

TPG TELECOM LIMITED

ABN 46 093 058 069



Retail Entitlement Offer

**1 for 11.13 accelerated non-
renounceable pro rata entitlement
offer of TPG ordinary shares at A\$5.25
per New Share**

Retail Entitlement Offer closes: Friday, 12 May 2017

This is an important document that requires your immediate attention. This document and the accompanying personalised Entitlement and Acceptance Form should be read in their entirety. This document is not a prospectus under the Corporations Act 2001 (Cth) and has not been lodged with the Australian Securities and Investments Commission. You should consult your stockbroker, solicitor, accountant or other professional adviser if you have any questions.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

IMPORTANT NOTICES

This Information Booklet is dated Friday, 21 April 2017. Capitalised terms in this section have the meaning given to them in this Information Booklet.

The Retail Entitlement Offer is made in accordance with section 708AA of the Corporations Act (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84). This Information Booklet does not contain all of the information which an investor may require to make an informed investment decision. The information in this Information Booklet does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

This Information Booklet should be read in its entirety before you decide to participate in the Retail Entitlement Offer. This Information Booklet is not a prospectus or other disclosure document under the Corporations Act and has not been lodged with ASIC.

By returning an Entitlement and Acceptance Form or otherwise paying for your New Shares through BPAY®¹ or cheque in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Information Booklet and you have acted in accordance with and agree to the terms of the Retail Entitlement Offer detailed in this Information Booklet.

No overseas offering

This Information Booklet and the accompanying Entitlement and Acceptance Form do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. In particular, this Information Booklet does not constitute an offer to Ineligible Retail Shareholders and may not be distributed in the United States and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States.

This Information Booklet is not to be distributed in, and no offer of New Shares is to be made, in countries other than Australia and New Zealand.

No action has been taken to register or qualify the Retail Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Information Booklet (including an electronic copy) outside Australia and New Zealand, is restricted by law. If you come into possession of the information in this booklet, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

Foreign exchange control restrictions or restrictions on remitting funds from your country to Australia may apply. Your Application for New Shares is subject to all requisite authorities and clearances being obtained for TPG to lawfully receive your Application Monies.

New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of TPG with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

United States disclaimer

None of the information in this booklet or the Entitlement and Acceptance Form that will accompany this booklet when it is despatched to Eligible Retail Shareholders (as set out in the Key Dates section) constitutes an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither this booklet (or any part of it), the accompanying ASX announcement nor the Entitlement and Acceptance Form when that is to be made available, may be released or distributed directly or indirectly, to persons in the United States.

The New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be taken up by persons in the United States or by persons (including nominees or custodians) who are acting for the account or benefit of a person in the United States, and the New Shares may not be offered, sold or resold in the United States or to, or 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 US Securities Act and applicable securities laws of any state or other jurisdiction in the United States.

Definitions, currency and time

Defined terms used in this Information Booklet are contained in section 6. All references to time are to the time in Sydney (Australia), unless otherwise indicated.

Foreign exchange

All references to '\$' are AUD unless otherwise noted.

Taxation

There will be tax implications associated with participating in the Retail Entitlement Offer and receiving New Shares. Section 5 provides for a general guide to the Australian income tax, goods and services tax and stamp duty implications of the Retail Entitlement Offer for Eligible Retail Shareholders. The guide does not take account of the individual circumstances of particular Eligible Retail Shareholders and does not constitute tax advice. TPG recommends that you consult your professional tax adviser in connection with the Retail Entitlement Offer.

Privacy

TPG collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's shareholding in TPG.

By submitting an Entitlement and Acceptance Form, you will be providing personal information to TPG (directly or through the Share Registry). TPG collects, holds and will use that information to assess your Application. TPG collects your personal information to process and administer your shareholding in TPG and to provide related services to you. TPG may disclose your personal information for purposes related to your shareholding in TPG, including to the Share Registry, TPG's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to personal information that TPG holds about you. To make a request for access to your personal information held by (or on behalf of) TPG, please contact TPG through the Share Registry.

No representations

No person is authorised to give any information or to make any representation in connection with the Retail Entitlement Offer which is not contained in this Information Booklet. Any information or representation in connection with the Retail Entitlement Offer not contained in the Information Booklet may not be relied upon as having been authorised by TPG or any of its officers.

Past performance

Investors should note that TPG's past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guidance as to) TPG's future performance including TPG's future financial position or share price performance.

Future performance

This Information Booklet contains certain forward-looking statements with respect to the financial condition, results of operations, projects and business of TPG and certain plans and objectives of the management of TPG. These forward-looking statements contained in this Information Booklet involve known and unknown risks, uncertainties and other factors which are subject to change without notice, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

Forward-looking statements are provided as a general guide only and there can be no assurance that actual outcomes will not differ materially from these statements. Neither TPG, nor any other person, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur. In particular, such forward-looking statements are subject to significant uncertainties and contingencies, many of which are outside the control of TPG. A number of important factors could cause actual results or performance to differ materially from the forward looking statements. Investors should consider the forward looking statements contained in this Information Booklet in light of those disclosures. Except as required by law or regulation (including the ASX Listing Rules), TPG undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

Risks

Refer to the 'Key Risks' section of the Investor Presentation included in section 3 of this Information Booklet for a summary of general and specific risk factors that may affect TPG.

Trading New Shares

TPG will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by TPG or the Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt, as to these matters you should first consult with your stockbroker, solicitor, accountant or other professional adviser.

¹ ® registered to BPAY Pty Ltd ABN 69 079 137 518.

Chairman's letter

Friday, 21 April 2017

Dear Shareholder

On Wednesday, 12 April 2017, TPG announced that it has successfully bid for 2x10MHz of mobile spectrum in the 700MHz band at the recent auction conducted by the Australian Communications and Media Authority (ACMA). The acquisition will allow TPG to build a mobile network in Australia for ~\$1.9 billion over the next three years to achieve 80% population coverage. As Australia's newest network operator, TPG will enjoy a number of 'new entrant advantages', including being able to deploy current advanced technology, requiring fewer mobile towers, and not needing to support legacy equipment (for 2G/3G networks).

To facilitate part of the funding of the capital expenditure required for the network rollout and the spectrum payments over the next three years, TPG has also announced a 1 for 11.13 accelerated non-renounceable pro rata entitlement offer (Entitlement Offer) of new TPG ordinary shares (New Shares) at an offer price of A\$5.25 (Offer Price) to raise A\$400 million.

As a valued shareholder of TPG Telecom Limited (TPG), I am delighted to offer you the opportunity to participate in TPG's recently announced Entitlement Offer and participate in this tremendous development for the future of TPG.

700MHz spectrum acquisition and TPG's mobile strategy

TPG has long recognised the importance of wireless connectivity to the future needs of Australian telecommunications consumers and believes its unique combination of existing infrastructure, brands, customer base and experience positions the Group as a powerful participant in that wireless future.

I believe TPG's mobile strategy will be complementary to our ongoing fixed line business and that TPG is well prepared to deliver its planned mobile network in a cost effective and timely manner. With vital mobile components already in place (including Australia's largest national dark fibre network, call centres and back-office systems supporting over 2 million customers), the Company looks forward to leveraging its combination of telecommunications infrastructure assets and industry expertise to continue to maximize value for its shareholders.

Major shareholder support

I believe that the spectrum acquisition secures TPG's next phase of growth and new competition in the Australian mobile market. Together with TPG's other major shareholder, Washington H. Soul Pattinson, I am strongly supportive of the acquisition and we have pre-committed to take up our entitlements in full under the Entitlement Offer, being a total of \$238 million worth of New Shares.

Entitlement Offer and Use of Proceeds

The institutional component of the Entitlement Offer (Institutional Entitlement Offer) was successfully completed before TPG shares recommenced trading on Tuesday 18 April 2017.

Thanks to the pre-commitments worth \$238 million, and the success of the Institutional Entitlement Offer, TPG has raised or received binding commitments covering approximately A\$320 million of the total A\$400 million to be raised under the Entitlement Offer.

The immediate use of the Entitlement Offer proceeds will be to pay down debt, which will then be drawn as needed to partly fund:

- payments relating to TPG's purchase of 2 x 10Mhz of spectrum in the 700MHz spectrum auction for approximately A\$1,260 million, payable in three annual instalments (the Acquisition); and
- capital expenditure associated with the rollout of TPG's mobile network,

(Offer Purpose).

Attached to this letter is the information booklet (Information Booklet) relating to the retail component of the Entitlement Offer (Retail Entitlement Offer). The Retail Entitlement Offer is expected to raise approximately A\$80.5 million (leaving aside the already pre-committed participation described above of approximately \$238 million, which will also be raised under the retail component of the Entitlement Offer).

Macquarie Capital (Australia) Limited is acting as Sole Underwriter, Sole Bookrunner and Joint Lead Manager and Petra Capital Pty Limited is acting as Joint Lead Manager to the Entitlement Offer. Further details of the Entitlement Offer, including the underwriting arrangements, are contained in the Investor Presentation (which will be included in the Information Booklet).

Further information about the Offer Purpose, including the expected strategic and financial benefits from the Acquisition are described in more detail in TPG's market release and investor presentation lodged with the Australian Securities Exchange (ASX) on Wednesday, 12 April 2017 (and included in this Information Booklet in section 3).

Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Retail Shareholders have the opportunity to invest at the same price as the institutional investors who participated in the Institutional Entitlement Offer. The number of New Shares for which you are entitled to subscribe under the Retail Entitlement Offer (Entitlement) is set out in your personalised Entitlement and Acceptance Form that will accompany this Information Booklet when it is dispatched to Eligible Retail Shareholders on Friday, 21 April 2017.

The Offer Price of A\$5.25 per New Share represents an 18.9% discount to the dividend-adjusted Theoretical Ex-Rights Price (TERP)² and a 20.2% discount to the dividend-adjusted closing price of TPG of A\$6.58 per share on Tuesday, 11 April 2017.

TPG will also offer you the option to increase your holding in TPG through participation in a Top Up Facility (Top Up Facility). In addition to your full Entitlement, you may also apply for additional New Shares in excess of your Entitlement up to a maximum of 50% of your Entitlement, at the Offer Price. The allocation of additional New Shares will be subject to the availability of New Shares under the Entitlement Offer. TPG retains the flexibility to scale back applications for additional New Shares at its discretion (refer to section 4 of this Information Booklet for more information).

The Entitlement Offer is non-renounceable and therefore your Entitlements will not be tradeable on the ASX, cannot be sold and are not otherwise transferable. I encourage you to consider this offer carefully.

Other information

This Information Booklet contains important information, including:

- ASX announcements relating to the Entitlement Offer and the Offer Purpose, including the investor presentation referred to above, which was released to the ASX on Wednesday, 12 April 2017, and provides information on TPG, the Entitlement Offer and key risks for you to consider;
- instructions on how to participate in the Retail Entitlement Offer if you choose to do so, and a timetable of key dates;
- information regarding the personalised Entitlement and Acceptance Form that will accompany this Information Booklet when it is dispatched to Eligible Retail Shareholders, which will detail your Entitlement, to be completed in accordance with the instructions in this Information Booklet and your personalised Entitlement and Acceptance Form; and
- instructions on how to take up all or part of your Entitlement via BPAY or by cheque.

You should carefully read this Information Booklet in its entirety and consult your financial adviser before making your investment decision. In particular, you should read and consider the "Key Risks" section of the Investor Presentation included in Section 3 of this Information Booklet, which contains a summary of some of the key risks associated with an investment in TPG. If you are uncertain about taking up your Entitlement you should consult your stockbroker, solicitor, accountant or other professional adviser to evaluate whether or not to participate in the Retail Entitlement Offer.

For further information on the Entitlement Offer you can call the TPG Entitlement Offer Information Line on 1300 855 080 (within Australia) or +61 (03) 9415 4000 (outside Australia) from 9.00am to 5.00pm (Sydney time) Monday to Friday.

The Retail Entitlement Offer closes at 5.00pm (Sydney time) on Friday, 12 May 2017.

If you do not wish to take up any of your Entitlement, you do not have to take any action.

² The Theoretical Ex-Rights Price (TERP) is the theoretical price at which TPG shares should trade after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which TPG shares trade at that time will depend on many factors and may not be equal to TERP. TERP is calculated by reference to the closing price on Tuesday 11 April, being \$6.66, adjusted for the 8¢ interim dividend to which participants in the Entitlement Offer will not be entitled.

If you decide to take this opportunity to increase your investment in TPG please ensure that, before 5.00pm (Sydney time) on Friday, 12 May 2017, you have paid your Application Monies, preferably via BPAY pursuant to the instructions that are set out in the personalised Entitlement and Acceptance Form that will accompany this Information Booklet when it is dispatched to you, or otherwise that your completed Entitlement and Acceptance Form and your Application Monies are received in cleared funds by the Share Registry.

On behalf of the board of TPG, I have pleasure in inviting you to consider this investment opportunity and thank you for your ongoing support of TPG.

Yours sincerely

David Teoh
Executive Chairman

Friday, 21 April 2017

Summary of the Entitlement Offer

Entitlement Offer	
Ratio	1 New Share for every 11.13 existing TPG ordinary shares
Offer Price	A\$5.25 per New Share
Size	Approximately 76.2 million New Shares
Gross proceeds	A\$400 million, comprising approximately A\$81.5 million under the Institutional Entitlement Offer and approximately A\$318.8 million under the Retail Entitlement Offer (inclusive of pre-commitments from the major shareholders totalling A\$238.2 million)

Key dates

Activity	Date
Announcement of the Entitlement Offer	Wednesday, 12 April 2017
Information Booklet lodged with ASX	Tuesday, 18 April 2017
Record Date for the Entitlement Offer (7.00pm Sydney time)	Tuesday, 18 April 2017
Information Booklet and Entitlement and Acceptance Form dispatched	Friday, 21 April 2017
Retail Entitlement Offer opens	Friday, 21 April 2017
Settlement under the Institutional Entitlement Offer	Thursday, 27 April 2017
Allotment of New Shares under the Institutional Entitlement Offer	Friday, 28 April 2017
New Shares issued under the Institutional Entitlement Offer commence trading	Friday, 28 April 2017
Retail Entitlement Offer closes (5.00pm Sydney time)	Friday, 12 May 2017
Results of Retail Entitlement Offer announced	Wednesday, 17 May 2017
Allotment of New Shares issued under the Retail Entitlement Offer	Monday, 22 May 2017
Dispatch of holding statements for New Shares issued under the Retail Entitlement Offer	Monday, 22 May 2017
New Shares issued under the Retail Entitlement Offer commence trading	Tuesday, 23 May 2017

This Timetable above is indicative only and may change. TPG reserves the right to amend any or all of these dates and times without notice, subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, TPG reserves the right to extend the closing date for the Retail Entitlement Offer, to accept late applications under the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the allotment date of New Shares. The commencement of quotation of the New Shares is subject to confirmation from ASX.

TPG also reserves the right not to proceed with the Entitlement Offer in whole or in part at any time prior to allotment and issue of the New Shares. In that event, the relevant Application Monies (without interest) will be returned in full to Applicants. Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted. Eligible Retail Shareholders wishing to participate in the Retail Entitlement Offer are encouraged to submit their Entitlement and Acceptance Form as soon as possible after the Retail Entitlement Offer opens.

