



SOUTHERN CROSS AUSTereo
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ASX RELEASE

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PROPOSED SALE OF NNSW TV OPERATIONS

Southern Cross Media Group Limited (ASX:SXL) (**SCA**) announces that it has reached agreement in principle with WIN Corporation for sale to WIN of SCA's northern NSW (**NNSW**) television assets and operations for a price of \$55,000,000. The price is payable in two instalments: \$45,000,000 on completion and \$10,000,000 on the first anniversary of completion, with the second instalment to be secured by bank guarantee.

Sale by WIN of its i98FM Wollongong radio station, which was proposed in earlier negotiations that ended on 20 February, is no longer included in the proposed transaction.

The proposed sale of SCA's NNSW television assets and operations remains subject to execution of definitive agreements and satisfaction of certain conditions. These conditions include receipt of FIRB approval for WIN's acquisition, and consent from Network Ten for transfer of its NNSW television affiliation agreement. Subject to satisfaction of these conditions, it is proposed that completion will take place as soon as practicable.

SCA broadcasts Ten programming in the NNSW television licence area. The affiliation agreement is for a five year term ending on 30 June 2021. WIN already broadcasts Ten programming in several regional television licence areas, including regional Victoria, southern NSW and regional Queensland. The proposed transaction would enable WIN to sell advertising for Ten programming in the four aggregated regional markets on the eastern seaboard.

SCA has a program supply agreement with the Nine Network under which SCA broadcasts Nine programming in regional Victoria, southern NSW and regional Queensland. SCA also provides national sales services for Nine's NBN channel in NNSW, providing advertisers with a centralised port of call for their regional advertising on Nine's content along the eastern seaboard.

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Southern Cross Austereo comprises Southern Cross Media Group Limited and its subsidiaries.