constitution.

Further details in relation to the above issues are set out in the Southern Cross Media Group (formerly Macquarie Media Group) Notices of Meeting and Explanatory Memorandum dated 12 November 2009 (the EM).

⁺ See chapter 19 for defined terms.

6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	As consideration for the transfer to SCMGL of all of the ordinary shares in SCMIL and ordinary shares in SCM3 (see item 5 above).									
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	Ordinary shares will be issued on the Corporatisation Implementation Date (as defined in the EM), being 18 March 2010. Holding statements will be despatched on 22 March 2010.									
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>68,946,650,500 (pre-consolidation) and 378,827,750 (post-consolidation)</td><td>Ordinary shares</td></tr></table>	Number	+Class	68,946,650,500 (pre-consolidation) and 378,827,750 (post-consolidation)	Ordinary shares					
Number	+Class										
68,946,650,500 (pre-consolidation) and 378,827,750 (post-consolidation)	Ordinary shares										
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>1</td><td>"A" special shares of SCMGL</td></tr><tr><td>1</td><td>"B" special shares of SCMGL</td></tr><tr><td>519,231,397</td><td>Redeemable Preference Shares of SCMGL</td></tr></table>	Number	+Class	1	"A" special shares of SCMGL	1	"B" special shares of SCMGL	519,231,397	Redeemable Preference Shares of SCMGL	
Number	+Class										
1	"A" special shares of SCMGL										
1	"B" special shares of SCMGL										
519,231,397	Redeemable Preference Shares of SCMGL										

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Appendix 3B

New issue announcement

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	<p>Following the Corporatisation Implementation Date, SCMGL will move to a tax paying position (following utilisation of available tax losses), and accordingly will in the future be in a position to pay franked dividends (subject to availability of profits and franking credits).</p> <p>While the SCMGL directors will need to assess the appropriate level of dividend payments in light of the prevailing circumstances at the relevant time, including by reference to the level of profits that are available for distribution and the capital needs of SCMGL, it is currently expected that the proposed dividend payout rate will be approximately 40% to 60% of Adjusted NPAT (being net profit after tax excluding the impact of non-cash and fair value items such as impairment charges, changes in the fair value of derivatives and other items which are non-recurring).</p>
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Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	Not applicable
12	Is the issue renounceable or non-renounceable?	Not applicable
13	Ratio in which the ⁺ securities will be offered	Not applicable
14	⁺ Class of ⁺ securities to which the offer relates	Not applicable
15	⁺ Record date to determine entitlements	Not applicable
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable

⁺ See chapter 19 for defined terms.

17	Policy for deciding entitlements in relation to fractions	Not applicable
18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Not applicable
19	Closing date for receipt of acceptances or renunciations	Not applicable
20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	Not applicable
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Not applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

- 29 Date rights trading will end (if applicable)
- 30 How do ⁺security holders sell their entitlements *in full* through a broker?
- 31 How do ⁺security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) ☒ Securities described in Part 1
- (b) ☐ All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
- 1 - 1,000
 - 1,001 - 5,000
 - 5,001 - 10,000
 - 10,001 - 100,000
 - 100,001 and over

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37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



(Director/Company secretary)

Date: 18 March 2010

Print name: Christine Williams

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