Enquiries

For further information on the Entitlement Offer you can call the TPG Entitlement Offer Information Line on 1300 855 080 (within Australia) or +61 (03) 9415 4000 (outside Australia) from 9.00am to 5.00pm (Sydney time) Monday to Friday.

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1 Summary of options available to you

If you are an Eligible Retail Shareholder³, you may take one of the following actions:

- take up all of your Entitlement and also apply for additional New Shares under the Top Up Facility;
- take up all of your Entitlement but not apply for any additional New Shares under the Top Up Facility;
- take up part of your Entitlement and allow the balance to lapse, in which case you will receive no value for those lapsed Entitlements; or
- do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements.

If you are a retail shareholder that is not an Eligible Retail Shareholder, you are an **"Ineligible Retail Shareholder"**. Ineligible Retail Shareholders are not entitled to participate in the Entitlement Offer.

Options available to you	Key considerations
Options 1 and 2: Take up all of your Entitlement / Take up all of your Entitlement and apply for additional New Shares under the Top Up Facility	<p>You may elect to purchase New Shares at the Offer Price (<i>see section 2 "How to Apply" for instructions on how to take up your Entitlement</i>).</p> <p>The New Shares will rank equally in all respects with existing Shares (including rights to dividends and distributions). However, New Shares (including additional New Shares to the extent any are allotted under the Top Up Facility) will be allotted after the FY2017 interim dividend record date and will therefore not be eligible to receive the FY2017 interim dividend payment.</p> <p>If you take up all of your Entitlement, you may also apply for additional New Shares under the Top Up Facility. There is no guarantee that you will be allocated any additional New Shares under the Top Up Facility.</p>
Option 3: Take up part of your Entitlement	<p>If you only take up part of your Entitlement, the part not taken up will lapse. You will not be entitled to apply for additional New Shares under the Top Up Facility.</p> <p>If you do not take up your Entitlement in full you will not receive any payment or value for those Entitlements not taken up.</p> <p>If you do not take up your Entitlement in full, you will have your percentage holding in TPG reduced as a result of dilution by the shares issued under the Entitlement Offer.</p>
Option 4: Do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements	<p>If you do not take up your Entitlement, you will not be allocated New Shares and your Entitlements will lapse. Your Entitlement to participate in the Retail Entitlement Offer is non-renounceable, which means they are non-transferrable and cannot be sold, traded on ASX or any other exchange, nor can they be privately transferred.</p>

³ See Section 4.1.

2 How to apply

2.1 Retail Entitlement Offer

The Retail Entitlement Offer constitutes an offer to Eligible Retail Shareholders, who are invited to apply for 1 New Share for every 11.13 Shares held at 7.00pm (Sydney time) on the Record Date on Tuesday, 18 April 2017. The Offer Price of A\$5.25 per New Share represents a discount of 18.9% to the dividend-adjusted TERP (calculated as at 11 April 2017).

The Entitlement Offer is non-renounceable. Accordingly, Entitlements do not trade on the ASX, nor can they be sold, transferred or otherwise disposed of.

The Retail Entitlement Offer opens on Friday, 21 April 2017. The Information Booklet will be dispatched on Friday, 21 April 2017, along with a personalised Entitlement and Acceptance Form, to Eligible Retail Shareholders. The Retail Entitlement Offer is expected to close at 5.00pm (Sydney time) on Friday, 12 May 2017.

The Retail Entitlement Offer is being made pursuant to section 708AA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84) which allows rights issues to be offered without a prospectus, provided certain conditions are satisfied.

As a result, this offer is not being made under a prospectus and it is important for Eligible Retail Shareholders to read and understand the information on TPG and the Retail Entitlement Offer made publicly available by TPG, prior to taking up all or part of their Entitlement (as well as any additional New Shares under the Top Up Facility). In particular, please refer to the materials enclosed in Section 3, TPG's interim and annual reports, other announcements made available at www.tpg.com.au/about/investorrelations or www.asx.com.au (including TPG's half year report for the six months ended 31 January 2017 released to ASX on 21 March 2017 and the annual report for the year ended 31 July 2016 released to ASX on 20 October 2016) and all other parts of this Information Booklet carefully before making any decisions in relation to your Entitlement.

2.2 Your Entitlement

An Entitlement and Acceptance Form setting out your Entitlement (calculated as 1 New Share for every 11.13 Shares held on the Record Date with fractional entitlements rounded up to the nearest whole number of New Shares) will accompany this Information Booklet when it is despatched to Eligible Retail Shareholders. Eligible Retail Shareholders may subscribe for all or part of their Entitlement. If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding.

2.3 Options available to you

The number of New Shares to which Eligible Retail Shareholders are entitled is shown on the Entitlement and Acceptance Form that will accompany this Information Booklet when it is dispatched to you. Eligible Retail Shareholders may:

- (a) take up their Entitlement in full and, if they do so, they may apply for additional New Shares under the Top Up Facility (refer to section 2.4);
- (b) take up part of their Entitlement, in which case the balance of the Entitlement would lapse (refer to section 2.5); or
- (c) allow their Entitlement to lapse (refer to section 2.6).

Ineligible Retail Shareholders do not have any entitlement to participate in the Entitlement Offer.

TPG reserves the right to reject any Entitlement and Acceptance Form that is not correctly completed or that is received after the Closing Date.

The Closing Date for acceptance of the Retail Entitlement Offer is **5.00pm (Sydney time) on Friday, 12 May 2017** (however, that date may be varied by TPG, in accordance with the Listing Rules and the Underwriting Agreement).

2.4 Taking up all of your Entitlement or taking up all of your Entitlement and participating in the Top Up Facility

If you wish to take up all or part of your Entitlement, payment should be made via BPAY if possible by following the instructions set out on the personalised Entitlement and Acceptance Form. Payment must be received by no later than 5.00pm (Sydney time) on Friday, 12 May 2017. If you apply to take up all of your Entitlement, you may also apply for additional New Shares under the Top Up Facility. Amounts received by TPG in excess of the Offer Price multiplied by your Entitlement may be treated as an Application to apply for as many additional New Shares as your Application Monies will pay for in full (up to 50% of your Entitlement).

If you apply for additional New Shares under the Top Up Facility and if your application is successful (in whole or in part), your New Shares will be issued to you at the same time that other New Shares are issued under the Retail Entitlement Offer. New Shares will only be allocated to Eligible Retail Shareholders if available and then up to an additional 50% of their Entitlement. If you apply for additional New Shares, there is no guarantee that you will be allocated any additional New Shares.

Any New Shares not taken up by the Closing Date may be made available to those Eligible Retail Shareholders who took up their full Entitlement and applied for additional New Shares under the Top Up Facility up to an additional 50% of their Entitlement. There is no guarantee that such Shareholders will receive the number of New Shares applied for under the Top Up Facility, or any. New Shares will only be allocated to Eligible Retail Shareholders if available and then only if and to the extent that TPG so determines, in its absolute discretion.

Refund amounts, if any, will be paid in Australian dollars. You will be paid either by direct credit to the nominated bank account as noted on the share register as at the Closing Date or by cheque sent by ordinary post to your address as recorded on the share register (the registered address of the first-named in the case of joint holders). If you wish to advise or change your banking instructions with the Share Registry you may do so by going to www.investorcentre.com/au and logging into the Investor Centre.

2.5 Taking up part of your Entitlement and allowing the balance to lapse

If you wish to take up part of your Entitlement, payment must be made by following the instructions set out on the personalised Entitlement and Acceptance Form. If TPG receives an amount that is less than the Offer Price multiplied by your Entitlement, your payment may be treated as an Application for as many New Shares as your Application Monies will pay for in full.

2.6 Allowing your Entitlement to lapse

If you do not wish to accept all or any part of your Entitlement, do not take any further action and that part of your Entitlement will lapse.

2.7 Consequences of not accepting all or part of your Entitlement

If you do not accept all or part of your Entitlement in accordance with the instructions set out above, those New Shares for which you would have otherwise been entitled under the Retail Entitlement Offer (including New Shares that relate to the portion of your Entitlement that has not been accepted) may be acquired by the Underwriter or any sub-underwriters or by Eligible Retail Shareholders under the Top Up Facility.

By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement and you will not receive any value for your Entitlement. Your interest in TPG will also be diluted.

2.8 Payment

Payment should be made using BPAY if possible. New Zealand shareholders who do not have an Australian bank account will be able to pay by cheque (see below at 2.10).

Cash payments will not be accepted. Receipts for payment will not be issued.

TPG will treat you as applying for as many New Shares as your payment will pay for in full up to your Entitlement.

Any Application Monies received for more than your final allocation of New Shares in excess of A\$2.00 will be refunded as soon as practicable after the close of the Retail Entitlement Offer. No interest will be paid to applicants on any Application Monies received or refunded.

2.9 Payment by BPAY

For payment by BPAY, please follow the instructions on the personalised Entitlement and Acceptance Form. You can only make payment via BPAY if you are the holder of an account with an Australian financial institution that supports BPAY transactions.

If you are paying by BPAY, please make sure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding your application will not be recognised as valid.

Please note that by paying by BPAY:

- (a) you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that Entitlement and Acceptance Form and in section 2.11; and
- (b) if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY payment is received by the Share Registry by no later than 5.00pm (Sydney time) on Friday, 12 May 2017. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make payment.

2.10 If you are unable to pay by BPAY

TPG encourages payments by BPAY if possible.

For payment by cheque, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by a cheque in Australian currency for the amount of the Application Monies, payable to 'TPG Telecom Limited' and crossed 'Not Negotiable'.

It is your responsibility to ensure that your payment by cheque is received by the Share Registry by no later than 5.00pm (Sydney time) on Friday, 12 May 2017. You must ensure cleared funds are held in your account as your cheque will be banked as soon as it is received. Please note that you should consider postal and cheque clearance timeframes in meeting this deadline.

Your cheque must be:

- (a) for an amount equal to A\$5.25 multiplied by the number of New Shares that you are applying for; and

- (b) in Australian currency drawn on an Australian branch of a financial institution. Payment cannot be made in New Zealand dollars. New Zealand resident shareholders must arrange for payment to be made in Australian dollars.

You should ensure that sufficient funds are held in relevant account(s) to cover the Application Monies as your cheque will be processed on the day of receipt. If the amount of your cheque for Application Monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay in full for the number of New Shares you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower whole number of New Shares as your cleared Application Monies will pay for (and to have specified that number of New Shares on your personalised Entitlement and Acceptance Form). Alternatively, your application will not be accepted.

If you make payment via cheque, you should mail your completed personalised Entitlement and Acceptance Form together with the cheque to:

Computershare Investor Services Pty Limited

GPO Box 505
Melbourne VIC 3001

Personalised Entitlement and Acceptance Forms and Application Monies will not be accepted at TPG's registered or corporate offices or offices of the TPG Share Registry.

TPG reserves the right to accept alternative methods of payment in its absolute discretion.

2.11 Entitlement and Acceptance Form is binding

A payment made through BPAY or a completed and lodged Entitlement and Acceptance Form together with the payment of requisite Application Monies constitutes a binding acceptance to acquire New Shares on the terms and conditions set out in this Information Booklet and, once lodged or paid, cannot be withdrawn. If the Entitlement and Acceptance Form is not completed correctly it may still be treated as a valid application for New Shares. TPG's decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

By making a payment by BPAY or by completing and returning your personalised Entitlement and Acceptance Form with the requisite Application Monies, you will also be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

- (a) you have read and understand this Information Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- (b) you agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Information Booklet, and TPG's constitution;
- (c) you authorise TPG to register you as the holder(s) of New Shares allotted to you;
- (d) you declare that all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;
- (e) you declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- (f) once TPG receives your personalised Entitlement and Acceptance Form or any payment of Application Monies via BPAY (or through other means accepted under section 2.10), you may not withdraw your application or funds provided except as allowed by law;

- (g) you agree to apply for and be issued up to the number of New Shares specified in the personalised Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies via Bpay, at the Offer Price per New Share;
- (h) you authorise TPG, the Underwriter, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- (i) you declare that you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- (j) the information contained in this Information Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- (k) this Information Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in TPG and is given in the context of TPG's past and ongoing continuous disclosure announcements to ASX;
- (l) the statement of risks in the "Key Risks" section of the Investor Presentation included in the Section 3 of this Information Booklet, and that investments in TPG are subject to risk;
- (m) none of TPG, the Underwriter, or their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of TPG, nor do they guarantee the repayment of capital;
- (n) you agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date;
- (o) you authorise TPG to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- (p) you represent and warrant (for the benefit of TPG, the Underwriter and their respective related bodies corporate and affiliates) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee, are not an Ineligible Retail Shareholder and are otherwise eligible to participate in the Retail Entitlement Offer;
- (q) you represent and warrant that the law of any place does not prohibit you from being given this Information Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer;
- (r) you are an Eligible Retail Shareholder and are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States and are not otherwise a person to whom it would be illegal to make an offer or issue New Shares under the Retail Entitlement Offer;
- (s) the New Shares have not been, and will not be, registered under the US Securities Act or under the laws of any other jurisdiction outside Australia;
- (t) you have not and will not send any materials relating to the Retail Entitlement Offer to any person in the United States or to any person (including nominees or custodians) acting for the account or benefit of a person in the United States;
- (u) agree that if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in transactions where neither you nor any person acting on your behalf knows, or has

reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States or who is acting for the account or benefit of a person in the United States; and

- (v) you acknowledge and agree that determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of TPG and / or the Underwriter and Petra Capital.

2.12 Brokerage and stamp duty

No brokerage fee is payable by Eligible Retail Shareholders who accept their Entitlement. No stamp duty is payable for subscribing for New Shares under the Retail Entitlement Offer or for additional New Shares under the Top Up Facility.

2.13 Notice to nominees and custodians

The Retail Entitlement Offer is being made to all Eligible Retail Shareholders. Nominees with registered addresses in the eligible jurisdictions, irrespective of whether they participate under the Institutional Entitlement Offer, may also be able to participate in the Retail Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold existing Shares, provided that the applicable beneficiary would satisfy the criteria for an Eligible Retail Shareholder.

Nominees and custodians who hold Shares as nominees or custodians will have received, or will shortly receive, a letter from TPG. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to:

- (a) beneficiaries on whose behalf they hold existing Shares who would not satisfy the criteria for an Eligible Retail Shareholder;
- (b) Eligible Institutional Shareholders who received an offer to participate in the Institutional Entitlement Offer (whether they accepted their Entitlement or not);
- (c) Ineligible Institutional Shareholders who were ineligible to participate in the Institutional Entitlement Offer; or
- (d) shareholders who are not eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

In particular, persons acting as nominees for other persons may not take up Entitlements on behalf of, or send any documents relating to the Retail Entitlement Offer to, any person in the United States.

TPG is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compatible with applicable foreign laws. TPG is not able to advise on foreign laws.

2.14 Withdrawal of the Entitlement Offer

Subject to applicable law, TPG reserves the right to withdraw the Entitlement Offer at any time before the issue of New Shares, in which case TPG will refund any Application Monies already received in accordance with the Corporations Act and will do so without interest being payable to applicants.

