

Proposed combination with Tabcorp: Competition Condition waived

Tatts Group Limited (**Tatts**) advises that today the Australian Competition and Consumer Commission (**ACCC**) has confirmed that it does not intend to seek judicial review of the Australian Competition Tribunal's (**Tribunal**) decision to grant authorisation for the proposed combination between Tatts and Tabcorp Holdings Limited (**Tabcorp**) (**Proposed Transaction**).

Following the ACCC's confirmation, and as foreshadowed in the Supplementary Scheme Booklet dated 28 November 2017, Tatts and Tabcorp have now agreed to waive the condition precedent relating to competition approvals set out in clause 3.1(a)(1) of the Merger Implementation Deed dated 18 October 2016 (**Competition Condition**).

Tatts also notes Tabcorp's announcement on 30 November 2017 that it has entered into various agreements with CrownBet Pty Ltd (**CrownBet**) including in relation to the settlement of CrownBet's opposition to the Proposed Transaction.

Attached to this announcement is a copy of a letter from the Tatts Chairman which will be sent to all Tatts shareholders which notifies shareholders of Tatts and Tabcorp's agreement to waive the Competition Condition and the effect of that decision.

The Proposed Transaction remains subject to Tatts shareholder and Court approval. Subject to the receipt of these approvals, implementation of the Proposed Transaction is expected to occur on 22 December 2017.

The Tatts Board continues to unanimously recommend that Tatts shareholders vote in favour of the Scheme, in the absence of a Superior Proposal. Each Tatts Director intends to vote in favour of the Scheme in relation to the Tatts Shares held or controlled by them, in the absence of a Superior Proposal.

Further Information

Tatts shareholders can obtain further information in relation to the Scheme Booklet, Supplementary Scheme Booklet or the Proposed Merger by calling the Tatts shareholder information line on 1300 648 141 (callers within Australia) or +61 3 9415 4127 (callers outside Australia) on business days between 8.30am and 5.30pm (AEDT).

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4 December 2017

Dear Tatts Shareholder

Proposed combination with Tabcorp: Competition Condition waived

You will recently have received a Supplementary Scheme Booklet dated 28 November 2017 which, amongst other things, disclosed that Tatts and Tabcorp Holdings Limited (**Tabcorp**) proposed to waive the condition precedent relating to competition approvals set out in clause 3.1(a)(1) of the Merger Implementation Deed with Tabcorp (**Competition Condition**).

You may also recall from reading the Supplementary Scheme Booklet that the proposal to waive the Competition Condition was contingent on the ACCC confirming that it did not intend to apply for judicial review of the Australian Competition Tribunal's latest decision to authorise Tabcorp to acquire all Tatts Shares.

On 1 December 2017, the ACCC advised Tabcorp and Tatts that it will not apply for judicial review of the Tribunal's determination to grant authorisation. Accordingly, Tatts and Tabcorp have now waived the Competition Condition.

On 30 November 2017, Tabcorp and CrownBet Pty Limited (**CrownBet**) entered into various agreements in relation to the supply of digital racing vision to CrownBet's customers and the settlement of CrownBet's opposition to the proposed combination of Tatts and Tabcorp. These arrangements are summarised in Tabcorp's release to the ASX on 30 November 2017, a copy of which is enclosed.

As explained in Sections 6 and 10 of the Supplementary Scheme Booklet, the period for any other party to seek judicial review of the Tribunal decision expires on 20 December 2017. Tatts has not been advised of any other party intending to seek judicial review of the Tribunal's decision. The possible risks to the Combined Group of any such judicial review application are set out in the Supplementary Scheme Booklet, in particular Sections 10.5 and 10.6.

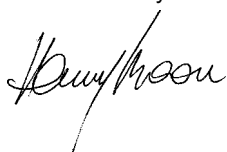
Tatts Shareholders are encouraged to carefully re-read these sections of the Supplementary Scheme Booklet having regard to the fact that the Competition Condition has now been waived.

A proxy form was provided to you with the Supplementary Scheme Booklet. If you require another copy of the Supplementary Scheme Booklet or another proxy form, please call the Shareholder Information Line on 1300 648 141 (within Australia) or +61 3 9415 4127 (outside Australia), Monday to Friday between 8.30am and 5.30pm (AEDT).

The Tatts Board continues to unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal. Each Tatts Director intends to vote in favour of the Scheme in relation to the Tatts Shares held or controlled by them, in the absence of a Superior Proposal.

On behalf of the Tatts Board, I would like to take this opportunity to thank you for your ongoing support and I look forward to your participation at the Scheme Meeting on **Tuesday, 12 December 2017 at 3pm**.

Yours sincerely



Harry Boon, Chairman
Tatts Group Limited

MEDIA RELEASE

Tabcorp

30 November 2017

TABCORP ENTERS INTO AGREEMENTS WITH CROWNBET

Tabcorp Holdings Limited (**Tabcorp**) today announces that it has entered into the following agreements with CrownBet Pty Limited (**CrownBet**) in relation to the:

- Settlement of CrownBet's opposition to the proposed combination (**Transaction**) of Tabcorp Holdings Limited (**Tabcorp**) and Tatts Group Limited (**Tatts**) in the Australian Competition Tribunal (**Tribunal**) (**ACT Settlement**)
- Settlement of the proceedings commenced by CrownBet in the Supreme Court of NSW in relation to the legal status of their proposed arrangements with clubs in NSW (**NSW Settlement**)
- Supply of digital racing vision to CrownBet's customers (**Vision Supply Agreement**)

ACT Settlement

CrownBet has agreed not to apply for judicial review of the Tribunal's decision on 22 November 2017 to grant authorisation for the Transaction. CrownBet has also agreed not to take any action which would impede the implementation of the Transaction.

NSW Settlement

CrownBet has agreed not to commence any further court proceedings in relation to the subject matter of the NSW Supreme Court declaration it was previously seeking in relation to the legal status of their proposed arrangements with clubs in NSW.

Vision Supply Agreement

Tabcorp has agreed a commercial arrangement with CrownBet for Tabcorp to supply a digital stream of SKY 1 and SKY 2 to CrownBet for the personal use of its Australian wagering customers on their own mobile and PC devices. Supply of vision is conditional on the agreements Tabcorp has with each Australian racing code and each international jurisdiction and also on implementation of the combination with Tatts. Under the commercial terms of the arrangement, CrownBet will make payments to Tabcorp, subject to an annual minimum amount.

For more information:

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| Tabcorp Holdings Ltd | tabcorp.com.au | ABN 66 063 780 709 |
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