2.15 Risks

Eligible Retail Shareholders should be aware that an investment in TPG involves risks. The key risks identified by TPG are set out from page 24 of the Investor Presentation in Section 3 but these are not an exhaustive list of the risks associated with an investment in TPG shares.

2.16 Further Enquiries

If you have not received or you have lost your personalised Entitlement and Acceptance Form, or have any questions regarding the Entitlement Offer, please contact the TPG Entitlement Offer Information Line on 1300 855 080 (within Australia) or +61 (03) 9415 4000 (outside Australia) from 9.00am to 5.00pm (Sydney time) Monday to Friday, before the Retail Entitlement Offer closes at 5.00pm (Sydney time) on Friday, 12 May 2017. If you have any further questions, you should contact your stockbroker, solicitor, accountant or other professional adviser.

TPG TELECOM LIMITED (ASX: TPM)

Wednesday, 12 April 2017

TPG TELECOM ACQUIRES 700MHz SPECTRUM IN AUSTRALIA LAUNCHES \$400 MILLION ENTITLEMENT OFFER

TPG Telecom Limited (ASX: TPM) (**TPG** or the **Group**) is delighted to advise that it has successfully bid for 2x10MHz of mobile spectrum in the 700MHz band at the recent auction conducted by the Australian Communications and Media Authority (**ACMA**).

TPG will build a mobile network in Australia using current advanced technology for ~\$1.9 billion, comprising:

- \$600 million for network rollout capital expenditure over a three year period to achieve 80% population coverage; and
- \$1,260 million for the 700 MHz spectrum, which will be payable in three annual instalments.

TPG will fund the capital expenditure for the rollout and the spectrum payments over the next three years through a combination of operating cashflows, and existing and new debt facilities. TPG also announces that it has today launched an accelerated non-renounceable pro-rata entitlement offer to raise \$400 million (the **Entitlement Offer**). The immediate use of the Entitlement Offer proceeds will be to pay down debt, which will then be drawn as needed for the above mentioned capex and spectrum instalment payments.

700MHz spectrum acquisition and TPG's mobile strategy

TPG has long recognised the importance of wireless connectivity to the future needs of Australian telecommunications consumers and believes its unique combination of existing infrastructure, brands, customer base and experience positions the Group to be a powerful participant in that wireless future.

TPG's Executive Chairman and CEO, David Teoh, said "This acquisition of 700MHz spectrum in Australia is a tremendous development for the long-term future of TPG. We are uniquely positioned to leverage our success in the Australian fixed-line broadband market to drive the next phase of growth for TPG's shareholders and bring new competition to the Australian mobile market."

"We believe that our mobile strategy will be complementary to our ongoing fixed line business, with the ability to bundle mobile and fixed services expected to have a beneficial effect on our already low fixed services customer churn."

TPG expects to benefit from numerous 'new entrant advantages' relative to the incumbent operators, including:

- being able to deploy current advanced technology in its network;
- requiring fewer mobile towers;
- having no legacy generations of equipment to support; and
- having no existing customer revenue to protect.

700MHz spectrum is considered the premium spectrum currently in use for mobile networks due to its excellent propagation, meaning fewer towers need to be deployed to cover larger distances, which makes in-building coverage more efficiently provided. Together with the Group's existing portfolio of Australian spectrum holdings – which include spectrum in the 2.5GHz and 1,800MHz bands – TPG is positioned to deliver mobile communications services across Australia. The 700MHz spectrum licence commences from 1 April 2018 and expires on 31 December 2029.

Mobile network construction

TPG will leverage its combination of telecommunications infrastructure assets and industry expertise to construct its network in a cost and time efficient manner. It is expected that the network rollout will require capital expenditure of \$600 million over the initial three years starting in 2018 to cover 80% of the population. The network would provide broad coverage across densely populated areas of the country with approximately 2,000 to 2,500 sites. TPG estimates that its mobile network would be EBITDA break-even with 500k subscribers.

TPG has vital mobile network components already in place, including:

- Enormous backhaul capacity throughout Australia via the Group's 21,000km fibre network;
- Thousands of potential sites for deployment of mobile antennas already connected to that fibre network;
- Portfolio of over 2 million Australian retail and corporate subscribers to upsell mobile services to;
- Significant owned international capacity connecting customers to the rest of the world;
- Call centres and back-office systems already supporting over 2 million retail customers;
- A portfolio of strong brands appealing to a diverse range of demographics; and
- Large scale infrastructure construction and project management expertise with experience in large mobile network building projects such as the construction of 4,000km of dark fibre to Vodafone network towers and the Singapore mobile project.

Mr Teoh stated, "We are delighted to continue to maximise for our shareholders the value of the infrastructure that has been built with their investment and support over many years. The same fibre network infrastructure that is today the core of our fixed retail telecommunications business and driving value services to our corporate and wholesale customers across the country will now also form the cornerstone of our national mobile network."

Mr Teoh added, "This is a significant investment for the Group but one that I expect to be fantastic for our long-term outlook. TPG has had great success over a number of years growing its business and delivering value leading fixed telecommunications services to Australian consumers. Over this time we have consistently achieved attractive profit margins due to TPG's highly efficient low operating cost model and valuable infrastructure. I strongly believe that TPG now has all the ingredients to replicate that success in the exciting mobile telecommunications sector."

Although the Company had previously stated its preference not to raise equity, the Board has deemed it prudent to undertake an Entitlement Offer given its expected capex of approximately \$1.9 billion for a fully operational Australian mobile network.

TPG expects to be able to fund the required capital expenditure for the mobile network as well as the purchase of the spectrum over the next three years based on this Entitlement Offer, its operating cash flow, borrowing capacity, and other capital management options available to it. The gross auction price of \$1,260 million will be paid in instalments of \$605 million (less a deposit of \$10 million), \$352 million and \$352 million (inclusive of interest) due in January 2018, January 2019 and January 2020 respectively.

FY17 Guidance

The TPG Directors reaffirm the guidance provided in March 2017 for underlying EBITDA for the Group for the full year FY17 to be in the range of \$820-830 million.

TPG intends to implement a DRP commencing for the FY17 final dividend. This is expected to remain in place for the next two to three years.

Entitlement Offer

TPG has today launched a 1 for 11.13 accelerated non-renounceable pro-rata entitlement offer to raise \$400 million (the **Entitlement Offer**) at a fixed price of \$5.25 per new share, consisting of:

- an accelerated institutional component to be conducted on Wednesday, 12 April 2017 (**Institutional Entitlement Offer**); and
- a retail component which will open on Friday, 21 April 2017 and close at 5.00pm on Friday, 12 May 2017 (**Retail Entitlement Offer**).

The Offer Price represents:

- a 18.9% discount to dividend-adjusted TERP of \$6.47^{1,2}; and
- a 20.2% discount to the dividend-adjusted closing price of \$6.58² on Tuesday, 11 April 2017.

The Entitlement Offer is non-renounceable and rights will not be traded on the ASX or otherwise transferable. Eligible shareholders who do not take up their entitlement under the Entitlement Offer in full or in part, will not receive any value in respect of those entitlements not taken up.

Major shareholders David Teoh and associates, and Washington H. Soul Pattinson, are supportive of TPG's mobile strategy and have pre-committed to take up their full pro-rata entitlements (\$138 million and \$101 million respectively). The balance of the Entitlement Offer will be underwritten by Macquarie Capital (Australia) Limited.

New TPG shares issued under the Entitlement Offer will rank equally with existing TPG shares as at their date of issue.²

Institutional Entitlement Offer

Eligible institutional shareholders will be invited to participate in the Institutional Entitlement Offer which will be conducted today.

Under the Institutional Entitlement Offer, eligible institutional shareholders can choose to take up all, part or none of their Entitlement. Entitlements not taken up under the Institutional Entitlement Offer will be offered to eligible institutional investors at the Offer Price.

Retail Entitlement Offer

Eligible retail shareholders with a registered address in Australia or New Zealand on the Record Date of 7.00pm (AEST), Tuesday, 18 April 2017, have the opportunity to invest in new TPG shares at the Offer Price, on the terms and conditions outlined in the Retail Entitlement Offer Booklet to be sent to eligible retail shareholders on Friday, 21 April 2017.

Please note that shareholders with a registered address outside Australia or New Zealand on the Record Date are ineligible to participate in the Retail Entitlement Offer.

Retail Investor Enquiries

For further information in regard to the Retail Entitlement Offer, please do not hesitate to contact the Offer Information Line on 1300 855 080 (local call cost within Australia) or +61 (03) 9415 4000 (from outside Australia) at any time between 9.00am and 5.00pm (AEST), Monday to Friday.

¹ The Theoretical Ex-Rights Price (TERP) is the theoretical price at which TPG shares should trade after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which TPG shares trade at that time will depend on many factors and may not be equal to TERP. TERP is calculated by reference to the closing price on Tuesday 11 April, being \$6.66, adjusted for the 8¢ interim dividend to which participants in the Entitlement Offer will not be entitled.

² Shares issued under the entitlement offer to be issued after the record date of TPG's 1H FY2017 interim dividend and will consequently not be entitled to the dividend payable in May 2017.

Macquarie Capital (Australia) Limited is acting as Sole Underwriter, Sole Bookrunner and Joint Lead Manager and Petra Capital Pty Limited is acting as Joint Lead Manager to the Entitlement Offer. Further details of the Entitlement Offer, including the underwriting arrangements, are contained in the Investor Presentation.

Entitlement Offer indicative timetable

The timetable below is indicative only and subject to change. TPG reserves the right to alter the above dates at its full discretion and without prior notice, subject to the ASX Listing Rules and the Corporations Act.

The quotation of new shares is subject to confirmation from the ASX.

All times below are represent Sydney, Australia time (AEST).

Entitlement Offer

Entitlement Offer announcement	Wednesday, 12 April 2017
Institutional Entitlement Offer conducted	
Trading in TPG shares resumes on an ex-entitlement and ex-dividend basis	Tuesday, 18 April 2017
Record date for determining entitlements for the Entitlement Offer	7.00pm Tuesday, 18 April 2017
Dispatch of Retail Information Booklet	Friday, 21 April 2017
Retail Entitlement Offer opens	
Settlement of Institutional Entitlement Offer	Thursday, 27 April 2017
Allotment and normal trading of new shares issued under the Institutional Entitlement Offer	Friday, 28 April 2017
Retail Entitlement Offer closing date	Friday, 12 May 2017
Settlement of Retail Entitlement Offer	Friday, 19 May 2017
Allotment of new shares issued under the Retail Entitlement Offer	Monday, 22 May 2017
Despatch of holding statements	
Normal trading of new shares issued under the Retail Entitlement Offer	Tuesday, 23 May 2017

Additional information regarding the spectrum acquisition and Entitlement Offer is contained in the investor presentation released to the ASX today, which includes important information (including, key risks and foreign selling restrictions). The Retail Information Booklet will be release separately and mailed to Eligible Retail Shareholders.

If you believe that you are an Eligible Retail Shareholder and you do not receive a copy of the Retail Information Booklet or your personalised Entitlement and Acceptance Form, you can call the Offer Information Line on 1300 855 080 (local call cost within Australia) or +61 (03) 9415 4000 (from outside Australia) at any time between 9.00am and 5.00pm (AEST), Monday to Friday until Friday, 12 May 2017 when the Retail Entitlement Offer closes.

- ENDS -

Not for distribution or release in the United States

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. Neither the entitlements nor the new securities have been, nor will be, registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act") or the securities laws of any state or other jurisdiction of the United States.

The entitlements may not be taken up by, and the New Stapled Securities may not be offered or sold to, directly or indirectly, any person in the United States or any person that is, or is acting for the account or benefit of, any person in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

The distribution of this announcement in other jurisdictions outside Australia may also be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Forward looking statements

This Announcement contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements, including projections, guidance on future earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This Announcement contains such statements that are subject to risk factors associated with the telecommunications industry. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to the following risks: earnings, capital expenditure, cash flow and capital structure risks and general business risks. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including TPG). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. Actual results, performance or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based.

The forward-looking statements in this Announcement speak only as of the date of this Announcement. Subject to any continuing obligations under applicable law or any relevant ASX listing rules, TPG and its directors, officers, employees, advisers, agents, and intermediaries (including the underwriters) disclaims any obligation or undertaking to provide any updates or revisions to any forward-looking statements in this Announcement to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any such statement is based. Nothing in this Announcement will under any circumstances create an implication that there has been no change in the affairs of TPG since the date of this Announcement.



700MHz

**SPECTRUM AUCTION SUCCESS AND
ENTITLEMENT OFFER**

12 APRIL 2017



This investor presentation (**Presentation**) has been prepared by TPG Telecom Limited (ACN 093 058 069) (**TPG**) in relation to an accelerated non-renounceable entitlement offer of new fully paid ordinary shares in TPG (**New Shares**) under section 708AA of the *Corporations Act 2001* (Cth) (**Corporations Act**) as modified by the ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and any other relief obtained in relation to that entitlement offer (**Offer**).

Summary information

The information contained in this Presentation should not be considered to be comprehensive or to comprise all the information which a shareholder or potential investor in TPG may require in order to determine whether to deal in shares. The information in this Presentation is of a general nature and does not purport to be complete. This Presentation does not take into account the financial situation, investment objectives, tax situation or particular needs of any person and nothing contained in the information in this Presentation constitutes investment, legal, tax or other advice nor does it contain all the information which would be required in a disclosure document or prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with TPG's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au.

Readers or recipients of this Presentation should, before making any decisions in relation to their investment or potential investment in TPG, consider the appropriateness of the information having regard to their own objectives and financial situation and seek their own professional legal and taxation advice appropriate to their jurisdiction. TPG is not licensed to provide financial product advice in respect of the New Shares.

To the maximum extent permitted by law, TPG, the underwriters, their, and their respective affiliates' and related bodies corporates, officers, employees, partners, agents and advisors make no representation or warranty (express or implied) as to the currency, accuracy, reliability or completeness of the information in this Presentation and disclaim all responsibility and liability for any expenses, losses, damages or costs incurred by an investor as a result of their participation in the Offer and the information in this Presentation being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise.

Not an offer

This Presentation is for information purposes only and is not, and does not constitute, an invitation, solicitation, recommendation or offer of securities or any other financial products for subscription, purchase or sale in any jurisdiction. The information in this Presentation is not financial product advice, accounting, legal or tax advice and does not and will not form any part of any contract or commitment for the acquisition of New Shares. This Presentation is not a prospectus, product disclosure statement or other offering document under Australian law (and will not be lodged with the Australian Securities and Investments Commission) or any other law.

No action has been (or will be) taken to register shares of TPG or otherwise permit a public offering of TPG shares in any jurisdiction outside of Australia and New Zealand. This Presentation may not be released or distributed in the United States. This Presentation does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any 'U.S. person' (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (**Securities Act**)). The New Shares to be offered and sold under the Offer have not been and will not be registered under the Securities Act, or under the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, in the United States or to any U.S. Person except in compliance with the registration requirements of the Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States or pursuant to an exemption from, or in a transaction not subject to, such registration requirements and any other applicable securities laws.

Investment risk

An investment in the New Shares in TPG is subject to investment and other known and unknown risks (including possible loss of income and principal invested), some of which are beyond the control of TPG. TPG (and its related bodies corporate or any other person or organisation) does not guarantee any particular rate of return, repayment of capital from TPG or the performance of an investment in TPG, nor does it guarantee any particular tax treatment. Investors should have regard to the risk factors outlined in this Presentation when making their investment decision. Cooling off rights do not apply to the acquisition of New Shares.

Neither the underwriters nor any of their affiliates or their respective related bodies corporate, or any of their respective directors, officers, partners, employees and agents (**Underwriter Group**) have caused or authorised the issue, submission, dispatch or provision of this Presentation, nor do they make any recommendation as to whether any potential investor should participate in the offer of New Shares (as defined in this Presentation) referred to in this Presentation. None of TPG's advisors or the Underwriter Group makes or purports to make any statement in this Presentation and there is no statement in this Presentation which is based on any statement by them. Further, no member of the Underwriter Group accepts any fiduciary obligations to or relationship with any investor or potential investor in connection with the offer of New Shares or otherwise. Determination of eligibility of investors for the purposes of the Offer is determined by reference to a number of matters, including legal requirements and the discretion of TPG and the underwriters. TPG and the underwriters disclaim any liability in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law.

Financial data

All dollar values are in Australian dollars (A\$) and financial data is presented as at the half year ending 31 January 2017 unless otherwise stated. Investors should note that this Presentation contains pro forma financial information. The pro forma financial information and past information provided in this Presentation is for illustrative purposes only and should not be relied upon as, and is not represented as being indicative of TPG's future financial condition and/or performance. Investors should note that the past performance, including past share price performance, of TPG cannot be relied upon as an indicator of (and provides no guidance as to) future TPG performance including future share price performance. The historical information included in this Presentation is, or is based on, information that has previously been released to the market.

The pro-forma historical financial information included in this Presentation does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the U.S. Securities and Exchange Commission.

Investors should be aware that certain financial data included in this Presentation are "non-IFRS financial information" under Regulatory Guide 230 Disclosing non-IFRS financial information published by the Australian Securities and Investments Commission and "non-GAAP financial measures" under Regulation G of the U.S. Securities Exchange Act of 1934. These measures include NTA and FFO. The disclosure of such non-GAAP financial measures in the manner included in this Presentation would not be permissible in a registration statement under the Securities Act. The non-IFRS financial information and these non-GAAP financial measures do not have a standardised meaning prescribed by Australian Accounting Standards and therefore may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Although TPG believes this non-IFRS financial information provides, and these non-GAAP financial measures provide, useful information to users in measuring the financial performance and condition of its business, investors are cautioned not to place undue reliance on any non-GAAP financial measures included in this Presentation.

Future performance

This Presentation contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements, including projections, guidance on future earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This Presentation contains such statements that are subject to risk factors associated with the telecommunications industry. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to the following risks: earnings, capital expenditure, cash flow and capital structure risks and general business risks. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including TPG). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this Presentation will actually occur. Actual results, performance or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based.

The forward-looking statements in this Presentation speak only as of the date of this Presentation. Subject to any continuing obligations under applicable law or any relevant ASX listing rules, TPG disclaims any obligation or undertaking to provide any updates or revisions to any forward-looking statements in this Presentation to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any such statement is based. Nothing in this Presentation will under any circumstances create an implication that there has been no change in the affairs of TPG since the date of this Presentation.

Effect of rounding

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this Presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Presentation.

Disclaimer

The Underwriter Group has not authorized, permitted or caused the issue or lodgement, submission, dispatch or provision of this offer document and there is no statement in this offer document which is based on any statement made by the Underwriter Group. To the maximum extent permitted by law, the Underwriter Group expressly disclaims all liabilities in respect of, and makes no representations, regarding, and takes no responsibility for, any part of the Presentation other than references to their

names and makes no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of this Presentation or the Offer.

The Underwriter Group will have no responsibility and disclaim all liability to the maximum extent permitted by law to persons who trade New Shares before they receive their Entitlement and Acceptance Form, whether on the basis of confirmation of the allocation provided by TPG or the TPG Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

The Underwriter Group will have no responsibility and disclaim all liability to the maximum extent permitted by the law to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by TPG or the TPG Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are entitled to.

Investors acknowledge and agree that:

- Determination of eligibility of investors for the purposes of the institutional and retail components of the Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of TPG and the Underwriter Group; and
- Each of TPG and the Underwriter Group disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by the law.

The Underwriter Group may rely on information provided by or on behalf of institutional investors in connection with managing, conducting and underwriting the Offer without having independently verified that information and the underwriters do not assume responsibility for the accuracy or completeness of that information.

Acceptance

By attending an investor presentation or briefing, or accepting, accessing or reviewing this Presentation you acknowledge and agree to the terms set out in this 'Important notice and disclaimer'.



01



Introduction

Chief Financial Officer – Stephen Banfield

TPG is the successful bidder for 2x10MHz of spectrum in the 700MHz spectrum auction, and is raising \$400 million to support its mobile strategy

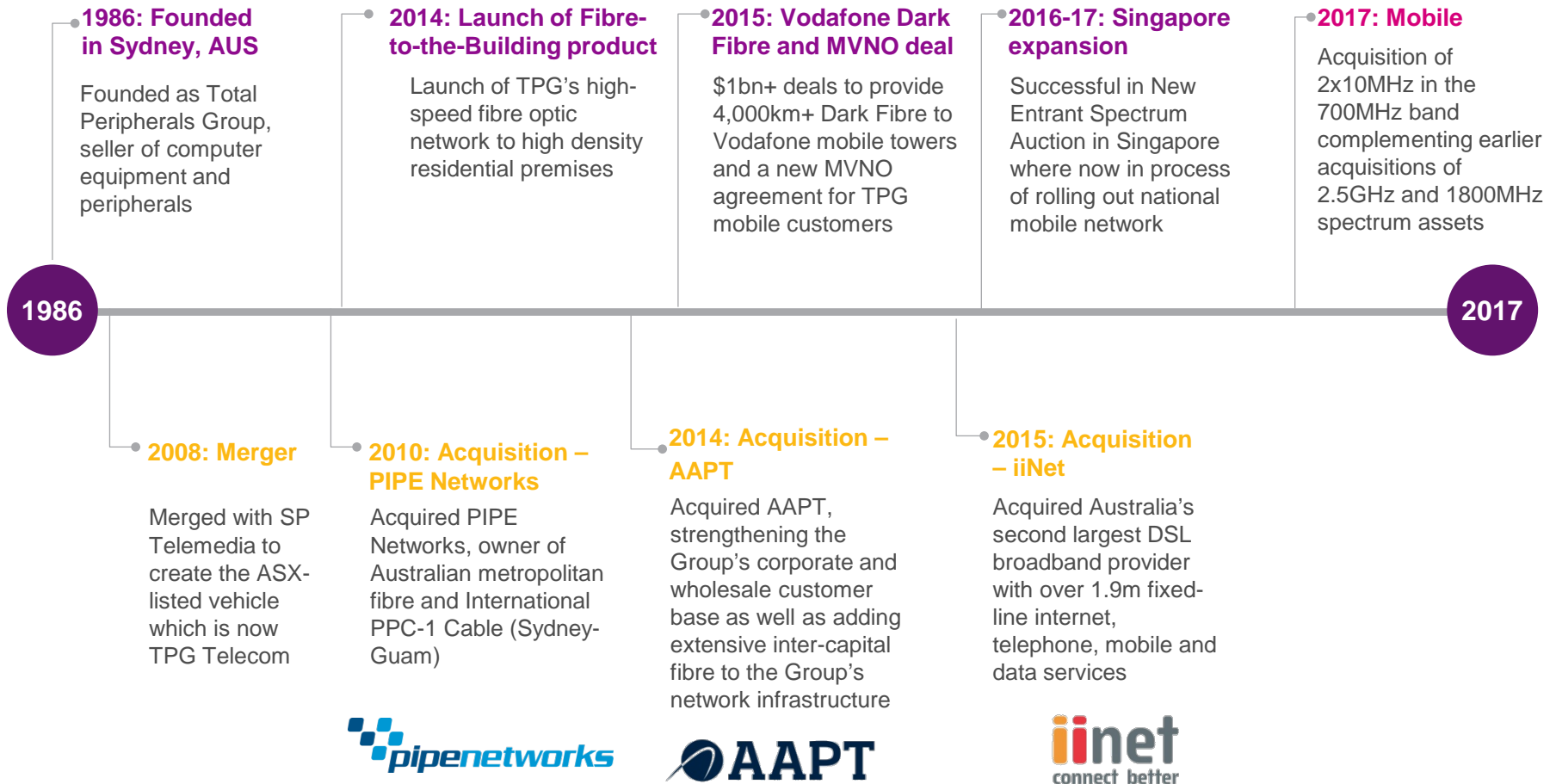
- TPG is delighted to advise that it successfully bid for 2x10MHz of spectrum in the 700MHz band at the recent auction conducted by the Australian Communications and Media Authority (ACMA)
- TPG will build a mobile network in Australia using current advanced technology for ~\$1.9 billion, comprising
 - \$600 million for network rollout capital expenditure over a three year period to achieve 80% population coverage, and
 - \$1,260 million for the 700 MHz spectrum, which will be paid in 3 annual instalments¹. The spectrum licence commences from 1 April 2018 and expires on 31 December 2029
- Through its existing business and infrastructure, TPG has most of the essential components of a mobile network operator already in place, including Australia's largest national dark fibre network, call centres and back-office systems supporting over 2 million customers across the consumer, business, corporate, government and wholesale segments
- There are also numerous 'new entrant advantages' that TPG will be able to enjoy, including being able to deploy current advanced technology, the rollout of fewer sites, and not needing to support legacy equipment (for 2G/3G networks)
- TPG will fund the spectrum purchase over the next three years, and the capex for the rollout, through a combination of existing and new debt facilities², and operating cash flow. TPG also launches today a 1 for 11.13 accelerated non-renounceable pro-rata entitlement offer to raise \$400 million at a fixed price of \$5.25 per new share – the immediate use of the entitlement offer proceeds will be to pay down debt to provide headroom to finance future drawdowns as needed for capex and spectrum instalment payments.
 - Major shareholders David Teoh and associates, and Washington H. Soul Pattinson, are supportive of TPG's mobile strategy and have pre-committed to take up their full pro-rata entitlements (\$138 million and \$101 million respectively)
 - The Offer Price represents an 18.9% discount to a dividend-adjusted TERP of \$6.47³, and a 20.2% discount to the dividend-adjusted \$6.58 closing price on Tuesday, 11 April 2017

1. See page 17 for detail.

2. New debt facilities will be put in place in due course when required.

3. The Theoretical Ex-Rights Price (TERP) is the theoretical price at which TPG shares should trade after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which TPG shares trade at that time will depend on many factors and may not be equal to TERP. TERP is calculated by reference to the closing price on Tuesday 11 April, being \$6.66, adjusted for the 8¢ interim dividend to which participants in the Entitlement Offer will not be entitled.

TPG has a track record of successfully executing transformational changes to grow its business to maximise long term profitability



02



TPG's Mobile Strategy

Executive Chairman and Chief Executive Officer – David Teoh

TPG has long recognised the importance of wireless connectivity to the future needs of Australian telecommunications consumers and believes its unique combination of existing infrastructure, brands, customer base and experience positions the Group to be a powerful participant in that wireless future.

Natural incremental extension of existing business

- The mobile strategy is a natural incremental extension to the established fixed line business which is already servicing over 2m customers including ~0.5m MVNO mobile customers
- The business has existing scalable infrastructure and systems already in place to support this incremental extension

Vital mobile network infrastructure components already in place

- Enormous backhaul capacity throughout Australia via the Group's fibre network
- National core network
- Owned international connectivity
- Large scale infrastructure and project management expertise recently honed and expanded for the deployment of fibre to the Vodafone mobile network.

Existing mobile expertise

- Over 10 years of experience managing a retail MVNO customer base now comprising ~0.5m subscribers
- Owned spectrum assets in Australia since 2013
- Singapore mobile network build in progress

Cross-selling opportunity

- Significant cross-selling potential from TPG's ~0.5m mobile subscribers and ~1.9m Australian fixed-line broadband subscriber base, with each household representing multiple potential mobile customers
- Able to bundle fixed and mobile services

Brands and channels

- Existing portfolio of strong brands appealing to a diverse range of demographics
- Established retail, corporate and wholesale channels to market

Efficient cost model

- TPG has a market leading telecommunications industry cost model
- Experience leveraging low cost model to take market share through aggressive pricing

TPG's portfolio of assets and experience, including its extensive carrier grade fixed network of owned infrastructure, will be heavily relied upon, resulting in the avoidance of significant capex usually associated with a rollout, as well as opex synergies



TPG's Mobile Strategy (cont.)

TPG believes it is at a considerable competitive advantage relative to the incumbent operators

Key new entrant advantages

Latest, more efficient technology

1

Able to deploy current advanced technology making more efficient use of spectrum to deliver high quality of service to customers.

Fewer sites required

2

Fewer sites required thanks to single network, more modern technology and best available spectrum. Reduces opex as well as capex.

No legacy mobile networks

3

Reduced complexity due to no legacy 2G/3G networks needing to be supported and integrated, reducing opex

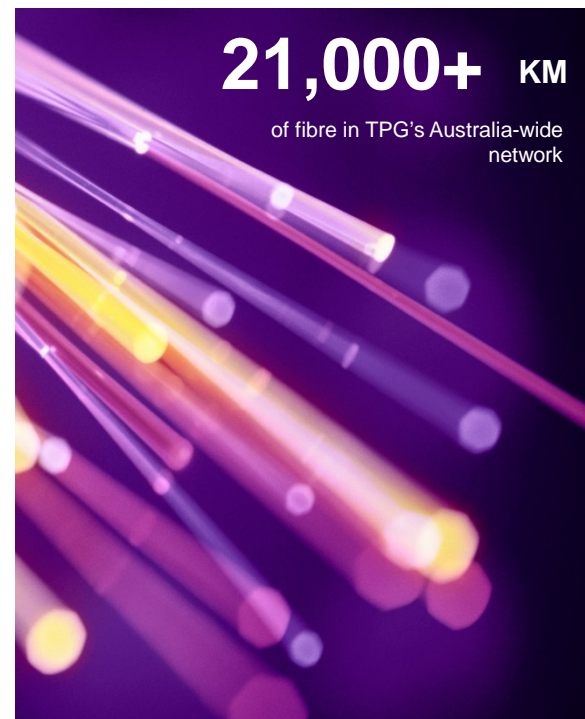
No existing customer revenue to protect

4

Able to win market share through aggressively priced plans with no existing customer base ARPU to protect

21,000+ KM

of fibre in TPG's Australia-wide network



“

We are also delighted to now have the ability to maximise for our shareholders the value of the infrastructure that has been built with their investment over many years.

*That is because the **same fibre network infrastructure** that is today the core of our fixed retail telecommunications business, and which is used to deliver leading value services to our corporate and wholesale customers across the country, **will now also be the cornerstone of our national mobile network.***

Executive Chairman & Chief Executive Officer,
David Teoh

”

TPG's mobile network rollout to occur incrementally over 2-3 years, with trials in selected areas being targeted for 2018

Rollout plan

- TPG expects to deploy equipment at approximately 2,000 to 2,500 sites plus small cell sites across the country. Capital expenditure in the first three years is expected to be \$600 million to achieve 80% population coverage starting in 2018.
- TPG is considering a number of options for site access. TPG has been in discussions in this regard and is focussed on achieving optimal costs.

Efficient deployment strategy

- Efficiencies driven by the factors described earlier, and because of the **~\$1.9+ billion of capital already invested** in the Group's fibre network which the mobile network will leverage:
 - PIPE networks (metropolitan fibre and undersea cable) \$373m¹
 - AAPT (inter-capital fibre, 11,000km) \$450m²
 - TPG capex since 2010 ~\$1B³









1. Equity value for the purchase of PIPE in 2009.

2. Enterprise value of AAPT acquisition in 2013.

3. Sum of i) FY17E Australian capex at mid-point of guidance, ii) FY14-16 capex on Network infrastructure (segment of PP&E), iii) capex on PP&E (network infrastructure not separately segmented) FY10-13.

TPG is well prepared to deliver its planned mobile network in a cost and time efficient manner, leveraging components from its existing operations to achieve this

Key elements and status update

 Fibre backhaul	 Core network & international connectivity	 Call centres and back office systems	 Multi-brand strategy
<p>✓</p> <p>Over 21,000km of national fibre network already in place</p> <p>Extensive experience extending fibre and planning networks to power mobile sites</p>	<p>✓</p> <p>Done, already in place</p> <p>Operates Australia's largest dedicated dark fibre network and significant international capacity, reducing transit costs</p>	<p>✓</p> <p>Done, will leverage existing</p> <p>Customer, billing, finance and network management systems and call centres already in place for TPG's fixed-line, MVNO and corporate services</p>	<p>✓</p> <p>Done, will leverage existing</p> <p>Operates a portfolio of strong, recognisable brands with established position in the Australian market</p> <p>Brands cover value and premium</p>
 Customers	 Mobile spectrum	 Mobile network sites	 Mobile network equipment
<p>✓</p> <p>~0.5m MVNO and ~1.9m fixed line customers</p> <p>Significant opportunity to cross-sell mobile network services</p>	<p>✓</p> <p>Done, already in place</p> <p>TPG maintains a portfolio of spectrum holdings, including spectrum in the 700Mhz, 2.5GHZ and 1,800Mhz bands</p> <p>Current spectrum holdings will enable a national network</p>	<p>Under Way</p> <p>Discussions are under way with site owners</p> <p>TPG fibre is already connected to thousands of metro buildings with rooftops that could serve as network sites</p>	<p>Under Way</p> <p>Established relationships with network vendors including as part of the Singapore mobile network build</p> <p>Extensive vendor and product diligence already completed</p>

Beachfront Quality

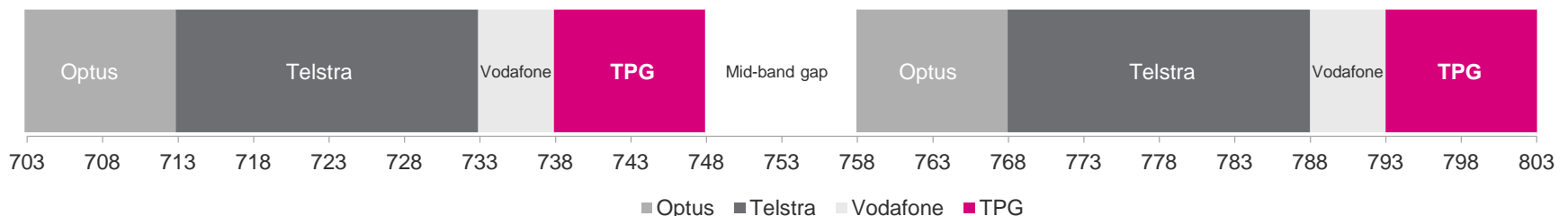
Spectrum in different bands has different benefits, 700 MHz spectrum is considered the premium spectrum currently in use for mobile networks.

- Excellent propagation, meaning fewer sites need to be deployed to cover larger distances.
- Makes in-building coverage more efficiently provided.

Auction Process

- Simple clock auction process run via an online system.
- In the initial round, ACMA set a price and bidders determined whether they wished to bid at the nominated price or not.
- If there was more than one bidder, ACMA increased the nominated price by a fixed percentage each round.
- The rounds continued until only one bidder remained willing to pay the ACMA nominated price.
- The actual winning price of \$1,260 million was the price that the last exiting bidder (i.e. prior to TPG) was willing to pay.

700MHz band (703-803MHz): 9 national lots of 2x5MHz



Pairing

- Spectrum is sold in pairs – one for uplink and one for downlink
- The frequency pair is separated by a "duplex distance" to provide isolation of the two signals

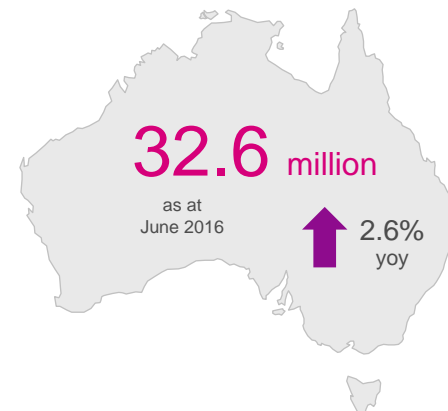
The opportunity is significant. TPG is confident and excited about the opportunity to enter the large and growing mobile market in Australia.

- There are at least 32.6 million mobile services in Australia,¹ representing a 2.6% increase in 2016 over 2015
 - Mobile penetration is now 143%²
 - Population growth in Australia is robust, expected to exceed 30 million by 2028³, resulting in a steady increase in the mobile market
- Mobile is critical – the number of Australians with mobiles and no fixed-line telephone service is consistently growing¹
- The mobile industry in Australia currently produces an aggregate EBITDA of about \$8 billion, providing a significant opportunity for a new entrant
- **TPG expects to reach breakeven EBITDA from its Australian mobile network with only 500k subscribers – market share of ~2%**

Growth in population with a mobile phone and no fixed-line telephone (millions)¹



Mobile services in Australia¹



1. ACMA Communications Report 2015-16. As at June 2016.

2. BuddeComm, 2 March 2017.

3. ABS cat 3222.0

3



Financial Impact

Chief Financial Officer – Stephen Banfield

Capex of ~\$1.9 billion for a fully operational Australian mobile network, comprising:

1 Rollout capital expenditure of \$600 million starting in 2018

TPG expects to deploy equipment at approximately 2,000 to 2,500 sites plus small cell sites across the country. Capital expenditure in the first three years is expected to be \$600 million to achieve 80% population coverage starting in 2018.

2 Payments for 700MHz Spectrum

The gross auction price was \$1,260m, payable in instalments.

A deposit of \$10m was paid in March 2017. A bank guarantee of \$47m was also provided.

Payable on	Amount
31 January 2018	\$605m less deposit of \$10m
31 January 2019 ¹	\$352m
31 January 2020 ¹	\$352m

The spectrum licence commences from 1 April 2018 and expires on 31 December 2029 and will be amortised for tax and accounting purposes straight-line over that period. In the initial investment stage of the rollout, some reduction in EBIT is therefore expected during that period. Depending on financial circumstances at the time, this may also affect distributions by way of dividends during that period.

Due to TPG's relatively low cost structure and relatively low incremental costs to implement, TPG aims to become EBITDA positive with around 500k customers, which is expected to be achievable within a relatively short period of time due to the competitive value of the offerings that TPG intends to bring to market and its existing customer footprint.

TPG expects to be EBIT positive with a 6-7% customer market share.

1. These payments include escalation factors as required due to paying in instalments, hence the sum of the amounts is greater than the "gross auction price".

TPG mobile strategy expected to be NPV accretive

- The addition of the mobile strategy, including spectrum acquisition and rollout cost, is expected to be NPV accretive
- The Offer and spectrum acquisition have no impact on underlying FY17 EBITDA
- TPG intends to maintain comfortable headroom to its Net Debt / EBITDA covenant
- TPG intends to implement a DRP commencing for the FY17 final dividend. This is expected to remain in place for the next two to three years.

TPG reaffirms its FY17 guidance, which will not be impacted by the spectrum acquisition or the equity raising

FY17 Guidance	A\$m
Underlying EBITDA	820 - 830
Australia Capital Expenditure	370 - 420
Singapore Capital Expenditure*	142 - 182

*Singapore Capital Expenditure Guidance updated to reflect the \$22m spectrum purchase announced on 5 April 2017.

04



Equity Raising

Overview of funding

Spectrum purchase and network build expected to be funded through a combination of debt facilities, and operating cash flow

The immediate use of the Entitlement Offer proceeds will be to pay down debt, which will then be drawn as needed for capex and spectrum instalment payments.

Consideration relating to spectrum purchase of approximately \$1,260 million and approximately \$600 million of capex over the next three years funded by:

- a 1 for 11.13 accelerated non-renounceable pro-rata entitlement offer to raise \$400 million (the **Entitlement Offer**)
 - Major shareholders David Teoh and associates, and Washington H. Soul Pattinson, are supportive of TPG's mobile strategy and have pre-committed to take up their full pro-rata entitlements totalling approximately \$238 million (the **Major Shareholder Commitments**)
 - The Entitlement Offer, other than the Major Shareholder Commitments, is underwritten by Macquarie Capital (Australia) Limited
 - See further details on the next page
- Existing and new debt facilities as required
- Operating cash flow
- Other capital management options available to TPG

Sources	A\$m	Uses	A\$m
Entitlement Offer ²	400	Transaction costs	3
		Debt paydown	397
Total sources	400	Total uses	400

1. New debt facilities will be put in place in due course when required.

2. Refer to Key Risks, in particular Underwriting Risk.

Sources and uses are rounded to the nearest \$1 million.

Key terms

Offer size and structure	<ul style="list-style-type: none"> – 1 for 11.13 accelerated non-renounceable pro-rata entitlement offer to raise \$400 million (the Entitlement Offer), consisting of: <ul style="list-style-type: none"> – an accelerated institutional component to be conducted from Wednesday, 12 April 2017 to Thursday, 13 April 2017 (Institutional Entitlement Offer); and – a retail component which will open on Friday, 21 April 2017 and close at 5.00pm on Friday, 12 May 2017 (Retail Entitlement Offer).
Offer price	<ul style="list-style-type: none"> – Fixed price of \$5.25 per New TPG share (the Offer Price) – The Offer Price represents: <ul style="list-style-type: none"> – an 18.9% discount to dividend-adjusted¹ TERP of \$6.47, and – a 20.2% discount to the dividend-adjusted¹ closing price of \$6.58 on Tuesday, 11 April 2017.
Pre-commitment	<ul style="list-style-type: none"> – Major shareholders David Teoh and associates and Washington H. Soul Pattinson are supportive of TPG's mobile strategy and have pre-committed to take up their full pro-rata entitlements (approximately \$138 million and \$101 million respectively) (the Major Shareholder Commitments)
Underwriting	<ul style="list-style-type: none"> – The Entitlement Offer, other than the Major Shareholder Commitments, is underwritten by Macquarie Capital (Australia) Limited
Settlement	<ul style="list-style-type: none"> – Settlement in relation to the Institutional Entitlement Offer expected on Thursday, 27 April 2017, with the Retail Entitlement Offer expected to settle on Friday, 19 May 2017
Ranking	<ul style="list-style-type: none"> – New shares will rank equally with existing fully paid ordinary shares from their time of issue – Shares issued under the Entitlement Offer to be issued after the record date of TPG's 1H FY2017 interim dividend and will consequently not be entitled to the dividend payable in May 2017

1. Shares issued under the Entitlement Offer to be issued after the record date of TPG's 1H FY2017 interim dividend and will consequently not be entitled to the dividend payable in May 2017.

Timetable

Entitlement Offer announcement Institutional Entitlement Offer conducted	Wednesday, 12 April 2017
Trading in TPG shares resumes on an ex-entitlement and ex-dividend basis	Tuesday, 18 April 2017
Record date for determining entitlements for the Entitlement Offer	7.00pm Tuesday, 18 April 2017
Dispatch of Retail Information Booklet Retail Entitlement Offer opens	Friday, 21 April 2017
Settlement of Institutional Entitlement Offer	Thursday, 27 April 2017
Allotment and normal trading of new shares issued under the Institutional Entitlement Offer	Friday, 28 April 2017
Retail Entitlement Offer closing date	Friday, 12 May 2017
Settlement of Retail Entitlement Offer	Friday, 19 May 2017
Allotment of new shares issued under the Retail Entitlement Offer Despatch of holding statements	Monday, 22 May 2017
Normal trading of new shares issued under the Retail Entitlement Offer	Tuesday, 23 May 2017



05



Key risks

Competitive environment and impact of the National Broadband Network (“NBN”)

Increased competition or consolidation in the telecommunications industry could impact TPG’s financial performance. The Australian government is rolling out the NBN, which is planned to cover approximately 97% of premises across Australia. All retail telecommunication service providers will have equivalent access to acquiring wholesale services on the NBN, which is intended to create a more level competitive playing field in the industry. This new competitive environment with the NBN may enable the entrance of new competitors in the market which could have an adverse impact on the future financial performance of TPG if it is unable to effectively compete against the new competitors.

Increasing competition may require increased investment in marketing to grow its customer base, which could adversely impact TPG’s operating margins.

The profit margins that TPG earns from delivering NBN services are lower than the profit margins it earns delivering ADSL services. As ADSL services are replaced by NBN services this may adversely impact TPG’s profits. The rate of ADSL to NBN migration will accelerate over the next 1 to 2 years accelerating this impact. TPG has growth strategies to try to mitigate this negative impact through higher margin Corporate Division and FTTB sales. There are obviously uncertainties however over whether these growth strategies will be able to offset the ADSL to NBN margin headwinds.

Sustainability of growth

The continued strong growth in sales and profitability of TPG is dependent on a number of factors, including its ability to win new customers on a profitable basis and to retain and grow revenues from existing customers. This organic growth is conditional on the continued performance of TPG’s various channels to market, the ongoing achievement of sales objectives by sales teams and the provision of a consistent high quality customer service experience. If any of these growth factors were negatively impacted and growth was impaired then the financial performance and reputation of the business would be negatively impacted.

Information technology

The telecommunications industry is heavily dependent on

technology for the delivery of the various services made available to customers and TPG has invested significantly in the development of management information and other information technology systems which will maximise the efficiency of TPG’s operations. Should these systems not be adequately maintained, secured or updated, or TPG’s disaster recovery processes not be adequate, system failures may negatively impact TPG’s performance.

Network damage and interruptions

Any accidental damage from civil works (cable cuts), intentional damage from vandalism or terrorism and acts of god such as earthquakes or other natural disasters may result in outages and damage to TPG’s network. TPG is also exposed to short, medium or long-term interruptions to its operations as it relies on its infrastructure and technology to provide its customers with a highly reliable service. There may be a failure to deliver this level of service as a result of numerous factors, including but not limited to human error, power loss, physical or electronic breaches, or vandalism. A significant disruption of TPG’s business through network or systems failure could cause financial loss or increased customer churn.

Business interruption

The operations of TPG may be affected by operational and technical difficulties which could result in business interruption, monetary losses and possible legal liability. A significant disruption of TPG’s business through network or systems failure could cause financial loss for TPG and increased customer churn. TPG may be subject to liability for accidents, outages or systems failure and corruption against which it cannot insure or which it may elect not to insure because of premium costs or for other reasons, or in amounts which exceed policy limits.

Security or privacy of data

Failures or breaches of data protection and systems security can cause reputational damage, regulatory impositions and financial loss. The legal and regulatory environment surrounding information security and privacy is increasingly complex and demanding. Australian Privacy Principles now govern privacy and data protection throughout Australia and significantly enhance privacy and data protection regulation.

The protection of customer, employee, third party and company data is critical to TPG’s operations. TPG retains

a significant amount of customer, employee and third party information, including through its database of customers. Customers, employees and third parties such as suppliers will also have high expectations that TPG will adequately protect their personal information.

Maintenance of professional reputation and brand name

TPG’s success is heavily reliant on the reputation of its operating brands, including iiNet and TPG. Unforeseen issues or events that place the reputation of TPG’s brands at risk may impact on the future growth and profitability of TPG.

Diminution of customer satisfaction and loyalty

TPG is a customer service business and is therefore dependent on customer satisfaction and loyalty. Any diminution in customer sentiment may have an adverse impact on the financial performance and position of TPG.

Regulatory risk

TPG operates in a highly regulated industry with strong penalties for non-compliance with regulations, including fines and undertakings that may include customer redress. Telecommunications services are subject to various laws and regulations. Amendments to, or more stringent implementation of, current laws and regulations governing operations could have a substantial adverse impact on TPG and cause increases in expenses, capital expenditure or costs. The nature and impact of future changes of such regulations and policies are not predictable and will be beyond TPG’s control. Failure to comply with applicable laws, regulations, agreements and permitting requirements may result in enforcement actions, including orders issued by judicial or regulatory authorities. Where that occurs, operations may cease or be curtailed, and may lead to corrective measures requiring capital operations or payment of compensation for those suffering loss or damage, or the imposition of civil or criminal fines or penalties for violations of applicable laws or regulations.

TPG also requires certain licences to carry on its business, and any modification or cancellation of any of these licences may impact its ability to continue to operate its business.

Risk of litigation, claims and disputes

TPG may be subject to litigation and other claims and disputes in the course of its business, including employment disputes, contractual disputes or occupational and personal claims. Such litigation, claims and disputes, including the costs of settling claims and operational impacts, could adversely affect TPG's business, operating and financial performance.

Acquisition risk

TPG may pursue acquisitions of assets that meet its investment criteria as opportunities arise and if funding is available. Such acquisitions may involve a number of risks inherent in assessing the values, strengths, weaknesses and profitability of the target's business or assets and it is possible that unexpected problems may arise.

Personnel risk

If not managed effectively, TPG's ability to attract and retain key talent in its management and operational staff could have a negative effect on its reputation and performance.

Ability to service debt, or raise additional debt

TPG's ability to service its debt and other obligations will depend on its future performance and cash flows which, to a certain extent, are subject to general economic, financial, competitive, legislative, regulatory and other factors, many of which are beyond its control. TPG's historical financial results have been, and it is anticipated that future financial results will continue to be, subject to fluctuations. Cash flows can vary and TPG's business may not generate sufficient cash flow from operations to enable it to satisfy its debt and other obligations. Any inability to secure sufficient debt funding (including to refinance on acceptable terms) or to service its existing and new debt may have a material adverse effect on financial performance and prospects.

If TPG is unable to fund an instalment in respect of the spectrum acquisition, TPG may not be issued the spectrum licence and may incur additional costs (including financial penalties or write-downs of capital already invested in the network roll-out).

While TPG is permitted under its existing facility to raise additional indebtedness up to a certain amount (subject to its covenants) without consent of its existing lending

syndicate, if TPG is unable to raise such additional debt this may have a material adverse effect on the business, including the execution of the mobile strategy.

Credit risk

TPG will be exposed to the risk of financial loss if any of its large corporate customers fail to meet their contractual obligations to pay for the services it acquires from TPG.

Relationship with suppliers and access to third party infrastructure

TPG's ability to provide its telecommunication services and products will be highly dependent on securing wholesale services from its carrier suppliers. TPG also relies on relationships with key intellectual property licensors and technology partners from whom it licenses the right to use particular intellectual property and technology.

The business of TPG could be materially impacted if any of the wholesale providers were unable to provide services as contracted or made a decision to supply services on unfavourable terms or to not supply at all (except for services that are deemed 'declared services' by the ACCC and which have regulated pricing) or if there is any change in its ability to use intellectual property and technology that it relies on. TPG will compete directly with its own suppliers of fixed line and mobile services. If TPG's carrier suppliers failed to supply the services, or changed terms to be less favourable than those currently offered to TPG, this change could materially impact on the financial performance of TPG.

Mobile strategy

The principal risks associated with the mobile strategy are:

- unforeseen capital requirements, for example because the required number of sites in which TPG should deploy equipment is higher than expected, or the cost assumptions underestimate the actual cost of network roll-out (including the cost of equipment and other materials and any associated labour and site access and development costs);
- inability to achieve network rollout in a reasonable timeframe;
- inability to achieve customer acquisition targets; and
- poor quality of service for customers.

TPG's mobile business will also operate in a competitive landscape alongside various other mobile network owners and operators of mobile telecommunications infrastructure with competing offerings and a significantly more geographically diverse presence. TPG will also face the risk of being disrupted by new market entrants, employing new technologies. TPG will also need to attract and retain skilled staff with knowledge of the mobile business. Increased competition or consolidation in the industry, or a failure to attract and retain suitably skilled staff could impact TPG's financial performance by affecting its ability to grow its customer base and/or its ability to make money from its mobile strategy.

Planning, development and construction risks

TPG will need to undertake development of new telecommunications infrastructure, and expansion, maintenance, and refurbishment of existing infrastructure. TPG may also need to negotiate access to areas that it cannot rely on its carrier powers to access. The terms of access may be such that the network roll-out is not economically viable (in the opinion of the Board and management) or access may not be able to be negotiated. Any delays or unexpected costs associated with planning, construction, development and access negotiation activities which TPG pursues in the future may harm growth prospects, operating results, and financial performance. Delays could result from a variety of causes, including but not limited to blockages to pulling fibre through the duct network or constructing mobile towers, objections from community groups, or issues in securing construction materials.

Decline in demand and oversupply

TPG's growth strategy, including its mobile strategy, will incorporate the commitment of substantial operational and financial resources to design, construct and maintain its telecommunications infrastructure and to expand existing infrastructure. A decline in or lack of customer demand, or an oversupply of telecommunications infrastructure in the market, could have negative implications on TPG's ability to achieve desired return on investment, and have a material adverse effect on the growth prospects and/or the financial performance of TPG which may cause TPG to require further funding.

Bandwidth requirement

If there is excess customer demand for bandwidth (whether by reason of the number of customers or the bandwidth needed to supply products attractive to consumers), TPG may be required to provide additional bandwidth. This could be achieved by deploying additional cells in locations of high customer demand, or by increasing the amount of spectrum in use, or by making use of technological developments (for example, massive MIMO). If additional spectrum were to be required, there is no guarantee that TPG will be able to acquire additional spectrum at an acceptable price in the future. In such circumstances, providing mobile network products and services is likely to be more difficult to provide economically and efficiently and may result in poorer performance levels.

Changes in technology

Demand for technology infrastructure can change rapidly because of technological innovation, new product introductions, declining prices and evolving industry standards, among other factors. New solutions and new technology often render existing solutions and services obsolete, excessively costly or otherwise unmarketable. As a result, the success of TPG will depend on TPG being able to keep up with the latest technological progress and to develop or acquire and integrate new technologies into its telecommunications infrastructure. Advances in technology may also require TPG to commit resources to developing or acquiring and then deploying new technologies for use in operations.

General equity market risks

As with any entity with shares listed on the ASX, the market price of TPG shares is influenced by a variety of general business cycles and economic and political factors in Australia and overseas, including economic growth, interest rates, exchange rates, inflation, employment levels, changes in government, fiscal, monetary and regulatory policy in relevant jurisdictions and recommendations by brokers and analysts.

Economic conditions

Economic conditions, both domestic and global, may affect the performance of TPG. Adverse changes in such things as global and country-by-country economic growth,

the level of economic activity and inflation, interest rates, exchange rates, government policy (including fiscal, monetary and regulatory policies), general consumption and consumer spending, global geo-political events and hostilities and acts of terrorism, employment rates and industrial disruption, amongst others, may also affect TPG's operating environment, operational performance, reputation, financial performance and/or financial position.

Share market conditions

There are risks associated with an investment in financial products quoted on the ASX. In particular, share price movements could affect the value of any investment in TPG. The performance of TPG and the price at which TPG shares trade on the ASX may be determined by a range of factors, including movements in the local and international equity and bond markets and general investor sentiment in those markets, recommendations by brokers and analysts, inflation, interest rates, exchange rates, general economic conditions and outlooks, changes in government, fiscal, monetary and regulatory policies, global geo-political events and hostilities and acts of terrorism, the announcement of new technologies and changes in the supply of and demand for relevant stocks. These factors could affect the trading price of shares, regardless of operating performance. There is no guarantee of profitability, dividends, return of capital, or the price at which TPG shares will trade on the ASX. The past performance of TPG shares is not necessarily an indication as to future performance as the trading price of shares can go down or up in value.

Taxation risks

A change to the Australian taxation regime may affect TPG's shareholder. Personal tax liabilities are the responsibility of each individual shareholder. TPG is not responsible for taxation or penalties incurred by their shareholders.

Underwriting risk

David Teoh and his associates and Washington H. Soul Pattinson and Company Limited (**Major Shareholders**) have committed to take up their full pro-rata entitlements (\$138 million and \$101 million respectively) under binding commitment letters (**Commitment Letters**). The balance of the Entitlement Offer (approximately \$161 million) will

be underwritten by Macquarie Capital (Australia) Limited (**Underwriter**), meaning that the Underwriter will accept any New Shares offered under the Entitlement Offer, other than those offered to the Major Shareholders the subject of the Commitment Letters, that are not taken up by investors. TPG has entered into an agreement (**Underwriting Agreement**) with the Underwriter. If certain conditions are not satisfied or certain events occur (including where a Major Shareholder defaults on their obligation to take up their full pro-rata entitlements in accordance with their Commitment Letter), the Underwriter may terminate the Underwriting Agreement. If the underwriting is terminated for any reason, then TPG may not receive the full amount of the Entitlement Offer, its financial position may change, and it may need to take other steps to raise capital.

Accounting standards

Australian accounting standards are set by the Australian Accounting Standards Board (AASB). Changes to accounting standards issued by AASB could materially adversely affect the financial performance and position reported in TPG's financial statements, and are outside the control of the directors of TPG.

Dividends

The payment of a dividend is at the discretion of the directors of TPG every six months following the preparation of half yearly and full year accounts, and the amount of dividends may vary depending on a range of factors including general business and financial conditions, as well as TPG's specific expected future capital requirements (including spectrum instalment payments or network rollout capital expenditure). Investors should not assume that a historical trend of dividends, or implied payout ratios on the basis thereof, is representative of likely future dividends.

06



Foreign selling jurisdictions

International Offer Restrictions

This document does not constitute an offer of new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Canada (British Columbia, Ontario and Quebec provinces)

This document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces") and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such New Shares. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of NI 45-106 – *Prospectus and Registration Exemptions*, of the Canadian Securities Administrators.

No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and received by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements. These resale restrictions may in some circumstances apply to resales of the New Shares outside Canada and, as a result, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards

Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission

Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.

The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the New Shares purchased pursuant to this document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against the Company if this document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the Company. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the Securities Act (Ontario) provides that, if this document contains a misrepresentation, a purchaser who purchases the New Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against the Company, provided that (a) the Company will not be liable if it proves that the purchaser purchased the New Shares with knowledge of the misrepresentation; (b) in an action for damages, the Company is not liable for all or any portion of the damages that the Company proves does not represent the depreciation in value of the New Shares as a result of the misrepresentation relied upon; and (c) in no case shall the amount recoverable exceed the price at which the New Shares were offered.

Section 138 of the *Securities Act* (Ontario) provides that no action shall be commenced to enforce these rights more than (a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action or (b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the

transaction that gave rise to the cause of action. These rights are in addition to and not in derogation from any other right the purchaser may have.

Certain Canadian income tax considerations. Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as any discussion of taxation related matters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

European Economic Area - Denmark and Netherlands

The information in this document has been prepared on the basis that all offers of New Shares will be made pursuant to an exemption under the Directive 2003/71/EC ("Prospectus Directive"), as amended and implemented in Member States of the European Economic Area (each, a "Relevant Member State"), from the requirement to publish a prospectus for offers of securities.

An offer to the public of New Shares has not been made, and may not be made, in a Relevant Member State except pursuant to one of the following exemptions under the Prospectus Directive as implemented in the Relevant Member State:

to any legal entity that is authorized or regulated to operate in the financial markets or whose main business is to invest in financial instruments;

to any legal entity that satisfies two of the following three criteria: (i) balance sheet total of at least €20,000,000; (ii) annual net turnover of at least €40,000,000 and (iii) own funds of at least €2,000,000 (as shown on its last annual unconsolidated or consolidated financial statements);

to any person or entity who has requested to be treated as a professional client in accordance with the EU Markets in Financial Instruments Directive (Directive 2004/39/EC, "MiFID"); or

to any person or entity who is recognised as an eligible counterparty in accordance with Article 24 of the MiFID.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Japan

The New Shares have not been and will not be registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948), as amended (the "FIEL") pursuant to an exemption from the registration requirements applicable to a private placement of securities to Qualified Institutional Investors (as defined in and in accordance with Article 2, paragraph 3 of the FIEL and the regulations promulgated thereunder). Accordingly, the New Shares may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan other than Qualified Institutional Investors. Any Qualified Institutional Investor who acquires New Shares may not resell them to any person in Japan that is not a Qualified Institutional Investor, and acquisition by any such person of New Shares is conditional upon the execution of an agreement to that effect.

Kuwait

Unless all necessary approvals from the Kuwait Capital Markets Authority (the "CMA") pursuant to Law No. 7/2010, its Executive

Regulations and the various resolutions and announcements issued pursuant thereto have been given in relation to the marketing or sale of the New Shares, then the New Shares may not be offered for sale, nor sold in the State of Kuwait, and then only by a person licensed by the CMA to carry out such activities. No such approvals have been received in respect of the New Shares. Neither this document nor any of the information contained herein is intended to lead to the conclusion of any contract of whatsoever nature within Kuwait.

Malaysia

This document may not be distributed or made available in Malaysia. No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to any offer of New Shares. The New Shares may not be offered or sold in Malaysia except pursuant to, and to persons prescribed under, Part I of Schedule 6 of the Malaysian Capital Markets and Services Act.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the entitlement offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876 and including non-professional clients having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation).

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

South Africa

This document does not, nor is it intended to, constitute a prospectus prepared and registered under the South African Companies Act and may not be distributed to the public in South Africa.

An entity or institution resident in South Africa may not implement participation in an offer of securities unless (i) permitted under the South African Exchange Control Regulations or (ii) a specific approval has been obtained from an authorised foreign exchange dealer in South Africa or the Financial Surveillance Department of the South African Reserve Bank.

Sweden

This document has not been, and will not be, registered with or approved by Finansinspektionen (the Swedish Financial Supervisory Authority). Accordingly, this document may not be made available, nor may the New Shares be offered for sale in Sweden, other than under circumstances that are deemed not to require a prospectus under the Swedish Financial Instruments Trading Act (1991:980) (*Sw. lag (1991:980) om handel med finansiella instrument*). Any offering of New Shares in Sweden is limited to persons who are "qualified investors" (as defined in the Financial Instruments Trading Act). Only such investors may receive this document and they may not distribute it or the information contained in it to any other person.

Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to regulated financial intermediaries such as banks, securities dealers, insurance institutions and fund management companies as well as institutional investors with professional treasury operations.

Neither this document nor any other offering or marketing material relating to the New Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

This document is personal to the recipient only and not for general circulation in Switzerland.

United Arab Emirates

Neither this document nor the New Shares have been approved, disapproved or passed on in any way by the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or any other governmental authority in the United Arab Emirates, nor has the Company received authorisation or licensing from the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or any other governmental authority in the United Arab Emirates to market or sell the New Shares within the United Arab Emirates. No marketing of any financial products or services may be made from within the United Arab Emirates and no subscription to any financial products or

services may be consummated within the United Arab Emirates. This document does not constitute and may not be used for the purpose of an offer or invitation. No services relating to the New Shares, including the receipt of applications and/or the allotment or redemption of New Shares, may be rendered within the United Arab Emirates by the Company.

No offer or invitation to subscribe for New Shares is valid in, or permitted from any person in, the Dubai International Financial Centre.

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

TPG TELECOM LIMITED (ASX: TPM)

Tuesday, 18 April 2017

TPG TELECOM SUCCESSFULLY COMPLETES INSTITUTIONAL ENTITLEMENT OFFER

TPG Telecom Limited (ASX: TPM) (**TPG** or the **Group**) is pleased to announce the successful completion of the institutional component (the **Institutional Entitlement Offer**) of its 1 for 11.13 accelerated non-renounceable pro-rata entitlement offer (the **Entitlement Offer**) announced on Wednesday, 12 April 2017.

Thanks to the pre-commitments worth \$238 million from major shareholders David Teoh and associates, and Washington H. Soul Pattinson (together, the **Major Shareholders**), and the success of the Institutional Entitlement Offer, TPG now has raised or received binding commitments covering approximately \$320 million of the total \$400 million to be raised under the Entitlement Offer.

The Institutional Entitlement Offer raised approximately \$81.5 million from subscriptions for new fully-paid ordinary shares in TPG (**New TPG Shares**) at an Offer Price of \$5.25 per New TPG share. The Institutional Entitlement Offer was very strongly supported by existing institutional shareholders with a take-up rate by eligible institutional shareholders of approximately 93%. A fixed-price bookbuild for the institutional shortfall securities (comprising the entitlements not taken up by eligible institutional investors along with the entitlements of ineligible institutional shareholders), was conducted at the Offer Price, and this was significantly oversubscribed by both new and existing investors, demonstrating strong support for the capital raising.

TPG's Executive Chairman and CEO, David Teoh, said *"We are very pleased with the strong support that our institutional shareholders and new investors have shown for the offer and for our mobile strategy, which we are tremendously excited about."*

New TPG Shares issued under the Institutional Entitlement Offer will rank equally with existing ordinary shares on issue at the time of issue.

Settlement of New TPG Shares issued as part of the Institutional Entitlement Offer (including as part of the bookbuild) is expected to occur on Thursday, 27 April 2017. The issue of those New TPG Shares is expected to occur on Friday, 28 April 2017, with trading in those shares expected to commence on a normal settlement basis on the Australian Securities Exchange (**ASX**) on the same day.

Commencement of the Retail Entitlement Offer

The retail component of the Entitlement Offer seeks to raise approximately \$80.5 million through a 1 for 11.13 accelerated non-renounceable pro-rata entitlement offer (leaving aside the already committed participation of the Major Shareholders of approximately \$238 million, which will also be raised under the retail component of the Entitlement Offer) (the **Retail Entitlement Offer**).

The Retail Entitlement Offer will open on Friday, 21 April 2017 and close at 5.00pm (AEST) on Friday, 12 May 2017 (**Retail Entitlement Offer**).

The Retail Entitlement Offer is non-renounceable and rights will not be traded on the ASX or otherwise transferable. Eligible shareholders who do not take up their entitlement under the Retail Entitlement Offer in full or in part, will not receive any value in respect of those entitlements not taken up.

Eligible retail shareholders with a registered address in Australia or New Zealand on the Record Date of 7.00pm (AEST), Tuesday, 18 April 2017, have the opportunity to invest in New TPG shares at the Offer Price, on the terms and conditions outlined in the Retail Entitlement Offer Booklet to be sent to eligible retail

shareholders on Friday, 21 April 2017. Eligible retail shareholders are strongly encouraged to carefully read the Retail Entitlement Offer Booklet for further details relating to the Retail Entitlement Offer.

The Retail Entitlement Offer also includes a Top Up Facility under which eligible shareholders in Australia and New Zealand may also apply for additional New TPG Shares in excess of their entitlement up to 50% of their entitlement. The additional New TPG Shares available (if any) are those shares under the Retail Entitlement Offer for which valid applications are not received from eligible retail shareholders as well as entitlements relating to ineligible retail shareholders. There is no guarantee that eligible retail shareholders will be allocated any additional New TPG Shares.

Please note that shareholders with a registered address outside Australia or New Zealand on the Record Date are ineligible to participate in the Retail Entitlement Offer.

Retail Investor Enquiries

For further information in regard to the Retail Entitlement Offer, please do not hesitate to contact the Offer Information Line on 1300 855 080 (local call cost within Australia) or +61 (03) 9415 4000 (from outside Australia) at any time between 9.00am and 5.00pm (AEST), Monday to Friday.

Macquarie Capital (Australia) Limited is acting as Sole Underwriter, Sole Bookrunner and Joint Lead Manager and Petra Capital Pty Limited is acting as Joint Lead Manager to the Entitlement Offer. Further details of the Entitlement Offer, including the underwriting arrangements, are contained in the Investor Presentation (which will be included in the Retail Entitlement Offer Booklet).

Entitlement Offer indicative timetable

The timetable below is indicative only and subject to change. TPG reserves the right to alter the above dates at its full discretion and without prior notice, subject to the ASX Listing Rules and the Corporations Act.

The quotation of New TPG Shares is subject to confirmation from the ASX.

All times below represent Sydney, Australia time (AEST).

Entitlement Offer

Entitlement Offer announcement	Wednesday, 12 April 2017
Record date for determining entitlements for the Entitlement Offer	7.00pm Tuesday, 18 April 2017
Retail Entitlement Offer opens	Friday, 21 April 2017
Dispatch of Retail Entitlement Offer Booklet	Friday, 21 April 2017
Settlement of Institutional Entitlement Offer	Thursday, 27 April 2017
Allotment and normal trading of new shares issued under the Institutional Entitlement Offer	Friday, 28 April 2017
Retail Entitlement Offer closing date	5.00pm Friday, 12 May 2017
Allotment of new shares issued under the Retail Entitlement Offer	Monday, 22 May 2017
Despatch of holding statements	Monday, 22 May 2017
Normal trading of new shares issued under the Retail Entitlement Offer	Tuesday, 23 May 2017

Additional information regarding the spectrum acquisition and Entitlement Offer is contained in the investor presentation released to the ASX on Wednesday 12 April 2017, which includes important information (including, key risks and foreign selling restrictions). The Retail Entitlement Offer Booklet will be released separately and mailed to Eligible Retail Shareholders (or sent by email to those Eligible Retail Shareholders who have elected to receive information electronically).

If you believe that you are an Eligible Retail Shareholder and you do not receive a copy of the Retail Entitlement Offer Booklet or your personalised Entitlement and Acceptance Form, you can call the Offer Information Line on 1300 855 080 (local call cost within Australia) or +61 (03) 9415 4000 (from outside Australia) at any time between 9.00am and 5.00pm (AEST), Monday to Friday until Friday, 12 May 2017 when the Retail Entitlement Offer closes.

- ENDS -

Not for distribution of release in the United States

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. Neither the entitlements nor the new securities have been, nor will be, registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act") or the securities laws of any state or other jurisdiction of the United States.

The entitlements may not be taken up by, and the New Stapled Securities may not be offered or sold to, directly or indirectly, any person in the United States or any person that is, or is acting for the account or benefit of, any person in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

The distribution of this announcement in other jurisdictions outside Australia may also be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Forward looking statements

This Announcement contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements, including projections, guidance on future earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This Announcement contains such statements that are subject to risk factors associated with the telecommunications industry. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to the following risks: earnings, capital expenditure, cash flow and capital structure risks and general business risks. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including TPG). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. Actual results, performance or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based.

The forward-looking statements in this Announcement speak only as of the date of this Announcement. Subject to any continuing obligations under applicable law or any relevant ASX listing rules, TPG and its directors, officers, employees, advisers, agents, and intermediaries (including the underwriters) disclaims any obligation or undertaking to provide any updates or revisions to any forward-looking statements in this Announcement to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any such statement is based. Nothing in this Announcement will under any circumstances create an implication that there has been no change in the affairs of TPG since the date of this Announcement.

4 Additional information

4.1 Eligibility of Retail Shareholders

The Retail Entitlement Offer is being offered to all Eligible Retail Shareholders only.

Eligible Retail Shareholders are Shareholders on the Record Date who:

- (a) are registered as holders of existing TPG shares as at 7:00pm (Sydney time);
- (b) have a registered address on TPG's share register in Australia or New Zealand or are a Shareholder that TPG has otherwise determined is eligible to participate;
- (c) are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States;
- (d) were not invited to participate in the Institutional Entitlement Offer and were not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer; and
- (e) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

By returning a completed personalised Entitlement and Acceptance Form or making a payment by BPAY or by cheque, you will be taken to have represented and warranted that you satisfy each of the criteria listed above to be an Eligible Retail Shareholder. Nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

TPG has determined that it is unreasonable to extend the Retail Entitlement Offer to Ineligible Retail Shareholders because of the small number of such Shareholders, the number and value of Shares that they hold and the cost of complying with the applicable regulations in jurisdictions outside Australia and New Zealand, but reserves its right to do so (subject to compliance with relevant laws).

4.2 Ranking of New Shares

The New Shares issued under the Retail Entitlement Offer will be fully paid and rank equally with Existing Shares. New Shares (including additional New Shares) will be allotted after the FY2017 interim dividend record date and therefore will not be eligible to receive the FY2017 interim dividend payment in May 2017.

4.3 Allotment

TPG has applied for quotation of the New Shares on ASX in accordance with Listing Rule requirements. If ASX does not grant quotation of the New Shares, TPG will repay all Application Monies (without interest).

Trading of New Shares will, subject to ASX approval, occur shortly after allotment. It is expected that allotment of the New Shares under the Retail Entitlement Offer will take place on Monday, 22 May 2017. Application Monies will be held by TPG on trust for Applicants until the New Shares are allotted. No interest will be paid on Application Monies.

Subject to approval being granted, it is expected that the New Shares allotted under the Retail Entitlement Offer will commence trading on a normal basis on Tuesday, 23 May 2017.

It is the responsibility of Applicants to determine the number of New Shares allotted and issued to them prior to trading in the New Shares. The sale by an Applicant of New Shares prior to receiving their holding statement is at the Applicant's own risk.

4.4 Reconciliation

In any entitlement offer, investors may believe that they own more existing Shares on the record date than they ultimately do. This may result in a need for reconciliation to ensure all eligible Shareholders have the opportunity to receive their full Entitlement.

TPG may need to issue a small quantity of additional New Shares to ensure all eligible Shareholders have the opportunity to receive their appropriate allocation of New Shares. The price at which these New Shares would be issued, if required, is the same as the Offer Price.

TPG also reserves the right to reduce the number of an Entitlement or New Shares allocated to eligible Shareholders or persons claiming to be eligible Shareholders, if their Entitlement claims prove to be overstated, if they or their nominees fail to provide information requested to substantiate their Entitlement claims, or if they are not eligible Shareholders.

4.5 Underwriting

The Entitlement Offer, other than the Major Shareholder Commitments, has been underwritten by Macquarie Capital (Australia) Limited.

TPG and the Underwriter have entered into an Underwriting Agreement. Customary with these types of arrangements:

- (a) TPG and the Underwriter have given certain representations, warranties and undertakings in connection with (among other things) the Entitlement Offer;
- (b) TPG has agreed, subject to certain carve-outs, to indemnify the Underwriter, its affiliates and Related Bodies Corporate, and each of their officers employees and agents against all claims, demands, damages, losses, costs, expenses and liabilities arising out of or in connection with the Entitlement Offer;
- (c) the Underwriter may (in certain circumstances, having regard to the materiality of the relevant event) terminate the Underwriting Agreement and be released from its obligations under it on the occurrence of certain events, including (but not limited to) where:
 - (i) the Australian Communications and Media Authority decides to terminate or withdraw, or vary or alter its decision to select TPG's bid for the Acquisition in any way which, in the reasonable opinion of the Underwriter, is adverse to TPG or results in a condition to any such document becoming incapable of being satisfied (or additional conditions are imposed after the date of the Underwriting Agreement);
 - (ii) the pre-commitments of the Major Shareholders becomes partly or fully terminated or withdrawn, or varied or altered in any way which, in the reasonable opinion of the Underwriter, is adverse to TPG or results in a condition to any such document becoming incapable of being satisfied (or additional conditions are imposed after the date of the Underwriting Agreement);
 - (iii) a Major Shareholder fails to pay for or settle its pre-commitments in accordance with the timetable set out in the offer documents (including this Information Booklet and all ASX announcements made in connection with the Entitlement Offer) or otherwise breaches its pre-commitment agreement in any material respect;
 - (iv) TPG is removed from the official list of the ASX or its Shares are suspended from quotation;

- (v) there is a general moratorium on commercial banking activities in certain jurisdictions or a suspension or material limitation in trading in securities on certain securities exchanges;
 - (vi) there are certain delays in the timetable for the Entitlement Offer without the Underwriter's consent;
 - (vii) any of the offer documents (including this Information Booklet and all ASX announcements made in connection with the Entitlement Offer) is or becomes misleading or deceptive (including by omission) in a material respect or likely to mislead or deceive in a material respect, or the offer documents omit any material information they are required to contain;
 - (viii) in the event of adverse movements in the S&P/ASX200 and other financial markets; or
 - (ix) TPG withdraws from the Entitlement Offer; and
- (d) the Underwriter will receive:
- (i) an underwriting fee of 1.25% of the gross proceeds of the Institutional Entitlement Offer; plus
 - (ii) an underwriting fee of 1.25% of the Non-Committed Retail Offer Proceeds; plus
 - (iii) a management and selling fee of 0.25% of the gross proceeds of the Entitlement Offer.

The Underwriter will pay Petra Capital a fee of 0.063% of the total value of the Entitlement Offer (inclusive of GST) for its appointment as joint lead manager to the Entitlement Offer (the **Petra Capital Fee**). The Underwriter cannot recover the Petra Capital Fee from TPG.

The Underwriter will also be reimbursed for certain expenses.

Neither the Underwriter nor any of its respective related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees, representatives or agents have authorised or caused the issue of this Information Booklet. To the maximum extent permitted by law, the Underwriter and its respective related bodies corporate and affiliates and each of their respective directors, officers, partners, employees, representatives or agents exclude and disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Entitlement Offer and this information being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. Neither the Underwriter nor any of its respective related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees, representatives or agents make any recommendations as to whether you or your related parties should participate in the Entitlement Offer, nor do they make any representations or warranties to you concerning this Entitlement Offer or any such information, and you represent, warrant and agree that you have not relied on any statements made by the Underwriter or any of its respective related bodies corporate and affiliates or any of their respective directors, officers, partners, employees, representatives or agents in relation to the New Shares or the Entitlement Offer generally.

4.6 Continuous Disclosure

TPG is a "disclosing entity" under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules, including the preparation of annual reports and half yearly reports.

TPG is required to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the stock markets conducted by ASX. In particular, TPG has an obligation under the Listing Rules (subject to certain exceptions) to notify ASX immediately of

any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of TPG shares. That information is available to the public from ASX.

4.7 No cooling off rights

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted.

4.8 Rounding of Entitlements

Where fractions arise in the calculation of an Entitlement, they will be rounded up to the nearest whole number of New Shares.

4.9 Not investment advice

This Information Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC. It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. TPG is not licensed to provide financial product advice in respect of the New Shares. The information contained in this Information Booklet does not purport to contain all the information that you may require to evaluate a possible application for New Shares, nor does it purport to contain all the information which would be required in a prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with TPG's other periodic statements and continuous disclosure announcements lodged with ASX.

4.10 Governing law

This Information Booklet, the Retail Entitlement Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the laws applicable in New South Wales, Australia. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

4.11 Withdrawal of the Entitlement Offer

TPG reserves the right to withdraw all or part of the Entitlement Offer and this Information Booklet at any time, subject to applicable laws, in which case TPG will refund Application Monies in relation to New Shares not already issued in accordance with the Corporations Act and without payment of interest. In circumstances where allotment under the Institutional Entitlement Offer has occurred, TPG may only be able to withdraw the Entitlement Offer with respect to New Shares to be issued under the Retail Entitlement Offer.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to TPG will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to TPG.

4.12 Privacy

As a shareholder, TPG and its share registry have already collected certain personal information from you. If you apply for New Shares, TPG and its share registry may update that personal information or collect additional personal information. Such information may be used to assess your acceptance of the New Shares, service your needs as a shareholder, provide facilities and services that you request and carry out appropriate administration.

To do that, TPG and its share registry may disclose your personal information for purposes related to your shareholdings to their agents, contractors or third party service providers to whom they outsource services, in order to assess your application for New Shares, the TPG share register for ongoing administration of that register, printers and mailing houses for the purposes of preparation of the

distribution of shareholder information and for handing of mail, or as otherwise under the *Privacy Act 1988* (Cth).

5 Australian taxation consequences

Below is a general guide to the Australian income tax, goods and services tax (**GST**) and stamp duty implications of the Retail Entitlement Offer for Eligible Retail Shareholders that hold their New Shares or additional New Shares acquired under the Top Up Facility on capital account. In addition, the guide below applies only to Eligible Retail Shareholders who are Australian resident individuals, trusts, companies or complying superannuation entities.

The guide does not take account of the individual circumstances of particular Eligible Retail Shareholders and does not constitute tax advice. It does not purport to be a complete analysis of the potential tax consequences of the Retail Entitlement Offer and is intended as a general guide to the Australian tax implications. Eligible Retail Shareholders should seek advice from an appropriate professional advisor in relation to the tax implications of the Retail Entitlement Offer based on their own individual circumstances.

The comments below are based on the Australian tax law as it applies as at 9.00am (Sydney time) on Tuesday, 18 April 2017. Other than as expressly discussed, the comments do not take into account or anticipate changes in Australian tax law or future judicial interpretations of law after this time unless otherwise specified. The comments also do not take into account tax legislation of any country other than Australia.

5.1 Issue of Entitlement

The issue of the Entitlement will not in itself result in any amount being included in the assessable income of an Eligible Retail Shareholder.

5.2 Acquisition of New Shares

An Eligible Retail Shareholder will not derive any assessable income, or make any capital gain or capital loss at the time of exercising their Entitlement under the Retail Entitlement Offer or acquiring additional New Shares under the Top Up Facility.

For Australian capital gains tax (**CGT**) purposes, the cost base of each New Share and additional New Share will be equal to the Offer Price payable for each New Share and additional New Share respectively (plus any non-deductible incidental costs the Eligible Retail Shareholder incurs in acquiring, holding and selling the New Shares and additional New Shares).

5.3 Lapse of Entitlement

If an Eligible Retail Shareholder does not take up all or part of their Entitlement in accordance with the instructions set out above, then that Entitlement will lapse and the Eligible Retail Shareholder will not receive any consideration for their Entitlement that is not taken up. There should be no tax implications for an Eligible Retail Shareholder from the lapse of the Entitlement.

5.4 Taxation in respect of dividends on New Shares

Where dividends on a New Share are paid by TPG, those dividends will constitute assessable income of an Eligible Retail Shareholder.

An Eligible Retail Shareholder should include the dividend in their assessable income in the year the dividend is paid, together with any franking credit attached to that dividend. Such Eligible Retail Shareholder should be entitled to a tax offset equal to the franking credit attached to the dividend, provided they are a 'qualified person' (refer to comments below). The tax offset can be applied to reduce the tax payable on the Eligible Retail Shareholder's taxable income. Where the tax offset exceeds the tax payable on the Eligible Retail Shareholder's taxable income and such Eligible Retail Shareholder is:

- an individual or complying superannuation entity – the Eligible Retail Shareholder should be entitled to a refund of the excess franking offsets;
- a corporate tax entity– the excess franking offsets cannot give rise to a refund, but may be able to be converted into carry forward tax losses; or

- a trust – the treatment of the excess franking offsets will depend upon the identity of the person liable to tax on the trust's net income.

Where a dividend paid by TPG is unfranked, the Eligible Retail Shareholder will be required to include the unfranked amount in their assessable income and there will be no offset entitlement.

5.5 New Shares and additional New Shares held at risk

Where an Eligible Retail Shareholder is not a 'qualified person', the Eligible Retail Shareholder is not required to include an amount for the franking credits in their assessable income and will not be entitled to a tax offset.

Broadly, to be a qualified person, an Eligible Retail Shareholder must satisfy the holding period rule. The holding period rule requires an Eligible Retail Shareholder to hold the New Shares and additional New Shares for a continuous period that includes at least 45 days where the shares were held 'at risk' during the period commencing the day after the Eligible Retail Shareholder acquires the New Shares and additional New Shares (respectively) and ending on the 45th day after the New Shares and additional New Shares (respectively) become ex-dividend. The dates the New Shares and additional New Shares are acquired and disposed of are ignored for the purposes of determining the 45 day period.

Any day on which an Eligible Retail Shareholder has a materially diminished risk of loss or opportunity for gain in respect of the New Shares or additional New Shares (e.g. entering into a contract to sell the New Shares or additional New Shares) will not be counted as a day on which the Eligible Retail Shareholder held the New Shares or additional New Shares 'at risk'. This holding period rule is subject to certain exceptions, including where the total franking offsets of an individual in a year of income do not exceed A\$5,000.

5.6 Disposal of New Shares or additional New Shares

The disposal of New Shares or additional New Shares will constitute a disposal for CGT purposes.

On disposal of New Shares or additional New Shares, an Eligible Retail Shareholder will make a net capital gain if the capital proceeds received on disposal exceed the total cost base of the New Shares or additional New Shares. An Eligible Retail Shareholder will make a net capital loss if the capital proceeds are less than the total reduced cost base of the New Shares or additional New Shares.

Eligible Retail Shareholders that are individuals, trusts or complying superannuation entities and that have held their New Shares or additional New Shares for 12 months or more (excluding the date of acquisition and the date of disposal) at the time of disposal should be entitled to apply the applicable CGT discount factor to reduce the capital gain (after offsetting capital losses). The CGT discount factor is 50% for individuals and trusts, and 33⅓% for complying superannuation entities.

Eligible Retail Shareholders that make a capital loss can only use that loss to offset capital gains from other sources i.e. the capital loss cannot be offset against taxable income on revenue account. However, if the capital loss cannot be used in a particular income year, it can be carried forward to use in future income years, provided certain loss utilisation tests are satisfied.

5.7 Taxation of Financial Arrangements

The application of the Taxation of Financial Arrangements (**TOFA**) provisions depends on the specific facts and circumstances of the Eligible Retail Shareholder. Eligible Retail Shareholders should seek advice from an appropriate professional advisor in relation to the implications of the TOFA provisions.

5.8 GST

Australian GST will not be payable in respect of amounts paid for the acquisition of the New Shares or additional New Shares. Subject to certain requirements, there may be a restriction on the entitlement of Eligible Retail Shareholders to claim an input tax credit for any GST paid on costs associated with the acquisition of New Shares or additional New Shares.

5.9 Stamp duty

Stamp duty will not be payable in respect of the taking up of New Shares or additional New Shares on the assumption no shareholder and associated person will hold an interest of 90% or more in TPG.

6 Definitions

Applicant means an Eligible Retail Shareholder who has submitted a valid Application.

Application means the arranging for payment of the relevant Application Monies through Bpay or cheque in accordance with the instructions on the Entitlement and Acceptance Form or the submission of an Entitlement and Acceptance Form accompanied by the relevant Application Monies.

Application Monies means the aggregate amount payable for the New Shares applied for through BPAY or in a duly completed Entitlement and Acceptance Form.

Acquisition means the acquisition of the licence for 2 x 10MHz of spectrum in the 700MHz band.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ABN 98 008 624 691 and the securities exchange operated by it.

Business Day has the same meaning as in the Listing Rules.

Closing Date means 5.00pm (Sydney time) on Friday, 12 May 2017, the day the Retail Entitlement Offer closes.

Corporations Act means the *Corporations Act 2001* (Cth).

Eligible Institutional Shareholder means, in accordance with sections 708(8) and (11) of the Corporations Act, respectively, a sophisticated or professional Shareholder on the Record Date who:

- (a) is not an Ineligible Institutional Shareholder; and
- (b) has successfully received an invitation from the Underwriter to participate in the Institutional Entitlement Offer (either directly or through a nominee).

Eligible Retail Shareholder has the meaning given in section 4.1 of this Information Booklet.

Entitlement means the right to subscribe for 1 New Share for every 11.13 Shares held by eligible Shareholders on the Record Date, pursuant to the Entitlement Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form that will accompany this Information Booklet when it is dispatched to Eligible Retail Shareholders.

Entitlement Offer means the Institutional Entitlement Offer and the Retail Entitlement Offer.

Existing Shares means the Shares already on issue on the Record Date.

Ineligible Institutional Shareholder means a Shareholder who is an institutional Shareholder on the Record Date with a registered address outside Australia and New Zealand or any other jurisdiction that TPG and the Underwriter agree to whom ASX Listing Rule 7.7.1(a) applies.

Ineligible Retail Shareholder means a Shareholder (or beneficial holder of Shares) other than an Eligible Institutional Shareholder or an Ineligible Institutional Shareholder on the Record Date with a registered address outside Australia and New Zealand or any other jurisdiction that TPG and the Underwriter agree to whom ASX Listing Rule 7.7.1(a) applies.

Information Booklet means this document.

Institutional Entitlement Offer means the accelerated pro rata non-renounceable entitlement offer to Eligible Institutional Shareholders.

Investor Presentation means the presentation to investors released to the ASX on Wednesday, 12 April 2017, incorporated in section 3 of this Information Booklet.

Joint Lead Managers means the Underwriter and Petra Capital.

Listing Rules means the official listing rules of ASX.

Major Shareholder Commitments means the pre-commitments made by major shareholders David Teoh and associates, and Washington H. Soul Pattinson to take up their full pro-rata entitlements in the Retail Entitlement Offer (approximately A\$138 million and A\$101 million respectively) under binding commitment letters.

New Shares means Shares to be allotted and issued under the Entitlement Offer, including (as the context requires) the shortfall from the Entitlement Offer issued under the Top Up Facility or to the Underwriter or any sub-underwriters.

Non-Committed Retail Offer Proceeds means the amount calculated by subtracting from the gross proceeds of the Retail Entitlement Offer the Major Shareholder Commitments.

Offer Price means A\$5.25 per New Share.

Petra Capital means Petra Capital Pty Limited ABN 95 110 952 782.

Record Date means 7.00pm (Sydney time) on Tuesday, 18 April 2017.

Related Body Corporate has the meaning given in section 50 of the Corporations Act.

Retail Entitlement Offer means the pro rata non-renounceable offer to Eligible Retail Shareholders to subscribe for 1 New Share for every 11.13 Shares of which the Shareholder is the registered holder on the Record Date, at an Offer Price of A\$5.25 per New Share pursuant to this Information Booklet.

Share means a fully paid ordinary share in the capital of TPG.

Shareholder means a holder of Shares.

Share Registry means Computershare Investor Services Pty Limited ABN 48 078 279 277.

TERP means the theoretical ex-rights price at which TPG shares should trade immediately after the ex-date of the Entitlement Offer.

Timetable means the indicative table set out in the 'key dates' section of this Information Booklet.

Top Up Facility means the facility described in section 2.4 under which Eligible Retail Shareholders may apply for New Shares in excess of their Entitlement (up to a maximum of 50% of their Entitlement).

TPG means TPG Telecom Limited ABN 46 093 058 069.

Underwriter means Macquarie Capital (Australia) Limited ABN 79 123 199 548.

Underwriting Agreement means the underwriting agreement dated Wednesday, 12 April 2017 between TPG and the Underwriter.

US Securities Act means the US Securities Act of 1933, as amended.

Company

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63-65 Waterloo Road
Macquarie Park
NSW 2113

Underwriter

Macquarie Capital (Australia) Limited
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Sydney NSW 2000

Joint Lead Managers

Macquarie Capital (Australia) Limited
Level 4, 50 Martin Place
Sydney NSW 2000

Petra Capital Pty Limited
Level 17, 14 Martin Place
Sydney NSW 2000

Share Registry

Computershare Investor Services Pty Limited
Level 4, 60 Carrington Street
Sydney NSW 2000

Legal Adviser

Gilbert + Tobin
Level 35, Tower Two, International Towers
200 Barangaroo Avenue
Sydney NSW 2000

TPG Entitlement Offer Information Line

Australia: 1300 855 080
International: +61 (03) 9415 4000
Open 9.00am to 5.00pm (Sydney time) Monday to Friday, before the Retail Entitlement Offer closes at 5.00pm (Sydney time) on Friday, 12 May 2017